

A UNIT FOR TEACHING BASIC ECONOMIC CONCEPTS
to
THE THIRD GRADE

A THESIS
PRESENTED TO THE GRADUATE FACULTY
OF DANBURY STATE COLLEGE

IN PARTIAL FULFILLMENT
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MASTER OF SCIENCE

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INTRODUCTION

Economists have stated that while economic literacy is vital for American survival, the majority of adults are virtually illiterate in this field of study. The Committee for Economic Development in 1961 discussed this need in its National Task Force Report entitled Economic Education in the Schools.

Economics should be recognized as a social science concerned with: (1) society as a whole and not just the consumer's role; (2) an ability to reason abstractly and consider the total problem rather than one's personal position; (3) the use of the scientific method as a rational solution to problems including a set of tools for resolving or diminishing future economic problems.¹

New approaches to teaching economics must be undertaken and evaluated if economic literacy goals are to be met. Economic understandings cannot be achieved by the process of mastering descriptive facts. The "why" and "what's going on here" questions that emphasize the importance of concepts can provide a framework for teaching elementary

¹James Calderwood, Teachers Guide to Developmental Economic Education Program, Part I Economic Ideas and Concepts (New York: Joint Council for Economic Education, 1964), pp. 2-3.

economics.¹ To aid in this experimentation a unit to introduce economic concepts in a social studies for the third grade is herewith proposed. This thesis is based on the hypothesis that basic economic concepts can be made meaningful to children by providing activities that relate their direct experiences to these concepts.

Three studies in educational research are included here to support this writer's hypothesis.

(1) Professor Lawrence Senesh, author of a Science Research Associates elementary economic series, says that the significant ideas in economics can be directly related to the everyday experiences of young school children. In addition, he maintains that analytical thinking can be initiated if a child's innate curiosity is stimulated by open inquiry and exploration of his expanding world.²

(2) David Easton and Robert Hess of the University of Chicago examined the political attitudes of some 12,000 children in eight cities in grades two through eight. According to their study so far, it appears that the school is the primary agent in the political socialization of these children, and the family is less influential than previously believed.³

¹Albert Alexander, "Economic Concepts", Paper read before the Economic Education Resources Committee of the New York City Council on Economic Education, New York City, May 18, 1965.

²An Overview of Our Working World, A Copy of the foreword appearing in the Resource Unit of Our Working World (Chicago: Science Research Associates, Inc., n.d.).

³Franklin Patterson, Man and Politics: Occasional Paper Number 4, The Social Studies Curriculum Program (Cambridge, Massachusetts: Educational Services Inc., September 1965), pp. 16-17.

(3) Jerome Bruner states that there is considerable evidence to support the hypothesis that any subject can be taught effectively in some form to elementary school children.¹

Proposed as one such effort, this thesis is built around a unit of six economic concepts for the third grade. It is based on the assumption that these ideas can be made meaningful if they are related to everyday experiences of the children. Reports of agencies such as the Joint Council on Economic Education and the writings of Lawrence Senesh's work in Science Research Associates' Our Working World were used as sources for the following concepts:

1. The conflict between unlimited wants and limited resources is one that confronts every individual, family, and nation.
2. People have tried for ways to lessen the gap between wants and resources. It was found that most items could be produced faster and better by dividing the work, called the division of labor.
3. With division of labor, men have become interdependent.
4. Interdependence has made trading necessary. Monetary systems and methods of transportation have been developed to facilitate trade. Trading increases the general welfare.

¹Jerome S. Bruner, Process of Education (Cambridge, Massachusetts: Harvard University Press, 1963), p. 33.

5. Since man's wants are insatiable, societies must decide:

- a) what goods and services should be produced.
- b) how they should be produced.
- c) how they should be distributed.

The answers to these questions help us define our economic system, called a "modified market economy".

6. In American society certain objectives, determined by circumstances and value preference, are not provided by the market mechanism but function through various government agencies. Present value preferences include: a) economic growth, b) economic stability, c) economic security, d) economic freedom, e) economic justice.

Suggestions for experiences have generally come from the Joint Council or Professor Senesh as well as from numerous curriculum guides that have been adapted to a specific environment. The unit was planned for a third grade class working approximately forty-five minutes over a six week period in New Canaan, Connecticut.