
Marcoeconomics || Inflating Inflation

Goals & Objectives

- Students understand the degrees of inflation.
- Students can answer questions that require real life application of inflation.
- Students can, in written form, explain how the economy is affected by inflation.

California State Content Standards

- 12.5.2. Define, calculate, and explain the significance of an unemployment rate, the number of new jobs created monthly, inflation or deflation rate, and a rate of economic growth.

Common Core Literacy Standards

[CCSS.ELA-Literacy.RH.11-12.7](#)

Integrate and evaluate multiple sources of information presented in diverse formats and media (e.g., visually, quantitatively, as well as in words) in order to address a question or solve a problem.

[CCSS.ELA-Literacy.SL.11-12.1.b](#)

Work with peers to promote civil, democratic discussions and decision-making, set clear goals and deadlines, and establish individual roles as needed.

[CCSS.ELA-Literacy.SL.11-12.1.c](#)

Propel conversations by posing and responding to questions that probe reasoning and evidence; ensure a hearing for a full range of positions on a topic or issue; clarify, verify, or challenge ideas and conclusions; and promote divergent and creative perspectives.

Driving Historical Question

How does is the economy affected by inflation, and why does it matter you're your life?

Lesson Introduction (Anticipatory Set) ||

The teacher will discuss prices from over 80-years ago in attempt to show a broad range of differences in prices. S/he will then present information on a single product showing price change on a single, well-known product. Students will then be prompted to speculate what is happening and why prices have risen dramatically in the last 80 years. The teacher will then present the daily goals and objectives and explain the vocabulary the students will see throughout the course of the lesson.

Vocabulary (Content Language Development) || Time: 3-Minutes

Students will be introduced to vocabulary prior to actual content delivery. The teacher will define a second time prior to the reading. S/he will also define as the read is in progress. Students will be required to academically use these terms as they both read and write.

- Quantity Theory
- Demand-Pull Theory
- Cost-Push Theory
- Chronic Inflation

- Creeping Inflation
- Hyper-Inflation
- Anticipated Inflation
- Unanticipated Inflation

Content Delivery (Method of Instruction) ||

The teacher will present information that discusses inflation of various products from past decades. Then the teacher will briefly describe the concept of inflation. While this is presented, students will listen and write notes on a teacher-provided shell.

Prior to formal instruction, students will conduct a simulation. This simulation will be verbally explained and will be conducted as an auction (see student engagement). After the simulation the teacher will refer back to the PowerPoint and students will be prompted to answer questions about inflation relating it to the simulation.

Next, the instructor will to teach more detailed information about inflation, its types, and its causes. The students will periodically answer questions presented on the PowerPoint so the teacher can check for understanding and adjust the lesson if necessary. During times of student engagement, the teacher will check worksheet activities. Part of the in class activities include solving mathematical problems that have students calculate inflation. Students will watch as the teacher explains and then complete a few application questions with a partner. This is followed by the lesson closure the lesson closure.

Student Engagement (Critical Thinking & Student Activities) ||

During the anticipatory activity, students will speculate as to the rise of certain goods. This will allow the students to get thinking about the economy, past lessons, and spur them to think about inflation.

After the anticipatory activity, students will listen to instructions on how to do an inflation simulation. In this simulation, students will be told that they will be participating in an auction in which they get to bid on an item. They will be presented with three items they can bid on. After each item is explained, the students will get an opportunity to get “money”. The money will be in a container and students will be given poker chips that represent a monetary denomination. Once the students have received one chip (amount from \$1 to \$40) they will be given the opportunity to bid.

The auction will be conducted 3 times, with each item becoming more and more appealing. Additionally, each time students receive “money,” the increments will increase (from \$41 to \$81 and \$82 to \$120 for rounds 1, 2, and 3 respectively). This activity will teach the demand-pull theory of inflation since the price of the item is going up as money floods the market. Since there is a lot of money and limited items, inflation will result.

Students will then debrief with questions about the simulation. The recall questions will be conducted as a class; however, the critical thinking questions will be discussed with a partner before sharing the material as a whole. This is followed by a short presentation on calculating consumer price index. This shows students how to compare prices from different years while factoring in inflation. Students apply this concept to salaries, and goods/services. This is followed by the closing activity.

Lesson Closure ||

The teacher will ask students to answer questions provided on the PowerPoint that relate to the simulation. A skit that represents the various aspects of inflation will follow the simulation. Here, a few students participate in a mock trial that explains the consequences of inflation. They will be asked to identify how certain individuals are affected by anticipated and unanticipated inflation and be asked to explain. This will be conducted as a class discussion.

Assessments (Formative & Summative)

Students are assessed during the anticipatory set. This set asks questions that pertain to inflation without directly discussing inflation. This is so the teacher can see if students are familiar with the term/concept of inflation. This will also allow the teacher to determine how much detail s/he should go into when teaching the content.

The next type of assessment will be conducted during the debriefing questions. The debriefing questions will follow the inflation simulation and require students to think about inflation in economic term. Based on the student answers, the teacher can guide the following content instruction.

The content instruction is dense in student led answers. They have to answer questions both out loud and on their individual worksheets. The questions answered out loud will give the teacher general feedback for the class as a whole. This will be conducted before the worksheet assessment. Any student who remains quiet, are ELs, have IEPs, or simply look confused will be visited when the teacher visits students individually.

The final assessment is during the lesson closure. Students will be asked to answer various questions about inflation including causes, and types. They will also conduct a debate that will readdress the information and apply it to the activity.

Accommodations for English Learners, Striving Readers and Students with Special Needs

English language learners and students with other needs are addressed in a number of ways. First, the lesson uses differentiated teaching that allows the lesson to be student-centered. The activities include, student involved simulation, worksheet activities, discussions, and a PowerPoint. This will allow students who have challenges learning in one way to view the material in a different, possibly more comprehensible way.

Another way the lesson is modified is through use of manipulatives, and visuals. This allows student who struggle with reading or are ELs to view the material as opposed to simply reading material. Students with these challenges are also aided since the teacher explains the PowerPoint after each slide.

An additional adaptation is that the objectives and vocabulary remain on the board the entire class for easy reference, and images on the PowerPoint and worksheet pair so if students get lost they can easily find the spot by looking at the shell.

Resources (Books, Websites, Handouts, Materials)

White Board	Poker Chips	Worksheet: Calculating Inflation
PowerPoint: Inflation	Auctioning Items	Mock Trial Skit Shell: Inflating Inflation