



POWELL CENTER FOR
ECONOMIC LITERACY

Lesson Plan

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It's a Small World After All

Time Required

2-3 weeks

Economic Concepts

Interdependence

Trade

Scarcity

Specialization

Foreign Exchange

Overview

The World Trade Fair is a culminating activity to an interdisciplinary and multicultural study of France, Mexico, and Japan. Three classrooms participate collectively to produce an international marketplace with each class representing one country. Students encounter the production process in an atmosphere of cooperation, friendship, and fun. They work on an assembly line to produce quality products from their assigned country and learn about division of labor. They exchange currency and purchase and sell goods in an international setting while learning basic economic concepts such as consumer, producer, goods, specialization, interdependence, scarcity, marketplace, and foreign currency.

As a result, students develop an appreciation of economics taught in a tangible and child-friendly manner. Despite differences that mark three countries from around the globe, students discover that it really is a small world after all. Who would have ever thought that learning about economics could be so simple and enjoyable?

Objectives

- Students learn basic economic concepts including consumer, producer, demand, scarcity, foreign currency, assembly line, specialization, goods, marketplace, interdependence, and international trade.
- After studying a particular country and its citizens, students produce goods to sell

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- at a World Trade Fair.
- Students learn about assembly lines and division of labor.
- Students learn the importance of quality control and being paid for their labor.
- Students learn about foreign currency.
- Students make choices in a simulated marketplace.

Materials and Handouts

- Arts and crafts supplies to produce each country's goods
- Student- or parent-made costumes reflecting the country's traditional dress (optional)
- White lunch-size paper bags and color-coded paper strips to use for handles
- Color-coded play currency for each country and paper wallets for students
- A large area to create an international marketplace
- One or two tables for each country to display its goods and two tables to serve as World Banks
- Color-coded deposit boxes for product tables and World Banks
- Student-generated signs and props for each country's display table
- Overview of Country Chart, Production Schedule Chart, and Currency Exchange Chart
- World Trade Fair Division of Labor Chart

Teaching Activity

Introduction

Teach a unit on France, Japan, and Mexico. Upon completion, assign each class a country to represent at the World Trade Fair. You are now ready to begin the activity.

Day 1

Explain to students that they will participate in a World Trade Fair with two other classes. Each class will represent one of three countries — France, Japan, or Mexico. Locate the countries on a map or globe and identify the country your class will represent. Explain that each class will identify goods produced in their country, produce these goods, and sell them at the World Trade Fair.

Next, discuss what students already know about their country by filling in the Overview of Country Chart. Discuss goods the country is known for producing and decide which goods your class will produce as its representative. Japanese



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products might include lanterns, rice cakes, carp kites, flags, karate belts, sushi, ornamental scrolls, and bonsai plants. French goods might include miniature Eiffel Towers and Arc de Triomphe, mini-eclairs, picture postcards, decorative pins, Madeline bookmarks, and French flags. Mexican goods might include tortilla chips, maracas, silver jewelry, decorative beads, and cacti.

Send a note home with students explaining the activity. Tell parents they may assist their child in assembling a costume to wear at the World Trade Fair. Teachers may also opt to wear the country's traditional dress; however, this portion of the activity is optional.

Day 2

Explain to students that items made by man are goods. Display examples of the six goods your class decided to produce. Tell students they will emulate factory workers to produce these goods. Introduce the concept of an assembly line and division of labor. Explain how an assembly line works to complete a job efficiently. Use a familiar example, such as well-trained workers in the school's cafeteria. These workers have specific jobs on the lunch line to facilitate serving students and move them through the line quickly. Explain that dividing labor helps break a job down into small steps. For example, students have different jobs in the classroom to help keep it organized.

Ask students to think of ways in which an assembly line and division of labor will be useful to them. Then identify specific assembly-line tasks for each good. Conduct an informal survey of students to identify skills and match them to specific jobs. For example, children who like and are adept at cutting paper should specialize in cutting, while children who enjoy and excel at coloring should specialize in drawing. The student factory workers quickly learn that the assembly line is the most efficient way to get the job done.

Explain to students that at the end of production, if they have worked hard to produce quality goods, they will be paid wages in their country's currency.



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Day 3-5

Each day introduce two goods and the steps in their production processes. While students are performing labor tasks, quality control experts (a.k.a. teachers) should supervise to ensure that goods are of high quality and will sell in the marketplace.



Day 6

When work is complete, post a Production Schedule Chart with samples of finished products. Pay students six play currency notes for their work. For example, Japanese workers will receive six yen, French workers will receive six francs, and Mexican workers will receive six pesos. Tell students they will use

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their wages to purchase goods in the international marketplace at the World Trade Fair.

Assist students in making paper wallets in which they can carry their currency. Explain that they can spend their country's currency only on goods from that particular country. In order to purchase goods from another country, they must first visit the World Bank to exchange it for currency from the other two countries. To better explain this, introduce the color-coded Currency Exchange Chart and use it every day to familiarize students with the color-coded yen (blue), franc (red), and peso (white). Show students how to exchange their currency at the World Bank. For example, Japanese workers should exchange four yen for two pesos and two francs and retain the two remaining yen. In this way, students can purchase two items from each country.

Day 7

Review the Currency Exchange Chart and practice exchanging foreign currencies at the World Bank.

Discuss division of labor in the marketplace. Discuss how students can divide the labor at the World Trade Fair into the roles and duties of shopper/consumer, vendor/clerk, and banker. Explain how students will take turns acting out these roles at the World Trade Fair. Then discuss how student clerks can further divide labor by assigning different clerks different duties, e.g., restocking inventory on tables, bagging purchases for consumers, and taking payment from shoppers.

Ask students to decorate white lunch bags with symbols of the three participating countries. Explain that they will use the bags during their shopping trip at the World Trade Fair. Also, work with students to create a sign for their country's display table and props that help identify and advertise the country and its goods.

Day 8

Review the Currency Exchange Chart and practice exchanging foreign currencies at the World Bank. Review the concept of division of labor.

Next, divide students into four cooperative groups. Color-code the cooperative groups and adhere color-coded handles to the students' shopping bags. (To avoid confusion, do not use any of the colors used to color-code countries and their currency.) Discuss the World Trade Fair Division of Labor Chart. On World



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Trade Fair day, the groups (with the teachers' help) should follow the chart to determine which role they will play at what time. For example, Group 1 from each class/country will visit the World Trade Fair as shoppers at 9 a.m., they will go back to the classroom at 9:30, return to the Trade Fair at 10 a.m. as clerks or bankers, and return to the classroom at 10:30. At each time interval, choose two students from each class's clerks/bankers division to act as bankers at the two World Banks. The remaining students in this division will work as clerks at their country's display table.



Day 9

Assemble the marketplace. Set up one or two tables for each country with color-coded table coverings. This will help students match countries to their coordinating currency. Place a color-coded box on each country's table to hold deposits. Also, decorate each country's table with identification signs and props.

Set up two tables as World Banks and place three color-coded boxes on each table for each currency.

Give children an opportunity to explore the marketplace. In doing so, they locate each country by reference to color and props and visit the World Bank to simulate exchanging foreign currencies. To avoid confusion, it may be advisable for student consumers to visit their own country's display tables first, spending two units of their country's currency, before visiting the World Bank to exchange their remaining currency.

Day 10

The day of the World Trade Fair! Excitement fills the air and the international marketplace buzzes with excitement and anticipation. All the preparations have been made. Consumers, clerks, and bankers are eager to assume their positions.

Organize and assist class groups in acting out their assigned roles. Remind student consumers to spend all of their currency — purchasing two different goods from



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each country.

At the designated time, the international marketplace opens for business. With shopping bags and paper wallets in hand, students enter the marketplace and begin making choices as to how they will spend their hard-earned money. The fair lasts for approximately two hours with each group shopping and clerking or banking for approximately 20 minutes each.

At the conclusion of the fair, gather surplus products and return them to the production line to determine why they weren't in demand. Lead students to discover the concepts of competition, supply, and demand. Students soon realize that the producers of French, Japanese, and Mexican goods, all were faced with the same challenges of selling their wares in the international marketplace.

Next, display the goods purchased. Ask students to illustrate their choices from each country on a large piece of paper corresponding to that country's color code. The children learn firsthand the importance of spending their hard-earned money wisely.

Conclusion

Although it was designed for use in kindergarten classes, the World Trade Fair can be adapted for use with other grade levels. With more advanced students, try different currency exchange rates — one yen exchanges for five pesos. Set different prices on products and ask students to determine the cost of each product in each currency.

World Trade Fair Division of Labor Chart

	9:00	9:30	10:00	10:30
Group 1	Shoppers	Classroom	Clerks/Bankers	Classroom
Group 2	Classroom	Shoppers	Classroom	Clerks/Bankers
Group 3	Clerks/Bankers	Classroom	Shoppers	Classroom
Group 4	Classroom	Clerks/Bankers	Classroom	Shoppers

Job Responsibilities

Shoppers make choices and exchange and spend currency, buying two different goods from each country.

Clerks work behind display tables to advertise and sell their products. They collect one yen, peso, or franc for each product sold and deposit proceeds in their currency deposit boxes.

Bankers exchange foreign currency for shoppers at the two World Banks. (Choose two students from each country's clerks/bankers division who understand foreign currency exchange to act as bankers at the two World Banks.)