***Cleo Edison Oliver, Playground Millionaire***

Sundee T. Frazier ∙ Scholastic Inc., 2016

**Book Synopsis**: Cleo Oliver, a fifth-grade girl with big ideas, has decided to change her name to Cleo *Edison* Oliver and become a successful entrepreneur just like her hero Fortune A. Davies. She follows Fortune’s business principles through a series of business ventures and discovers in the process the value of her most cherished resource – her family and friends.

**Grade 2-3 Chapter-by-Chapter Teacher Guide**

This book is rich with literature, math and economics and personal finance connections.  This guide focuses on economic and financial connections and also includes lessons featuring other shorter books.

**Usage Notes:**

* It is assumed that the featured chapter has been read by or to the students. If not, it will be necessary to read the content to the students.
* The suggested classroom activity is meant to be quick and reinforce a specific concept. Additional Online Lessons are also provided for instruction to enrich economic concepts; many also include literature connections.
* The [**Financial Fitness for Life: Parent's Guide - Grades K-5**](https://www.econedlink.org/parent-resources/)published by the Council for Economic Education has helpful information and activities that can be used in the classroom as well. It is available in English and Spanish. The K-2 portion is found on pages 1 to 32 and Grades 3-5 is found on pages 35 to 62 with each covering Earning Income, Saving, Spending, Credit and Money Management.
<https://www.econedlink.org/parent-resources/>

**Chapter 1: New Name, a New Business**

In this chapter, we meet Cleo and her siblings, Josh and Julian. Cleo has decided to change her middle name from Lenore to Edison so that her name becomes Cleo Edison Oliver. Then, she can go by her initials CEO because that is exactly what she plans to be…Chief Executive Officer of Cleopatra Enterprises, Inc. Cleo’s idol is business guru Fortune A. Davies, and she is applying Fortune’s tips as she starts a business selling avocados from the tree in her yard. Josh and Julian are not interested in business, but money is a topic in the Oliver household. Cleo wants to earn lots and share. Josh is interested in saving for a Nerf gun, and Cleo finds her parents talking about money issues throughout the book.

**Economic Concepts**

Entrepreneur, choice, benefits, costs, opportunity cost, save, spend, natural resource

**Virginia Standards of Learning** – History and Social Science

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| --- | --- |
| 2.1f3.1f | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by recognizing direct cause-and-effect relationships. |
| 2.8 | The student will describe natural resources (water, soil, wood, and coal), human resources (people at work), and capital resources (machines, tools, and buildings). |
| 3.8 | The student will demonstrate an understanding of different cultures and the natural, human, and capital resources they use in the production of goods and services. |

**Quick Classroom Activities**

Cause & Effect: Throughout the chapter Cleo and her family make choices that have both positive and negative consequences. In order to determine the cause-and-effect relationship between the choices they make and the costs or benefits they assume, draw the following chart on the board and have the students draw conclusions in order to fill in the blanks. (*Possible answers are listed below in red*.)

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| --- | --- |
| **Cause** | **Effect** |
| Cleo changes her name from Cleo Lenore Oliver to Cleo Edison Oliver. | *Cleo feels like a real business professional.**Josh gives her a hard time about it.* |
| *Barkley eats Slim’N’Trim.* | Barkley has very bad breath. |
| Mom will not buy new dog food until Barley eats all of his Slim’N’Trim Canine Sardine Meal. | *Barkley’s breath remains stinky.**Mom does not waste the money she spent on Barkley’s dog food.* |
| *Mom makes Josh save to buy his toy.* | Josh must wait to purchase his Nerf gun. |

Productive Resources: Cleo saw the avocados growing on the trees and realized she could sell them to people wanting to make guacamole, a tasty treat. This is a great time to introduce the idea that goods and services produced in the marketplace are produced by combining human, capital, and natural resources. Define a natural resource as *“gifts of nature” used to produce goods or services.* The avocados in Cleo’s backyard are a natural resource that Cleo plans to use to generate income. Use the following illustration to create a graphic organizer that lists some of the other natural resources that went into the production of Cleo’s avocados.

(*Possible answers include: fertile soil, rain water, avocado tree, sunlight, etc.*)

|  |
| --- |
| **Natural Resources Needed to Produce Avocados** |
|  |

Cleo took the natural resource, avocado, in her yard and thought of the creative way to market it as another product guacamole. Think of a product you could market to people in your neighborhood that comes from a natural resource.

Saving: Josh really wants Mom to take him to the store to buy a Nerf gun. However, his mother will not take him until he has saved enough money to buy the toy for himself. Have students draw a picture of something they would like to buy and discuss strategies the students might take to earn and save enough money to buy the item for themselves. This would be a great time to discuss long and short-term goals and create a simple savings plan that the student could use to track their progress toward purchasing their chosen item.

**Lessons**

Open for Business!:This lesson gives students the opportunity to identify the costs and benefits of entrepreneurship and distinguish between entrepreneurs who start a business to produce a good or provide a service. <https://www.econedlink.org/resources/open-for-business/>

The Little Red Hen: After reading the story, students will categorize resources into land, labor, capital and entrepreneurship and be able to identify what future incentives the dog, the cat and the mouse will have to help the little hen in her work. <https://econedlink.org/resources/the-little-red-hen/>

A Chair for My Mother: In the story, A Chair for My Mother, a little girl and her family save money in a jar to buy a chair after their furniture is destroyed in a fire. In this lesson, students learn that characters in the book are human resources who save part of the income they earn. Students will identify other human resources who can save part of the income they earn to buy something they want. Students identify other human resources and state how the mental and physical work of those individuals allows them to earn income. Finally, students list strategies to reach a savings goal. <https://www.stlouisfed.org/education/a-chair-for-my-mother/>

**Chapter 2: May the Sales Force Be With You™!**

Cleo collects her avocados and sets them up in a pyramid to prepare for the opening day of business for CLEO’s AMAZING AVOCADOS. Although one of her neighbors offers Cleo eggs in exchange for avocados, another neighbor - Grandpa Williams – purchases his avocados with three shiny gold dollar coins. Grandpa Williams previously owned a market and Cleo has learned quite a bit from him about successfully running a business. Although Josh still has not saved enough money to purchase his Nerf gun, he decides that Cleo is not going to pay him enough to work for her avocado business. As Josh leaves, he sees that Cleo is using their mother’s special knife that Mom has forbidden the children to use. In an attempt to make sure Josh does not tell Mom about Cleo having her knife, Cleo takes Josh’s special cap and runs away. As punishment for taking Josh’s hat and Mom’s special knife, Cleo’s mother makes Cleo shut down her business for the remainder of the day.

**Economic Concepts**

Barter, money, property rights

**Virginia Standards of Learning** – History and Social Science

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| 2.9  | The student will distinguish between the use of barter and the use of money in the exchange for goods and services. |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 2.11a3.11a | The student will explain the responsibilities of a good citizen, with an emphasis on respecting and protecting the rights and property of others. |
| 2.11e3.11e | The student will explain the responsibilities of a good citizen, with an emphasis on practicing honesty and trustworthiness. |
| 3.8 | The student will demonstrate an understanding of different cultures and the natural, human, and capital resources they use in the production of goods and services. |

**Quick Classroom Activities**

Barter vs. Money: Cleo’s neighbor, Miss Jean, offered Cleo eggs from her chickens in exchange for some avocados. Cleo did not accept the trade, but wanted to accept only money instead. Define barter as *trading a good or service directly for another good or service, without using money or credit*. Discuss with the class why Cleo was not interested in bartering with Miss Jean. What did Cleo give up by choosing not to barter with Miss Jean? Knowing that Cleo’s mom shut down Cleo’s business before the end of the day, what benefit might Cleo have received if she would have accepted Miss Jean’s offer? Although Cleo did not want eggs, could Miss Jean have possibly bartered successfully with Cleo if she had offered to trade another good or service in exchange for the eggs? When does barter work well? (*When each person has something the other person wants.*) What are the advantages of using money?

Property Rights: Twice in the chapter Cleo takes things that are not hers – once when she takes Mom’s best knife to cut he avocado samples, and again when she takes Josh’s special cap in an effort to keep him from telling on her. As a result, she gets into trouble and upsets both her mother and her little brother. The punishment Cleo receives for her actions is having to close her avocado business for the rest of the day. In our state and in our country, we have laws to protect people’s private property rights. If someone takes something that is not theirs, they could be arrested and their punishment could be going to jail. Have the students create public service announcement posters reminding their audience why it is important to respect and protect the rights and property of others.

**Lessons**

A Pet for Beans from ‘Jack and the Beanstalk’: After listening to a computer-read story, "Jack and the Beanstalk," the students will find out that beans were used as an exchange for Jack’s cow. Jack traded his pet cow for an old man’s magic beans. Were they both happy? They should be! People exchange goods because both feel they will be better off after the exchange. <https://www.econedlink.org/resources/a-pet-for-beans-from-jack-and-the-beanstalk/>

The Changing Face of Money: In this lesson, students play a game to guess which objects have been used as money throughout history. In the process, they learn that money must be a unit of account, meaning that it must be able to break down into smaller pieces that equate with the goods or services desired. They also learn that money must be a store of value; it must keep its value over time. <https://www.econedlink.org/resources/the-changing-face-of-money/>

What Makes Something Useful as Money?: A 3-minute video showing items that have been used as money in the past and explaining why something used as money should be relatively scarce, generally acceptable, portable, durable, and divisible. <https://www.stlouisfed.org/education/exploring-economics-video-series/episode-3-what-makes-something-useful-as-money>

**Chapter 3: Telling Fortune**

Things do not turn out exactly as Cleo had planned at the end of Chapter 2 and the beginning of Chapter 3, and it all has to do with choices. There are benefits and costs with every decision made, and sometimes the consequences of our choices lie in the future. Encourage students to think about the many choices they make daily (what to wear, what to eat, who to play with, what they watch on TV, etc.) It is important for students to understand that they cannot have everything they want. When they make a choice, they give up the “next best” alternative which is called their “opportunity cost.”

As a punishment, Cleo cannot watch Fortune’s television show. Instead, she decides to write a letter to Fortune telling her how much she admired her and how she inspired her in her future career endeavors. Cleo decided to give Josh $10 to help him buy the Nerf gun he has been saving for to make up for her earlier behavior.

**Economic Concepts**

Choice, cost, benefit, property, Labor Day

**Virginia Standards of Learning** – History and Social Science

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| --- | --- |
| 2.1h 3.1h | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by using a decision-making model to make informed decisions |
| 2.1i3.1i | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by practicing good citizenship skills and respect for rules and laws while collaborating, compromising, and participating in classroom activities. |
| 2.5e | The student will describe why United States citizens celebrate major holidays including Labor Day. |
| 3.11a, e | The student will explain the responsibilities of a good citizen, with an emphasis on respecting and protecting the rights of others, and demonstrating self-discipline and self-reliance.  |
| 3.12c | The student will recognize the importance of government in the community, Virginia, and the United States of America by explaining that government protects the rights and property of individuals. |

**Quick Classroom Activities**

Decisions, Decisions: Cleo’s decisions in Chapter 2 resulted in her being sent to her room for an hour and losing her TV time for the remainder of the day. All decisions have costs and benefits and Cleo experienced some positive and negative things as a result of her behavior. Create a simple cost/benefit chart as provided below. Record student suggestions for each column. Using the information on the chart, ask the students if they think Cleo would have taken her mother’s special knife if she had completed a similar chart before she acted.

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| --- |
| **Decision to be made: Should Cleo have taken her mother’s special knife?** |
| **Benefits of her action**  | **Costs of her action**  |
|  |   |

Money Saved and Earned: Cleo decided to give her little brother $10 of her business’s revenue because she felt bad about her behavior and about acting selfishly. Answer the following questions based on this data:

* If Cleo’s total revenue was $33, how much money does she have left? *($23)*
* If Josh’s Nerf Gun costs $30 and his parents are willing to give him $15, how much additional money would Josh have to save in order to have enough money to purchase his toy? *($15 before Cleo gives him $10)*
* How does Cleo’s gift affect the amount of money Josh now needs to save to purchase the Nerf Gun? *(Josh only needs $5 after Cleo gives him $10)*

**Lessons**

Mousetroplis:Students are asked to recall the story, "The Tortoise and the Hare." They learn about characteristics of fables, how the choices the characters make teach the moral, and that choices have costs and benefits. They then listen to the story Mousetropolis, a retelling of Aesop's fable, "The Town Mouse and the Country Mouse." The students are asked to listen for the choices the mice make in the story. They then take part in a card sorting activity and categorize the choices as either costs or benefits and conclude by summing the costs and benefits to see which choice offered the most benefits.

<https://www.stlouisfed.org/education/mousetropolis>

So Few of Me:Students learn about scarcity, alternatives, choices and opportunity costs by reading So Few of Me. The class participates in an activity to help Perdita figure out her morning schedule at summer camp. They identify Perdita's alternatives, choose activities for her and identify the opportunity costs of those choices. Then, students work in groups to make choices and identify opportunity costs for Juan's after-school schedule. <https://www.stlouisfed.org/education/so-few-of-me>

How Labor Got Its Day:Cleo explains in this chapter that she could not negotiate with her mom for a more lenient punishment, “she was as immovable as a corporate boss in a labor dispute.” In this lesson, students learn why workers organized unions during the nineteenth century to fight for higher pay and better working conditions. They discover that unions help balance the power between workers and employers—yielding a better life for many workers and their families today. <https://www.econedlink.org/resources/how-labor-got-its-day/>

**Chapter 4: Peanut Butter and Jelly**

It is the first day of school! Josh is excited about seeing his good friend Benny. Cleo is excited to see her best friend, Caylee. She and Caylee are referred to as Peanut Butter and Jelly because they are always together. Everyone tells her that her teacher, Mr. Boring, really is not boring. She is eager to see, but she is not very excited about 5th grade because of the infamous fifth-grade family tree project. Plus, there is a bully in her grade named Lexi Lewis who seems to enjoy picking on Cleo.

This chapter introduces us to a problem Josh is facing that would later inspire Cleo to create her most successful business. In this chapter, Josh has a loose tooth that he will not allow his mother to pull. On page 41, Josh’s mom says, “Josh. Stop wiggling. We have to brush your teeth. All of them.” In chapter 3, students learned about decision-making. This is a great time to introduce wise choices with their dental decisions.

**Economic Concepts**

Choice, decision, cost, benefit, opportunity cost

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.1h & 3.1h | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by using a decision-making model to make informed decisions |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 3.10 | The student will identify examples of making an economic choice and will explainthe idea of opportunity cost (what is given up when making a choice). |

**Quick Classroom Activity**

Tooth’ortunity Cost: Josh has a tooth that is so ready to come out that it hurts when he brushes his teeth. Mom told Josh that before he goes to school he must brush his teeth… ALL of them. Use a cost-benefit anaylsis to consider whether to brush your teeth. Ask students to identify the costs and benefits. Some possible answers are provided below.

|  |
| --- |
| **Decision to be made: Should Josh brush is teeth?** |
| **Benefits of brushing teeth** | **Costs of brushing teeth** |
| He is less likely to get tooth decay which will reall hurt and require him to go to the dentist and get a filling to fix itHis teeth will look whiter and his breath will smell better | It takes timeIt hurts when one tooth is loose |

Tooty Fruity Decision Making: Lexie Lewis flaunts her designer Trudy Ferretti purse while speaking with Cleo and Caylee before class. Although Cleo knows that Trudy Ferretti is Fortune Davies’ favorite designer, Caylee quips back at Lexie by calling the handbag a Tooty Fruity. Using sales ads from a local newspaper or from online advertisements, have students create a collage using pictures of an expensive item they are interested in purchasing. Then have students add pictures of a good that fills the same need, but is less costly. When making a buying decision, why might one prefer to purchase the less expensive alternative rather than the name-brand good, and vice versa?

Have students use one of the three economic decision-making models found [here](http://vcee.org/economic-decision-making/) to help them decide which item they would ultimately choose to purchase. If you use a decision tree, it would be set up by considering the benefits and costs of purchasing the more expensive designer item and then the benefits and costs of buying the other less expensive item. Remember, there is no “right” answer, the point is to have students reflect on their choice before making it so they are more likely to make a better choice. Buying the less expensive item might be the best choice for most, some might be able to make a good case for why they choose the designer item. This is fine if they recognize what they are giving up (their opportunity cost) and this is reasonable in their situation.

**Lessons**

A Perfect Pet: The students learn that the ability to discover their wants will help them establish priorities when they are faced with scarcity. During the evaluation process, students identify some of their personal wants. As a class, they discuss why some choices are the same and others are different. They take the discussion a step further exploring how their wants compare with those of siblings and adults in their lives. They discover that age, lifestyle, likes (tastes and preferences) and what one views as important (values) help to explain the differences. <https://www.econedlink.org/resources/a-perfect-pet/>

Everyday Opportunities: In this lesson, you and your students will take a closer look at the choices that are made in the classroom every day. At the end of the school day, you will discuss with them that every one of the things your class chose or did not choose has consequences that are either good or bad. Students will get a better idea about why it is important to think before they act and they will also gain a better understanding of why you do some things the way you do. <https://www.econedlink.org/resources/everyday-opportunities/>

Common Cents: An Opportunity Cost is an Opportunity Lost – Page 3 of this publication has scenarios that ask students make choices and identify the opportunity cost.

<https://www.kansascityfed.org/~/media/files/publicat/education/teachingresources/common-cents-free-but-what-cost.pdf>

**Chapter 5: The Name Game**

Mr. Boring assigned seats for the class in groups of four prior to the students’ arrival. Sadly, Cleo and Caylee are not assigned to the same seating group. Instead, she will be sitting with her archenemy’s twin brother Cole Lewis. Caylee has a big crush on Cole, but Cleo finds him annoyingly cheesy.

Mr. Boring asked each student to introduce themselves by explaining to the class how they got their name and what their name means. Although he specifically warned the class that there were to be no interruptions or making fun of their classmates’ names, Rowdy Jimmy Reyerson causes Cleo to become upset after he makes rude comments about Cleo being adopted and how her birthmother gave her the name Cleopatra. Cleo felt like the Name Game became the Lame Game and, eventually, the Shame Game.

**Economic Concepts**

Decision making, choice, benefits, costs

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.1h 3.1h | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by using a decision-making model to make informed decisions |
| 2.1i 3.1i | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by practicing good citizenship skills and respect for rules and laws while collaborating, compromising, and participating in classroom activities. |
| 3.2 | The student will explain how the contributions of ancient China and Egypt have influenced the present world in terms of architecture, inventions, the calendar, and written language. |

**Quick Classroom Activity**

Cleopatra-nomics: Cleo’s birthmother named her after the last great pharaoh of Ancient Egypt, Cleopatra. Although Cleo was unaware that the name Cleopatra originated in Greece and means *glory of the father*, she did know that Cleopatra was a beautiful, smart woman, and a powerful African queen. Cleo does not have a choice about how she got her name, but her classmates do have a choice when it comes to making fun of her name and how she got it. See [End Name Calling](https://www.ksde.org/Portals/0/CSAS/Content%20Area%20%28M-Z%29/School%20Counseling/School_Coun_Resource/No%20Name%20Calling%20Activities.pdf?ver=2013-12-13-083047-407) which includes lessons on putting an end to bullying.

**Lesson**

Dynamic Decision Making: Students will be introduced to the PACED Model and learn to use the parts of the model– Problem, Alternatives, Criteria, Evaluation, and Decision — in solving problems and making decisions. They will practice using the model in decisions about meals and career possibilities. <https://www.econedlink.org/resources/dynamic-decision-making/>

**Chapter 6: On Top of the World (For a Moment, Anyway)**

Cleo returns home from school and immediately wants to run her avocado stand. She discovers that Barkley, the dog, has eaten $10 worth of product. Cleo is advertising a “blowout sale” which is often an incentive to attract consumers. Ms. Chu, the neighbor, challenges Cleo on the price for the avocados she is advertising as she can get the same price at the market. We learn in this chapter that Cleo is an entrepreneur, as she loves to operate her own businesses. Eureka! She gets a great idea: Start a business at school.

**Economic Concepts**

Entrepreneur, producer, consumer, business, price, choice, incentive, competition

**Virginia Standards of Learning** – History and Social Science

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| --- | --- |
| 2.8 | The student will describe natural resources (water, soil, wood, and coal), human resources (people at work), and capital resources (machines, tools, and buildings). |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 2.12 | The students will understand that people in the United States of America make contributions to their communities. |
| 3.8 | The student will demonstrate an understanding of different cultures and the natural, human, and capital resources they use in the production of goods and services. |
| 3.10 | The student will identify examples of making an economic choice and will explainthe idea of opportunity cost (what is given up when making a choice). |

**Quick Classroom Activities**

Entrepreneurs: Turning Problems into Opportunity: Cleo has invented multiple products to solve issues that she has experienced in her life. For example, she created Cleo’s Canine Carrier Capsule™ to send messages to Caylee on Barkley’s collar when Mom grounded her. Where other people saw problems, Cleo saw entrepreneurial opportunities.

Divide students into small groups of three or four. Have them brainstorm about an issue or annoyance they currently experience in their daily lives. Instruct them to come up with an idea of a good or a service that would help solve their problem. (For example, a group might say that they always forget to wear athletic shoes on the days their class goes to gym. As a result, they have to sit out during their activity time and it makes them sad. To solve this problem, they are now going to sell an alarm that people can put in the laces of their tennis shoes that will sound on the mornings of gym days to remind them to wear their athletic shoes.)

Have each group present a 30 second commercial telling the class the problem and how their invention will solve the issue. At the end of the activity, have each student write down which product, other than their own, they would be most likely to purchase. Tally the votes and discuss the results with the class. Allow the students to predict if there is there a market for any of the top voted goods or services. (Example of a Pitch by a 10-year-old on Shark Tank: [Jack’s Stands & Marketplaces](https://youtu.be/i7jX9SR0bfw))

Producers & Consumers: In every economy there are both producers and consumers. Producers are *people and firms that use resources to make goods and services*. Consumers are *people who use goods and services.* In the book, Cleo is the producer of Cleo’s Amazing Avocados. Mrs. Chu is the consumer in this chapter. Using magazines or web-based resources, have students work in groups to find and cut out two to three pictures of consumers and producers. Create a T-Chart classifying the pictures of consumers and producers. Have the students discuss if and why the classification is correct.

**Lessons**

I Can Be an Entrepreneur: Learners are given advice on how they can earn extra money by becoming an entrepreneur. After investigating several web pages that offer examples of what other people their age have done to earn money, students identify three money-making ideas for themselves such as: considering what they would enjoy doing, what they do well, what people are willing to buy, the need to set a price that will be profitable, and safety. In a follow-up activity, students are given tips on how they might advertise what they are selling. They prepare flyers to promote one of their ideas for earning money. For an introduction to earning and other ways people get money, the instructor may want to first use the lesson ‘Money Doesn’t Grow on Trees.’

https://www.econedlink.org/resources/i-can-be-an-entrepreneur/

What is Competition?: Students will understand what businesses are, that a marketplace exists whenever buyers and sellers exchange goods and services, and that there is competition in the marketplace if you have more than one seller of the same item or similar items. <https://www.econedlink.org/resources/what-is-competition/>

**Chapter 7: Power Lunch**

Cleo is relieved. Mr. Boring has decided not to assign the dreaded fifth-grade Family Tree Project. Instead, he decides that the project for the year will be to create a passion project. Cleo trades lunch items with friends at her table, but Caylee cannot trade for carrots because she has loose teeth. This is a great example to show why barter is sometimes challenging. There must be a double coincidence of wants for a voluntary trade to occur. When Cleo asks how much she gets from the tooth fairy, she is shocked. This leads to a survey of the class to see how much each student receives. It was then that she gets her next business idea, a tooth pulling business.

**Economic Concepts**

Choice, natural resources, human resources

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.8 | The student will describe natural resources (water, soil, wood, and coal), human resources (people at work), and capital resources (machines, tools, and buildings). |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 3.9 | The student will recognize that because people and regions cannot produce everything they want, they specialize in what they do best and trade for the rest. |
| 3.10 | The student will identify examples of making an economic choice and will explain the idea of opportunity cost (what is given up when making a choice). |

**Quick Classroom Activities**

Passion is Purpose – Mr. Boring defined passion as, “Something that fires you up, that you like learning about or doing so much that you could learn about or do it all day long.” Have the students discuss their passions with the class. Cleo’s passion was to start businesses. She used her human resources (the work she does using her knowledge, skills, and abilities) to develop business ideas using the natural and capital resources to which she had access. Working individually or in small groups, have the students draw a picture or make a 3D model representing something they are passionate about. Then have the students discuss their passions and determine what types of resources are required to implement that passion.

For instance, if the student’s passion is playing video games, they need to have the knowledge and skills to play the game. If he/she wants to be a video game developer they would have to have the ability to design and program. All of this is part of the necessary human resources. The natural resources could include the metal needed to create the wire needed for the game, and the capital resources include the machinery used to put the game system together.

**Lesson and Resources**

Genius Hour Project: Where Passions Come Alive! – Challenge students to imagine they have been given the same assignment as Cleo. What would their passion project be about? Why? [http://www.rundesroom. com/2013/11/passion-projects-in-classroom.html.](http://www.rundesroom.com/2013/11/passion-projects-in-classroom.html.)

Third Grade Career Awareness Lessons – Lessons to help students look to the future and think about options and opportunities. They can dream about what is possible and think about what it takes to get there. <http://entirelyelementary.blogspot.com/2013/12/3rd-gradecareer-awareness-lessons-1.html>

**Chapter 8: Brainstorming**

In this chapter, Cleo has to brainstorm the best method to create her tooth pulling business. She thought of many capital resources to use in tooth extraction and decided that the best tool would be Josh’s Nerf gun. Cleo is constantly investing in herself as she develops her human capital. Sometimes human capital is defined as valuable characteristics possessed by individuals, including knowledge, talent, skills, health, and values. Cleo is always thinking, surveying the market, testing her ideas, and finding ways to learn to become better at her skill.

This is also a good opportunity to introduce or reinforce the concept of specialization and focusing on what you do best.

**Economic Concepts**

Human resource (including one’s own human capital), specialization

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.1h 3.1h | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by using a decision-making model to make informed decisions. |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 3.9 | The student will recognize that because people and regions cannot produce everything they want, they specialize in what they do best and trade for the rest. |
| 3.10 | The student will identify examples of making an economic choice and will explainthe idea of opportunity cost (what is given up when making a choice). |

**Quick Classroom Activities**

Productive Resources Have students brainstorm a business they would like to start. List the human, capital, and natural resources they would need to produce.

Human Capital - Challenge students to write about something they know how to do and how they learned to do it. Identify the human capital skills they relied on to develop their skills.

Specialization – This can also be an opportunity to talk about specialization. Cleo and Caylee have decided to specialize in pulling teeth. Explain that when we specialize we focus on one thing and get really good at that, rather than trying to be good at lots of things. Doctors specialize—eye doctors, ear doctors, foot doctors, etc. Restaurants specialize—hamburgers, Italian, Chinese, Mexican etc. Discuss the benefits of specialization. One of the costs of specialization is that when we focus all our learning on one thing we have to count on others to do the things we don’t know how to do—such as grow our food, make our clothes, build our homes, build our cars, fix our cars etc. This is called interdependence. We are counting on others to specialize in those other things and they are counting on us to do the thing we have specialized in.

Give each student an index card at the beginning of the school day. Tell them they are to observe and write down the special jobs that the workers in the school do throughout the day. At the end of the day, create a class list of the various school specialists. For example: principal, custodian, librarian, cook, second grade teacher, fourth grade teacher. Briefly list the responsibilities of each job. Note that each job carries its own responsibilities; each worker in the school specializes.

 A good place to observe specialization is in the school’s cafeteria. After lunch, discuss with the students the various specialists who made their meal possible. Students may note that the division of labor leads to a more efficient use of time, labor, and other resources.

**Lessons**

Specialists Light Up Our Lives!: This lesson will challenge students to consider specialists in the community and the valuable goods and services they produce. They will also learn how specialists depend on each other to satisfy their wants. <https://www.econedlink.org/resources/specialists-light-up-our-lives/>

Production: Specialization and Division of Labor: This hands-on activity divides the class into teams to produce a product and introduces the concept of specialization.

<https://dnet01.ode.state.oh.us/ims.itemdetails/lessondetail.aspx?id=0907f84c80531356>

**Chapter 9: Paratrooper Tooth**

Cleo introduces the term “customer” to JayJay in this chapter. We find out that when Cleo sold avocados she was selling a good to a buyer in the market. Now she planned to provide a service to kids by removing loose teeth. In order to start her business, she decides to “borrow” two capital resources (Nerf gun and Dad’s tablet) without asking. As the chapter ends, we find that everything is looking like this promises to be a successful business. This chapter provides a nice introduction to what it takes to start a business. However, for most businesses, they do not borrow resources; instead, they secure a loan from a bank to purchase the necessary resources they will need to open their business.

**Economic Concepts**

Consumer, good, service, barter, trade

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.9 | The student will distinguish between the use of barter and the use of money in the exchange for goods and services. |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 3.10 | The student will identify examples of making an economic choice and will explainthe idea of opportunity cost (what is given up when making a choice). |

**Quick Classroom Activities**

Consumers, goods and services: Show Consumer Video (5 minutes) with 5 question quiz. This video teaches the concept of consumers and distinguishing between goods and services. Consumers are powerful in a market economy, because the choices they make is what drives the behavior of producers. <https://www.econedlink.org/interactives/EconEdLink-interactive-tool-player.php?iid=209>

An Egg-celent Trade: Cleo overheard her mom speaking to Mrs. Jean on the phone about trading something for some of Mrs. Jean’s cage-free eggs. In order for a trade to occur there must be a **coincidence of wants**. This means that Mom must have something that Mrs. Jean wants and is willing to exchange for her eggs for in order for the trade to occur.

Acquire enough plastic Easter eggs that each student can have an egg. Inside each egg place a slip of paper with a good or a service. Using a second copy of the good/service list, distribute an additional slip of paper to each student. Inform the students that their goal is to trade the good or service in their egg for the good or service listed on their piece of paper. The students will quickly see that bartering is not a simple two-step process. In order for them to attain their desired good or service, multiple trades will need to be made.

Introducing What it Takes to Start a Business: [Time Magazine for Kids-Kidpreneurs Video (3:21)](https://www.youtube.com/watch?v=PSnoFz1EWv0) Have students write a paragraph sharing what they learned from the video. Ask the students to identify who would be their mentor if they decided to start a business and why they would choose that adult to guide them.

**Lesson**

To Market To Market: This lesson will help students become good consumers and producers by taking turns buying and selling things in a classroom-created market. Students will establish prices for items and observe what happens during the sale of those items. <https://www.econedlink.org/resources/to-market-to-market/>

**Chapter 10: Drumming Up Business**

Cleo is very excited to get started, but she has to make future consumers aware of the service she is providing. Luckily, Mr. Boring is excited about the business and makes copies of Cleo’s advertisement to give to all of the other teachers’ classes. Cleo and Caylee strategize in this chapter and decide that the business will have to be run off campus and that they will give 20% of the profits to a local charity.

**Economic Concepts**

Choice, risk, entrepreneur, decision-making

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 2.12 | The student will understand that people in the United States of America make contributions to their communities. |
| 3.9 | The student will recognize that because people and regions cannot produce everything they want, they specialize in what they do best and trade for the rest. |
| 3.10  | The student will identify examples of making an economic choice and will explain the idea of opportunity cost (what is given up when making a choice). |
| 3.11 | The student will explain the responsibilities of a good citizen, with emphasis on describing actions that can improve the school and community. |

**Quick Classroom Activity**

Choosing to Give Back: Following Fortune’s lead, Cleo decided in this chapter that she was going to give 20% of her profits to a local charity – Horizon Home. Cleo says that she is motivated to do this “Because running businesses isn’t only about making money. It’s about making the world better a place.” Even young children can choose to help their communities become a better place. Read [this article](https://www.wellsfargo.com/financial-education/basic-finances/build-the-future/kids/giving-back/) published by Wells Fargo that discusses ways to encourage kids to volunteer and give back. Using the article as a guide, discuss with the class the actions the students can take to give back to their school and community. If time permits, allow the students to perform a small community service project at the school during the school day, such as picking up trash on the playground.

**Lessons**

Cha-Ching Classroom Activity #6 Charity: In this activity, students explore how they can make a positive difference to other people’s lives not only by donating money but also by donating items or their time and talents. Students begin by viewing the video “Charity” and discussing what it means to donate. Students brainstorm ways they can donate their time, talents, resources, and money to help others in their community. Finally, they create and implement a plan in which they donate to an organization or individual in their community. <https://www.cha-chingusa.org/sites/cha-chingusa.org/files/video-downloads/Cha-Ching%20Activity%206_Charity.pdf> & <https://www.cha-chingusa.org/videos>

Spotlighting Entrepreneurs: The Sweet Success of Milton Hershey -This lesson spotlights the life of Milton S. Hershey and allows students to learn about the risks and rewards of entrepreneurship through a biographical sketch of one who experienced many bitter disappointments and sweet successes. It also shares some of the ways that Mr. Hershey and his wife gave back to the community. <https://www.econedlink.org/resources/spotlighting-entrepreneurs-the-sweet-success-of-milton-hershey/>

**Chapter 11: Risk Management**

Every time an entrepreneur starts a business, he/she has to consider some risks. What if no one wants their product? What if the price is too high for buyers? What if consumers aren’t happy? What if something goes wrong, and they get blamed? Well, Cleo is ready to take on those risks in this chapter. She chooses Wilson Park for her location. She gets permission from her mom and dad, then gathers all the resources needed and gets ready to set up shop.

**Economic Concepts:**

Risk, entrepreneur, liability, market research

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.4b, d | The student will describe how the contributions of selected individuals changed the lives of Americans, with an emphasis on Benjamin Franklin and George Washington Carver. |

**Quick Classroom Activities**

Market Research: Market research *is the use of surveys, product testing, and focus groups to assess the potential success of a new product or service.* This type of research is crucial for entrepreneurs to perform in order to use their limited resources efficiently and effectively. Mom asks Cleo to give Mom’s cookies to her tooth pulling customers to see how many like the cookies. Mom wants Cleo to perform market research because she hopes to one day sell the cookies.

Under the guise of starting a classroom-based business, bring baby carrots or sliced apples to class along with two types of dip for each student to try. Have the students secretly predict which veggie/fruit and dip combination will be liked the most. Survey each student’s preference. As a class, collect and organize the data in order to draw conclusions regarding which type of healthy snack would most likely be the most successful in the marketplace. NOTE: Please be aware of food allergies prior to implementing this activity.

Risk & Liability: Define risk as *the chance of losing money,* and define liability as *the legal responsibility to pay for damages or losses one has caused.* Cleo’s parents want to make sure that if Cleo accidentally hurts one of her customers while using the Extractor Extraordinaire™ that they will not be financially responsible for the damage Cleo’s accident would cause. Therefore, they tell Cleo that all of her customers must sign a liability release form. This form, which is a type of risk management tool, will tell her customers the risks associated with the procedure prior to purchasing this service. It will also reduce the amount of liability Cleo and her parent have in the event that one of the customers gets hurt.

Discuss with the students examples of risk management tools that the school or their parents use every day. Examples could include insurance (health, automobile, home/renters, etc.), field trip permission slips (informed consent), warning labels on classroom supplies or equipment, and Cleo’s latex gloves discussed at the end of the chapter. Ask the students to identify the risks involved with each area and explore why the risk management tool is necessary.

Research an Entrepreneur: Perhaps have students focus on Benjamin Franklin or George Washington Carver or more recent entrepreneurs such as Bill Gates or Steve Jobs or [Lonnie Johnson and his Super Soaker toy](http://teacher.scholastic.com/activities/bhistory/inventors/johnson.htm) and include a summary of some of the risks they faced. Create a bio cube ([http://www.readwritethink.org/classroom-resources/ student-interactives/cube-30057.html](http://www.readwritethink.org/classroom-resources/%20student-interactives/cube-30057.html)) or a poster sharing the risks the entrepreneur took and rewards the entrepreneur received when starting his/her business.

**Lessons**

Peanuts, Pecans, and Peas, Please: Do you know what peanuts, pecans, and peas all have in common? They are all plants that end up feeding the soil in which they have been planted. That was new news back at the turn of the century! In this lesson the students will learn how an African American scientist and entrepreneur named George Washington Carver took that knowledge and changed the way farmers farmed. <https://www.econedlink.org/resources/peanuts-pecans-and-peas-please/>

Secret Millionaires Club: Sorry, I Can’t Hair You:the importance of listening to your customers if you want them to come back

* Video (3:58): <http://www.smckids.com/episodes/?vidlink=14>
* Companion Activity Guide: <http://smckids.com/learnandearn/images/stories/pdfs/SMC_Afterschool_Wb14_SorryICantHairYou.pdf>

**Chapter 12: Grand Opening**

This chapter gives us a firsthand view of the grand opening of Cleo’s business. Jimmy was the first customer, and he said, “it didn’t even hurt.” Cleo earned $3 before business had to close. Her mom’s cookies, on the other hand, did not receive such good reviews.

**Economic Concepts**

Save, consumer, market, opportunity cost, choice, cost, benefit

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 1.9 | The student will recognize that people save money for the future to purchase goods and services. |
| 2.1h 3.1h | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by using a decision-making model to make informed decisions |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 3.9 | The student will recognize that because people and regions cannot produce everything they want, they specialize in what they do best and trade for the rest. |
| 3.10 | The student will identify examples of making an economic choice and will explainthe idea of opportunity cost (what is given up when making a choice). |

**Quick Classroom Activity**

Saving: Cleo only earned $3 because her tooth-pulling business was cut short the first day. But now is a good time to consider where to keep her money. When choosing a place to put their money, people consider how safe their money will be, how easy it is to access, and whether it will earn more money. In the Big Banks, Piggy Banks lesson, students explore how well different savings places achieve these objectives. They learn that people who don’t want to carry money with them or keep it at home often choose to put their money in a savings account at a bank or credit union. These financial institutions protect money from theft and other losses. They also pay interest on money deposited. <https://www.econedlink.org/resources/big-banks-piggy-banks/>

Opportunity Cost of Cleo’s PR: Cleo decided to wait to open her business until there was a crowd to see Jimmy’s tooth being pulled. She said it was for PR, or public relations. Public relations is the area of business focused on maintaining a good, positive impression of the business in the community and online. What was Cleo’s opportunity cost for waiting to open her business? After reading the chapter, we know that Cleo’s business day was cut short by her unforeseen illness. Do you think if she knew she was going to get sick, she would have made the same decision? How was her business’s PR effected by the day’s events?

Tossing Mom’s Cookies: Mom’s cookies were not a big hit with Cleo’s customers. As a matter of fact, Jimmy did not like the cookies so much that he tossed them over an arbor. In order for an entrepreneur’s product to be successful, consumers must see it as valuable and useful to fufill their wants. Using the feedback Cleo, Caylee, and Jimmy gave, what could Mom do to make her cookies more valuable and useful to potential consumers? What did they like about the cookies? What did they dislike? Brainstorm changes that Mom should try before starting to sell her cookies.

**Lessons**

Ella Saves Today: This is a great online course you can show in your classroom on topics of saving, banks, interest, and more. You may also assign the course for students to work on independently.

<https://www.stlouisfed.org/education/ella-saves-today-online-course-for-consumers>

There’s No Business Like Bank Business:Learning how a bank operates helps students see the relevance of banking in their lives to develop habits of saving and responsible spending. This role play introduces students to basic banking concepts in a fun and easy-to-read format. Through this role-play, students are introduced to the benefits of saving money in a bank. It explains earning interest, as well as paying interest for a loan. Grade Level: 3-5

[www.kansascityfed.org/publicat/education/teachingresources/No\_Business\_lesson.pdf](http://www.kansascityfed.org/publicat/education/teachingresources/No_Business_lesson.pdf)

Financial Fitness for Life: Parent's Guide - Grades K-5: Theme 2: Saving, pages 9-15, 42-47. Teaching tips to reinforce the concept of spending and advertising. Pencil activities that make great homework assignments. <https://www.econedlink.org/afterschool/parent-resources.php>

**Chapter 13: A Minor Setback**

Cleo, finally feeling better, became anxious because of all of the business she lost becaused she had to close early. Cole came up to Cleo before school asking where her business was Saturday. She could not turn away a customer, so she offers to secretly pull his tooth before school starts. Turns out Cole is a satisfied customer, too! Cleo charged him a smaller fee in exchange for Cole being the business’s official spokesperson. Next in line was Tessa who had three teeth extracted in minutes.

**Economic Concepts**

Choice, benefits, costs

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.1i 3.1i | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by practicing good citizenship skills and respect for rules and laws while collaborating. |
| 2.11d 3.11d | The student will explain the responsibilities of a good citizen, with emphasis on demonstrating self-discipline and self-reliance.  |
| 3.11f | The student will explain the responsibilities of a good citizen, with emphasis on describing the purpose of rules.  |

**Quick Classroom Activity**

Rules for a Reason: Classroom rules and community laws are in place to keep us all safe. Cleo chose to leave Josh’s Nerf gun in her backpack even though she knew that it was against the rules. Her focus was on making more money instead of following the rules. Why do you think the school had a rule against bringing a Nerf gun to school? Discuss with the class what could have gone wrong if Cleo was caught with the Nerf gun in her backpack. Was the choice to make more money rather than following the rule a good decision? Using school and classroom rules, discuss why each rule is necessary. Afterward, list some basic local laws and discuss why the laws are necessary. How does choosing to obey rules and laws make someone a better citizen?

**Lesson**

NOT your Grandma’s Lemonade Stand: After a review of elementary economic concepts, students will apply their understanding by playing an online computer game, Lemonade Stand. This game has the students competing against themselves and others to earn the biggest profit in 25 days’ time (approximately 15 minutes computer time). "Daily" economic advice helps students find out where they fail in understanding the demand and supply sides of economics. Fun! <https://www.econedlink.org/resources/not-your-grandmas-lemonade-stand/>

**Chapter 14: A Perfect Opportunity**

Trouble comes in this chapter as Lexie teases Cleo about being adopted. Cleo responds by punching her and knocking her loose tooth out, which then revealed that Cleo had been pulling teeth and had the Nerf gun with her at school. This choice led to her having to go home as a consequence to her choice and almost becoming unemployed.

**Economic Concepts**

Opportunity, choice, cost, benefit, decision-making

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.1h 3.1h | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by using a decision-making model to make informed decisions |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 3.10 | The student will identify examples of making an economic choice and will explainthe idea of opportunity cost (what is given up when making a choice). |
| 2.11d 3.11d | The student will explain the responsibilities of a good citizen with emphasis on demonstrating self-discipline and self-reliance. |

**Quick Classroom Activity**

Hard Choices: It is not always easy to make the right choice and do the right thing. Cleo taught us in this chapter that even when we make bad decisions for the sake of good causes, there are still consequences we must face. Have students draw a picture on half of a page about a time when they did not consider the cost of a decision before acting on it. What were the costs of that decision? On the other half of the page, have students draw a picture of what they should have done instead. What could have been the benefits if they had made a wiser choice?

**Lesson**

That’s Not Fair! How Do We Share? : Anyone who interacts with children has surely heard the phrase, "It’s not fair!" This lesson has students explore a variety of ways to share, particularly when an obvious solution is not apparent. <https://www.econedlink.org/resources/thats-not-fair-how-do-we-share/>

**Chapter 15: Horriful Times a Hundred**

Cleo evaluates her decision to hit Lexie Lewis in the mouth in this emotional chapter. She now realizes she should have weighed her benefits and costs. She also spends time evaluating the choice her birth mom made to place Cleo up for adoption. After a nap and then a family discussion about her choices, Cleo also reveals to her parents the advertisement she made with Dad’s “borrowed” tablet and posted on YouTube.

**Economic Concepts**

Choice, decision, benefits, costs, opportunity cost, resource

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.1h 3.1h | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by using a decision-making model to make informed decisions |
| 2.8 | The student will describe natural resources (water, soil, wood, and coal), human resources (people at work), and capital resources (machines, tools, and buildings). |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 3.10 | The student will identify examples of making an economic choice and will explainthe idea of opportunity cost (what is given up when making a choice). |

**Quick Classroom Activity**

Patterns of Behavior: Throughout the book there are behaviors that Cleo seems to frequently repeat. Some behaviors have led to her success in business and friendships. However, some have caused her to get into trouble and hurt her friends’ feelings. Working in small groups, have the students collaborate to recognize and describe a positive behavior pattern and a negative behavior pattern. Have each group briefly present their conclusions to the class. After each group has presented, discuss as a class the costs and benefits Cleo has experienced due to her patterns of behavior.

*Possible Extension Activity*: Have the students write a letter to Cleo discussing the behavior pattern they noticed and suggesting steps she can take to make better decisions.

**Lesson**

Environmental Economics: Cleo decided to wash the plastic cookie baggies instead of throwing them away in the garbage. She said, “Mom is a fanatic about not adding to the global landfill.” In this Martha Speaks interactive story, students learn how the choices we make about our trash have different consequences for our environment. A discarded soup can ends up in a landfill, whereas a reused or recycled can could become something new! <https://www.pbslearningmedia.org/resource/msts14.ela.twosoup/a-tale-of-two-soup-cans/>

**Chapter 16: The Cookies Make a Comeback**

In this chapter, we find a market for Mom’s cookies...dogs! It actually makes Barkley’s breath smell better after he found and gobbled them down as he dug through the kitchen trash. She remembers back to an earlier product she had invented in chapter 1 (Canine Carrier Capsule) and figures out how she and her mom can package the products for dog owners.

**Economic Concepts**

Business, market, innovation, consumer, choice, decision, benefits, costs, opportunity cost

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.1h 3.1h | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by using a decision-making model to make informed decisions |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 3.9 | The student will recognize that because people and regions cannot produce everything they want, they specialize in what they do best and trade for the rest. |
| 3.10 | The student will identify examples of making an economic choice and will explainthe idea of opportunity cost (what is given up when making a choice). |

**Quick Classroom Activity**

Accidental Innovation: Read the history of Silly Putty [here](http://lemelson.mit.edu/resources/peter-hodgson). The compound we know today as Silly Putty was originally discovered when a scientist was attempting to make a better rubber. He failed. The new rubber compound was not a financial success until an entrepreneur saw an opportunity to sell the substance as a toy for children. The entrepreneur was right and Silly Putty has experienced multi-million-dollar success. ([Here](https://www.kidsdiscover.com/quick-reads/weird-science-the-accidental-invention-of-silly-putty/) is a more kid-friendly version of the story; however, this version omits the financial data.)

Discuss the story of Silly Putty as a class. Have the students identify the choice the inventor (General Electric) made in comparison to the choice the entrepreneur (Peter Hodgson) made. What was GE’s opportunity cost for selling the patent? What was Hodgson’s opportunity cost for purchasing the patent?

Resources: Either as a class or in groups, identify three goods a pet owner would want and three services a pet owner would consume. Then list some of the human, natural and capital resources needed to produce each.

**Lessons**

One Hen: How One Small Loan Made a Big Difference: Students learn the definition of entrepreneurship and are introduced to the characteristics of entrepreneurs. Students are asked to apply these characteristics to themselves and people in their own communities by completing a story pyramid and then writing a short story that demonstrates how entrepreneurial activity can contribute to higher standards of living. <https://www.stlouisfed.org/education/one-hen-how-one-small-loan-made-a-big-difference/>

See lessons emphasizing other concepts on VCEE’s website [here](http://vcee.org/elementary-school/reading-makes-cents/one-hen-how-one-small-loan-made-a-difference/).

**Chapter 17: Some Fortunate Advice**

Cleo has become obsessed with money and how to make more of it. Caylee challenges her to stop, think and weigh the benefits and costs of decisions she makes because money cannot make all their problems go away. This is a great opportunity to look at the concept of scarcity. Scarcity is a condition that exists because there are not enough of something to satisfy everyone’s wants. Examples include scarcity of time, space, and resources.

**Economic Concepts**

Choice, decision, benefits, costs, opportunity cost, scarcity

**Virginia Standards of Learning** – History and Social Science

|  |  |
| --- | --- |
| 2.1h 3.1h | The student will demonstrate skills for historical thinking, geographical analysis, economic decision making, and responsible citizenship by using a decision-making model to make informed decisions |
| 2.10 | The student will explain that scarcity (limited resources) requires people to make choices about producing and consuming goods and services. |
| 3.10 | The student will identify examples of making an economic choice and will explainthe idea of opportunity cost (what is given up when making a choice). |

**Quick Classroom Activity**

Cost-Benefit Analysis and Opportunity Cost of a Decision - Share the following scenario:

*Sam has been saving his money for a new video game. He has worked hard raking leaves and doing jobs around the house to earn income and has saved the money he has received as gifts. He almost has enough money and can earn the rest if he rakes his neighbor’s yard on Saturday. This friend calls and asks him to go to the park with him Saturday and play football with some friends. Sam really wants to go with his friend, but he also wants that video game. He can’t be in both palces at the same time.* Use a decision-making model to make a list of the benefits and costs of each option for Sam and help him to understand what his opportunity cost would be for each choice. See more about using a Cost-benefit Grid or Decision Tree and opportunity cost here <http://vcee.org/economic-decision-making/>

**Lesson**

Toys for Me: A Lesson on Choice: Students encounter the concept of scarcity in their daily tasks but have little comprehension as to its meaning or how to deal with the concept of scarcity. Scarcity is really about knowing that often life is ‘This OR That’ not ‘This AND That’. This lesson plan for students in grades K-2 and 3-5 introduces the concept of scarcity by illustrating how time is finite and how life involves a series of choices. <https://www.econedlink.org/resources/toys-for-me-a-lesson-on-choice/>

**Chapter 18: Through Ups and Downs**

This chapter allows us to listen in on a conversation between Caylee and Cleo and the ups and downs they have encountered throughout the book. The two discussed how decisions made not only by them, but also by other people have adversely affected them. As the chapter ends, Cleo is brainstorming a name for a new product Caylee could introduce into the market.

**Economic Concepts**

Review some of the concepts throughout the story

**Quick Classroom Activity**

**Post-Reading Summary Activity**

Ask the students to complete the following statements:

1. One thing I learned about earning money is \_\_\_\_\_\_\_\_.
2. My favorite part of the book was \_\_\_\_\_\_\_\_\_\_\_\_\_.
3. A lesson that Cleo learned was \_\_\_\_\_\_\_\_\_\_\_\_.
4. A lesson that Cleo taught me was \_\_\_\_\_\_\_\_\_\_\_.

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