



makesense

Training Module

Module Number: 4 Economic and household literacy

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Introduction to Module 4 [Economic and household literacy]

▶ Background and Scope

- ▶ In Module 4 we will look at the basic economical topics - inflation, supply and demand, ... Activities are planned as interactive events, during which students learn practically about different topics. The purpose is, to have students (aged from 14-18) better equipped for real-life financial decision-making and understanding of everyday topics often discussed in the media.

Introduction

▶ Outline of this Module

- ▶ There are 8 different activities for the students - each activity is based on one economic topic
- ▶ The training methods used are practical - role-playing, experimentation, problem solving

▶ Goal

- ▶ To prepare teachers to effectively facilitate and practically teach economy to students

▶ Learning Outcomes

- ▶ By the end of this module the learner will be able to:

- ▶ Identify the core elements of real-life economics
- ▶ Describe the key processes of loans and interest rates
- ▶ Understand the key steps of managing money

▶ Training Approach

- ▶ The main model is learning by doing and problem-solving

Schedule

STAGE AND ACTIVITIES	PROCESS	TIME
1. WARM UP/LEAD IN/REVIEW	Welcome, setting up rules, and self-introduction	30 minutes
2. ICE BREAKER	Buying and selling coffee beans	20 minutes
	COFFEE/COMFORT BREAK	10 minutes
3. WORKSHOP	Price gouging	25 minutes
4. WORKSHOP	Ticket prices	15 minutes
5. WORKSHOP	Monopoly or competition	20 minutes
	LUNCH/COMFORT BREAK	30 minutes
6. WORKSHOP	Inflation	20 minutes
7. WORKSHOP	Interest rates	20 minutes
8. WORKSHOP	Loan management	20 minutes
9. WORKSHOP	Living on a „20 bean salary“	45 minutes
10. PLENARY	Review and evaluation	45 minutes

Activity 1: ICE BREAKER

▶ Title:

- ▶ Buying and selling coffee

▶ Purpose of the session:

- ▶ To discover needs of customers and sellers and to learn about bargaining

▶ Materials and resources required:

- ▶ Buyer and seller cards
- ▶ Score sheets

▶ Description of the Activity:

- ▶ We divide students into groups of six/eight/ten (depending on the group size)
- ▶ Each gets a role: buyer or seller
- ▶ Buyers go to sellers to buy coffee and negotiate.
- ▶ They write down the prices in the score sheet
- ▶ Comparison of price vs demand

Activity 2

- ▶ **Title:**
 - ▶ Price gouging
- ▶ **Purpose of the session:**
 - ▶ Morality and economics
- ▶ **Materials and resources required**
 - ▶ Price list
 - ▶ Funny money
 - ▶ Materials to sell
- ▶ **Description of the Activity**
 - ▶ You live in GERMANY or FRANCE, and a major disaster is coming - a huge storm
 - ▶ Power will be out, so you will have no water, no heating and you need resources
 - ▶ You withdraw money from the ATM, and can only get 100 €
 - ▶ Compare what you can buy - you need as much water, gas, ice and batteries
 - ▶ Stores have only a limited amount of materials
 - ▶ Could you buy everything?

Activity 3

- ▶ **Title:**
 - ▶ Ticket prices
- ▶ **Purpose of the session:**
 - ▶ Think about setting prices - why are some so high and some so low
- ▶ **Materials and resources required:**
 - ▶ Article
 - ▶ Presentation with questions
- ▶ **Description of the Activity**
 - ▶ Students start by reading the article
 - ▶ You talk about concert prices
 - ▶ Discussion is based on questions provided

ACTIVITY 4

▶ Title:

- ▶ Monopoly vs competition

▶ Purpose of the session:

- ▶ How does monopoly define the market?

▶ Materials and resources required

- ▶ Graph of prices
- ▶ Comparison of outcomes

▶ Description of the Activity

- ▶ Students look at the graphs of prices
- ▶ There are two scenarios - first we have only one producer and we can sell 14 units; second we have two producers that can sell 14 units combined
- ▶ We look at the prices and the cost for each consumer

ACTIVITY 5

- ▶ **Title:**

- ▶ Inflation

- ▶ **Purpose of the session:**

- ▶ Discover the difference in prices through years

- ▶ **Materials and resources required:**

- ▶ Prices in your country, displayed throughout time
- ▶ Discussion questions

- ▶ **Description of the Activity**

- ▶ First we discuss inflation
- ▶ Look at the price difference from our country
- ▶ Look at € inflation
- ▶ Compare prices according to inflation and real change

ACTIVITY 6

▶ Title:

- ▶ Interest rates

▶ Purpose of the session:

- ▶ Discover the interest rates and how they influence financial outcomes

▶ Materials and resources required

- ▶ A look on interest rates for loans

▶ Description of the Activity

- ▶ Lets talk about savings and loans
- ▶ Look at the difference in final prices
- ▶ Who sets the interest rates?
- ▶ What interest rates do we have?

ACTIVITY 7

▶ Title:

- ▶ Loan management

▶ Purpose of the session:

- ▶ What is behind approving loans

▶ Materials and resources required

- ▶ Name cards
- ▶ Descriptions
- ▶ Questions

▶ Description of the Activity

- ▶ Students role-play loan takers and bankers
- ▶ What questions to ask?
- ▶ Who will get the loan?

ACTIVITY 8

▶ Description of the Activity

- ▶ Title
 - ▶ Living on a „20 Bean Salary“
- ▶ Purpose of the session
 - ▶ How to manage money
- ▶ Materials and resources required
 - ▶ Beans and spending sheets

ADDITIONAL RESOURCE MATERIALS/LINKS

- ▶ <https://financeintheclassroom.org/teacher/print.shtml>
- ▶ https://www.economicsarkansas.org/for_teachers/high-school-economics-classroom-resources.html
- ▶ <https://www.ecnmy.org/learn/your-home/>

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