



POWELL CENTER FOR
ECONOMIC LITERACY

Curriculum

Introduction of Economic Concepts by Grade Level

				entrepreneur productivity spillovers economic growth market clearing price allocation
			supply demand profit/loss factors of production	supply demand profit/loss factors of production
		labor capital business technology opportunity cost	labor capital business technology opportunity cost	labor capital business technology opportunity cost
	property ownership taxes competition banks	property ownership taxes competition banks	property ownership taxes competition banks	property ownership taxes competition banks
interdependence natural resources saving income money consumer producer goods/services trade specialization choice wants scarcity	interdependence natural resources saving income money consumer producer goods/services trade specialization choice wants scarcity	interdependence natural resources saving income money consumer producer goods/services trade specialization choice wants scarcity	interdependence natural resources saving income money consumer producer goods/services trade specialization choice wants scarcity	interdependence natural resources saving income money consumer producer goods/services trade specialization choice wants scarcity
Kindergarten	1st Grade	2nd Grade	3rd Grade	4th Grade



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KINDERGARTEN: School/Family

Economics deals with how humans obtain goods and share the goods.

Students should be able:

To describe the division of labor within their home (family chores), classroom (job chart), and school (administrators, teachers, maintenance, cafeteria, nurse, etc.).

How and why is work divided?

Why do people use tools?

What tools do people use to help them do their work at school?

To explain that all families have the same basic material wants (food, clothing, shelter) and to learn the reasons for those wants:

Food - to stay alive

Clothing - for comfort and protection in all kinds of weather

Homes - for protection from weather, people, animals, and insects

To identify some different ways that these wants are satisfied in other cultures - Japan, Mexico, France.

To learn that food, clothing, and shelter costs money. The cost can affect a family's choice of food, clothing, and shelter.

How do parents get the money to buy shelter and furniture?

What do parents do to take care of the home?

To learn that adults work at many different kinds of occupations to earn money to take care of their wants and their families, and some occupations produce goods while others provide services.

To learn that tools, equipment, and special clothing are needed in various types of work.

Secretary, Mechanic, Banker, Farmer, Teacher - each needs different tools.

To learn where some goods are produced.

To learn how goods are transported to stores.



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To learn that most people in our country buy food in food stores, usually grocery stores and supermarkets.

To learn that there are many jobs to be done in a supermarket.

To learn that most people in our country buy their clothes in stores.

To learn to distinguish tangible goods from intangible goods (services).

To learn that goods have prices.

To learn that people usually use money to pay for goods and services.

To learn that coins, paper bills, and checks are forms of money.

To realize that goods can be purchased on the Internet.

To experience dramatic play involving purchasing and selling of goods and services in a classroom simulation of a post office, grocery store, restaurant, and/or boutique.

To learn that we must often make choices when we buy things.

To learn that choosing one item often means rejecting another.

To learn that savings help to start businesses; to learn some of the services of banks; to have the opportunity to experience saving through the Collegiate Cougar Savings Bank.

To explain that trade is how people buy things they want that are produced in other countries.

To understand that Americans buy many goods made in Japan and that Japanese people buy goods made in America.

To learn how goods made in Japan are transported to America.

To name some Japanese products they have seen or used.

To realize that families in Japan have the same basic needs.

To learn what a Mexican marketplace is; to understand its economic and social importance to rural Mexico.

To understand that the barter system (the direct exchange of goods and services) is still used in rural Mexico.



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- To realize that families in Mexico have the same basic wants.
- To experience the barter system in a simulation of a Mexican market.

- To learn some economic facts about England:
 - That the woolen industry in England employs many workers.
 - That a variety of products are made in England:
 - Chinaware--Wedgewood, Spode
 - Coal, iron ore, farm products
 - That people work at many different jobs in England.
 - That many different forms of transportation are used in England.

- To learn some economic facts about France:
 - That a variety of products are made in France—perfume, wine, cheese.
 - That the fashion industry employs many workers in Paris.
 - That people work at many different jobs in France.

- To experience a simulated World Trade Fair involving:
 - producing goods representative of a foreign country's specialty
 - receiving income for production of those goods
 - exchanging foreign currency
 - experiencing the necessity of making choices due to scarcity of resources



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FIRST GRADE: Family/Communities

Economics deals with how humans obtain goods and share the goods.

Students should be able:

To understand that all people have important wants: food, clothing, and shelter.

To understand that people tend to settle in areas where they can easily acquire food, clothing and shelter.

To begin to understand that the work of supplying people's wants is divided among many people.

Families depend on others to help supply food and other wants.

Some people produce food on farms.

Some people make machines used on farms.

Some people transport food from farms.

People in stores sell food to families.

To understand that people pay money for their wants; that they work at various jobs to earn money; that they need tools to help them work.

To become acquainted with various kinds and denominations of money; to consider the convenience of money as a medium of exchange.

Compare the value of coins and a dollar bill (a nickel is worth five pennies; a dime is worth two nickels or ten pennies, etc.).

Explain that before people used money, they obtained things they wanted by trading (barter).

To learn that proper use and care of the things we buy helps to save money.

To understand that people in the community pay taxes to support public property and public services: schools, parks, libraries, fire stations, police, sanitation.



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To learn that work in the school is shared by many people.

To see advantages of specialization: better and faster job performance.

To learn that children must also share the work in school.

To consider tools that help us learn (factors of production).

To realize that communities help satisfy people's wants.

Communities have businesses that sell things.

To reinforce the understanding that people buy things they want in stores.

To learn that people want services as well as goods.

To learn that people pay money for services.

To understand that many services can be purchased in stores (barber, dentist, TV repair).

To learn that banks provide services: they help people save money.

To explain what slavery is and how it is different from the way people work today.



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SECOND GRADE: Communities

**Economics is the study of how people produce, distribute,
and consume goods.**

Students should be able:

To state how goods are exchanged through trade within and between different communities.

To understand that goods are things that people make or produce, that people want and will pay for.

Tangible goods are products of industry and agriculture.

Name some goods.

Where does a family buy goods?

What would you use to buy goods?

Intangible goods are services performed for customers.

Name some services.

Where would a family get services?

To explain the importance of invention to increased production.

To explain that factories make goods and to name some factory-made goods.

To state that farms are the primary sources of food and of many materials used for clothing and for other purposes.

To explain that areas of a community as well as whole communities depend on one another to supply their wants.

To explain that private services are a type of intangible goods provided by many people.

To tell how and why goods are transported and to give examples.

Good roads and railroads are required for efficient land transportation.

To explain how American communities depend on transportation and communication.

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To understand how people are paid for their work.

To explain how money can be exchanged for goods.

To explain that people can trade things without using money.

To give an example of division of labor (specialization) and to tell the relation of this to production of goods and services.

To explain that savings help to buy more and better tools.

To name three natural resources or raw materials and to tell how each is used.

To realize that there is more than one form of money.

To understand that money can increase in value through savings and investments.

To explain what public services are.

To tell why people pay taxes.

To understand the differences between using cash, credit or checks to purchase goods and services.

To locate continents and major countries of the world as well as the fifty United States of America on a map and globe.

To appreciate that communities have residential, commercial, and industrial areas.

Commercial - many stores where buying and selling of goods and services take place.

Industrial - factories built near railways, highways, waterways.

To treat oceans and fresh waterways as scarce resources.

To understand that the oceans are valuable resources upon which many people depend for jobs.



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To understand that over-fishing and pollution can destroy the oceans.

To recognize that temperate and tropical rain forests are scarce resources - that limits on resources require people to make choices about producing and consuming goods and services.

To understand that when rain forests are destroyed, a valuable economic resource is forever eliminated.

To encourage the development and use of renewable rain forest products to promote the ongoing economic health of economies which depend on them.

To recognize that population density is impacted by the location of resources.

To identify major natural resources, agricultural products and manufactured goods from each of the fifty states.



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THIRD GRADE

Economics is the study of how goods are produced and shared.

Students are introduced to these terms and concepts:

Demand and supply, exchange, or trade

Students should be able:

- To state that the things people want and will pay for are goods including “intangible” goods or services.
- To distinguish between private services and public services.
- To explain that people exchange (or trade) goods with one another:
Barter is the simplest form of exchange; most trade today uses money.
- To explain the meaning of seller, buyer, market, producer, consumer.
- To distinguish between consumer goods and capital goods.
- To explain the meaning of import and export.
- To explain the meaning of profit and of loss.

Division of labor, or specialization

Students should be able:

- To give an example of division of labor, or specialization.
- To explain the meaning of efficient production and to give an example of it.
- To state that everyone should learn to be a producer as well as a consumer; that is, everyone should prepare for a career.
- To explain why people divide the work of the community and be able to choose from two simple production situations the one that is likely to produce more goods with less effort.
- To state which goods and services are provided by which types of businesses and institutions: stores, hospitals, schools, etc.



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Factors of production

Students should be able:

To state that there are usually four things needed to produce goods: raw materials and land, labor, managers, and capital (savings); to state these are called factors of production.

To name at least three natural resources and tell how each is used.

Money, credit, and banking

Students should be able:

To state that money is used to facilitate the exchange of goods and services.

To explain that we measure the value of money in terms of the goods it will buy. (Individuals compare the value of goods and services by the prices charged for them.)

To state that characteristics of money include: durability, divisibility, portability and acceptability.

To explain that money consists of currency (paper money and coins) and checks.

To explain the meaning and importance of savings.

To tell how banks use savings.

Government and the economy

Students should be able:

To give some reasons why we pay taxes.

To identify public jobs and private jobs.

Economic growth and fluctuation

Students should be able:

To explain the meaning of industry and business.

To understand that colonial settlements became villages and villages became towns and towns became cities.

Natural resources caused change and growth.



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FOURTH GRADE: Developing Citizens Who Can Make Informed and Responsible Decisions

Economics is the study of how goods are produced and shared.

Students should be conversant with the following terms and concepts:

Demand and supply; exchange or trade

Students should be able:

- To state that goods are things (including services) that we want and will pay for.
- To state that goods are finite and thus often scarce.
- To describe the relationship between available resources and the production of goods and services.
- To state that supply is the number of goods available at a certain price and demand is the number of goods people will buy at a certain price.
- To state that price is the signal that sellers (suppliers) and buyers (demanders) watch to decide how much of a good they will sell or buy: that when price rises, demand falls, and when price falls, demand rises.
- To explain why people exchange goods or engage in trade.
- To explain how exchange, or trade, fits in with division of labor.
- To state that nations exchange goods (international or foreign trade).
- To state that American states exchange goods.
- To explain the meaning of import and export.
- To explain the meaning of profit and loss (differences between the price of the good and its total cost of production).
- To explain the importance of transportation.
- To describe the economic effects of some inventions and changes in transportation (especially railroads and automobiles).
- To explain the meaning and importance of competition in the market.
- To explain that the opposite of competition is monopoly and to give examples of monopoly, such as the Organization of Petroleum Exporting Countries (OPEC).



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Division of labor or specialization

Students should be able:

- To explain the meaning of division of labor, or specialization.
- To state that, in general, the greater the division of labor, the more goods will be produced by the same amount of work.
- To explain that improved production of goods makes possible a greater division of labor so that different and new kinds of goods may be produced.
- To identify the differing divisions of labor in regions of 18th and 19th century America (agricultural areas and the developing factory system).
- To explain how greater division of labor makes possible more capital goods.
- To explain the meaning and importance of inventions.
- To state that entrepreneurs are those who assume the risk of starting a new business or of introducing a new good or service to the marketplace in the hope of earning a profit.

Factors of production

Students should be able:

- To state that there are four parts in the production of goods, and that these are the factors of production: workers or labor; land and raw materials; capital (savings, tools and machines, and a fund to pay for workers and materials); and managers.
- To explain why the four factors of production are needed.
- To explain how capital is obtained by saving, i.e., by postponing immediate use (consumption of goods).
- To explain how capital usually makes possible the production of more goods with less labor.
- To identify some sources of capital for economic development:
 - private domestic savings, private foreign investment, profits from foreign trade, aid from foreign governments or the World Bank, savings enforced by government through taxes.
- To recognize three types of business organizations in America:
 - private individual ownership; partnership, corporation (government ownership may also be mentioned).
- To explain the meaning of stock, shareholder, investment, interest, profit, loss, competition, corporation, and to explain how these are interrelated.



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To tell what mass production is and how each of the following contributes to it:
standardized (interchangeable) parts;
conveyor belt, or assembly line;
division of labor;
efficient management;
automation;
mass market

Money, credit, and banking

Students should be able:

- To develop an awareness of past and present exchange systems.
- To explain the other functions of money: a measure of value, a means of storing value.
- To explain that the value of money is measured by the goods for which it can be exchanged.
- To state that the value of money may change.
- To state that it costs more to buy something on the installment plan (credit) than to pay cash.
- To explain the meaning of interest on a loan and on savings.
- To state that banks act as middle agents between savers (lenders) and borrowers.
- To discuss advantages and disadvantages of buying on credit or cash.

Government and the economy

Students should be able:

- To state some of the things that the government does in the economy:
 - Makes laws about property
 - Controls the money supply
 - Collects taxes
 - Provides public services
 - Makes laws and rules regulating trade and production
 - In some countries owns businesses
 - In some countries owns all capital



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Labor-management relations

Students should be able:

To explain the difference between labor and managers.

To explain different labor systems, e.g., slave labor, traditional agricultural, factory labor.

To explain the meaning of labor unions in free societies, to give reasons for forming unions, and to describe some functions of a labor union.

Economic growth and fluctuation

Students should be able:

To recognize the economic global interdependence of societies.

To define economic growth as more goods per head of population; to show that when population grows faster than production, there is the opposite of economic growth.

To analyze the effects of economic growth on the standards of living of individuals.

To recognize the impact of technology on economics.

To explain the roles of savings, capital, trade, education, skilled labor, skilled managers, and cultural factors (religious beliefs, attitudes toward change) in the process of economic development.

To recognize some consequences of economic development:

Improved education and production

Higher standards of living

Improved transportation

Social change and social dislocation

New laws and regulations

Threats to the environment (pollution)

Rapid growth of population

In some cases, danger of famine

Great power for good and evil in the hands of those who control the economy

To state that business (trade, production) may go up and down, and to explain the meaning of boom and slump (or recession).