

Learning Economics through Comics

By Kerry Giordano

Federal Reserve Bank of Atlanta

Lesson Plan of the Year Contest, 2010

SecondPlace

LESSON DESCRIPTION

Learning Economics through Comics is a four-part unit designed to help students gain a basic understanding of our banking system. The unit is based on four Federal Reserve Bank booklets in comic form, and marries the goal of furthering the students' knowledge of economics while promoting good reading strategies. Each lesson requires a homework reading assignment of a Federal Reserve publication. In the classroom students discuss the homework assignments and then participate in hands-on, active reading activities designed to strengthen and reinforce their understanding of modern banking. Each hands-on activity is geared to a different learning style in order to help all students improve their reading skills and their understanding of the banking system.

GRADE LEVEL

Grades 6–8

CONCEPTS

Lesson 1: bartering, self-sufficiency, division of labor, medium of exchange, money, checks, credit cards, inflation, recession, reserve requirements

Lesson 2: inflation, recession, unemployment, hyperinflation, credit

Lesson 3: types of banks, bank services, Federal Reserve, ATM, types of accounts, entrepreneur

Lesson 4: interest rates, bartering, creating money, money supply, accounts, supply and demand, loans, problems with early money, check system

Sunshine State Standards: Social Studies 6–8

1. Understand the fundamental concepts relevant to the development of a market economy.
2. Understand the fundamental concepts relevant to the institutions, structure, and functions of a national economy.
3. Understand the fundamental concepts and interrelationships of the United States economy and international marketplace.

4. Understand the economic divisions of the Earth's surface.
5. Understand the advantages and disadvantages of various kinds of credit.
6. Understand the various kinds of specialized institutions that exist in a market economy.

OBJECTIVES

Students will

- Improve reading comprehension skills through active reading assignments
- Describe the process of bartering
- Explain how money facilitates trade and exchange
- Define and describe inflation, its causes and effects
- Describe a modern banking system and its services.
- Summarize the historical development of money.

TIME REQUIRED

Four home reading assignments and four 50-minute class periods

MATERIALS

- Class set of *The Story of Money*. Federal Reserve Bank of New York, 2009
- Class set of *The Story of Inflation*. Federal Reserve Bank of New York, 2001
- Class set of *The Story of Banks*. Federal Reserve Bank of New York, 2002
- Class set of *Once Upon a Dime*. Federal Reserve Bank of New York. Reprinted 2009. Note: Order copies of the above publications from the Federal Reserve at: <http://www.newyorkfed.org/publications>
- Song. "We Didn't Start the Fire". Billy Joel. Columbia Records produced by Bill Perna, CD
- Paper, pencils, chart paper, markers
- *Activity 1: The Story of Money Idea Chart*
- *Activity 2: The Story of Money Skit Directions*
- *Activity 3: The Story of Inflation Four Square Notes*

- *Activity 4: The Story of Inflation Poster Directions*
- *Activity 5: The Story of Banks Questions*
- *Activity 6: The Story of Banks Project Directions*
- *Activity 7: Once Upon a Dime Journal Entry*
- *Activity 8: Once Upon a Dime Reciprocal Teaching Directions.*

PROCEDURE

The day before beginning this unit, distribute a copy of *The Story of Money* to students and tell them to read it for homework.

LESSON 1

1. Give each student a copy of *Activity 1: The Story of Money Idea Chart*. Ask students to complete the chart on their own, based on their reading of *The Story of Money*.
2. Have selected students read their responses from their Idea Charts.
3. Review the basic concepts with students by asking the following questions:
 - What would life be like without money? [*People would have to trade for goods and services as they did in the past.*]
 - What is “division of labor”? [*Division of labor means that people specialize in providing certain goods and services rather than being self-sufficient.*]
 - What are the functions of money and how does it make trade and exchange easier? [*Money is a medium of exchange. People earn money and then exchange it for things they want. Money is also a standard of value, meaning it measures prices, and a store of value—a means of saving.*]
 - Give examples of some things that were used as money in the past. [*Cattle, shells, fish, gold coins*]
 - Why are the items listed in question 7 not very suitable as money? [*They are not easily portable, divisible or fungible.*]

4. Remind students that, besides carrying coins and paper money, many people keep their money in checking accounts in a bank. Checks are as good as cash as long as there is enough money in the account.
5. Review the basics of “inflation” as a general rise in prices that can occur when there is too much money in relation to the amount of goods and services being produced. Tell students that the nation’s central bank, The Federal Reserve, has responsibility for stable prices and making sure the money supply is adequate to maintain a healthy, growing economy with enough jobs.
6. Divide students into groups of two to four. Hand out *Activity 2: The Story of Money in Skits*. Review the directions, and give students time to develop their skits for presentation to the class.
7. Have students present their skits and hand in their scripts.
8. Distribute a copy of *The Story of Inflation* and a copy of *Activity 3: The Story of Inflation Four Square Notes* to each student. Tell students to read the booklet for homework and make notes in the top two squares in preparation for the next lesson.

LESSON 2

1. Select students to read aloud their entries on *Activity 3: The Story of Inflation Four Square Notes*. Call on those students who have focused on the major concepts and ideas outlined in the booklet (definition of inflation, types of inflation, who is hurt by inflation, causes of inflation, the Federal Reserve Bank, monetary policy, price controls, measuring inflation).
2. As each student reads from his or her notes, ask for peer responses to the questions and provide clarification as needed. Have students note peer responses and teacher comments on their Four Square Notes.
3. Ask students to break into groups of three or four. Hand out copies of *Activity 4: The Story of Inflation Posters* and review the directions.

4. Have students present and explain their posters to the whole class. Posters may, if desired, be displayed in the room afterward.
5. Give each student a copy of *The Story of Banks* and assign them to read it for homework in preparation for the next day.
4. Review the student directions and answer any questions about *Activity 8*.
5. When student groups have completed *Activity 8*, have them present their work on poster paper to the class.

LESSON 3

1. Hand out *Activity 5: The Story of Banks Questions*. Tell students to answer the questions based on their homework reading assignment.
2. Review *Activity 5* with students. Emphasize the services offered by banks, how banks make loans, the reserve requirement, and the topic of credit.
3. Play the song *We didn't start the fire* by Billy Joel.
4. Distribute *Activity 6: The Story of Banks Project* and review the directions that ask students to create their own song.
5. Allow enough time for students to create their songs. Have students present their songs and hand in their scripts.
6. Distribute copies of *Once Upon A Dime* and assign it as homework reading.

LESSON 4

1. Give each student a copy of *Activity 7: Once Upon a Dime Journal Entry*. Review the directions and have students complete the activity based on their homework reading assignment.
2. Call on selected students to share their journal entries. Emphasize the following topics as they arise: barter, money as a medium of exchange, coins and paper money, checks, banks, loans, central bank and the money supply.
3. Divide the students into groups of two to three. Give each student a copy of *Activity 8: Once Upon a Dime Reciprocal Teaching*. Assign each group several pages from *Once Upon a Dime* on which to base their reciprocal teaching activity. Suggested pages are 1–9, 10–13, 14–17, and 18–23.

ASSESSMENT

1. Assign a grade for the written scripts in *Activity 2: The Story of Money in Skits*.
2. Grade posters created in *Activity 4: The Story of Inflation Posters*.
3. Grade *Activity 5: The Story of Banks Questions* based on the homework reading of *The Story of Banks*.
4. Assign a grade for the presentation (and if desired, scripts) of students' songs as required in *Activity 6: The Story of Banks Project*.
5. Grade *Activity 7: Once Upon a Dime Journal Entry*.
6. Have students write a letter to a character that lives on another planet to explain what a bank is and describe the services banks offer people on Earth.

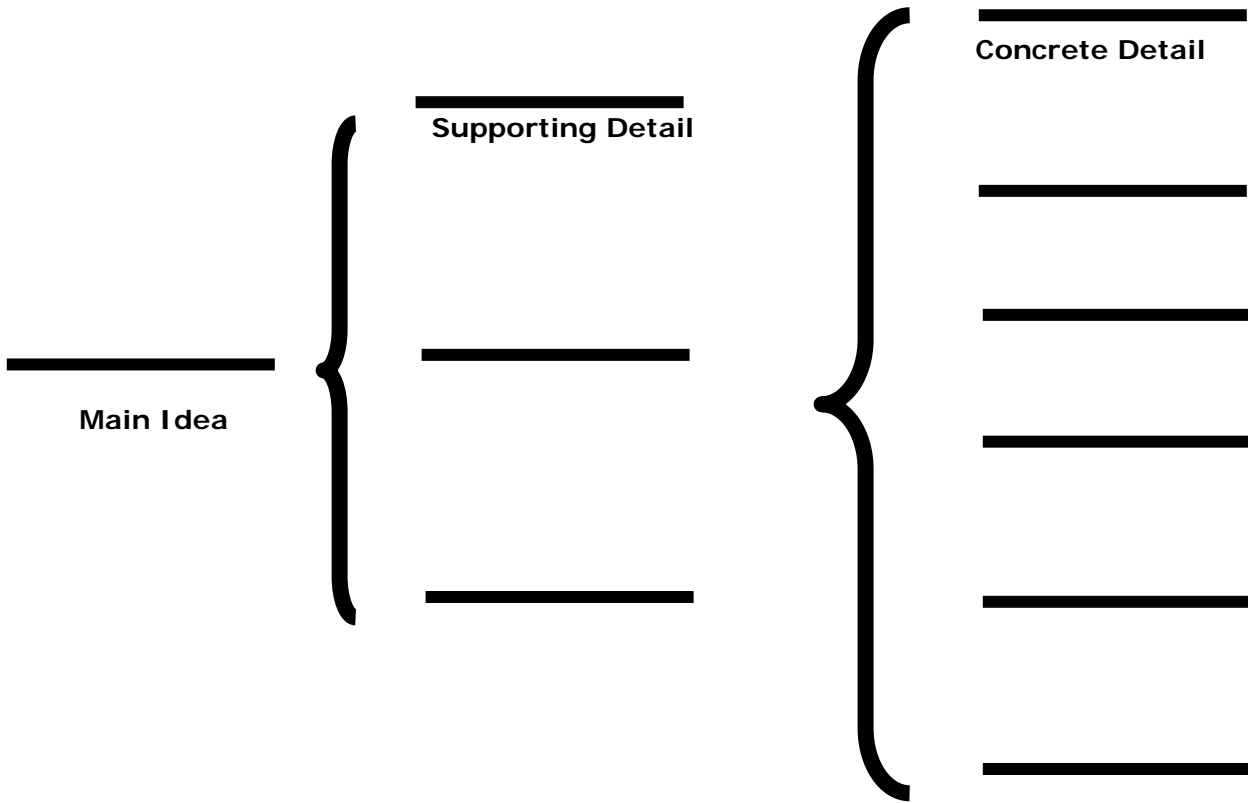
AUTHOR'S NOTE

Students really enjoyed the use of the Federal Reserve graphic booklets in comic form. More of my students actually read the material in this format than they would have done in a traditional textbook. I knew that they were reading the material when I reviewed their reading activities because I could observe what they recorded. The reading activities were designed to include simple note-taking in addition to critical thinking sections like the "what if" questions or the questions at the end of the journal entry. To do these sections well, a student has to read. I assessed the hands-on activities to ascertain whether the students understood the concepts in the reading. It is difficult for students to write skits and songs if they have not read, and comprehended, the material. In future classroom discussions and activities it became clear that my students had a better understanding of some basic concepts after I had taught this unit.

ACTIVITY 1

The Story of Money Idea Chart

- After reading *The Story of Money*, complete the chart below.
- After completing the chart, develop two “what if” statements from the reading or pictures.



“What If” 1

“What if” 2

ACTIVITY 2

The Story of Money in Skits

Student directions

1. Choose one of the topics below on which to create a skit.
2. Skits should include, but not be limited to, defining the concept, demonstrating how it works, and the affect on the economy.
3. Skits should not simply be a list of facts but an interactive play between or among characters.
4. Create a brief script to follow and turn in at the end of the lesson.

Topics

- Bartering
- Self-sufficient
- Division of labor
- Medium of exchange
- Intrinsic value
- Money (portable, divisible, fungible)
- Standard of value
- Checks
- Credit cards
- Inflation
- Recession
- Reserve requirements

ACTIVITY 3

The Story of Inflation Four Square Notes

Student notes from reading	Student questions from reading
Peer responses to questions	Teacher/parent responses/comments

ACTIVITY 4

The Story of Inflation Posters

Student Directions

1. Divide into groups of 3–4 people.
2. Use the chart paper and markers provided to create a poster on one of the topics listed below.
3. The poster should include, but need not be limited to, a definition of the concept, a demonstration of how it works, and its effect on the economy.
4. Choose your presentation style—graphic organizer, cartoon, cause/effect, compare and contrast, descriptive bubble, etc.
5. Be prepared to present and explain your poster to the whole class.

Topics

- Inflation description
- Cost-push inflation
- Demand-pull inflation
- Wage-price spiral
- Inflationary psychology
- Recession
- Unemployment
- Hyperinflation
- Credit
- Inflation causes
- How inflation is measured
- How to prevent inflation

ACTIVITY 5

***The Story of Banks* Questions**

After reading *The Story of Banks*, answer the following questions about the booklet:

1. What issue does this text address?
2. What point of view does the author adopt about the issue?
3. What is the author's thesis?
4. Give two or three examples of evidence from the text that supports the thesis.
5. Is it possible to cite evidence from the text that challenges the author's position?
6. At whom is the argument directed, and what does this choice of audience suggest about its purpose?
7. What conclusion does the author establish?
8. Is the argument convincing? Why or why not?

ACTIVITY 6

The Story of Banks Project

Student Directions

1. Choose a topic or concept from *The Story of Banks*.
2. Each group will create a song (in the style of *We Didn't Start the Fire*), rap, jingle, or commercial explaining their topic/concept.
3. The final product should demonstrate understanding of the text.
4. Create a brief script to follow and turn in at the end of the lesson.

ACTIVITY 7

Once Upon a Dime Journal Entry

- After reading *Once Upon a Dime*, write a journal entry summarizing what you learned from the booklet.
- Remember to include the main idea, specific details, and analysis of what was read.
- After completing the summary, write two questions you would ask the author.
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Question 1

Question 2

ACTIVITY 8

Once Upon a Dime Reciprocal Teaching

Student Directions

1. Break into groups of 2-3 students
2. Each group will be assigned several pages from *Once Upon a Dime*.
3. Your teaching task assignment is to summarize, question, clarify and predict, using the pages assigned to you.
4. During the process of rereading the text, stop and complete your assigned tasks.
5. Your groups will share their final product with the class on poster paper.

Summarize

- Summarize the main ideas about the reading
- Retell the key points of what was read in your own words

Question

- The question may be directly answered from the text (know the answer)
- The question may require inference or evaluation (know the answer)

Clarify

- Clarification tells the process used to clear up confusing parts.
- Clarification may focus on an idea, word meaning, or term.

Predict

- A prediction uses information from the text.
- A prediction is logic based.