
Principles of Economics || In the Chips

Goals & Objectives

- Students will demonstrate how buyers and sellers determine the equilibrium.
- Students will collaborate to find solutions to shifts in the supply and demand curve.
- Students will verbally demonstrate knowledge of price floors/ceilings.
- Students will collaborate to create their own supply/demand schedule.

California State Content Standards

- 12.1.3. Identify the difference between monetary and non-monetary incentives and how changes in incentives cause changes in behavior.
- 12.1.4. Analyze the role of a market economy in establishing and preserving political and personal liberty (e.g., through the works of Adam Smith).
- 12.2.2. Understand the relationship of the concept of incentives to the law of supply and the relationship of the concept of incentives and substitutes to the law of demand.
- 12.2.5. Discuss the effects of changes in supply and/ or demand on the relative scarcity, price, and quantity of particular products.
- 12.2.6. Understand the process by which competition among buyers and sellers determines a market price.
- 12.2.8. Explain the role of profit as the incentive to entrepreneurs in a market economy.

Common Core Literacy Standards

[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.11-12.2](#)

Integrate multiple sources of information presented in diverse formats and media (e.g., visually, quantitatively, orally) in order to make informed decisions and solve problems, evaluating the credibility and accuracy of each source and noting any discrepancies among the data.

[CCSS.ELA-Literacy.SL.11-12.6](#)

Adapt speech to a variety of contexts and tasks, demonstrating a command of formal English when indicated or appropriate. (See grades 11-12 Language standards 1 and 3 [here](#) for specific expectations.)

[CCSS.ELA-Literacy.L.11-12.6](#)

Acquire and use accurately general academic and domain-specific words and phrases, sufficient for reading, writing, speaking, and listening at the college and career readiness level; demonstrate independence in gathering vocabulary knowledge when considering a word or phrase important to comprehension or expression.

Driving Historical Question

How does supply and demand dictate equilibrium?

Lesson Introduction (Anticipatory Set) ||

The teacher will introduce goals and objectives for the day's lesson. Students will listen as the teacher explains vocabulary that will be presented. Once students have heard the daily goals/objectives, their attention will be directed to the front of the class.

On the white board the teacher will have drawn a supply and demand curve. The teacher will point to various areas of the graph and students will be prompted to respond as a class in a choral matter. Students will be asked to identify the demand curve, the supply curve, the equilibrium, a right shift, and left shift of each of the aforementioned curves. Once this previous content knowledge is demonstrated, any lingering questions will be answered before students begin the content/student engagement portion of the lesson.

Vocabulary (Content Language Development) ||

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.

- Price Ceiling
- Price Floor
- Shortage
- Surplus
- Equilibrium

Content Delivery (Method of Instruction) ||

The students conduct the majority of this lesson while the teacher aids them in the learning process. This lesson is prefacing a chapter summative assessment, therefore it is used to solidify previously obtained content knowledge, and prepare students for the upcoming assessment while providing a kinesthetic example of how a free market functions.

First, students will be directed to look at a teacher directed PowerPoint. Students will then listen and read along with the teacher as s/he explains the upcoming simulation. Students will be able to participate in the directions; however, the teacher will give the instruction. After rules of the simulation have been explained, the teacher will ask if clarification is needed. Once students express understanding, they will engage in the activity. All students will participate, and students will be asked to interact with multiple peers. This activity will be conducted in 4 rounds, in which the teacher will facilitate the flow of the class.

After each round, students are asked to return to their seats. The teacher will conduct a "light" debriefing after each round, in which the students will be asked to participate. Within these rounds, the teacher will continuously direct students, and help those who seem to be struggling with the activity. This particular activity requires the teacher to multitask.

Once all four rounds have been conducted, the teacher will declare a winner. Students will then participate in a larger debriefing. During the course of these debriefing, students will think of certain answers on their own, and pair share with other questions. The teacher will always go over the correct answer. Since this is a simulation that is followed by a chapter assessment, the teacher will then pass out an Exit Slip, wherein the teacher checks for understanding of *both* chapter information, and daily information. This will be collected at the end of the period.

Student Engagement (Critical Thinking & Student Activities) ||

Students will come in and listen to the teacher read the daily objectives/goals and explain vocabulary. They will be given an opportunity to ask any questions before the lesson begins.

Once students have recorded the above information, they will be directed to look at a teacher-provided PowerPoint. This PowerPoint, as they will learn, will be directions instructing students of the rules of the following simulation. During this activity, two students will be prompted to help the teacher explain the rules. During their participation, they will be instructed to read cue cards that they will read at the appropriate time. This will demonstrate how individuals will participate in the upcoming activity. This will not be a part of the “real” activity.

Next, these two students will sit down in desks that are in the front and facing the class. The teacher will then divide the remainder of the class into “buyers” and “sellers” as they receive a “buyer” and “seller” card. Students will be told they are either manufacturers of computer chips, or buys of aforementioned chips. Students will also receive a transaction sheet. The first round will then begin. Once a transaction is made, the *seller* will record their transaction price to the teacher. The point of both the buyer and seller is to make the largest profit therefore students are encouraged to be loud and haggle on prices. These transactions will also be recorded on their sheets and after each round, students will determine their total profit.

After the first round, students will debrief with the teacher. They will be asked certain questions and explained certain concepts. Students will then participate in rounds 2 and 3. They will have the same amount of time to conduct these rounds however; they will likely become faster at selling/buying, and more educated about the market with each round. This activity will show students how an equilibrium is set in a free market.

During the final round, the teacher will set a price floor. This will benefit the suppliers. Students will then be able to participate, however, the buyers will likely not want to buy. This will create fewer transactions and create a market of disequilibrium. This will teach students about government intervention.

It is important to note, that after each transaction students will receive new cards (“buyers” get new “buyer cards” and “sellers” get new “seller cards”) from the students in front facing the teacher. They will also receive new cards after each round. Once again, they will receive these cards from the students in the front.

Lesson Closure ||

Students will participate in various debriefings. The 2 at the end will be considered the chapter/daily closing activity. During the first part of the debriefing, students are answering questions either on their own or after a pair share. This will solidify the information that is gleaned from the daily lesson.

After the first debriefing, students will be asked to fill out a form that includes chapter content knowledge and a more generalized check for understanding of the daily activity. Students will be given an opportunity to answer these questions on their own.

This last handout, an Exit Slip, will inform the teacher on areas where students struggle. Additionally, it will give the teacher an opportunity to review student concerns in detail. Any content that students struggle with will be reviewed before the assessment. This Exit Slip will also contain a general question pertaining to the daily activity in which students are given no specific prompt (see handout).

Assessments (Formative & Summative)

This lesson has a number of assessments throughout its entirety. These include; checking for understanding after directions are given, conducting mini-assessments after each round, conducting a debriefing after the simulation, and assessing knowledge of chapter and daily content in written form. The first three types assessments are verbal and allow students to focus on the activity. The final assessment allows students to consolidate both chapter and daily content knowledge. This assessment will be collected, but I am not sure if it will be graded, as it is dependent on the class itself.

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

English language, striving readers, and others with special needs will receive various forms accommodations that also benefit the other students. First, students are receiving multiple forms of instruction. This utilizes audio instruction, visual instruction, and student/teacher demonstration. This will give students the opportunity to listen, watch, and “see” how the activity works before participating

Second, students will be required to take minimal notes. Since this activity ties the two preceding chapters together, students have already seen the information a few times. This means notes are not imperative, therefore demonstration of verbal knowledge is key. Finally, students are given several opportunities to ask questions and give answers. Not only does this give them the opportunity to contribute, this allows them to let the activity sink in in chunks. This chunking technique serves struggling students, as it does not provide a lot of information all at once.

Resources (Books, Websites, Handouts, Materials)

- Handout: “Elasticity Cheat Sheet”
- Buyer/Seller Cards: “In the Chips”
- Tally Sheet: “In the Chips”
- PowerPoint: “In the Chips Directions”
- Marking Sheet: “In the Chips”
- Cue Cards
- Exit Slip