



POWELL CENTER FOR  
ECONOMIC LITERACY

*Lesson Plan*

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## A Novel Idea

### Time Required

This lesson is a series of suggestions for using an economic approach to reading a story or a novel. It can be separated into brief, 15-minute segments, although the entire approach will take as long as it takes to study the particular story.

### Grade Level and Subject

All Grade Levels; Literature

### Keystone Principles

Principle #1 – We All Make Choices

Principle #2 – There Ain't No Such Thing As A Free Lunch

Principle #3 – All Choices Have Consequences

### Voluntary National Content Standards in Economics

[Standard #1 – Scarcity](#)

[Standard #2 – Marginal Cost/Benefit](#)

### Economic Concepts

**Choice** - A selection among alternatives. Scarcity requires individuals, businesses and nations to make choices.

**Consequence** - A result or effect of an action or decision; may be positive or negative.

**Cost** - The value of everything a consumer must give up to obtain a good or service. The effort, loss or sacrifice necessary to achieve or obtain something.

**Human Resources** - The health, education, experience, training, skills and values of people.

**Natural Resources** - The many things nature provides that are used to satisfy wants, such as land, water, forests, animals, and minerals.

**Productive Resources** - That set of resources utilized in the process of production: land, labor, capital, technology and entrepreneurial abilities.

## Overview

In general, there are six elements to a story - the introduction, the conflict, the rising action, the climax, the falling action and the denouement. To an extent, this writing process parallels the thought processes of making economic decisions.

The economic way of thinking permeates all aspects of our lives. It helps us identify the tangible and intangible resources we have at our disposal (productive resources, time, space, energy) and provides a process for allocating these resources to best achieve our long- and short-term goals. The one thing it requires of us is that we think things through before we act. The study of literature is a good way to hone these skills.

We emphasize that these suggestions are not offered as a substitute for any teacher's normal teaching of literature. Rather, they provide a useful approach to put in a teacher's toolkit of strategies to provide students with a deeper understanding of the literature they read.

## Objectives

Students will apply economic decision-making tools to the study of literature. They will identify examples of choice, cost, opportunity cost, and consequence.

## Teaching Activity

As your class reads a story, incorporate a discussion of the Economic mindset to help your students become familiar with this way of evaluating choices. Here are some suggestions to help make the parallels more clear.

1. **Introduction.** As the characters are introduced, ask students to try to ascertain the goals and/or internal value system of the characters. What are their personal characteristics? Are they intellectual, self-absorbed, warm, aloof, willful, self-aware? What do their values and goals look like? Are they focused on issues of justice, personal growth, friendship, fear, loneliness? These are an aspect of the human resources with which the book's characters are equipped.
2. **Complication/Conflict/Problem.** Resolving a problem requires making choices. In light of what has been revealed about the characters, have students discuss or write a paper about choices the important characters could make. In addition to character issues, the setting of the novel sometimes provides the reader with information about other resources available which could be used to make choices.
3. **Rising Action.** As the complexity of the story takes shape
  - a. Ask students to identify the personal goals established by the characters. Tell students to take a second look at the choices they listed in step #2. Ask them to predict the likely consequences of the various choices. How well do those choices and consequences advance the characters toward their goal?
  - b. Have students prepare a summary of the choices the characters are making. Identify the extent to which these choices advance the characters' goals and the extent to which these choices cut off future options.
4. **Climax.** Ask students again to review the choices they initially listed in Step #2. How well do they align with the climactic events? Discuss whether making any

- of those choices would have significantly changed the nature of the climax.
5. **Falling Action.** If the story contains this element, again encourage students to question the inevitability of decisions made.
  6. **Denouement/Resolution.** As all the loose ends of the story are tied up, have students consider what caused the characters to make the decisions they did. As the story is resolved, were the characters' goals met? Did the choices made lead to results that were never foreseen? Were the results better or worse than hoped for? Knowing the outcome, instruct the students to consider the best choice that was not made. This second best choice in economic terms is called the opportunity cost. It is what was given up when the character made a choice, and in very real terms is part of the cost of making decisions. This often-overlooked aspect is appropriate for class discussion or a student paper.
  7. In economics, we make decisions by thinking about our goals, looking at the decisions we can make, and evaluating their short- and long-term consequences. It is a process of constant re-evaluation as new information is obtained, or unanticipated consequences arise. Every story has these same elements. Understanding and practicing this approach will help students make better personal choices in the future.