

# Economics Can Be Fun & Interesting!

The Proof is in the Classroom *By Sarah Hopkins Finley*

**When children (and, let's face it, many adults!) hear the word "economics" they tend to cringe.**

The good news is, that while economic education may have been reserved for college in years past, today, nearly all grade levels have some basic economics embedded in their curriculums.

For example, thanks to the creative efforts of local educators, your elementary student may be learning strategies to help her create and operate a successful lemonade stand. Your fourth grader might pay rent on her desk using the "bead economy." Your kindergartner might earn pennies or nickels for good behavior, which he "spends" later in the classroom store. These strategies are rooted in the very same principles needed to help them obtain financial security and make sound economic decisions later in life.

So, what is economics – really?

According to Suzanne Gallagher, Director of Virginia Commonwealth University's Center for Economic Education, economics is the study of how people make decisions in their everyday lives. "It's about how people use the resources they have in order to get the most they can of the things they want – how they use their time, energy, natural resources and capital resources," says Gallagher. "Economics makes you stop and think about the choices you're making, and it makes you weigh the cost and benefits when you make a choice. How much do I really want to see that new movie? What could I have instead?"

From the study of economics your child may learn basic principles, such as: resources are limited, so choices must be made; all choices have costs and when making a choice, something will be given up; before choosing, costs and benefits can be weighed; and most people earn income by exchanging human resources (physical or mental work) for wages or salaries. Economics also teaches that saving means giving up spending now in order to have more to spend in the future, and when people trade, both parties benefit. In order to be effective, teachers are learning how to "serve" economics to students in spoonfuls. Because not all educators have experience teaching economics, the VCU Center for Economic Education serves as a resource for helping teachers implement quality and creative lesson plans that can help them get economic concepts across to their students.

Mini-Economy is one of the popular programs that the VCU Center for Economic Education offers to elementary school teachers seeking dynamic hands-on learning activities for their students.

During the course of the Mini-Economy curriculum, "the students learn concepts such as supply and demand, scarcity, opportunity costs, inflation, profits, and money management," explains Susan Albaugh, a Hanover County teacher. "Students are accountable for setting up their own businesses to offer original products that they design and create." In conjunction with reading, mathematics, and social studies lessons, students manufacture their own products and keep records to track their start-

up expenses and the expenditures necessary for beginning a successful business. Many teachers also choose to culminate the curriculum by participating in the annual Mini-Economy Market Day, which is held at VCU's Siegel Center and organized by the VCU Center for Economic Education.

"Once my fourth graders and I dove into the Mini-Economy curriculum, the students were easily internalizing these economic concepts and using decision-making and critical thinking skills on a daily basis," says Shannon Hodges, who teaches in Henrico County. "The parents, too, quickly spoke of the enthusiasm their children were displaying and the depth of economic knowledge they were applying."

Each year, the VCU Center for Economic Education assists between 800 and 900 Richmond-area kindergarten through twelfth grade teachers, providing them with the background, curriculum and materials to effectively deliver the essentials of economics and financial literacy today's students need.

The cumulative impact of the Center's work has affected millions of students since the Center opened nearly 40 years ago. The VCU Center is part of a state-wide network of university-based Centers for Economic Education supported by the Virginia Council on Economic Education (VCEE). □

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