

## Applied Skills 8

### Lesson Plans

**Teacher's Name:** David Wang

**Grade Level:** 8

**Subject:** Business Education 8

**Unit:** Money and Banking

**Lesson:** 2

**Lesson Topic:** Inflation and budget

<b>Rationale</b>	<ul style="list-style-type: none"> <li>Business Education 8 is a required course for all students enrolled in BC secondary schools</li> <li>The finance component of Business Education 8 teaches students basic personal finance skills such as budgeting and familiarizes them with the role financial institutions play in helping businesses and consumers with money matters</li> <li>This lesson continues the discussion of money and income we had in last class and looks into inflation and budget and how they relate to our lives</li> </ul>	
<b>PLOs</b>	After completing the unit, students are expected to able to: <ul style="list-style-type: none"> <li>Prepare and use a budget and later evaluate its effectiveness in meeting a specific need</li> <li>Describe ways financial institutions assist businesses and individuals with money management</li> </ul>	
<b>Objectives (SWBAT)</b>	Specifically, students will be able to: <ul style="list-style-type: none"> <li>Understand the impact of inflation on our finance and our lives</li> <li>Develop a personal budget (and later monitor it)</li> </ul>	
<b>Vocabulary</b>	<ul style="list-style-type: none"> <li>The following vocabulary words are listed and explained for the benefit of ELL students or students with learning disabilities               <ul style="list-style-type: none"> <li>Hyperinflation, sirloin, cost of living index, CPI, price ceilings, speculative activities, postsecondary education, budget, fictitious, track, Statistics Canada</li> </ul> </li> </ul>	
<b>Materials</b>	<ul style="list-style-type: none"> <li>Overhead, video projector, PowerPoint slides on inflation and budgeting, and online resources:               <ul style="list-style-type: none"> <li>YouTube video on Germany's hyperinflation in 1923 at <a href="https://www.youtube.com/watch?v=QmZ36uABULY">https://www.youtube.com/watch?v=QmZ36uABULY</a> (3:21 min)</li> <li>Agriculture and Agri-Food Canada report on sirloin prices at <a href="http://aimis-simia.agr.gc.ca/rp/index-eng.cfm?menupos=1.02.05&amp;LANG=EN&amp;pdctc=&amp;r=121&amp;action=pR">http://aimis-simia.agr.gc.ca/rp/index-eng.cfm?menupos=1.02.05&amp;LANG=EN&amp;pdctc=&amp;r=121&amp;action=pR</a></li> <li>Statistics Canada website at <a href="http://www.statcan.gc.ca/tables-tableaux/sum-som/101/cst01/educ50k-eng.htm">http://www.statcan.gc.ca/tables-tableaux/sum-som/101/cst01/educ50k-eng.htm</a></li> </ul> </li> </ul>	
<b>Intro/Hook</b>	<ul style="list-style-type: none"> <li><i>Hook 1:</i> Video Horror Stories of Hyperinflation: Germany in 1923               <ul style="list-style-type: none"> <li><i>Socratic:</i> Have there been similar instances of hyperinflation since then? What often accompanies such periods of chaos? What lies at the root of the problem?</li> </ul> </li> </ul>	5 minutes

	<ul style="list-style-type: none"> <li>• <i>Hook 2: How many of you have made a budget before?</i></li> </ul>	
<b>Body</b>	1. Student activity 1 1) <i>Think-pair-share</i> <ul style="list-style-type: none"> <li>▪ In groups of three, students research the price of beef sirloin and cost of postsecondary education (e.g. A SFU undergraduate program) 1994 to 2015</li> <li>▪ Report to the class their findings</li> </ul>	5 minutes
	2. Teacher activity 1 1) Direct instruction on concept of inflation and its impact 2) Recall what happened in Germany 1923 and the fallout of hyperinflation: <ul style="list-style-type: none"> <li>▪ Massive printing of the German mark, resulting in hyperinflation</li> <li>▪ The wiping out of the whole middle class</li> <li>▪ Radicalization of the German society</li> <li>▪ Death of the Weimar Republic and rise of nationalism</li> </ul> 3) <i>Extend and reflect</i> <ul style="list-style-type: none"> <li>▪ Question: What lessons shall we learn from Germany in 1923?</li> <li>▪ What measures do countries take to guard against excessive inflation and lessen the impact of inflation on people's livelihood?</li> </ul>	15 minutes
	3. Student activity 2 1) In pairs, students work on <i>extend and reflect</i> 2) Brief report to whole class	5 minutes
	4. Teacher activity 2 1) Go over some of the lessons learned and measures taken <ul style="list-style-type: none"> <li>▪ Answers to the question: control of money supply, CPI monitoring (e.g. industry price monitoring such as Agriculture and Agri-Food Canada and Statistics Canada updates), price ceilings, curbing of speculative activities, etc.</li> <li>▪ Measures to take to reduce the impact of inflation: cost-of-living indexation in labor contracts, fiscal spending on social programs such as poverty relief, increased role of charity</li> </ul> <p><i>Transition: "In retrospect, most responsible governments around the world have learned to keep inflation at an acceptable level because they know that if they do not manage their finance well, there will be severe consequences. The question I have for you is: as individuals, do we also need to manage our finance as countries do? The answer is yes, thank you. But how do we organize our personal finance? Yes, we do that by means of a budget.</i></p> <p><i>Hook: Questions: "How many of you have done a budget before?" "Can someone tell me what a budget is? What does it do? Why is it important to have a budget? (Relate to earlier discussion of the</i></p>	10 minutes

	<p>German government's overspending in early 1920s, leading to hyperinflation and hardship) How to prepare a budget?"</p> <p><i>Socratic:</i> Invite students to come up with their answers and then recap main points on whiteboard</p> <p><i>Direct instruction &amp; model:</i> Present on overhead projector a sample budget for a fictitious Canadian boy and girl</p> <p>5. Student activity 3 (<b>#1 assignment</b>)</p> <p>1) Paired role play: One acts as a financial advisor, the other a Grade 8 student. The financial advisor interviews the student and assists him or her to prepare a monthly budget in the <i>journal</i> book. After the budget is done for the student, the two students switch over roles and the new financial advisor interviews the other and helps him or her prepare a separate budget.</p> <p><i>Accommodation:</i> ELL students and those with LD or special needs are required to write only 3 to 4 simple sentences.</p> <p>6. Teacher activity 3</p> <p>1) Reconvene the class, give positive feedback on their work, and remind them of the need to balance income and expenditures. Have each student check the financial advisor's work, and write a short reflection on the budgeting exercise (in paragraph form) in the journal book.</p> <p><i>Accommodation:</i> ELL students and those with LD or special needs are required to write only 3 to 4 simple sentences.</p> <p>7. Student activity 4</p> <p>1) Write reflection in journal book</p>	<p>20 minutes</p> <p>5 minutes</p> <p>5 minutes</p>
<b>Closure</b>	<ul style="list-style-type: none"> <li>• "Today, we briefly looked at inflation, how it impacts us, and what are some of the things governments do to manage it.</li> <li>• "We also briefly discussed the tool we can use as individuals to manage our own money, namely to have a personal budget. We now have a monthly budget prepared. As we progress through the unit, we will revisit our budget from time to time and see how effective the tool helps us live within our means."</li> </ul>	5 minutes.
<b>Differentiation</b>	<ul style="list-style-type: none"> <li>• See <i>Accommodation</i> in teacher activity 2 &amp; 3</li> <li>• To those that need more challenging work, the teacher will assign work on personal spending and advice on how to avoid impulse buying</li> </ul>	
<b>Assessment</b>	<ul style="list-style-type: none"> <li>• Teacher observation of paired work and whole class discussions</li> <li>• Budget entry and reflection in journal book</li> </ul>	
<b>Homework</b>	<ul style="list-style-type: none"> <li>• Journal entry if it hasn't been done in class</li> </ul>	
<b>Teacher Reflection</b>		