

LITA THE LAMP LIGHTER

Performance Standard (15A/15B/15C).G

Create fictional scenarios of individuals acting as consumers and producers and then analyze the behavior accordingly:

- *Knowledge*: identify instances when people act as consumers and producers;
- *Reasoning*: explain the action of consumers and producers and appropriate responses to price changes; and
- *Communication*: write a story that is well-organized, well-focused and well-detailed; express all ideas in a way that provides evidence of knowledge and reasoning processes.

Procedures

1. *In order to understand economic systems, with an emphasis on the United States (15A), understand that scarcity necessitates choices by consumers (15B), and understand that scarcity necessitates choices by producers (15C)*, students should experience sufficient learning opportunities to develop the following:
 - Identify times when students or adults are consumers and when students or adults are producers,
 - Explain why people are both consumers and producers, and
 - Analyze how changes in price affect producer behavior.
2. Have students review and discuss the assessment task and how the rubric will be used to evaluate their work.
3. Students need to be taught or review the concepts of consumers and producers and how prices will impact their behavior.
4. Have students create a fictional character with a strange job and equally strange name that includes the job. Examples would be Lita the Lamplighter or Casey the Suitcase Fixer. The job must be legal and morally acceptable.
5. Have students write a brief story about the person at work that includes a description of the skills and tools needed for the job. During the story, the character acts at times as a producer and at other times as a consumer. During the story the character should appropriately respond as a producer to a sharp increase or decrease in the price of what he or she produces.
6. At the conclusion of the story the student will identify one example of the character acting as a consumer and one example of the character acting as a producer. The student should explain why the character acted as he or she did in response to the price change.
7. Evaluate each student's work using the Social Science Rubric as follows and add the scores to determine the performance level:
 - *Knowledge*: the identification of instances of the character acting as a consumer and producer is complete and accurate.
 - *Reasoning*: the explanation of ways to respond to price changes are appropriate, logical and well-reasoned.
 - *Communication*: the story is well-organized, well-focused, and well-detailed; the knowledge and reasoning were completely and effectively communicated.

Examples of Student Work follow

Resources

- Economics textbook or similar source for basic Economics
- Social Science Rubric

Time Requirements

- One class period for writing

ASSESSMENT (15A/15B/15C).G

Woody the Wood Waxer.

There was once a wood waxer named woody. He earned his living by waxing wood. He got twenty dollars for each piece of wood he waxed. Everybody loved him. He Always seemed to be able to do such a good job at waxing the wood. He was so good at waxing wood that he was elected president of the company. He had five materials that he used to accomplish his wood waxing duties. He needed wax to wax the wood, towels to rube the wax on, goggles to protect his eyes from the wax, gloves so his hands don't get greasy, and wood from his costumers so he can wax.

One-day woody ran out of wax. He had just waxed three pieces of wood. He earned sixty dollars! Woody decided he should go out and buy more wax and new tools. When he got to the store he was startled. "The wax costs twenty dollars." he said to himself. Then he looked and saw that the towels he used to wax now cost twenty dollars. In fact all of the tools that he needed went up in price to twenty dollars each. So he decided to buy the most necessary tools. After all he couldn't buy all of them. He decided he would buy two cases of wax and one towel.

When Woody got to his work shop the next day he made a large sign. It said that he would charge double the amount that he charged before. His customers were not pleased. However since they needed their wood waxed they had to pay him. Then one day Sally soaker came up to woody and asked him why he was charging so much. Woody explained to her that the prices for his tools had went u p. " They used to be five dollars,

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not twenty," he said. She said she understood.

The next day Sally came to the shop with good news. She told Woody that the prices went down. "Do you know what this means Woody?" "Your tools are five dollars again." So Woody wrote on the sign that he would only charge fifteen dollars now. As he looked over his supply and demand chart he was amazed at what he saw. He had finally, after fifteen years of working, reached the equilibrium point. Great things come all at once he thought to himself.

When Woody had to buy his supplies he was a consumer. When Woody waxed the wood he was a producer. Woody was unhappy when the price of his tools changed. He was forced to change the price of the wood he waxed which made his customers unhappy. In the end he got to be a hero to his company.

There once was a kid named Gary, and he cleaned golf clubs at Pebble Beach Golf Course. Gary was 15 years old and in high school. He worked three days out of the week. He worked Friday, Saturday, and Sunday because they are the busiest days for golfing, and that's when tournaments are held. He advertises for his job by printing out flyers and posting them up in the golf course bathrooms, the pro shop, and on the course.

In order for Gary to run his business, he needs to buy supplies. The supplies he needs are steel brushes for scraping stuff off the clubs. He buys these at The Golf Store for \$3.00 a brush. Another supply he needs is golf club cleaner to help loosen any of the hardened dirt or grass that might be on the clubs. He buys this at The Golf Store, also, for \$4.99 a gallon. The last thing he needs is rags. He gets his rags at Wal-Mart for .99 cents each.

Gary currently charges \$2.50 per club. Trying to decide how much he would charge per club was difficult at first, but became easier as time went by. By figuring out what his monthly expenses were and then adding how much profit he wanted to make, he was able to determine how many clubs he needed to clean in a month. Since he only wanted to work on Friday, Saturday, and Sunday, he knew he only had 12 days a month to reach his goal. Since he figured out it would cost about .35 cents per club to clean, and he wanted to profit about \$120.00 a week, he needed to clean 60 clubs per weekend, or 20 clubs per day.

Last summer was a hard one for Gary. Several occurrences made it difficult for Gary to maintain his desired profit. First, there was a fire at the brush factory where The Golf Store bought their brushes. Due to the reduced supply of quality steel brushes, The Golf Store was forced to pay more for their brushes. This raised the price for a brush in

The Golf Store from \$3.00 to \$10.00. Since he was now paying more for his supplies, he was making less profit, so Gary was forced to make a decision if he wanted to raise his prices to maintain his desired profit or keep the prices the same and accept less profit.

At the same time this was happening, a rainstorm swept through Pebble Beach over a two-week span, which cancelled many tournaments. This meant that Gary wouldn't be getting many golfers, so Gary dropped his price to \$2.00 per club. To make up for his lower prices, he had to get more customers than normal. He decided to call his best customers and let them know that due to the rain, he was having a sale.

When the rain finally stopped, the golfers were ready to go. They hit the golf course in record numbers, and Gary was very busy. He could barely keep up and had to work more than usual. He decided to raise his prices to take advantage of the increase in demand for his product. For a while, he was making \$4.00 per club, but all this was about to change.

When, Joe, a friend of Gary's, saw how much money Gary was making, he decided to open his own golf club cleaning service. To steal some of Gary's customers, Joe set his price at \$2.50 per club. This forced Gary to lower his price back down to \$2.50 so he wouldn't lose all his customers. To win this battle, Gary plans on giving the customers better service than his competitor.

In conclusion, Gary had to adjust the price he charged for his product based on the current situation at hand. He found out how his suppliers could affect his business, as well as how bad weather can affect the demand for his product. Then just when he thought everything was perfect; he suddenly had to deal with a competitor. Gary hopes that by giving the customers better service than his competitor, he will keep all of his customers.