

## The Island Problem

Project or read aloud

Imagine your class gets stranded on an island after a field trip. No adults, no signal. There's plenty of food and water for everyone. But there's a problem: not everyone knows how to do everything. Macon can build shelters. Naiya knows which plants are safe. Miller is fast and can scout. Ava is good at keeping everyone calm and organized.

Everyone has something to contribute. But Miller is tired of giving his scouting work away for free: he wants something in return. Naiya will only share plant knowledge if she gets shelter. Everyone starts negotiating trades.

**One week in, it's chaos. You spend more time negotiating than actually surviving.**

## Words for Today

Post as you teach

### Currency

The money system a country uses: bills and coins plus digital money.

### Medium of exchange

Something used to make trades easier.

### Store of value

Something that holds its buying power over time.

### Unit of account

A standard way to measure and price things.

### Inflation

When prices rise because each dollar buys less.

### Economy

The whole system of how money, goods and services are made and exchanged.

# Follow the Dollar

✂ Cut on the dashed lines · one set per group · put them in order

A

## Bank deposit



The farm worker deposits her \$6 in a savings account.

B

## Paycheck



Miller earns \$80 mowing lawns this week.

C

## New business



The business owner pays a local teenager \$4 to help set up the storefront.

D

## Supplier



The grocery store uses that money to pay its food supplier \$18.

E

## Back to the store



The teenager saves \$2 and spends \$2 on a snack, at the same grocery store where it started.

F

## Local store



Miller spends \$30 at a neighborhood grocery store.

G

## Loan



The bank uses deposits like hers to make a small loan to a new business.

H

## Farm



The supplier pays workers at a farm. One worker earns \$6 from that payment.

Write the card letters in order, starting with the paycheck.

|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | → | 2 | → | 3 | → | 4 | → | 5 | → | 6 | → | 7 | → | 8 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|

1. How many people touched Miller's \$30 before it came back to the community?

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2. What would have happened to this chain if Miller had kept his \$30 under his mattress instead?

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3. What would have happened if the grocery store had bought from a supplier in another country instead of a local one?

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4. At which stop does a bank appear, and what role does it play?

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**Card A**

Build the strongest case for this side

**“The government decides what money is worth. Without government laws and the Federal Reserve, dollars would be worthless.”**

Our three strongest reasons:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

The other side will say... and we answer:

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**Card B**

Build the strongest case for this side

**“The people decide what money is worth. If everyone stopped accepting dollars tomorrow, no law could make them valuable.”**

Our three strongest reasons:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

The other side will say... and we answer:

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## Exit Ticket

Name \_\_\_\_\_

1. Name two reasons a U.S. dollar has value even though it is just paper.

\_\_\_\_\_

2. A government prints 10 times as many dollars overnight, but the amount of goods stays the same. What would likely happen to prices? Use the word *inflation*.

\_\_\_\_\_

\_\_\_\_\_

3. Ava says: "If money is just trust, then the people with the most trust have the most power." Do you agree? Why?

\_\_\_\_\_

\_\_\_\_\_



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