Chapter 4: Teaching Civics and Government, and Economics


Thinking Ahead

1. What are three important rights and three important responsibilities of citizens living in our society?
2. What do you consider to be the main function of government?
3. What are three important concepts that primary students should know about economics?
4. What are three important concepts that middle school students should know?

This chapter examines the teaching of civics and government, and of economics. Below are listed the NCSS teacher expectations in each of these content areas as well as ideas for teaching. This chapter ends with a description of global education, a newer area of social studies that incorporates a variety of disciplines and their global impact.

**CITIZENSHIP EDUCATION: CIVICS AND GOVERNMENT**

Citizenship education prepares students to be full participants in a democratic society and is usually broken into three parts: The first part is the process of government. Here students examine American democracy and how our form of government works. The second part is civic ideals and practices. Here students examine the rights and responsibilities involved in being a citizen within a democratic society. They also explore values, traits, and dispositions that will enable them to live in relationship with others and to live harmoniously within a community. The third part is world or global citizenship where students examine what it takes for individuals and governments to live peacefully and respectfully in a world community.

So what is the ultimate purpose of social studies education? Why do we include it in the curriculum? To what end? Seixas (2001) describes three general purposes or rationales upon which social studies education is based. The first is citizenship. Some advocate that
education for citizenship be the main focus. But the question here becomes, who’s definition of citizenship is used? What are the characteristics of a good citizen? Is a good citizen one who waves flags and makes patriotic pledges? Is it a person who participates in elections and who actively contributes to his or her community? Is a good citizen one who seeks change, who sees inequity, inequality, and injustice and is willing to speak out for peaceful change?

The second purpose is to teach the social sciences for pedagogical purposes. That is, to teach students the structure of each discipline. We would teach students how to be social scientists, historians, geographers, economists.

*NCSS Teacher Expectations for Teachers of Civics and Government*

Teachers of civics and government at all school levels should provide developmentally appropriate experiences as they guide learners in their study. They should:

- assist learners in developing an understanding of civic life, politics, and government, so that the learners can explore the origins of governmental authority and recognize the need for government; identify the crucial functions of government, including laws and rules; evaluate rules and laws; differentiate between limited and unlimited government; and appreciate the importance of limitations on government power;
- guide learners as they explore American democracy, including the American idea of constitutional government, the impact of the distinctive characteristics of American society on our government, the nature of the American political culture, and the values and principles that are basic to American life and government;
- help learners understand how the government of the United States operates under the Constitution and the purposes, values, and principles of American democracy, including the ideas of distributed, shared, and limited powers of government; how the national, state, and local governments are organized; and the place of law in the system;
- enable learners to understand the relationship of the United States to other nations and to world affairs;
- assist learners in developing an understanding of citizenship and its rights and responsibilities, and in developing their abilities and dispositions to participate effectively in civic life;
- ensure that learners are made aware of the full range of opportunities to participate as citizens in the American democracy and of their responsibilities for doing so.

*The Government Process*
What is government? How does it work? How is it used to organize our lives? Why do you need government? How do citizens participate in government? What role does the government play in the allocation of resources? These are some organizing questions that can be used for the study of the process of government. The process of government looks at how our government functions. The U.S. Constitution is a good place to start here. Summarize it and put it in terms that are appropriate to the grade and developmental level of the students you teach. Studying this will lead naturally to the development of a school or classroom constitution. And just like the U.S. Constitution, school and class constitutions should be living, dynamic documents that change over time just as amendments change the U.S. Constitution over time.

The process of government can be studied informally and experienced in the early primary grades by providing students the opportunity to vote on various choices within the class such as preferred activities, treats, books, or games. In the intermediate grades a classroom council might be elected to make various decisions or organize functions within the classroom such as holiday parties or room decorations. In middle school students can experience a representative form of government by electing members to a student council. However, classroom or student councils must have some power to make changes, choices, or decisions if this is to be an effective learning experience. If classroom or student councils do not have the power to do anything, they become nothing more than a popularity contest. In classroom and student councils it is most effective if elections are held once a quarter or twice a semester.

Many of the NCSS student performance expectations for Thematic Standards VI. Power, Authority, and Governance described in Appendix A can be used as guides in organizing lessons, units, and activities related to the process of government.

Civic Ideals

What rights do all individuals have within our democracy? What principles do individuals within a democracy share and value? What responsibilities or obligations do individuals have within our democracy? What responsibilities or obligations do our society have to the individuals living within it? What practices are important in maintaining a well-functioning democracy? These are some of the organizing questions that can be used for the study of civic ideals and practices. Civic ideals and practices are the shared values, principles, and actions necessary to maintain a democratic society. The first ten amendments to the Constitution or the Bill of Rights can be the foundation of this part of citizenship education. This document describes the basic freedoms that are accorded all U.S. citizens, and just like the U.S. Constitution above, it should be put in terms that are appropriate to the grade and developmental level of your students.
EXAMPLE: Creating a Classroom Bill of Rights and Responsibilities

In order to make the Bill of Rights more salient, Ms. Dillon at Grantsburg Elementary School decided to have her 4th grade students develop a Bill of Rights and Responsibilities for their classroom. She first asked students to define what rights they thought they should have within their school and classroom. She listed their responses on the board. She then asked students what responsibilities they have as citizens and participants in the classroom community. These were also listed on the board.

To simulate the operation of Congress, students elected six students to work in committee to put together a draft for a classroom Bill of Rights and Responsibilities based on the ideas generated in class. After a week, the committee presented their draft version to the class. Students were able to discuss the parts of the Bill of Rights they liked and to suggest changes or additions. Eventually a vote was taken and the Bill of Rights was approved. Throughout the year, Ms. Dillon would revisit the Bill of Rights to see if there were any amendments that needed to be added. If there were, a committee was again elected and a similar process was used; however, to simulate the amendment process used with the U.S. Constitution, Ms. Dillon told her class that amendments needed a two-thirds vote in order to pass. (Like any classroom simulation, this was not meant to replicate the exact process used to amend the U.S. Constitution; rather, it was meant to give students a sense of the concepts and procedures used.)

<table>
<thead>
<tr>
<th>Bill of rights and Responsibilities for Room 112</th>
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<tbody>
<tr>
<td><strong>Rights</strong></td>
</tr>
<tr>
<td>1. Each person has the right to be treated with kindness in the classroom and on the playground</td>
</tr>
<tr>
<td>2. Each person has the right to be heard and to share his or her ideas and opinions</td>
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<tr>
<td>3. Each person has the right to feel safe in the classroom and on the playground</td>
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<tr>
<td>4. Each person has the right to learn in the way that he or she learns best.</td>
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<tr>
<td><strong>Responsibilities</strong></td>
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<tr>
<td>1. Each person will do his or her best in school</td>
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<tr>
<td>2. Each person will respect the rules and the rights of others</td>
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<tr>
<td>3. Each person will treat others with courtesy and respect</td>
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<tr>
<td>4. Each person will play fairly in gym class and on the playground</td>
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Societal Ideals
Encompassed in the study of civic ideals are both societal ideals and individual ideals. Societal ideals are the principles held by a society that enable it to protect and nurture the individuals within it. The laws, regulations, educational systems, and functioning of government within the society should reflect these principles. Some societal ideals that could be identified and discussed as part of citizenship education include the following:

**Life, liberty, and the pursuit of happiness.** In writing the Declaration of Independence, Thomas Jefferson is attributed with writing the following: “We hold these truths to be self evident: that all men [sic] are created equal; that they are endowed by their Creator with certain unalienable Rights; that among these are Life, Liberty, and the pursuit of Happiness.” All human life is of value, and all humans have the right to do what they want to do within the limitations of the law.

Activities or discussions here would have students identify the things that make them or other people happy, and then describe the opportunities they have to do those things. Also, within a school or classroom these concepts can be subtly reinforced by providing students with opportunities to make choices. In early primary grades students can be reminded of their right to play whatever they want to play on the playground (within a set of rules). Nobody tells them what they have to play. This is reinforced also by allowing choices within the classroom such as reading materials, books, topics of study, independent programs, and activities in learning centers. In intermediate and middle school grades this can be reinforced by allowing the most choice possible within a given structure. Remember that choice does not mean total choice all the time; rather, it most often means having a set of choices in given instances. In these grades choice might consist of classes to take, activities to demonstrate their learning, study hall times, learning activities, and seating arrangements, as well as those described already.

**Justice.** Justice is different from revenge. Justice says that there are logical consequences for breaking the law or denying others their rights. These consequences apply to all, regardless of their race, cultural, religion, level of education, or social economic status. In schools and classrooms this concept is reinforced by developing a set of rules and identifying some of the logical consequences for breaking the rules. The comparison can then be made to the laws and logical consequences that occur in society.

**The common good.** Our laws, government, business transactions, actions, allocation of resources, and educational systems should be based on what is the most good for the most people, instead of what benefits a few rich, powerful, or influential entities. Here students can identify the rules, structure, and allocation of resources in a school or classroom that help all do their best and are of most benefit for the most students. The comparisons can then be made to society and the world. Other organizing questions include: What laws or
action can be identified in which only a few seem to benefit? What laws or structures are in place to address the needs and interests of the less powerful? What are instances that can be found where only a few seem to benefit at the expense of the many?

**Equality.** All humans are of equal value and worth regardless of their age, social economic status, religion, race, culture, political views, gender, or sexual orientation (see Chapter 2). All should have equal opportunities within a democratic society. Each human is a valued entity. In schools and society, some people such as presidents and principals may have more influence than others, however none of them is of greater worth than another. Every human being, by virtue of being a human being, is accorded certain dignity. The preamble to the *Universal Declaration of Human Rights* put forth by the United Nations opens with the following statement: “Whereas recognition of the inherent dignity and the equal and inalienable rights of all members of the human family is the foundation of freedom, justice, and peace in the world . . . “Each of these words should be unpacked for students. For example: What does *inherent* mean? What is *dignity*? What does *inalienable* mean? In what way are you all members of the human family?

The study of history is ripe with examples of certain groups declaring other groups to be inferior. These examples include religious conflicts, the destruction of indigenous cultures, slavery, economic oppression, gender inequity, the exploitation of labor, and others. In looking at the amendments to the Constitution, it was only in 1920 that the 14th amendment was passed giving women the right to vote, and it was only in 1964 that the Civil Rights Act was passed. Sadly, studying current events will also provide many examples of conflicts based on perceived inequality that occur today.

**Celebration of diversity.** We do not simply tolerate those who differ from us. We celebrate these differences. These differences lead to multiple perspectives, which in turn, strengthen our society. This celebration can be manifest in schools or classrooms by studying other cultures, religions, political systems, and histories. When studying these new areas look to identify the universal truths, common components, and positive elements of each.

**Freedom of expression.** All humans have a right to their opinions, regardless of whether you agree or disagree. All should be allowed to express their views and engage in our societal conversations. In looking at the issue of freedom of speech, students need practice in having and sharing opinions. In class, teachers should often stop and ask, “What do you think?” And then listen quietly without qualifying or commenting on student responses. The activity *Support a Statement* works well here. Here students describe their opinions related to something occurring nationally, locally, or within the school or class. They then list ideas to support their opinions. This is also good practice for writing
paragraphs (topic sentence and supporting ideas) and can be used to write opinion pieces to be shared orally or in written form.

**Figure 4.1. Support-a-statement**

<table>
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<tr>
<th>Statement:</th>
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<tbody>
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<td>Supporting Ideas:</td>
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<td>2.</td>
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<td>3.</td>
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<tr>
<td>Paragraph:</td>
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In the primary grades the *support-a-statement* visual organizer in Figure 4.1 can be used with the whole class. Here the teacher would elicit supporting statements from the class and record them on the board or on a large sheet of butcher paper. It can also be used at intermediate and middle school levels to analyze opinion pieces or newspaper editorials. Students identify the writer’s essential view or opinion (statement); then, they look for facts within the editorial that support that view (supporting information).

Freedom of expression can be reinforced informally by having discussions in which students may have differing points of view. However, make sure these interactions are much different from what often passes for a discussion on television news programs. These discussions often become debates in which people cut each other off, talk over other people, or try to monopolize the conversation by not letting others in. They are not respectful and serve only to polarize and entrench participants and listeners.

**Rule of law.** Laws are of value in organizing and maintaining our society. Without laws there would be chaos and the vulnerable in our society would not be protected. This societal ideal can be reinforced by identifying and examining the rules within a school and classroom. What would life be like if there were not certain rules or without any rules? These ideas can then be expanded to the societal level as well. What would happen if people could do whatever they wanted without any consequence? How would our school or community be different? Which laws or rules do you think are important? Which laws or rules do you think should be changed? What laws or rules should be added? These kinds of questions will naturally lead to a study of laws and legislation and how each are made.
Individual Ideals

Individual ideals are the principles held by those living within a democracy that enable them to give to society and live harmoniously with others. Some individual ideals that could be identified and discussed as part of citizenship education include the following:

Individual responsibility. Each person takes responsibility for working or contributing to society to the best of his or her ability. This may be by taking care of and raising a family or by working to support themselves and those for whom they are responsible. Individual responsibility asks you to be responsible for your own actions and, to the best of your ability, for your own welfare.

Civility. You treat others respectfully and respond courteously. You realize that people of good will often have differing opinions on important issues. While you may not always agree with others’ opinions, lifestyles, or choices, you respect their right to live, think, and express themselves as they see fit.

Following the law. While you may not agree with all laws, you realize there would be chaos without them. Citizens are thus obligated to do their best to follow the letter and the spirit of our laws. Also, as our representatives used to help enforce these laws, police officers are respected.

Participation. A democratic society is based on the concept of participation. Citizens participate by voting, jury duty, and staying informed on local, national, and world events. Participation also asks individuals to take action when they do not agree with a policy. This can be done through writing letters or editorials or through public protests. A good citizen is not necessarily one who passively agrees with all aspects of government; rather, it is one who actively engages in the formation of new laws and in the constant evolution of society.

Many of the NCSS student performance expectations for Thematic Standards X. Ideals, Principles, and Practices of Citizenship described in Appendix A can be used as guides in organizing lessons, units, and activities related to civic ideals and practices.

Explaining Political Perspectives

There seems to be an increase in partisanship and acrimony in politics recently. Negative attacks, name-calling, labels, and mischaracterization seem to have taken the place of political discourse. Instead of on facts, positions, and ideas, political choices are made based on how bad the other side can be made to look. If one has a differing view, often the first response is to attack his or her patriotism, credibility, or motives. A strong case can be made that this leads to a weakening of our democratic system as it creates a misinformed and under-informed public.
So what are the basic political perspectives in American politics and how do you explain these perspectives to your students in a way that leads to understanding? And how do you do this in an objective way? Below is an admittedly simplistic explanation of two basic political perspectives. However, this information will help middle school students understand current events and ultimately become better decision makers about the policies that will affect their lives.

**Common Goals**

There are two major political parties and perspectives: Democrats, who tend to have what is called a liberal perspective, and Republicans, who tend to have a more conservative perspective. Even though they have differing perspectives, it helps to find similarities or common goals with which most people from both perspectives and parties could agree. For example, most people from both perspectives would say that we all want:

- safety and security,
- the ability to feed and provide for ourselves and our families,
- the ability to raise our children according to the values we feel are important,
- employment opportunities for all,
- the ability to pursue our dreams,
- to be rewarded for our hard work and effort,
- good health care,
- good public education,
- freedom to pursue our religious ideas,
- justice for all,
- equality and egalitarianism,
- the ability to make informed decisions,
- support and care for the aged and less able.

The differences in political perspectives lie in how we reach these common goals. These differences tend to be on three major dimensions: (a) economic issues, (b) issues related to government regulation and interference, and (c) social issues. But none of these is an either/or proposition; rather, the differences are a matter of degree and vary with individual issues in each of these areas. There are extremist positions at both ends of the spectrum; however, for all labeling, most people are usually on varying places in the middle of these continuums. If a scale were created with an extreme liberal perspective of 0 and an extreme conservative perspective of 100, most people would most likely find themselves in the 40th to the 60th percentile on most issues.

**Economic Issues**
In general, a liberal economic perspective would say that our government, energies, and resources should be invested in people as a way of reaching our common goals and building a strong, worker-centered economy. Various forms of welfare and assistance should be given on the personal level as a means of helping people to better themselves and thereby contribute to a strong economy. It is thought that the economic gains of working class people will trickle outward and upward for continued economic growth. A controlled form of capitalism where you are rewarded for your hard work, creativity, and ingenuity is seen as the ideal. Government regulations are put in place so that the wealthy and more powerful do not take advantage of the poor or less powerful.

In general, a conservative economic perspective would say that our government, energies and resources should be invested in business as a way of reaching our common goals and building a stronger business-centered economy. Various forms of welfare and assistance should be given on the corporate level as a means of helping corporations better themselves and thereby contribute to a strong economy. It is thought that the economic gains of business will trickle down to all people. Unfettered capitalism where you are rewarded economically for your hard work, creativity, and ingenuity is seen as the ideal. The free market system is seen as providing an adequate system of checks and balances; thus, little or no government regulation is needed.

**Government Regulation and Interference**

A liberal perspective would support the need to have government intervention in regard to regulating businesses, corporations, and some other aspects of our society so that the strong do not dominate or exploit the weak. Government regulation would also be necessary to protect health, safety, fair labor practices, civil rights, and the environment. Also, taxes are seen as a means of contributing to the greater good and fairly distributing resources. The view here is that people are basically good and the government has a responsibility to take care of all its citizens. The preference here is for a larger federal government with oversight at the state and local level.

A conservative perspective would say that there should be little or no government intervention or regulation of businesses, corporations, and other aspects of society. This would favor economic prosperity as a means to contribute to the greater good. The view here is that the government should stay out of people’s affairs and not force the more productive citizens to subsidize the less productive citizens. The preference here is for a smaller federal government and more control at the state and local level.

**Social Issues**

A liberal perspective generally supports a secular view in which the separation between church and state is clearly delineated and maintained. More liberals than
conservatives are pro choice and against the death penalty, prayer in schools, and a flag burning amendment. Also, more liberals than conservatives support gay marriage, family leave, stronger environmental regulations, affirmative action, and the regulation of handguns.

In the United States, people with a conservative perspective tend to give priority to tradition and religion. More conservatives than liberals are pro life and against gay marriage, affirmative action, and the regulation of handguns. Also, more conservatives than liberals support a flag burning amendment, prayer in schools, and the death penalty.

**The Danger of Labels**

As you can see, there is danger in relying on labels for easy categorizing as they tend to keep people from true understanding of issues and of other people. There are no such things as liberals and conservatives operating in a monolithic block; rather there are people with liberal and conservative perspectives who use these perspectives to make decisions about the society in which they live. And regardless of your overall political perspective, people tend to have varying views on each of these issues in each of the three dimensions above.

**Global Education: World Citizenship**

With increasing technological advances and the ever-increasing interconnectedness of world economies, you can no longer think of yourself only as citizens existing within a particular country. Rather, you are a citizen of the world with certain rights and responsibilities as nations and citizens within those nations. “A world citizen is an individual who accepts global responsibilities or expands his or her social consciousness to include the people of other countries” (Strain, 1999).

Teaching for world citizenship, sometimes called *global education*, involves helping students develop a sense of themselves as human beings living in community and sharing the planet with others. On the most basic level, bring current events, issues, and concerns from around the world into your classroom. You can also help your students connect social studies and other curriculum areas with people and events from around the world. On the more complex level, teach for world citizenship by creating activities that invite your students to act and interact with others from around the world or to become a part of organizations and activities that are working on global issues. You can also build an integrated unit based specifically around current issues and events from around the world. Some of the current global issues for citizenship education are the following:

- AIDS crisis in Africa and other parts of the world
- Diseases and other health issues
- Hunger and starvation
• Wars, violence, and terrorism
• Labor migration
• Land mines
• Economic and cultural exploitation
• Diminishing oil, gas, and other nonrenewable energy resources
• Workers’ rights and wages
• Women’s rights
• Global warming
• Pollution and global warming
• Human rights
• Rain forest and exploitation of natural resources
• The diminishing ozone layer

Global education is a discipline in which all discipline areas merge into a larger worldview. From here the world is perceived as a whole entity or a complete system, not as a series of separate and competing parts. And just like in any system, damage to one part affects all. This reflects the holistic education principle of interconnectedness.

On December 10, 1948, the General Assembly of the United Nations adopted and proclaimed the *Universal Declaration of Human Rights*. This document can be referred to in the early grades, however, because of developmental levels; formal study should begin in intermediate and middle school grades.

**Figure 4.2. Universal Declaration of Human Rights**

- Association of World Citizenship: [www.worldcitizens.org/](http://www.worldcitizens.org/)
TEACHING ECONOMICS

Economics is a study of the way in which goods and services are produced, distributed, and consumed. Studying economics should help us understand how things such as supply and demand, materials, resources, and free market competition affect our lives. Economics also serves to illustrate the principle of interconnectedness in that goods and services are not created in a vacuum. That is, other people and systems are needed to provide the material resources, distribution, and the markets for these goods and services.

The NCSS teacher expectations and the important economic terms and concepts in Figure 4.3 provide a good context for beginning to think how economics could be taught in the primary, intermediate, and middle school grades. In the primary grades, students should learn about money, work and compensation, factories and the production of goods, services, profit, wants, needs, and supply and demand. These concepts should all be expanded in the intermediate and middle school grades and should include an examination of the three major economic ideas: capitalism, socialism, and communism.

NCSS Teacher Expectations for Teachers of Economics

Teachers of economics at all school levels should provide developmentally appropriate experiences as they guide learners in their study. They should assist learners in acquiring an understanding of the following principles:

- Productive resources are limited. Therefore, people cannot have all the goods and services that they want; as a result, they must choose some things and give up others.
- Effective decision making requires comparing the additional costs of alternatives with the additional benefits. Most choices involve doing a little more or a little less of something; few choices are all-or-nothing decisions.
- Different methods can be used to allocate goods and services. People, acting individually or collectively through government, must choose which methods to use to allocate different kinds of goods and services.
- People respond predictably to positive and negative incentives.
- Voluntary exchange occurs only when all parties expect to gain. This is true for trade among individuals or organizations within a nation, or among individuals or organizations in different nations.
- When individuals, regions, and nations specialize in what they can produce at the lowest cost and then trade with others, both production and consumption increase.
- Markets exist when buyers and sellers interact. This interaction determines market prices and thereby allocates scarce goods and services.
• Prices send signals and provide incentives to buyers and sellers. When supply and demand change, market prices adjust, affecting incentives.

• Competition among sellers lowers costs and prices, encouraging producers to produce more of what consumers are willing and able to buy. Competition among buyers increases prices and allocates goods and services to those people who are willing and able to pay the most for them.

• 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 enforced property rights, is essential to a market economy.

• Money makes it easier to trade, borrow, save, invest, and compare the value of goods and services.

• Interest rates, adjusted for inflation, rise and fall to balance the amount saved with the amount borrowed, thus affecting the allocation of scarce resources between present and future users.

• Income for most people is determined by the market value of the productive resources they sell. What workers earn depends, primarily, on the market value of what they produce and how productive they are.

• Entrepreneurs are people who take the risks of organizing productive resources to make goods and services. Profit is an important incentive that leads entrepreneurs to accept the risks of business failure.

• Investment in factories, machinery, and new technology, and in the health, education, and training of people can raise future standards of living.

• There is an economic role for government to play in a market economy whenever the benefits of a government policy outweigh its costs. Governments often provide for national defense, address environmental concerns, define and protect property rights, and attempt to make markets more competitive. Most government policies also redistribute income.

• Costs of government policies sometimes exceed benefits. This may occur because of incentives facing voters, government officials, and government employees; because of actions by special interest groups that can impose costs on the general public; or because social goals other than economic efficiency are being pursued.

• A nation’s overall levels of income, employment, and prices are determined by the interaction of spending and production decisions made by all households, firms, government agencies, and others in the economy.
• Unemployment imposes costs on individuals and nations. Unexpected inflation imposes costs on many people and benefits some others because it arbitrarily redistributes purchasing power. Inflation can reduce the rate of growth of national living standards because individuals and organizations use resources to protect themselves against the uncertainty of future prices.

• Federal government budgetary policy and the Federal Reserve System’s monetary policy influence the overall levels of employment, output, and prices in the United States.

**Important Terms and Concepts for Studying Economics**

**Capital.** Materials and equipment used to make and distribute goods and services; and the money used to buy equipment and materials.

**Capital formation.** Gather or combing economic resources in order to build up industrial capacity.

**Capitalism.** The economic system where the means of producing goods and services are privately owned.

**Communism.** A form of socialism where the government determines what will be produced, how much, and where people will work.

**Consumer.** The person who buys goods and services.

**Demand.** The amount of a good or service that people are willing to buy.

**Depression.** A serious recession.

**Economics.** A study of how the economic system works.

**Economic resources.** The materials and work that go into producing things of value.

**Economics systems.** The way in which goods and services are produced, distributed, and consumed.

**Entrepreneurs.** People who risk their time and money to start and run a new business. **Expense.** The cost of producing a good or services.

**Free enterprise.** A form of capitalism in which people are free to set prices. Supply and demand usually determine prices here.

**Free market.** A market in which buyers and sellers are free to exchange goods and services when they want to for the price that they determine.

**Human resources.** The labor of people.

**Labor.** The work that people do in organizing and shaping material resources into goods and services.

**Market.** The supply and demand for goods and services.

**Material resources.** All the material things used to create goods and services.

**Monopoly.** A market in which one seller controls the supply of a good or service.
**Productivity.** The measure of output of goods and services that workers or factories produce.

**Profit.** New money or wealth. The money left over when the cost of producing goods or services has been paid.

**Recession.** A fall in the demand in many markets with an accompanying fall in prices, products, and employment.

**Socialism.** An economic system in which the means of producing some or many of goods and services are owned or controlled by the government.

**Supply.** The amount of goods or services that businesses have for sale.

**Lessons, and Plans.**

Below are described some of the types of economics lessons and activities you might use:

**Simulated economy.** Create a simulated token economy within a classroom or at your grade level. Use tokens to represent money. Create products and services which students are paid for or can purchase. This activity can be done on a very basic level in 1st or 2nd grade or be made very complex for use in the middle grades.

**Birth of a product.** Study the birth and life of a product, from materials, to production, to the shelf in the grocery store. For example, take a product like catsup. Find a company that produces it. Use a map to show where the factory is that produces it. Find out where the tomatoes and other ingredients come from and how they are delivered to the factory.

**Economics in literature.** Look for economic terms and concepts within stories or picture books. For example, find examples of a potential market, a demand for a particular product, investors, advertising, and materials for a product.

**Economics in history and current events.** As you study current events or history, look for economic terms and concepts.

**Exploring jobs.** Examine different occupations. Look to see how each contributes to the economy. Look also for goods and services that have a need for that occupation, thus exploring the concept of economic interdependence.

**Personal finances.** Give students a simulated monthly budget. Individually or in small groups, have them allocate how they would spend that money. Use advertisements or the Internet to get the exact costs of things such as rent, products, and services.

**Simulated banking.** Create a simulated economy where groups have to borrow money for start-up costs in order to create a factory or a business. Explore the concepts of borrowing, interest, investment costs, capital, resources (human, material, and capital), profits, supply, demand, market, and advertising.
**Simulated spending.** As part of a creative writing activity, have students list what they would buy if they had $10, $100, $1,000, $10,000, $100,000, or $1,000,000. As a follow-up, have students find the price of the items and make sure they do not go over their spending limit. For primary age students, do not go over $100.

**Imaginary business.** Have students identify a business that they would like to run. As part of an inquiry project, put them in small groups and ask them to identify start-up costs, materials necessary, human resources needed, and advertising budget.

**Inquiry surveys.** Have students create and conduct surveys to find out the demand for certain products or service. Use this information to design a product or service. Create imaginary advertising campaigns based on this information.

**Analyze advertisements.** Look for ads on TV and in magazines and newspapers. Identify who the target market audience might be and what persuasive arguments the advertisers are using to sell the product or service.

**Advertising campaign.** Given a product or a service, have students identify a particular market audience that might be most likely to use it, and then design an advertising campaign to sell that product.

**Author Reflection**

John Dewey said that learning is most powerful when the line between the school world and the real world becomes blurred. That is, if we can make the things that happen in the classroom like things that occur in students’ world, learning is more meaningful and more powerful. Students learn and remember more and are better able to transfer knowledge and skills to real-life situations. Simulations such as the one above serve this purpose and also get students actively involved in their learning. Think how much more powerful this is than simply reading a chapter in a textbook or doing a worksheet. Look also how this teacher was able to integrate a variety of subject areas into this study of economics. As teachers, we are limited only by our ability to imagine and create.

**NCSS STANDARDS THEMATIC STANDARDS**

The following NCSS thematic standards are addressed in this chapter. See Appendix A for a full description of the relevant thematic standards.

**Early Grades**

- Power, Authority, and Governance: a., b., c., d., e., f., h.
- Production, Distribution, and Consumption: a., b., c., d., e., f., g., h., i., j.
- Global Connections: a., b., d., e., f.

**Middle Grades**
Power, Authority, and Governance: a., b., c., e., f.
Production, Distribution, and Consumption: a., b., c., d., e., f., g., h., i., j.
Civic Ideals and Practices: a., b., c., d., e., f., g., h., j.
Global Connections: a., b., d., e., f., g., e.

**PEDAGOGICAL STANDARDS**
The following NCSS pedagogical standards are addressed in this chapter:
**Learning and Development.**
- Differences in Learning Style.
- Critical Thinking, Problem Solving, and Performance Skills.
- Active Learning and Motivation.
- Inquiry, Collaboration, and Supportive Classroom Interaction.
- Planning Instruction.

**ESSENTIAL SKILLS FOR SOCIAL STUDIES**
The following NCSS essential skills for social studies are addressed in this chapter:
- Acquiring Information.
- Organizing and Using Information.
- Thinking Skills.
- Relationships & Social Participation
- Personal Skills.
- Group Interaction Skills.
- Social and Political Participation.

**CHAPTER REVIEW: KEY POINTS**
1. Citizenship education helps students participate in a democratic society, and is composed of three parts: the process of government, civic ideals and practice, and world citizenship or global education.
2. Studying the process of government invites students to examine how our government operates.
3. Both societal ideals and individual ideas are involved in the study of civic ideals.
4. Global education examines the global connections and interconnection of our individual lives in all areas.
5. Economics is a study of the way in which goods and services are produced, distributed, and consumed.
MAKING CONNECTIONS

1. Rank the societal ideals in what you consider to be the order of importance. Make a case for why you placed the top and bottom ideals in their relative positions.

2. In your lives, what values and personal traits do you see as important in enabling you to get along with others?

3. List eight things you would include in a bill of rights for humans living in our society. List eight things you would include in a bill of responsibilities for humans living in our society.

4. How would you explain capitalism, socialism, and communism so that a 6th grade student might understand and be able to make personal connections?

5. Do an Internet search using the terms: civics, lesson, and plans. Find interesting or important lesson plans that can be used with primary, intermediate, and middle school students.

6. Do an Internet search using the terms: economic, lesson, and plans. Find interesting or important lesson plans that can be used with primary, intermediate, and middle school students.

7. In what ways do you see the three holistic learning ideas related to intrapersonal connections, interpersonal connections, and interconnectedness reflected here?