

TECH: Costs and Benefits (ECON)

Summary

The concept of costs and benefits and related terms are taught through stories about the toy fads of Hula Hoop and Silly Bandz.

Time Frame

1 class periods of 45 minutes each

Background for Teachers

Through the activity the teacher should continue to ask students to think about how they are using the "Big 5 of Economics".

- Peoples needs and wants are unlimited.

- When resources are limited, people have to make choices.

- Choices involve costs and benefits.

- Choices can affect ourselves and others.

- Consequences of choices may be immediate or lie in the future.

Intended Learning Outcomes

Students will identify the cost and benefits associated with a new product. Relate how supply and demand affect a product/companies success. Define surplus, shortage and equilibrium.

Instructional Procedures

Introduce the terms to be used in this lesson: cost, benefit, supply, demand, equilibrium, surplus, storage. In small groups or as a class have students identify the benefits of owning your own company or producing a new product.

Show the youtube video "The Hudsucker Proxy". List and discuss the costs associated with introducing a new product and/or owning your own company.

Further information and activities are available at econedlink.org.

Strategies for Diverse Learners

Students brainstorm possible new products. Identify the costs and benefits associated with the new product, it's production and market value.

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