

# Let's Teach Students to Prioritize: Reconsidering "Wants" and "Needs"

Suzanne Gallagher and Shannon Hodges

**E**arly on, children learn they can't have everything they desire. In an effort to help them make better choices, teachers will make a list of items that students desire, and then divide those items into two categories—wants and needs ("needs" being things that are necessary to support life; "wants" being possessions that one could survive without).

This division might seem an easy one to make. Certainly, the process of making the distinction between wants and needs has become a staple of the kindergarten social studies curriculum. We suggest it's not quite so easy to make this distinction, and we invite readers to consider whether trying to do so actually takes the emphasis away from helping students learn real decision-making skills.

## Thinking about Wants and Needs

In many classrooms, the process of making the distinction between a "want" and a "need" has become an act of memorization. Students can tell you that our needs are food, clothing, and shelter. If asked to categorize items as wants or needs, they can easily place (for some examples) the correct picture under the correct heading. We wonder, however, whether this focus on classification overlooks the higher-order thinking skills we want our students to develop.

Of course, it's tempting to think we can improve student decision making by simply dividing alternatives into "needs" and "wants," but this actually presents several challenges. Consider the following list. Try marking the wants "w" and the needs "n."

- |                              |                           |
|------------------------------|---------------------------|
| _____ Milkshake              | _____ Levi jeans          |
| _____ Bottled water          | _____ College education   |
| _____ Bath soap              | _____ Haircut             |
| _____ Toothpaste             | _____ Nike shoes          |
| _____ Peanut butter sandwich | _____ Apartment           |
| _____ Disney T-shirt         | _____ One-bedroom house   |
| _____ Visit to the doctor    | _____ Three-bedroom house |
| _____ Dictionary             | _____ Economy car         |
| _____ Bicycle                | _____ Mini-van            |
| _____ Apple                  | _____ Cell phone          |

Did you have trouble deciding which items were "needs" and which were "wants"? What if you were asked to simply review the list and circle the items that would be needs under this definition: Our basic needs are for food, shelter, and clothing. Perhaps an item you labeled earlier as a "need" (such as a visit to a medical doctor or a bar of soap) is not a member of one of these sets: food, shelter, or clothing. It's easy to see that what one person deems to be an absolute necessity may not be considered a essential by someone else.

## A Useful Discussion?

When this list was presented to a group of children, most went quickly through it on their own. Then, when asked to share their answers with others, it was clear they did not all agree. Some students considered the t-shirt to be clothing and therefore a "need." Others argued that kids do not need Disney t-shirts. One child responded, "I'm allergic to peanuts, so I definitely wouldn't want or need a peanut butter sandwich." Another child argued strongly that doctors' visits are needed if we are looking for things that help us survive. Suppose we think about children in other parts of the world. Would anything on the list above be considered a "need" for the child who only hopes to get a cup of cooked rice and a drink of clean water?

Thus, it's clear that distinguishing between wants and needs is an artificial distinction. Needs are subjective. When we define "needs" simply as food, clothing, and shelter and "wants" as everything else, where do we put things such as eyeglasses, a car, health care, and education? Are restaurant meals and designer coats considered "needs" since they are food and clothing? Does a resident of a city with good public transportation need a car? Does a family living 10 miles outside of a small town need a car?



The terms “resources” and “sustainability” are constantly in the news. Two Ecuadoran children, Lourdes Fiomena Cutiopala and her sister Lisbet Rufina Cutiopala, are shown here with a rabbit in 2003, near the village of San Martin. The farmers terrace their land, use manure for the animals to improve crop production, built irrigation systems to help water the crops, and try out other activities to generate income. Heifer uses alpacas and rabbits, tree seedlings, and other tools in the highlands to help farmers. Learn about Heifer’s educational resources at [www.heifer.org](http://www.heifer.org). Click on “Learn.” Photo courtesy: Heifer International/Darcy Kiefel

Reaching consensus on what constitutes a “want” versus a “need” is probably impossible. Classroom time would be better spent helping students develop good analytical skills, a task which is both possible and vital. Such skills will be useful to them as consumers making economic choices, and as citizens considering public policy alternatives.

### Thoughtful Choices

The discipline of economics is not primarily about memorizing terms (although some memorization is part of any learning). It’s about empowering people to make thoughtful choices. We should be helping our children learn to think about what they want most, to consider the resources they have available, and then to thoughtfully prioritize their lists to obtain those things of utmost importance to them. Isn’t learning this process a much more valuable lesson than asking students to memorize that “needs” are food, clothing, and shelter—while everything else is a “want”?

There is no mention of the term “need” in the Council

for Economic Education’s *National Voluntary Economics Standards*. Standard One, on the topic of scarcity, states, “Students will understand that productive resources are limited. Therefore, people cannot have all the goods and services they want; as a result, they must choose some things and give up others.” It goes on to define economic wants as “desires that can be satisfied by consuming a good, service, or leisure activity.”<sup>1</sup> “Need” is not an economic concept. Economics is about making choices that use one’s resources efficiently, effectively, and thoughtfully in order to acquire goods and services that one values most.

### Resource Scarcity

Differentiating between needs and wants takes the focus off the understanding we really want students to have. Because resources are scarce, it is important to use them thoughtfully. That is the vital lesson. The term “resources” is constantly in the news, often referring to depleting resources, diverting resources, and the need to combine resources. Economic

resources include: *natural resources* (gifts of nature), *physical capital* (man-made things used to produce goods and services), *human resources* (human input, especially labor, skills, experience, and knowledge— called “human capital”) and *entrepreneurship* (the skill of bringing other resources together to produce goods and services in new and better ways). Students must learn that resources are scarce, and as a result, they cannot have everything they want. Because of this condition of scarcity, consumers, producers, and governments will always be forced to make hard choices. Thoughtful decision-making skills can be helpful in making those choices, and those are skills that can be learned. Since habits are formed early, it makes sense to start teaching some of these skills even to young students.

### Opportunity Cost

Students must make thoughtful choices about how they use resources if they want to be good stewards of the world’s scarce resources, as well as their own. Choices matter. Students must recognize that every choice involves a cost. When we choose to do one thing, we give up the opportunity to do something else. “The opportunity cost of a choice is the value of the best alternative given up.”<sup>2</sup> The forgone choice—the next best thing that we did not choose—is the “opportunity cost.”

The concept of opportunity cost can be illustrated easily even with young students. Have each of them color pictures on both sides of a page. Then explain to them that they must choose one picture to display on the wall, and cover the reverse side with tape, thus making that picture unavailable. For some, the decision will be easier than for others, but all of them will clearly see that the opportunity cost of displaying the chosen picture is the second picture, now hidden by the wall.<sup>3</sup>

### Costs and Benefits

A key part of decision-making is weighing costs and benefits. Some of the basics of this sort of decision-making can be taught at the elementary level.

“Benefits” are the good things you expect to enjoy from the choice that you make. “Costs” are the things you give up to when you choose one path over another. As we all know, life is full of choices, all of which involve costs.

For example, a young family might have to choose how to spend a four-day vacation: at the beach by themselves or in the mountains with Grandma? The family members must weigh the costs and benefits. Their physical and human resources are limited. They cannot be in both places for those four days, so they have to make a choice. If we go to Grandma’s, the cost of that choice is the fun we would have had at the beach. The benefit is the enjoyment we will have in the mountains with Grandma. People generally make better decisions when they compare alternatives and weigh the cost and benefits of each before they decide.

### Careful Decisions

Thus, the first step in helping students learn to make more careful decisions is not to teach them to divide all alternatives into “needs” and “wants,” but rather to give them some decision-making tools. Using these tools can help them use their resources more effectively by helping them learn to prioritize their economic wants.

Step one is to help students recognize that resources are scarce, and thus they will be making choices every day of their lives (see Activity 1 in the Pullout).

The second step will be learning that every choice involves an opportunity cost (see Activity 2).

Third, they will learn to list their alternatives and weight the costs and benefits of each (see Activity 3).

Finally, using that information, they will practice prioritizing their wants, based on the costs and benefits of each (see Activity 4).

In summary, it’s important for students to recognize that they can’t have everything they want, and to understand that this is because resources are scarce. As a result, they, like everyone else, will be forced to make choices every day. Teaching children to consider costs and benefits, prioritize their wants, and make thoughtful, informed choices will be far more valuable than having them memorize the phrase “needs are food, shelter, and clothing.”

As educators, it is our job to provide guidance and opportunities to empower our students become good thinkers.<sup>4</sup> Developing the habit of thoughtful decision making early will be valuable as they continue making choices every day as consumers, producers, savers, borrowers, investors, and voters. So, let’s help students become good thinkers—teaching them to gather information, list the alternatives, reflect on costs and benefits, and prioritize the options—not merely to memorize. 🌐

### Notes

1. National Council on Economic Education, *Voluntary National Content Standards in Economics* (New York: NCEE, 1997): 1-41. NCEE has become the Council on Economic Education (CEE).
2. NCEE, 1.
3. Older children might consider the opportunity cost of purchasing bottled water, when drinking water flows freely from the tap. “What could you buy at the end of the summer for \$100?”
4. The authors wish to thank the following economic educators for their insights on this issue: Jim Charkins, California State University San Bernardino; Doug Haskell, University of Cincinnati; Bonnie Meszaros, University of Delaware; Ed Millner, Virginia Commonwealth University; and Mary Suiter, St. Louis Federal Reserve Bank.

**SUZANNE GALLAGHER** is Director of the Center for Economic Education in the School of Business at Virginia Commonwealth University and is affiliated with the Virginia Council on Economic Education.

**SHANNON HODGES** is a Resource Teacher at the Rivers Edge Elementary School in Glen Allen, Virginia.



# Prioritizing Our Wants, Step by Step

Suzanne Gallagher and Shannon Hodges

The first step in helping students learn to make more careful decisions is not to teach them to divide all alternatives into “needs” and “wants,” but rather to give them some decision-making tools. Using these tools can help them use their resources more effectively by helping them learn to prioritize their economic wants. (See the preceding article.) Here are four activities to guide students as they learn to use decision-making tools.

Activity 1 helps students recognize that resources are scarce, and thus they will be making choices every day of their lives

Activity 2 helps students learn that every choice involves an opportunity cost (see Activity 2).

Activity 3 helps students list alternatives and weight the costs and benefits of each (see Activity 3).

Activity 4 has students practice prioritizing their wants, based on the costs and benefits of each item.

*Suzanne Gallagher is Director of the Center for Economic Education in the School of Business at Virginia Commonwealth University and is affiliated with the Virginia Council on Economic Education. Shannon Hodges is a Resource Teacher at the Rivers Edge Elementary School in Glen Allen, Virginia.*

## Activity 1: Dealing With Scarcity

1. Set up a scarcity situation. For example, involve students in an art project that requires scissors—and be sure to have only a few pairs of scissors available.
2. Put the scissors on a table and tell students to come and get the scissors when they are ready to use them.
3. When students are frustrated by the scarcity of scissors, stop the project for a discussion. Ask them to describe the problem. Ask how they are deciding who gets the scissors, which at this point is probably “first come, first served.” Ask if there are other ways to handle the scarcity. (Examples: the teacher decides; pairs of students share scissors; taking turns; set up a lottery; sign out-sign in, like a library).
4. Guide students to the conclusion that they are facing a scarce resource. Define scarcity as “the inability to satisfy all of our wants at the same time.” Because of scarcity, we can’t have everything we want. We must make choices. (“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.”— *Voluntary National Content Standards in Economics*.)
5. Ask students for examples of times in their lives when things were scarce. Discuss what happened in each situation presented. Ask whether they had to make a choice.
6. Allow students to finish the art project, employing their preferred method of sharing scissors.
7. Optional: Ask each student to write a paragraph describing a time when something was scarce and describe what choice was made.



## Activity 2: What's My Opportunity Cost?

1. "Pay" students for some work they have done (e.g. completing homework, cleaning out desks) so that each student has one classroom dollar.
2. Lay out approximately 35 or 40 attractive items (equivalent to about ten items from each of four categories, such as cookies, stickers, pencils, and coupons for lunch with the teacher). You'll need about ten of each item.
3. Remind students that all choices have costs and that the opportunity cost is what is given up when a choice is made.
4. Ask for one volunteer who will help you to demonstrate the activity. Ask that student which two things he/she would like to have.
5. Let the student hold the two treats. Then explain that each item costs a classroom dollar. Ask the student to choose which item he or she wants to purchase, and make the transaction. The student pays the dollar, keeps one item, and replaces the other.
6. Ask students what economists call the item that was given up. Have the demonstrator say, "My choice is \_\_\_\_\_. I'm giving up \_\_\_\_\_, and that's my *opportunity cost*."
7. Ask remaining students to begin thinking about their choices so they will know what they want when their turn comes. Bring up students in small groups to make their selections. Have each one say, "My choice is \_\_\_\_\_. I'm giving up \_\_\_\_\_, and that's my opportunity cost." Each child will get to keep his/her choice.
8. Afterward, ask students to share why they made the choices they did. The opportunity cost concept can be assessed informally as each student responds to his/her choice. Afterward, higher-level questions can be asked to assess deeper understanding. For example, a second grade teacher might ask her students to describe possible opportunity costs Christopher Columbus experienced when he chose to begin his explorations. (Maybe he could have chosen to be a merchant in Madrid, or a grape grower in Barcelona.)



### Activity 3: Comparing Costs and Benefits

1. Ask children to write down a choice they made during the week (ex., chocolate versus regular milk for lunch, going to the movies versus going to the pool, choosing with whom to sit on the bus). Then have them list what was given up as a result of that choice.
2. Draw a chart on the board, showing some of the students' names, choices made, and items (or events) given up.
3. After several examples are charted, read the following sentence as a demonstration: "Jonathan chose the movies and gave up going swimming. Swimming was his opportunity cost." Ask further questions regarding students' choices such as, "Jonathan, what were the benefits of going to the movies? Why did you choose it over swimming?"
4. Summarize verbally the student's comments: "The benefit of going to the movies was that Jonathan thought he would enjoy it, and this was the last day that particular movie would be playing at the theater. He thought the benefit of the movie was higher than the benefit of swimming, because he can go swimming any day. He chose to go to movies, leaving swimming as his opportunity cost."
5. Repeat this process with several students. Then give the writing assignment below. Older students can be asked to formulate their responses into a paragraph.

NAME: \_\_\_\_\_

I CHOSE TO: \_\_\_\_\_

I GAVE UP: \_\_\_\_\_

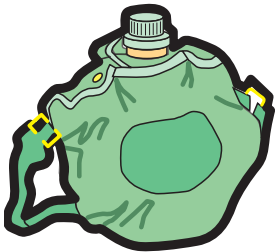
### Answer these questions about a choice you have made recently.

1. What were the two alternatives?  
A. \_\_\_\_\_ B. \_\_\_\_\_
2. What were the benefits of choice "A"? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. What were the benefits of choice "B"? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Which alternative did you choose? \_\_\_\_\_
5. What was the opportunity cost of that choice? \_\_\_\_\_

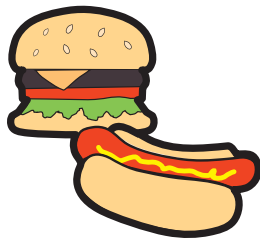
## Activity 4: Setting Priorities and Sharing Resources

1. Prepare enough camping item cards for each student to have one of each item (water, food, tent, extra clothing, sleeping bag, flashlight, and—humorously—candy and iPod). Then organize stacks of water cards, food cards, etc.
2. Explain to the class that prioritizing means taking care of the most important things first. For example, if you are playing at recess and someone falls and breaks his leg, do you continue playing or do you get help for the injured student? Students would likely conclude that the priority at that time would be to assist the injured student.
3. After that discussion, ask the students to imagine that they are going on a weeklong camping trip, but that they will only have five minutes to pack, so there will not be time to gather everything they want. Reveal the camping cards and describe what items are available. Remind students that they should pack the most important things first.
4. In round 1, each child comes to the front and picks up one card. When all have returned to their seats, proceed to round 2, during which each child chooses a second item.
5. Continue on with rounds until each student has chosen four items.
6. Begin a discussion by asking how many students packed water. Explain that a person can only live two to three days without water.
7. Ask how many students chose food. How comfortable would they be with an iPod, but no food?
8. Ask students if there were any items they still wanted, but did not have time to pack.
9. Continue with a discussion of their choices and priorities. Construct a chart on the board:
  - Which items did students choose most often?
  - Which items did they choose least often?
  - Which items could have been eliminated from the choices?
10. Ask students why it might be an advantage to plan for a camping trip as a team, with two or three other children? Why might the members of group actually fair better, in the face of scarcity, than would an individual? (If students could plan to choose complementary items, and then share some items at the campsite, they might be more comfortable. One student could bring a flashlight and share it, allowing others to bring more food.)

**Water**



**FOOD**



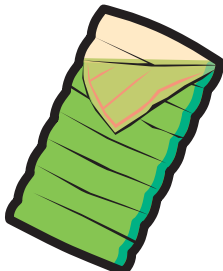
**tent**



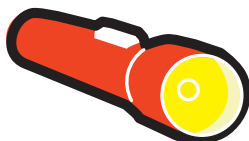
**extra  
CLOTHING**



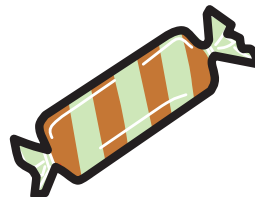
**SLEEPING  
BAG**



**FLASHLIGHT**



**CANDY**



**iPOD**

