Uncle Jed's Barbershop

By Margaree King Mitchell / ISBN: 0-689-81913-7

Lesson by

Andrew T. Hill, Ph.D., Federal Reserve Bank of Philadelphia

Lesson Description

Students listen to the book *Uncle Jed's Barbershop*, about an African-American barber who, despite significant setbacks, saves enough money to buy his own barbershop. From the story, students learn about saving, savings goals, opportunity cost, and segregation. The students participate in a card game to further investigate what it takes to reach a savings goal.

Age Level

9-11 year olds

Content Standards

National Standards in Economics

■ **Standard 1:** 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.

- Benchmark 6, Grade 4: Whenever a choice is made, something is given up.
- Benchmark 7, Grade 4: The opportunity cost of a choice is the value of the best alternative given up.

■ **Standard 10:** Students will understand that institutions evolve in market economies to help individuals and groups accomplish their goals. Banks, labor unions, corporations, legal systems, and not-for-profit organizations are examples of important institutions. A different kind of institution, clearly defined and well enforced property rights, is essential to a market economy.

- Benchmark 2, Grade 4: Saving is the part of income not spent on taxes or consumption.

National Standards in Personal Finance

Saving and Investing Overall Competency: Implement a diversified investment strategy that is compatible with personal goals.

- Benchmark 1, Grade 4: People save for future financial goals.

Concepts

Alternatives
Bank failure
Opportunity cost
Saving
Savings goal
Segregation

Objectives

Students will:

1. Define opportunity cost.

2. Identify the opportunity cost of a decision given two or more alternatives.

3. Define saving and savings goal.

4. Identify a savings goal.

5. Explain that people must make spending and saving choices to meet goals.

Time Required

45 – 60 minutes

Materials

- A copy of *Uncle Jed's Barbershop* by Margaree King Mitchell (ISBN: 0-689-81913-7)

- Handout 1, one copy for each group of four to five students

- Handout 2, one copy printed on white card stock and cut apart for each group of four to five students and one for the teacher

- Handout 3, one copy for each group of four to five students

- Handout 4, one copy for each student

- Two dice for each group of four to five students

- Visual of Handouts 1 and 3

Procedures

1. Introduce the lesson by discussing the following:

   - Have you ever gotten your hair cut by a family member? *(Answers will vary.)*
   - Have you ever gotten your hair cut at a barbershop or a beauty salon? *(Answers will vary.)*
   - Was the person who cut your hair the owner of the barbershop or the beauty salon, or just someone who worked for the owner? *(Answers will vary.)*
   - Sometimes the owners of barbershops or beauty salons will hire barbers or beauticians to cut customers' hair. In some barbershops and beauty salons the only barbers or beauticians are the owners.
   - What things do owners of barbershops and beauty salons have to spend money on in order to start their businesses? *(Answers will vary but may include rent, shampoo, scissors, combs, towels, dryers, barber chairs, curling irons, and chairs for customers to wait in.)*
   - How do you think the owners of barbershops and beauty salons got the money to start their businesses? *(Answers will vary but may include saved the money, borrowed the money from a family member, or borrowed the money from a bank.)*

2. Tell the students that you are going to read them a book, *Uncle Jed's Barbershop*, by Margaree King Mitchell. Show them the cover of the book and ask the following:

   - What do you think this story might be about? *(Answers will vary but may include getting a haircut, a little girl, or a barber.)*
   - Do you think that Uncle Jed is the man in the picture on the cover of the book? *(Answers will vary.)*
   - Who do you think the little girl is on the cover of the book? *(Answers will vary but may include Uncle Jed's niece or a customer.)*

3. Read the book to the students. Discuss the following:

   - Where does it look like the little girl on the cover of the book is getting her hair cut? *(Answers will vary, but some students may say in a house.)*
   - Who is telling the story? *(Sarah Jean)*
   - How do you know it is Sarah Jean who is telling the story? *(Answers will vary but may include that the story begins, "Jedediah Johnson was my granddaddy's brother.")*

- Why did he come to the house? *(to cut her father's and her grandfather's hair)*
- Did he cut her hair? *(No)* Why not? *(Because Sarah Jean's mother wouldn't let him.)* What did he do for her? *(He would run the clippers on the back of her neck and just pretend to cut her hair. He would spread lotion on her neck.)*

4. Explain that **saving** means not spending money now but instead keeping the money to buy things in the future. Discuss the following:

   - What was Uncle Jed saving for? *(a barbershop)*
   - What goods or services have you saved for? *(Answers will vary.)*

5. Explain that a **savings goal** is any good or service for which you are saving. Ask the students what Uncle Jed's savings goal was. *(a barbershop)*

6. Explain that the story is set in the southern United States, also known as the South, in the 1920s and 1930s. Discuss the following:

   - What does Sarah Jean say most people where she lived in the South do for a living? *(They were sharecroppers.)*
   - What does Sarah Jean say it means to be a sharecropper? *(Sarah Jean explains that sharecroppers lived in a shack and worked somebody else's land in exchange for a share of the crop.)*
   - Was Sarah Jean's father a sharecropper? *(No)* Why not? *(He owned and farmed his own land.)*
   - How old was Sarah Jean when she got sick? *(Five)*
   - When they got to the hospital, what happened? *(They had to wait in what was called the colored waiting room.)*
   - Why did they have to wait in the "colored waiting room"? *(For many years, blacks and whites were kept separate in many parts of the United States, especially in the South. As Sarah Jean explains in the story, there were separate public restrooms, separate water fountains, separate schools, etc.)*

7. Explain that this practice of keeping blacks and whites separate was called **segregation**. During this period, most public places were segregated by skin color. In many parts of the United States, there were separate restrooms, drinking fountains, parts of movie theaters and trains, beaches, schools, restaurants, hotels, parks, etc. for people with light skin and for people with dark skin. Segregation began to be eliminated in the United States in the 1950s.

8. Discuss the following:

- When did the doctors examine Sarah Jean? *(After the doctors were finished with all the white patients.)*
- How much did the doctors say Sarah Jean's operation would cost? *($300)* Explain that in those days, $300 was worth what something that cost $3,700 would be worth today.
- How did Uncle Jed help Sarah Jean? *(He took the money out of his savings to pay for her operation.)*

9. Explain that **alternatives** are the different possibilities we choose from in a given situation. Whenever a choice is made, something is given up. **Opportunity cost** is the best alternative that we give up when we make a choice. Discuss the following:

- If you go to the store and you only have money for either an ice cream cone or a snow cone and you choose the snow cone, what is your opportunity cost? *(an ice cream cone)*
- Why can't you have both the ice cream cone and the snow cone? *(only have enough money for either an ice cream cone or a snow cone)*
- Because you don't have enough money for both an ice cream cone and a snow cone, what do you have to do? *(make a choice)*
- If you chose the ice cream cone, what would be your opportunity cost? *(a snow cone)*
- What was the opportunity cost of Uncle Jed's decision to pay for Sarah Jean's operation? *(delay in opening his barbershop)*

10. Continue reviewing the story by discussing the following:

- After paying for Sarah Jean's surgery, what did Uncle Jed do? *(continued to save)*
- What news did Mr. Ernest Walters come to give Uncle Jed? *(The bank had failed.)*
- Explain that a **bank failure** happens when a bank goes bankrupt. If you put your money in a bank today, it is most likely insured, which means that you will get your money back even if the bank fails. In Uncle Jed's time, bank deposits were not insured. In those days, when banks failed, the people who had deposited money in the banks lost their money.
- How much money did Uncle Jed lose when the bank failed? *(Over $3,000)*

- What does Sarah Jean say that time was called? *(The Great Depression)*

- How does Sarah Jean describe the Great Depression? *(hard times, when nobody had much money)*

- What did Uncle Jed do during the Great Depression? *(He continued to cut people's hair even though they couldn't pay him with money.)*

- What did Uncle Jed receive in exchange for his haircuts? *(Whatever his customers had—a hot meal, fresh eggs, vegetables from the garden, etc.)*

- How did Uncle Jed eventually get his barbershop? *(People were able to pay again, and when they did, he started saving again.)*

11. Explain to the students that they are going to work in groups to investigate further what it takes to reach a savings goal. Divide the class into groups of four to five students each. Direct each group to push their desks together to create a common work surface.

12. Explain to the students that each group is going to have the same savings goal: a newly released video game that costs $50. Distribute one copy of *Handout 1: Saving and Spending Register* to each group. Display your visual of Handout 1. Show the students a deck of cards created from *Handout 2: Saving and Spending Cards*. Distribute one copy of *Handout 3: Saving and Spending Game Directions* to each group. Display a visual of Handout 3 and review the directions with the students. Using the visual of Handout 1, demonstrate how to throw the dice, draw cards, and complete lines on the register. Distribute a set of cards from Handout 2 and the dice to each group of students. Give students time to play the game until every group has reached the savings goal of at least $50. Discuss the following:

- How many weeks did it take each group to reach the savings goal? *(Answers will vary.)*

- What made it difficult to reach the savings goal? *(Answers will vary but may include drawing cards for spending, rolling low numbers on the dice and then drawing a saving card, and rolling high numbers on the dice and then drawing a spending card.)*

- Did any groups ever have less than zero in their balance at any time? *(Answers will vary.)* What does less than zero money mean? *(had to borrow)*

- Why is it harder to reach a savings goal in real life or in the saving and spending game? *(Answers will vary.)*

- In real life, which are easier to achieve—savings goals that cost a little bit of money or savings goals that cost a lot of money? *(savings goals that cost a little bit of money)* Why? *(It takes longer to save for savings goals that cost a lot of money because more money has to be saved and because more things arise to spend*

money on.)

- What things do you have to do in order to successfully meet a savings goal? *(Answers will vary but may include making wise saving and spending choices, staying focused on the saving goal, or giving saved money to a parent to keep me from spending it.)*

Closure

13. Review the important points taught in the lesson by asking the following:

- What is saving? *(not spending money now but instead keeping it to buy things in the future)*

- What is a savings goal? *(any good or service you are saving for)*

- What was segregation? *(the practice of having different places for people with different skin colors)*

- What are alternatives? *(different possibilities we can choose from in a given situation)*

- What is opportunity cost? *(the alternative that we give up when we make a choice)*

- In the hour after dinner you can either study for your spelling test or play outside with your friends. If you choose to study for your spelling test, what is the opportunity cost of your choice? *(playing outside with friends)*

- What is a bank failure? *(when a bank goes bankrupt and everyone loses their money)*
  Note: Remind students that today most banks are insured. If a bank fails, depositors get their money back.

- If you want to reach a savings goal more quickly, what must you do? *(Spend less so that you can save more.)*

Assessment

14. Distribute one copy of Handout 4 to each student.

Handout 4 — Answer Key

1. What was George's savings goal? *(an MP3 player)*

2. How much did George have to save to reach his savings goal? *($73.29)*

3. How long did it take George to reach his savings goal? *(13 weeks)*

4. What things do you think George could have done differently in order to reach his savings goal faster? *(Answers will vary but may include save more money each week and not go to the amusement park with his friends.)*

5. What is the definition of opportunity cost? *(the alternative that we give up when we make a choice)*

6. When George went to the amusement park with Juanita, Abayomi, and Ho Sook, what was the opportunity cost? *(He gave up adding money to his savings account.)*

7. How did this affect his ability to reach his goal? *(It took him longer.)*

8. What is the definition of saving? *(Saving means not spending money now but instead keeping the money to buy things in the future.)*

9. What is the definition of a savings goal? *(A savings goal is any good or service for which you are saving.)*

Handout 1: Saving and Spending Register

Team Members' Names: _____

Savings Goal: A new video game = $50

Week Number	Amount	Event	+ or -	Balance
				$0.00
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

Handout 2: Saving and Spending Cards

You lose money somewhere on the way home from school.	**You make a donation to charity.**
You buy candy at a store.	**You spend money going to the movies.**
You buy a birthday present for a friend.	**You give money to your little sister.**

Handout 2: Saving and Spending Cards, (cont.)

You collect your allowance.	You pay your dues to your recreational club.
You buy a toy at a store.	You collect your allowance.
You buy an ice cream cone from a street vendor.	You pay your library fines.

Handout 2: Saving and Spending Cards, (cont.)

You are given money for your birthday.	**You collect your allowance.**
Your aunt gives you money.	**You are paid to substitute on your friend's paper route.**
You are paid to do some yard work for a neighbor.	**You collect your allowance.**

Handout 2: Saving and Spending Cards, (cont.)

You collect your allowance.	You collect change from around the house.
You pet sit for your aunt and uncle.	Your mother gives you money.
You are paid to complete extra chores around the house.	You make money selling lemonade in front of your home.

Uncle Jed's Barbershop

Handout 3: Saving and Spending Game Directions

In this game, you will take turns rolling dice and drawing cards in order to reach your savings goal—a new video game that costs $50. Follow these directions:

1.   Shuffle your deck of saving and spending cards.

2.   Throw both dice and multiply the two numbers on the cubes. Enter this number in the "Amount" column on your register next to the number "1."

3.   Draw a card from the deck. Copy the event from your card into the "Event" column on your register. Place the card in a discard pile.

4.   Determine whether your event card describes saving or spending. If your card describes saving, enter a "+" in the "+ or −" column on your register. If your card describes spending, enter a "−" in the "+ or −" column on your register.

5.   Calculate your balance by adding or subtracting the amount in the "Amount" column from your previous balance based on your entry in the "+ or −" column. Enter your new balance in the "Balance" column.

6.   Continue to take turns rolling the dice, drawing cards, and making entries on your register until you have saved the $50 or more you need to get the new video game. If you run out of cards before you reach the savings goal, shuffle the discard pile and continue to draw cards from the pile.

Handout 4: Assessment

Directions: Read the following story and answer the questions that follow.

George was completely impressed by his friend Juanita's new MP3 player. Juanita had received the player from her uncle as a birthday present last year.

George went home and told his mom how much he wanted an MP3 player just like Juanita's. She told him that he would have to save the money to purchase his own MP3 player. George asked his mom how much an MP3 player like Juanita's costs. His mom looked up the price on the Internet. It cost $73.29.

George began to save for an MP3 player. Most of the time George was very good about staying on track to his savings goal, but in week seven, he went to the amusement park with Juanita and their friends Abayomi and Ho Sook. He spent $23.23 on ice cream, hot dogs, and tickets for rides. Eventually, in week 13, George saved enough money to buy the MP3 player.

1. What was George's savings goal? _____

2. How much did George have to save to reach his savings goal? _____

3. How long did it take George to reach his savings goal? _____

4. What choices could George have made in order to reach his savings goal faster?

    _____

    _____

5. What is the definition of opportunity cost? _____

6. When George went to the amusement park with Juanita, Abayomi, and

    Ho Sook, what was the opportunity cost? _____

7. How did this affect is ability to reach his goal? _____

8. What is the definition of saving? _____

9. What is the definition of savings goal? _____