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# Lesson 2 - Back-to-School Scarcity

## LESSON DESCRIPTION

While producing classroom decorations, student groups realize there is a scarcity of human resources. There are not enough students to produce the quantity of decorations the teacher requests in the time allowed. Because of scarcity each group must select one of the four decorations to produce. Groups use a decision-making grid to help them decide what to produce and then identify the opportunity cost of their decision.

## CONCEPTS

Human resources  
Natural resources  
Opportunity cost  
Scarcity

## CONTENT STANDARD

### Standard 1 – Scarcity

- **Benchmark 6 for 4th grade:** Whenever a choice is made, something is given up.
- **Benchmark 7 for 4th grade:** The opportunity cost of a choice is the value of the best alternative given up.
- **Benchmark 10 for 4th grade:** Natural resources, such as land, are “gifts of nature”; they are present without human intervention.
- **Benchmark 11 for 4th grade:** Human resources are the quantity and quality of human effort directed toward producing goods and services.
- **Benchmark 1 for 8th grade:** Scarcity is the condition of not being able to have all of the goods and services that one wants. It exists because human wants for goods and services exceed the quantity of goods and services that can be produced using all available resources.

## OBJECTIVES

The students will:

1. Define human resources, natural resources, scarcity and opportunity cost.
2. Give examples of scarcity situations.
3. Identify the opportunity cost when making a decision.
4. Explain why scarcity necessitates making choices.
5. Explain how scarcity of resources affects what can be produced.

## TIME REQUIRED

60 minutes

## MATERIALS

- ✓ Visuals 2.1 and 2.2
- ✓ (Optional) Visual 2.3
- ✓ One copy of Activity 2.1 on poster board for each group
- ✓ One copy of Activities 2.2 and 2.4 for each student
- ✓ (Optional) One copy of Activity 2.3 for each student
- ✓ Prior to start of lesson, make one copy of Activity 2.1 and cut out patterns
- ✓ Yellow, tan, black, and green paper:
  - Five sheets of each per group in Round 1;
  - Enough of each color for groups to produce 10 of each decoration in Round 2
- ✂ One pair of scissors
- ✓ One pencil per student
- ✓ One large sheet of paper and one marker for each group
- ✓ Masking tape

### PROCEDURE

1. Write “Back-to-School” on the board. Ask the students what visuals or words come to mind when they think of getting ready to go back to school in the fall. *Homework, school buses, crayons, pencils, notebook* (NOTE: This lesson can be adapted for other themes.)
2. Tell the students that they are going to make some decorations for the classroom that reflect the theme, “Back-to-School.”
3. Show the students the cutouts for a pencil, school bus, globe and pair of scissors from Activity 2.1.
4. Explain that the students will work in groups to produce 10 of each of these items.
5. Display Visual 2.1.
6. Review the specifications for producing the classroom decorations.
  - ✂ Cut out the pattern for each decoration from Activity 2.1. (If a different theme is being used, prepare a page of patterns for the students.)
    - Make sure the pattern has smooth edges.
    - Trace the pattern on colored paper as follows:
      - ✎ Yellow for the school bus
      - ✎ Tan for the pencil
      - ✎ Green for the scissors
      - ✎ Black for the globe
  - ✂ Cut out 10 of each product.
7. Divide the students into groups of three. Give each group three pencils, three pair of scissors and one copy of Activity 2.1. Allow time for the groups to cut out the patterns. Once all the groups have cut out the patterns, give each group five sheets each of green, black, yellow and tan paper.
8. Impress upon the students the importance of cutting out each decoration carefully and one at a time so that each completed product has smooth edges.
9. Inform the students they will have 15 minutes to produce their assigned items.
10. Stop production after 10 minutes. Ask the students to inspect their work to be sure that each cutout is of good quality. Inspect the products and collect all that are not produced to specifications.
11. Resume production.
12. Stop production after five minutes. Inspect final products. Collect all that are incomplete or poorly made. Collect all unused colored paper. Ask the groups to count the total of each type of decoration produced.
13. Discuss the following questions:
  - A. How many groups had enough colored paper to produce 10 of each decoration?  
*All*
  - B. How many groups had enough scissors and pencils to produce 10 of each decoration?  
*All*
  - C. How many groups produced 10 of each decoration? *None* Why? *Not enough workers. Some students may say not enough time. Point out that the time was set by the teacher and cannot change and that if there had been more workers in each group, more could have been produced in the same amount of time.*
14. Explain that the groups did not have enough human resources to complete the task. Explain that **human resources** are people who work to produce a good or service.
15. Ask the students how they were human resources in the production activity. *They produced a good, the decorations.* Ask for examples of other human resources at school. *Teacher, bus driver, principal, crossing guard, custodian, cafeteria worker*

16. Tell the students that in the production activity, they experienced a problem of scarcity. **Scarcity** means not having enough resources to produce everything people want. Ask the students what was scarce in their production activity. *Human resources*
17. Ask the students if there are times when they experience scarcity at school or at home. *Answers will vary but might include games, playground equipment, time to watch television.* Provide the following examples and ask the students to identify what is scarce in each situation.
- A. Twenty-six students have one hour in a computer lab which has only 10 computers. Each student wants one hour on a computer to complete an assignment. *Computers are scarce.*
- B. There are only three copies of a favorite book in the school library. There are 12 students who want to check out the book. *Books are scarce.*
- C. There are 48 lockers for the fifth-grade class. All 69 fifth-graders want their own locker. *Lockers are scarce.*
18. Explain to the students that because of a scarcity of human resources, they could not produce all four products. Because all the students in the class were producing, there were no additional workers to add to the production of decorations. Because the class cannot produce all four of the decorations, it must make choices.
19. Display Visual 2.2. (**NOTE:** If another theme is being used, use Visual 2.3.) Tell the students that this is a decision-making grid that will help the groups decide which decorations to produce.
20. Ask the students to define the scarcity problem. *There are not enough human resources to produce all four decorations.* Write the students' correct response on Visual 2.2.
21. Point out that the four decorations they could produce are pictured under the heading "alternatives."
22. Explain that criteria are the things that are important to consider when making a decision. For this activity, some of the criteria will be: "easy to cut out," "represents back-to-school theme," "could be enhanced with pictures or drawings," and "interesting to look at." Point out that these are written in the first row of boxes on the decision-making grid. Ask the students if they can think of other important things to consider when making this decision. *Answers will vary.* Add relevant suggestions to the decision-making grid.
23. Tell the students that they will evaluate each alternative against the criteria by placing a "plus" in the box if the alternative meets a criterion and a "minus" if it does not. Demonstrate by asking the class the following:
- A. Was the pencil easy for members of the group to cut out? *Answers will vary by group. In this all-class example, place a "plus/minus" in the box.* Explain that when each group makes this decision, the group will place either a "plus" sign or a "minus" sign in the box.
- B. Does the pencil represent the theme? *Yes* Place a "plus" sign in the box.
- C. Would it be easy to paste pictures or draw pictures on the pencil? *No* Place a "minus" sign in the box.
- D. Is the pencil interesting to look at? *No* Place a "minus" sign in the box.
- E. What is the net value? *[+1 + (-2) = -1]* The students may need help in adding positive and negative numbers. (**NOTE:** For younger students, just count the number of "plus" signs.)
24. Distribute a copy of Activity 2.2 to each student. If another theme is being used, distribute Activity 2.3. Ask the students to work in their groups to complete the grid.
25. Distribute a large sheet of paper and a marker to each group. Tell the groups to copy their

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- completed decision-making grid onto their paper and place a star next to their decision.
26. Have the groups tape their grids on the board and share their decisions.
  27. Ask the students why all the groups didn't make the same decision. *Groups valued the criteria differently.*
  28. Ask each group for its second choice. *The alternative with the second-highest net value, or, for younger students, the second-highest number of "plus" signs.* Tell the students that this is their opportunity cost.
  29. Explain that **opportunity cost** is the best alternative given up when a decision is made. Tell the students to imagine they can choose one snack after school. The options are an apple, a banana or an orange. Choose a student and discuss the following:
    - A. How many snacks may you choose?  
*One*
    - B. Of the three snacks, which two do you prefer? *Answers will vary.*
    - C. Of the two you prefer, which would you choose to eat? *One of the two preferred snacks*
    - D. By choosing to eat \_\_\_\_\_ (*chosen snack*), you gave up the opportunity to eat \_\_\_\_\_ (*second choice*).Point out that the snack given up is the student's opportunity cost. For additional practice, choose another student and repeat questions A through D.
  30. Explain that any time people make a choice they give something up. Give the students the following problem:
    - The school has cleared a piece of land. The principal has suggested three possible uses for the land—playground, nature trail and soccer field. The students were asked to vote on how the land should be used. The final vote was 245 students for nature trail, 200 for playground and 195 for soccer field.
  31. Discuss the following:
    - A. What was scarce in this example? *Land*  
What does this mean? *The school can't have all three—a playground, a nature trail and a soccer field—because there isn't enough land.*
    - B. What did the students have to do because of scarcity? *Make a choice*
    - C. What was the decision? *Nature trail*
    - D. What was the opportunity cost of using the land for the nature trail? *Playground*  
Why? *The playground was the highest-valued alternative given up, or the second choice.*
  32. Explain that in their production activity, human resources were scarce. In the school example, land was scarce. Tell the students that land is a natural resource. **Natural resources** are "gifts of nature." They are present without human intervention. Coal, sand, rocks and plants are examples of natural resources.
  33. Ask the students for additional examples of natural resources. *Answers will vary but may include trees, water, air, oil and animals.*
  34. Distribute five sheets of colored paper to each group, depending on the decoration the group chose to produce. Allow time for the students to produce 10 decorations. Have the students write an economic term learned in the lesson (human resource, natural resource, scarcity, opportunity cost) on each decoration.
  35. Hang the decorations in the classroom.
- ### CLOSURE
36. Use the following questions to review the key points of the lesson:
    - A. What are human resources? *People doing physical and mental work to produce a good or service*
    - B. A teacher and a contractor are human resources. Explain why. *They work to produce a good or service.*
    - C. What are natural resources? *Gifts of*

*nature that are present without human intervention*

D. Which of the following is a natural resource—oil or a pencil? *Oil* Explain why. *Oil is a gift of nature and is present in the ground without human intervention. A pencil is a good made by people.*

E. What is scarcity? *The condition of not having enough resources to produce everything people want*

F. What is scarce when five classrooms want to use the gymnasium for indoor recess and there is room for only three classrooms? *Space in the gymnasium*

G. What is opportunity cost? *The highest-valued alternative given up when a choice is made*

H. Mark has two possible things to do on Saturday afternoon, go to a movie or go to a ballgame with a friend. He chooses to go to the movie. What is his opportunity cost? *The ballgame*

6. How did scarcity affect the ability of the class to take field trips? *The class couldn't take as many field trips as it wanted. The class had to choose one field trip because of scarcity.*





## ASSESSMENT

Distribute a copy of Activity 2.4 to each student. Instruct the students to complete the assessment. Review answers with the students.

### Answers:





1. What is scarce for the class? *Buses for the field trips*
2. Rate the field trips from 1 to 3, with a “1” being the trip that would be your first choice for the class. *Answers will vary.*
3. What field trip do you think the class should select? *Answers will vary.*
4. What is the opportunity cost of your decision? *Answers will vary, but the opportunity cost should be only one OR the other of the two remaining options.*
5. Explain why this is your opportunity cost. *The opportunity cost is the highest-valued or best choice I gave up.*

## Visual 2.1 - Production Instructions

- ✓ Cut out the pattern for each decoration from Activity 2.1.
- ✓ Make sure the pattern has smooth edges.
- ✓ Trace the pattern on colored paper as follows:
  -  Yellow for the school bus
  -  Tan for the pencil
  -  Green for the scissors
  -  Black for the globe
- ✓ Cut out 10 of each product.

# Visual 2.2 - Decision-Making Grid

**Problem** \_\_\_\_\_

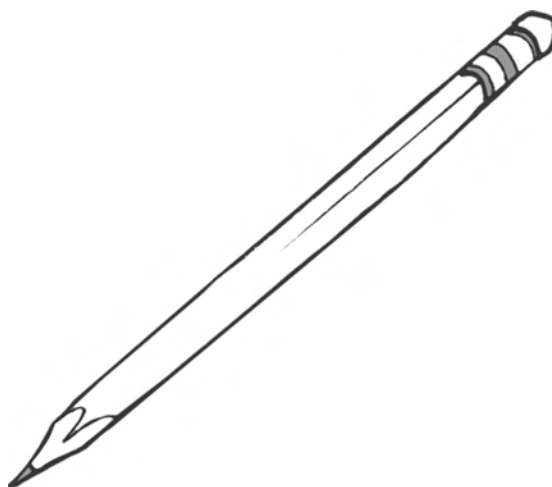
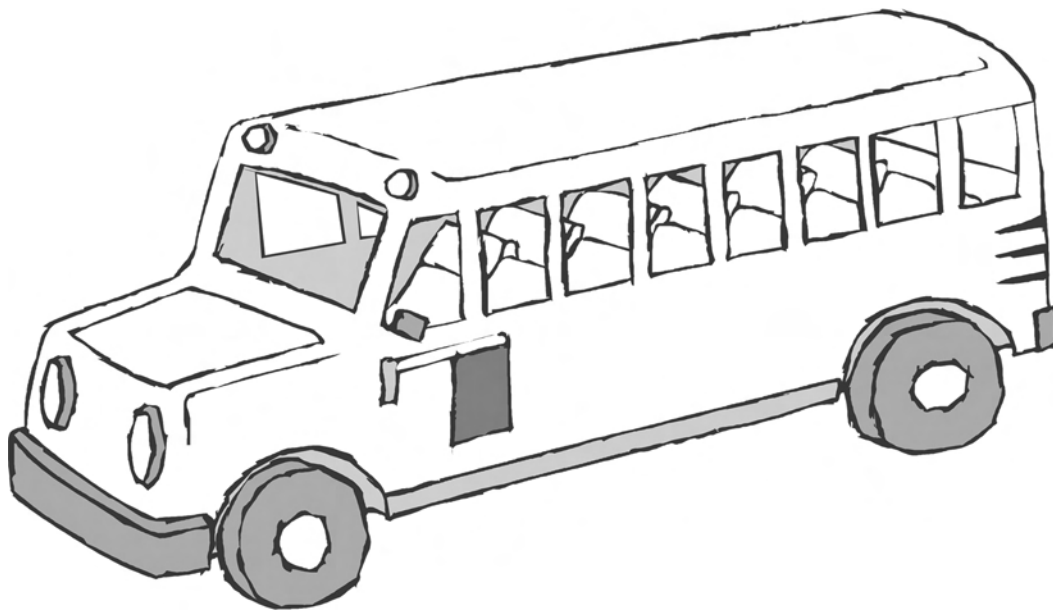
Alternatives	Criteria					Net Value
	Easy To Cut Out	Represents The Theme	Space For Words Or Drawings	Interesting To Look At		
						
						
						
						

## Visual 2.3 - Blank Decision-Making Grid

**Problem** \_\_\_\_\_

<b>Alternatives</b>	<b>Criteria</b>					<b>Net Value</b>

## Activity 2.1 - Patterns

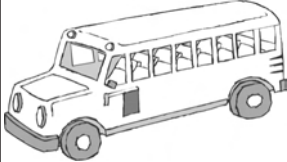





Activity 2.1 - (continued) **Patterns**



# Activity 2.2 - Decision-Making Grid

**Problem** \_\_\_\_\_

Alternatives	Criteria					Net Value
	Easy To Cut Out	Represents The Theme	Space For Words Or Drawings	Interesting To Look At		
						
						
						
						

# Activity 2.3 - Blank Decision-Making Grid

**Problem** \_\_\_\_\_

Alternatives	Criteria					Net Value

## Activity 2.4 - Assessment

A fourth-grade class has three field trips planned. They are going to a theme park, the zoo and a museum. The principal announces there are only enough buses available for one field trip.

1. What is scarce for the class?
2. Rate the field trips from 1 to 3 with a "1" being the trip that would be your first choice for the class.

\_\_\_\_\_ Theme park

\_\_\_\_\_ Zoo

\_\_\_\_\_ Museum



3. What field trip do you think the class should select?

Activity 2.4 - (continued) **Assessment**

**4. What is the opportunity cost of your decision?**

**5. Explain why this is your opportunity cost.**

**6. How did scarcity affect the ability of the class to take field trips?**



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