

- Following the history of money provides a fascinating look at the concept of value and what items were considered valuable enough to use as currency during a variety of historical times. Students can research the history of money and create a time line to show the development of currency from ancient times to today. Use sources such as "Moneypalooza" at library.thinkquest.org/28718/history.html, which incorporates the history of money in an entertaining and kid-friendly style.

Suggested Internet Resources

Periodically, Internet resources are updated on our web site at www.LibraryVideo.com

- library.thinkquest.org/J003358F/
ThinkQuest's "Making Scents of Money" provides information from the history of money to fun facts about U.S. currency.
- www.practicalmoneyskills.com/english/at_school/students/
"Practical Money Skills for Life," sponsored by the Visa Corporation, offers a range of student activities, games grouped into age levels from pre-K-12, lesson plans and parent tips.
- www.econedlink.org/
The National Council on Economic Education offers lesson plans, definitions and resources for K-12 teachers and learners.

Suggested Print Resources

- Anderson, Jon. *Money: A Rich History*. Penguin Putnam, New York, NY; 2003.
- Firestone, Mary. *Saving Money*. Capstone Press, Mankato, MN; 2005.
- Thomas, Keltie. *The Kids Guide to Money Cents*. Kids Can Press, Limited, Toronto, ON; 2004.

TEACHER'S GUIDE

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COMPLETE LIST OF TITLES

- SAVING, SPENDING & INVESTING MONEY
 - STARTING A BUSINESS
 - U.S. INDUSTRIES & RESOURCES
 - WHAT IS ECONOMICS?

Teacher's Guides Included
and Available Online at:

800-843-3620



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Economics for Children™

Saving, Spending & Investing Money

Grades K-4

From getting a haircut to buying popcorn at the movies, students encounter economics everyday! This series is designed around the main theme of economic interdependence between producers and consumers, wants and needs, goods and services, and the important role that children have as active participants in the economics of the home, community, United States and the world. Content is presented through a hands-on, interactive approach using kid-friendly language and includes basic definitions of economic terms. Follow along as our students travel through the daily world of economics and use decision-making skills to attain what they need and want.



Program Summary

Money makes the world go around! From using sea shells in ancient times to using debit cards today, the concept of currency and money has been used to trade and barter for goods and services throughout history. Making choices on how to spend, save, earn and invest money depends on knowing the difference between wants and needs and how individual choices can be affected due to scarcity and demand. Working at a job can provide a salary and income in order to make purchases. Money management skills can involve setting up and using a budget and being a smart consumer while shopping. Banks not only provide a safe place to save money but can also help a person earn money through investing and interest. Every decision about using money makes an individual an important participant in the economy.

Vocabulary

goods — Things people make or grow.

services — Jobs people do to help others.

currency — Anything used to buy or trade for goods and services.

minting — The process of engraving and making coins.

economy — The activities related to the making, trading and selling of goods and services.

investing — The action of placing money into an account at a bank or other financial institution with the purpose of earning money like interest.

scarcity — A lack of a good or resource. In economics, a business often forms to fill a scarcity in the market.

opportunity cost — The option that is given up when a choice is made.

salary — The amount of money paid to a person for working at a job.

income — The money a person earns through working at a job, receiving an allowance or in other ways.

budget — A record of the money you have and the different ways you plan to use the money through spending, saving and investing.

debt — An amount of money that is owed.

ATM (Automated Teller Machine) — A machine that is owned and operated by a bank or other financial institution that can electronically give a person money from his/her own bank account.

interest — Money that is earned through investing and saving at a bank or other financial institution.

loan — An amount of borrowed money that needs to be paid back, usually with interest.

Pre-viewing Discussion

- What are wants and needs? How are they similar? Different? Discuss wants and needs that you have at home or at school.
- How do people earn money? Brainstorm ways that people earn money in the community.
- What are banks? List the people that you see at a bank and activities that you do at a bank.

Focus Questions

1. What is money? How do we use money?
2. What are goods and services?
3. How was barter used in the early days?
4. What is scarcity? What kinds of things can be scarce? How does scarcity affect decision-making?
5. How are jobs related to money?
6. What is a budget?
7. What is a receipt? Why is it important to save receipts?
8. Why is a bank important to a community?

Discussion Questions

- How can wants and needs be different depending on the person? Compare your needs and wants to those of another person living in an area quite different from yours. Are they similar or different than yours? Why or why not?
- What are the advantages and disadvantages of putting your money in a bank versus keeping money in a piggy bank?
- How has the concept of currency changed over time?

Follow-up Activities

- Encourage students to role play situations involving choices and money management. For example, a friend wants to spend all of his money on a pair of designer shoes. Using facts that you know about money and decision-making, convince your friend to save or invest the money instead of spending it.
- No study of economics would be complete without a field trip, virtual tour or guest speaker from a local bank. Having a hands-on encounter with deposit slips and bank tellers can give students confidence and independence in money management.
- Have students practice their money management skills by setting up their own budgets. Discuss how to set realistic goals for spending, saving and investing.
- Share *The Berenstain Bears' Trouble with Money* by Jan and Stan Berenstain (Random House, 1983) and discuss how the cubs' adventures in spending, saving and earning money teach valuable decision-making skills. After the story, have students write their own stories about personal adventures with money and choices.
- The concept of opportunity cost is prevalent in many historical events. Have students simulate pioneers preparing for the Oregon Trail. Pioneers were forced to make life-and-death choices on what supplies to buy using their limited resources, such as money and small wagons. Using electronic and print resources, allow students to gather information on the needed supplies for the trip and discuss the opportunity cost of making purchasing decisions and its effect on the pioneers' future.

(Continued)