POWELL CENTER FOR
ECONOMIC LITERACY

Lesson Plan

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Name That Fact!

Time Required
5 – 15 Minutes

Grade Level and Subject
Any grade level; Any subject area

Keystone Principles
#5 - Incentives Produce "Predictable" Responses

Economic Concepts
Consequences - *A result or effect of an action or decision; may be positive or negative.*
Incentives - *Any reward or benefit, such as money, advantage or good feeling, that motivates people to do something*
Opportunity Cost - *The NEXT BEST alternative that must be sacrificed as a result of choosing one thing over another. All choices bear an opportunity cost.*

Overview
This innovative teacher uses incentives to produce a variety of appropriate classroom behaviors. In this lesson he shares an idea for using an economic principle during classroom review time to encourage students in their mastery of academic facts.

Objectives
Students will understand why incentives are effective in obtaining desired results.

Materials and Handouts

- Large bag with a variety of small, wrapped candies.
- Sealable plastic bag for each student to keep the candy in their desk.

Teaching Activity

1. Select the topic you want to review with your students – math facts, history facts, science facts – any subject you want to reinforce.
2. Ask a question and choose a student to answer it. If the answer is correct, give him or her a piece of candy. (I buy large bags of small, inexpensive candies.) Instruct the students not to eat any candy, but instead to line them up on their desks.
3. When you are finished with the review, ask the students how many of them would like to eat one piece of candy? For those who want to have a piece, have them line up the candies on their desk in order of preference. Tell them to put away all the candies except for their two favorites in the plastic bag you have provided.
4. Because you are allowing the students to eat only one candy, explain that the remaining piece they chose not to eat is their opportunity cost – their second-best choice. Have them put away their 'opportunity cost' in their envelope, and allow them to eat the piece they chose.
5. Explain to the students that you will do this from time to time during the school year. By adding a little reward for a correct answer, you are providing them with an incentive. Ask them why they think you are doing this (*to encourage students to learn and retain the fact-based building blocks of their coursework*). If you achieve the desired result, are you likely to continue offering incentives? (*yes*) What if you don't achieve the desired result? (*not likely to continue*) Ask students to explain why this is so in their own words.

Lesson Extensions

1. Sometimes I find that several of my students are unable to answer any questions correctly. In these cases, I suggest omitting the part of the lesson focusing on opportunity cost (steps 3 and 4 above). If you get positive results from providing the candy incentive, you may want to continue with this little game frequently over a few weeks. When you think the candies have been distributed such that all your students have some, you can incorporate an illustration of opportunity cost.
2. I found that my students are much more interested in saving their candy than in eating it. Periodically, I offer things like watching a short movie, having ice cream at lunch, playing a favorite game at recess, or going on a field trip. Students must pay to participate in these events by turning in to me a specific number of candies. This allows me to recycle the candy and not incur continuing expenses.
3. If you want to provide an additional math lesson, have someone record the number of correct answers and the number of incorrect answers. You can convert them to percentages of correct answers and graph the results. If you do this regularly, ask your class to maintain ongoing data to find out if the incentives are making a difference.

4. If you are having a problem with students wanting to eat the candy that you have instructed them to put away, you may want to set some penalties or parameters. You could confiscate all of that child's candy. You might warn students that if any student eats the candy without permission, you will immediately stop whatever you are working on in class and give them a quiz. You could have the offending student distribute his or her remaining candy to the other students in the class. Be creative with the consequences you set up for making poor choices.