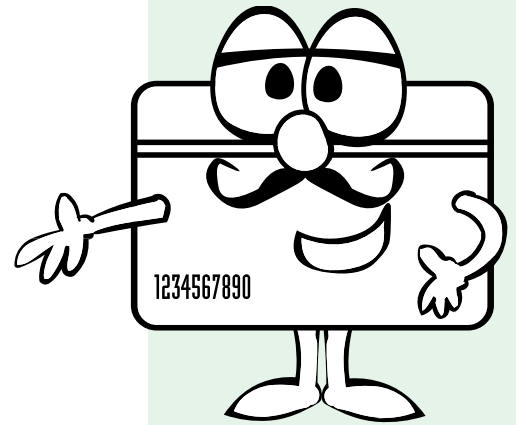


Production and Trade



Overview

Students share the book *Ox-Cart Man*, by Donald Hall, to learn about goods and services, entrepreneurial risk, investment in human capital, and the circular flow of money. They complete activities on the traits of entrepreneurs and specialization in production.

Prerequisite Skills

Students should understand in a general way that the United States was colonized by other countries, specifically for this lesson—England.

Lesson Objectives

Students will be able to:

- Identify the traits of an entrepreneur
- Describe the economy of early American farmers
- Identify the economic concepts of goods and services, productive resources, trade, and specialization

Materials List

1. Book: *Ox-Cart Man*, by Donald Hall (The Viking Press, 1979)
2. Facial tissues, two ply (at least 75 tissues per small group)
3. Chenille stems (pipe cleaners), 12-inch lengths (about 10 per group)
4. Scissors (one pair for each student in group)
5. Timer
6. Chart paper or chalkboard
7. Handout:
 - **You Might Be an Entrepreneur If . . .** worksheet

Content Standards

The activities in this lesson correlate to national standards in economics, social studies, and language arts. See the end of this lesson for content standards information.

Vocabulary

division of labor

entrepreneur

goods

production

productive resources

risk

services

specialization

Large-Group Activity

Materials

- Chart paper or chalkboard
- Book: *Ox-Cart Man*
- Handout: **You Might Be an Entrepreneur If . . .** worksheet

1. Gather students in the reading corner to share the book *Ox-Cart Man*.

○ Say:

I'm going to read a very simple story to you today. It can be read aloud to children as young as the first grade, but I'm sharing it with you because the story is filled with hidden economics lessons. As we learn a new economic term, I'm going to add it to a list.

By looking at the way this farmer and his family survived in early nineteenth-century America, we can learn a great deal about how goods and services are produced and marketed today.

This book was written by Donald Hall and illustrated by Barbara Cooney. The illustrator wanted to include pictures that not only fit the time period of the book but that were created in the style of early American painters. All of her pictures were painted on wood instead of paper or canvas.

In 1980 Ms. Cooney won an award for her illustrations in this book—the Caldecott Medal—which is given to one illustrator each year for the most distinguished picture book in America.

○ Read the book aloud to the class. Be sure to allow the entire class time to see each picture.

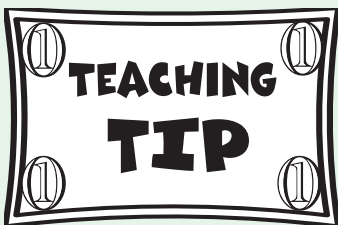
2. Discuss economic concepts covered in this book with the class: entrepreneurs in Colonial America, goods, services, and trade.

○ *Entrepreneurs in Colonial America*

When this country was discovered, Europeans were hoping to find a shortcut to the East Indies, where they could trade for spices, silver, and gold. What they found instead was a country that didn't seem to have any of these valuable things. But before too long, thousands of people moved from their homes in Europe to settle in this new place. Why do you think they came here, if not for spices, silver, and gold? Students may suggest that people came for religious freedom and/or "free" land.

In Europe, most of the land was already owned, either by wealthy landowners or the government. But here in this new country there was plenty of land, and private ownership of that land was protected by law. Any person (or at least any white, male, European person) who was willing to take some chances could own his own land.

What kind of person do you think would leave his home, family, and friends in Europe for America in the eighteenth century? What kind of person would hop on a wooden boat and travel thousands of miles across an ocean to an unknown country, just for the chance to



You may want to remind students that women and minorities weren't allowed to own land in colonial America.

own land? Would you be that kind of person? Encourage open discussion. Students should hypothesize that it would take someone willing to take chances, save money, and work hard.

We have a special name in economics for people who are willing to take risks to have something of their own. They are called **entrepreneurs.** Write the words “risk” and “entrepreneur” on the chart paper or chalkboard. You will be adding words to this list as the lesson goes along.

“Entrepreneurs are individuals who are willing to take risks, to develop new products, and to start new businesses.”¹ The oxcart man was an entrepreneur who traded his grain and other goods for both money and items that his family couldn’t produce for themselves.

The very first page of this book contains another important economic concept. Reread the first page. **Notice the last four words in this sentence: “that was left over.” What does this mean?** The family grew grain and produced items for their own use first, then sold the leftover items.

○ *Goods, Services, and Trade*

This family, like other landowners in early America, made their own clothing and their own tools, and they built their own houses and wagons. They grew the food and raised the animals their family needed for work, transportation, and food. The extra **goods, animals, and crops were taken to market.**

There is an economic term for items like these that people buy. Does anyone know what that term is? Add “goods” to the vocabulary list.

What were some goods that the family couldn’t produce for themselves?

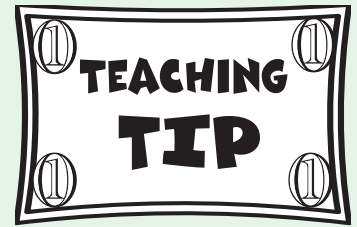
The farmer bought an iron kettle, an embroidery needle, a Barlow knife, and peppermint candies.

Goods and services are things people will exchange money, or barter, for. Write “services” beside “goods.” **Name some services.** Students should name services such as babysitting, car washing, fire fighting, health care, and so on.

Next, write “trade” on the board. **Who can tell me the definition of the word **trade**?**

Trade is the voluntary exchange of goods and services for money or for other goods and services.

Not only did farmers and merchants trade items back and forth like we saw in the story, but American colonists also produced raw materials like lumber, tobacco, cotton, and grains to trade with Europe in exchange for finished products. Can you name one of the items the oxcart man bought at the market that came all the way from Europe?



Point out the unique spelling of “entrepreneur,” a French word meaning “to undertake”—in this case, a business.

¹ From the Voluntary National Content Standards in Economics, as determined by the National Council on Economics Education, found at: www.ncee.net/ea/standards.

His daughter’s embroidery needle “came from a boat in the harbor that had sailed all the way from England.”

3. Introduce the independent work activity: **You Might Be An Entrepreneur If . . .** worksheet.
 - Pass out the worksheet and read the instructions aloud. Allow students to work independently on this assignment while you work with small groups in the following activity.

Small Group Activity: Productivity—Growth and Specialization

Concepts Taught

Productive Resources, Division of Labor, and Investment in Resources

Materials

- Book: *Ox-Cart Man*
 - Chart paper or chalkboard
 - Facial tissues, two ply (at least 75 tissues per group)
 - Chenille stems (pipe cleaners), 12-inch lengths (about 10 per group)
 - Scissors (one pair for each student in group)
 - Timer
1. Prepare ahead of time for tissue flower production.
 - Assemble the materials needed for the activity ahead of time (facial tissues, scissors, chenille stems, and timer).
 - On the chalkboard or a sheet of chart paper, write out the steps for creating tissue flowers:
 - Cut one chenille stem into two 6-inch pieces.
 - Unfold three tissues and stack them together (this should give you six layers).
 - Accordion-fold the tissues (fold narrow strips back and forth).
 - Hold the narrow folds together and tie a chenille stem around the center, leaving one side of the stem longer than the other.
 - Carefully peel apart the tissue layers, fluffing them out to create a flower.
 - Inspect the flower for tears. Discard torn flowers.
 2. Discuss production as we read about it in *Ox-Cart Man*.
 - Say:

Let’s talk about the items made from wool that the family produced, or created. Write “produced” and “production” on the chart paper or chalkboard, then locate the second page of text in the book and read it to the group.

What goods did the family get from the farmer’s sheep?

- A bag of wool
- A shawl
- Five pairs of mittens

The wool was taken directly from the sheep and sold without changing it. But the shawl and the mittens required more work. We say that the farmer, his wife, and his daughter **produced** these items. Let's examine the steps taken just to make the mittens. Write the steps on the chart paper or chalkboard as you list them. **NOTE: Some of these steps aren't in the book, but should be included in this list.**

- Step One: Raise healthy sheep with thick wool coats
- Step Two: Shear the wool from the sheep
- Step Three: Spin yarn from the wool on a spinning wheel
- Step Four: Dye the yarn in pretty colors
- Step Five: Knit yarn into mittens

3. Introduce the activity: Tissue Flower Production.

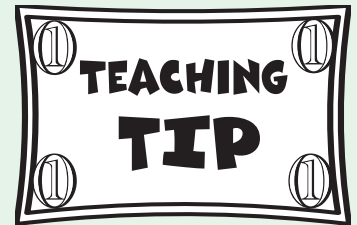
○ **Let's practice production as a group, like the farmer's family. Your group is going to produce tissue flowers. I'll show you the steps in producing the flowers, and each of you must follow every step carefully before beginning a new flower.** Direct attention to the steps you've written ahead of time, then read them aloud as you demonstrate the procedure.

- Cut one chenille stem into two 6-inch pieces.
- Unfold three tissues and stack them together (this should give you six layers—there are two layers in each tissue).
- Accordion-fold the tissues into ½-inch to 1-inch strips (fold narrow strips back and forth).
- Hold the narrow folds together and tie a chenille stem around the center, leaving one side of the stem longer than the other.
- Carefully peel apart the tissue layers, fluffing them out to create a flower.
- Inspect the flower for tears. Discard torn flowers.

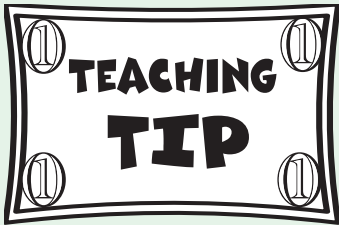
I'm going to set the timer for five minutes. At the end of that time we'll see how many flowers your group has created. Remember, you want to work as quickly as possible, but you also must work carefully. Torn tissues mean the flower must be tossed out!

Place all materials in the center of the table, set the timer for five minutes, and let the students begin. During this time, watch the students to see who is most adept at accordion folding and who seems to be best at peeling the tissues apart—you'll want to assign those tasks to the best person for the job later.

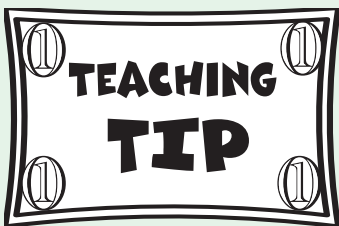
At the timer signal, stop production. Unfinished flowers and torn flowers aren't counted. Make a note of how many flowers the group produced during the time.



This activity works best if each step is treated with equal importance. Don't allow students to skip any steps.



This activity works best with four students per group, but you could assign extra students to the petal-peeling job.



If students have trouble remembering resources from the story, reread those pages of the book.

- Now let's try using **division of labor** in our production line. Write "division of labor" on the board or chart paper with the other vocabulary words.

Division of labor means that each person works on only one part of a job. Each of you will only do one step of the tissue flower production process, and then pass the flowers on to the next person in the production as you complete your task. Assign one step to each member of the group, and have students trade seats so the flower can be passed in order to the next person as each task is completed. The jobs are assigned and seated in this order:

- Accordion folder (stacks and folds the three facial tissues)
- Chenille stem cutter and twister (cuts stems in half and twists onto the folded tissue)
- Petal peeler (peels the six layers of tissue apart)
- Inspector and fluffer (checks for torn tissue and fluffs flower to shape)

Set the timer for five minutes and begin production again. At the end of the time, count the number of completed flowers.

4. Discuss the concept of "productive resources" with the group.
 - **Which method of production produced more flowers for the group?** The division of labor method should have produced more flowers.

In *Ox-Cart Man*, each member of the family performed certain jobs, too. They divided the labor to increase productivity.

- **What was the daughter's specialty?**
Knitting
- **What was the farmer's wife's specialty?**
Weaving on a loom
- **What was the son's specialty?**
Carving birch brooms

- **People who want to keep their jobs work hard to be the best at what they do. What are some ways a person can improve his or her performance at a job?** Encourage speculation. Students might suggest practice, training, and education as some ways to improve performance.

Another way to improve job performance and increase productivity is to improve the tools used on a job. What new tools did the farmer buy for his family?

He bought a new knife for his son and an embroidery needle for his daughter.

When the farmer bought tools that would help the members of his family work better, he was investing in his **productive resources. Productive resources can be *things* (such as tools and materials), the *time* spent on a job, or the *people* who do the work. Name some of the farmer's resources.**

Students should list things from the second, third, and fourth text pages of the book, including the apple trees, land, bees, as well as the people in his family. Write “productive resources” with the other vocabulary words.

Assessment

Check students’ understanding by listening carefully to the responses they give during group discussions. For another assessment you might have students write a paragraph about the pros and cons of dividing labor among workers in production: In what ways does division of labor improve production? What are some instances when division of labor isn’t needed or might even reduce production?

Suggested Online Activity

NOTE: Teachers should preview all sites to ensure they are age-appropriate for their students. At the time of publication, all URLs listed here were valid. In addition, some Web sites provide lessons via pop-up screens, so you may have to disable your computer’s pop-up blocker software to access them.

The United States Mint History in Your Pocket (H.I.P) Pocket Change

The U.S. Mint’s Web site for kids offers interactive lessons on the development and use of coins throughout U.S. history through the use of a “virtual time machine.” After following this link, select the first date on the timeline at the top of the screen (1667) to view an interactive story about how American colonists minted their own coin in violation of British law. (This link requires the use of Internet Explorer.) Found at: www.usmint.gov/kids/timeMachine/begin.cfm.

National Standards Correlations

Economics

The activities in this lesson correlate to the following Voluntary National Content Standards in Economics, as determined by the National Council on Economics Education, found at: www.ncee.net/ea/standards. **NOTE:** Because it teaches beginning economics concepts, this lesson correlates to more K–4 benchmarks than 5–8.

Standard 1: Scarcity

Productive resources are limited. Therefore, people cannot have all the goods and services they want; as a result, they must choose some things and give up others.

K–4 Benchmarks:

- Goods are objects that can satisfy people’s wants.
- Services are actions that can satisfy people’s wants.
- Productive resources are the natural resources, human resources, and capital goods available to make goods and services.
- Human capital refers to the quality of labor resources, which can be improved through investments in education, training, and health.
- People who make goods and provide services are called producers.

Standard 5: Gain from Trade

Voluntary exchange occurs only when all participating parties expect to gain. This is true for trade among individuals or organizations within a nation, and usually among individuals or organizations in different nations.

K–4 Benchmarks:

- Exchange is trading goods and services with people for other goods and services or for money.
- People voluntarily exchange goods and services because they expect to be better off after the exchange.

5–8 Benchmarks:

Voluntary exchange among people or organizations in different countries gives people a broader range of choices in buying goods and services.

Standard 6: Specialization and Trade

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.

K–4 Benchmarks:

- Division of labor occurs when the production of a good is broken down into numerous separate tasks, with different workers performing each task.
- Specialization and division of labor usually increase the productivity of workers.

Standard 15: Growth

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

K–4 Benchmarks:

- When workers learn and practice new skills, they are improving their human capital.
- Workers can improve their productivity by using physical capital such as tools and machinery.

Social Studies

In addition to economics, the activities in this lesson also correlate to the following *Curriculum Standards for the Social Studies*, from the National Council for the Social Studies, found at: www.socialstudies.org/standards.

II. Time, Continuity, & Change

Social studies programs should include experiences that provide for the study of the ways human beings view themselves in and over time, so that the learner can:

Middle Grades Benchmarks:

- b. Identify and use key concepts such as chronology, causality, change, conflict, and complexity to explain, analyze, and show connections among patterns of historical change and continuity.

- c. Identify and describe selected historical periods and patterns of change within and across cultures, such as the rise of civilization, the development of transportation systems, the growth and breakdown of colonial systems, and others.

Language Arts

This lesson, based on the children's book *Ox-Cart Man*, by Donald Hall, also correlates to the following *Standards for the English Language Arts*, from the National Council of Teachers of English, found at:

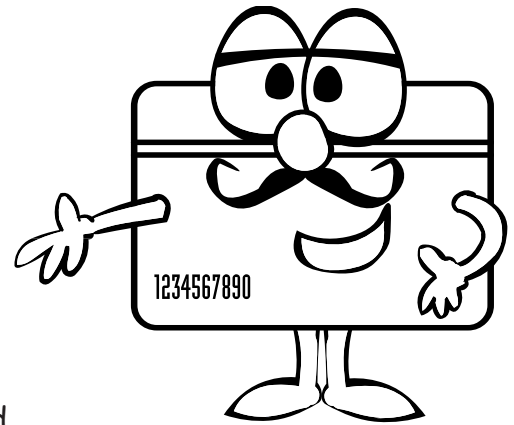
www.ncte.org/print.asp?id=110846&node=204.

1. Students read a wide range of print and non-print texts to build an understanding of texts, of themselves, and of the cultures of the United States and the world; to acquire new information; to respond to the needs and demands of society and the workplace; and for personal fulfillment. Among these texts are fiction and nonfiction, classic and contemporary works.
3. Students apply a wide range of strategies to comprehend, interpret, evaluate, and appreciate texts. They draw on their prior experience, their interactions with other readers and writers, their knowledge of word meaning and of other texts, their word identification strategies, and their understanding of textual features (e.g., sound-letter correspondence, sentence structure, context, graphics).
5. Students employ a wide range of strategies as they write and use different writing process elements appropriately to communicate with different audiences for a variety of purposes.

You Might Be An Entrepreneur If . . .

Part One

Circle all the character traits you think are necessary in a good entrepreneur. Then select five of the words you circled and use each in a sentence that gives an example of how this trait is necessary to entrepreneurs.



neat	courageous	serious	humorous
resourceful	stubborn	loyal	determined
demanding	selfish	unselfish	self-confident
respectful	considerate	imaginative	inventive
creative	independent	studious	cooperative
honest	friendly	joyful	hard-working
timid	bold	daring	busy
lazy	fun-loving	cheerful	responsible
cooperative	disagreeable	conceited	cooperative

Part Two

Check your personality to see if you would make a successful entrepreneur! There are no right or wrong answers, so please answer the questions honestly with "yes" or "no."

1. Do you like taking chances? _____
2. Do you like making your own decisions? _____
3. Do you get bored easily? _____
4. Do you finish what you start? _____
5. Do you try new things for the thrill of it? _____
6. Do you plan your tasks before getting started? _____
7. Do you enjoy doing something just to prove you can do it? _____
8. Do you find yourself constantly thinking up new ideas? _____
9. Do you like to take care of details? _____