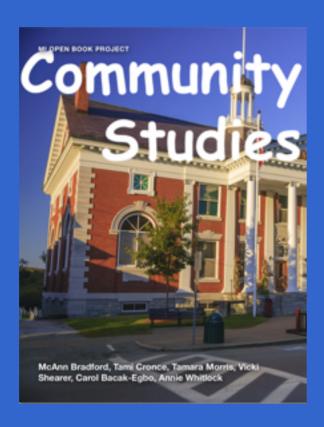




MICHIGAN OPEN BOOK PROJECT



This is version 1.0 of this text, released August 2017.

Information on the latest version and updates are available on the project homepage: http://textbooks.wmisd.org/dashboard.html





MICHIGAN OPEN BOOK PROJECT

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Kelli Simons



About the Authors - Families and Schools



McAnn Bradford

KND Elementary

Kaleva Normon Dickson Schools

Avid lover of all things History and Technology. Loves to find and use new ways to get topics and information to my students. My goal is that every student learns one thing they didn't know each day! When I am not teaching, I am reading, crafting, traveling, and spending time with people .

Tami Cronce

Thomas Edison Elementary

Port Huron Area Schools

Tami received her Bachelor of Arts from the University of Michigan with a major in Language Arts and a minor in Social Studies. She obtained her Masters Degree from Marygrove College. She has taught for the Port Huron School District for 14 years, co-coaches an after school enrichment STEAM class, helps with the Running Club, and tutors K-2 students in her spare time. Recently, she was nominated for and accepted a position as active board member for the Port Huron Schools Endowment Fund. Her passions include attending church, watching U of M ball, hiking, Jeep off-roading, and spending time with her husband Rob and 2 children, Paige and Cam.



Tami Morris

Thomas Edison Elementary

Port Huron Area Schools

I earned my bachelors' degree from Western Michigan University in Elementary Education with minors in elementary education, english, and science. My masters degree is in Educational Leadership from Eastern Michigan University. I have been teaching in Port Huron Area Schools for 26 years, I am a single mom of two children; Ashley and Matt. When I am not teaching I like to try my hand at photography, hang out with my kids, friends, or play with my two Yorkies; Elmer and Max.





Vicki Shearer
Holland West K-7
Holland Public Schools

I love my family! My husband, Tom, and I have two sons, Chris and Tim, one daughter in law, Amber, and one future daughter in law, Alina. We love walking on the beach of Lake Michigan from our house. We can often be seen riding bikes, canoeing, or hiking trails. We are trying to visit as many National Parks as we can. We feel very blessed to live in the greatest country of the world!

Carol Bacak-Egbo Editor

Oakland University Special Lecturer

Carol Egbo has more than 40 years of experience in education as a teacher, curriculum developer, staff development specialist, and social studies consultant. She is currently a special lecturer in the Teacher Development and Educational Studies Department at Oakland University, and a contract consultant for the Oakland Intermediate School District. She has been the project director for two federal Teaching American History Grants, and was the primary curriculum designer and writer for grades 2-6 of the MC3 Project. She has extensive experience in presenting professional development for teachers including summer institutes at University of California-Los Angeles, institutes for the Michigan Department of Education, teacher networks, national and state conferences, teacher seminars sponsored by Michigan State University, Saginaw Valley State University and Oakland University. She is the recipient of numerous awards including the MCSS Elementary teacher of the year award, the MCSS Mentor Award, WDIV/Newsweek Teacher of the Year Award, and the WXYZ Michigan Teacher of the Year award.





David A. Johnson
Project Manager

Michigan Open Book Project

Dave began his career teaching 8th grade United States History in Mesick, Michigan. After almost a decade in the classroom, he took a job at Wexford-Missaukee Intermediate School District (WMISD) as an Instructional Consultant for Social Studies. He is shared across 11 ISDs in Northern Michigan that form the Northern Michigan Learning Consortium. He completed his Masters in Educational Leadership through Central Michigan University in 2011 and is Co-Project Director of the Performance Assessments of Social Studies Thinking (PASST) Project in addition to his duties as the Project Manager for MI Open Book.

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Jim Cameron - Michigan Department of Education

Dr. Phil Gersmehl - Michigan Geographic Alliance

Carol Gersmehl - Michigan Geographic Alliance

Melissa Kieswetter - Michigan Department of Civil Rights

About the Readers - Community Studies



Joseph Baumann -

Joe joined the Cadillac Footliters in 2016, coming from having performed many times on the stage with Riverwalk Theater in Lansing, Michigan. Some of his favorite roles have been Lancelot in Camelot, Captain Scott in Terra Nova, and Nathan Rothschild in the Rothschilds.

Melissa Kendell -

Melissa has enjoyed performing in productions like Into the Woods and a Christmas Story. She's been a part of various charity performances including the annual United Way Murder Mystery and Dancing with the Y Stars.

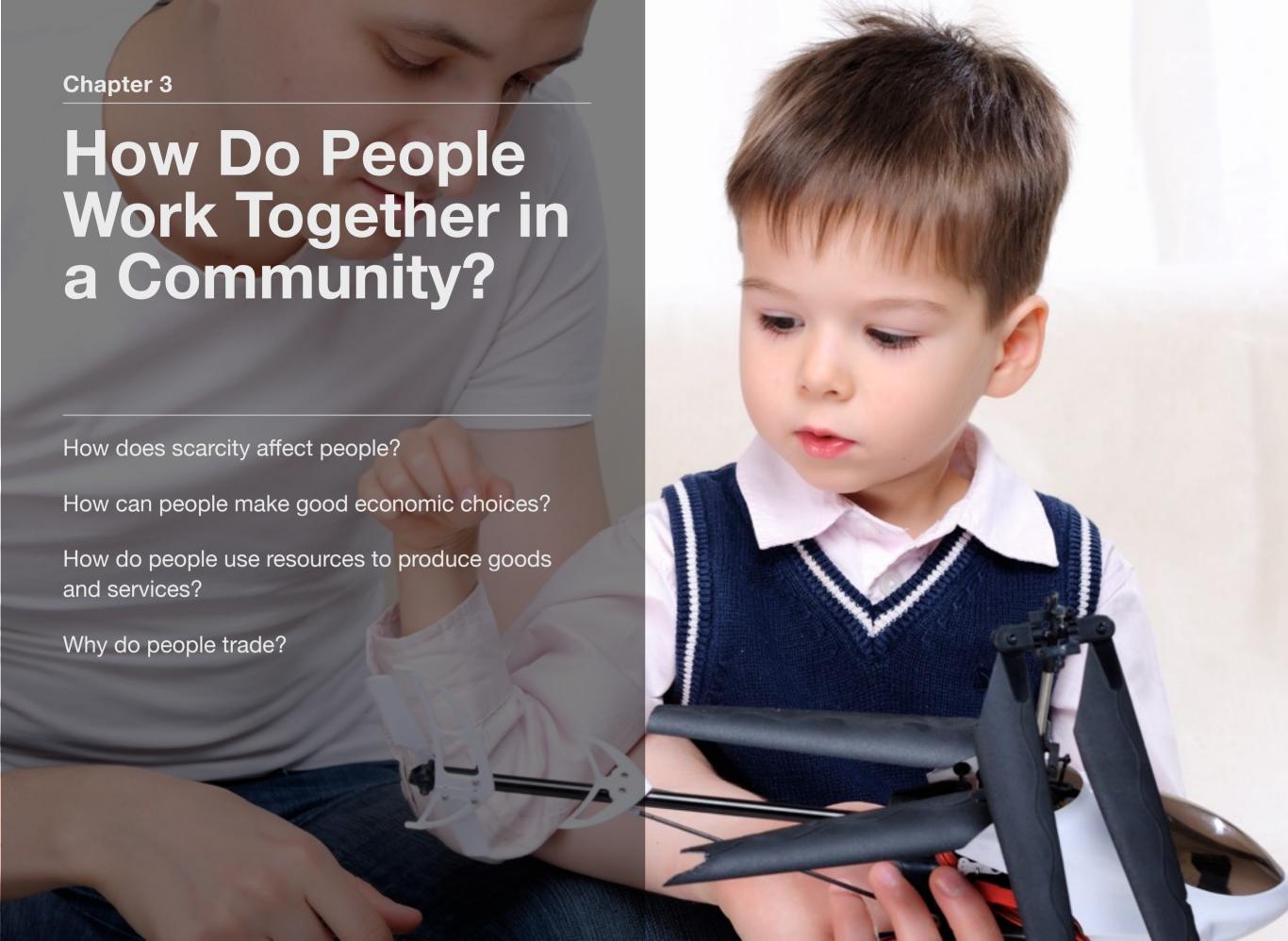






Kelli Simons -

Kelli has been in many local theater productions including the Mother in a Christmas Story, the Baker's Wife in Into the Woods, Tansy McGinnis in the Nerd. She comes from a talented theatrical family.



For Teachers

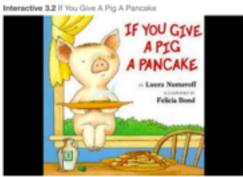
Now that we've spent time talking about what a community is and then exploring them, the conversation of this chapter is focused around the compelling question "How do people work together in a community?" On the one hand, this question appears rooted in civics, but the content we cover is rooted in economics. Students have already learned about needs and wants, and consumers and producers in earlier grades, and now we introduce an economic term "scarcity". You may choose to review the concepts of needs vs wants before introducing this term.

Economics is about choices, and our second section walks students through how consumers can make good choices. Our third section walks students through how people use resources to make goods. There is great overlap between this section and previous ones from the geography chapter.

Finally, we review and deepen our knowledge of trading by exploring now why we trade in the local community - including what is traded. A fantastic interactive on specialization closes the chapter.



MICHIGAN OPEN BOOK PROJECT



Listen to this book about a pig. What did the pig want?

What happened when the pig was given one thing? It wanted another thing! People are a lot like the pig! Pretend you buy a new gaming station. Now what do you want? Games to play on it!

What is Scarcity?



- 1. How does scarcity affect people?
- 2. How can people make good economic choices?
- 3. How do people use resources to produce goods and services?
- 4. Why do people trade?

TERMS:

goods: things we buy that we can touch or hold

services: things that others do for you

scarcity: when there is not enough

choice: when people choose one thing and give up other things

You have learned that communities have places where people live. Communities have places where people work. Communities have places where people play. They also have places where people can buy things.



Where are the places in your community where your family buys things? Make a list or draw a picture showing some of these places.

Goods and Services

People want many things! That is why communities have many places where you can buy things. Sometimes people want to buy goods. **Goods** are things we buy that we can touch or hold. A bike is a good.



Image source: Gena73/Shutterstock

Sometimes people want to buy services. **Services** are things that others do for you. When you pay for a haircut you are buying a service.



Image source: Chubykin Arkady/Shutterstock.com

Here is a tricky one! Someone delivers a pizza to your house. Where does the picture go?

Goods Services

Next

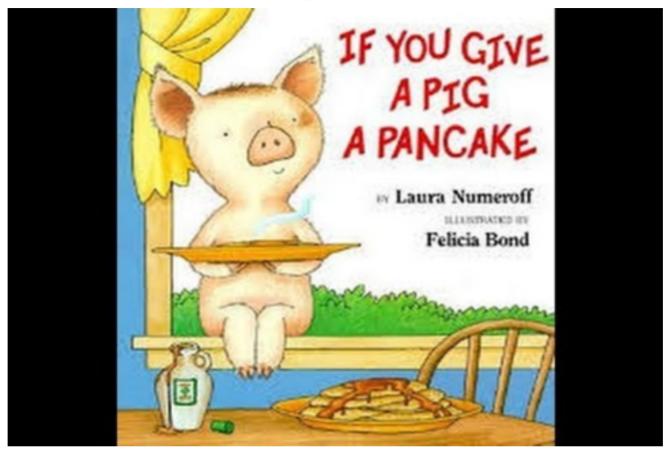
OPEN BOOK PROJECT

Interactive 3.1 Goods and Services

Do you know the difference between a good and a service? Click here to show what you know.

People Want Many Goods and Services

People want many goods and services! What about you? What would you like to be able to buy? What are some goods? What are some services?



Interactive 3.2 If You Give A Pig A Pancake

Listen to this book about a pig. What did the pig want?

What happened when the pig was given one thing? It wanted another thing! People are a lot like the pig! Pretend you buy a new gaming station. Now what do you want? Games to play on it!



Image source: Mix3r/Shutterstock

Why Can't We Have Everything We Want?

People want a lot of things! Why can't they have everything they want? They can't because of scarcity. **Scarcity** means there is not enough. Think about that gaming station again. What if it is a good that many, many people want? It will be hard to find in a store. There will not be enough of them. There will be a scarcity of that kind of gaming station.

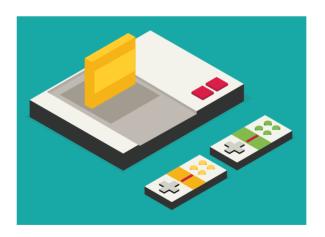


What would you do if you could not buy the gaming station you wanted?

Making Choices

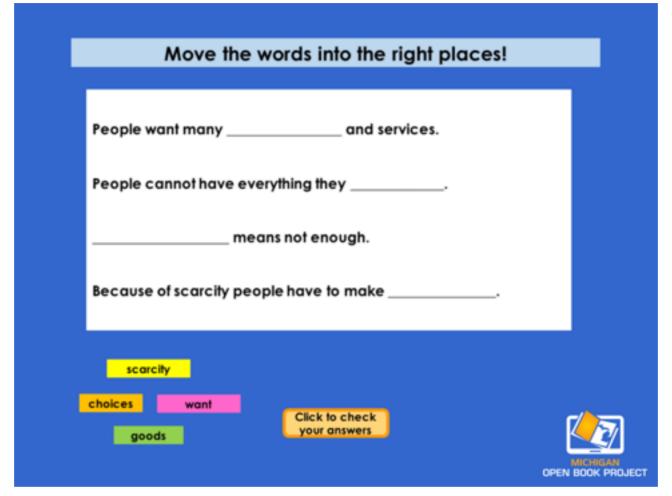
What would you do? Would you buy a different kind of gaming station? Would you wait until you could buy the one you wanted? Would you buy something different like a bike? You would have to make a choice. A choice is when people choose one thing and give up other things.





What if you chose to buy a bike instead? You would have to give up the gaming station.

Interactive 3.3 Section 1 Review



Click to review what you have just learned.

People want many goods and services. Because of scarcity they cannot have everything they want. Scarcity means not enough. Scarcity means people have to make choices.

How Can People Make Good Choices?

QUESTIONS TO GUIDE INQUIRY

- 1. How does scarcity affect people?
- 2. How can people make good economic choices?
- 3. How do people use resources to produce goods and services?
- 4. Why do people trade?

TERMS:

opportunity cost: the second thing you want most when you make a choice

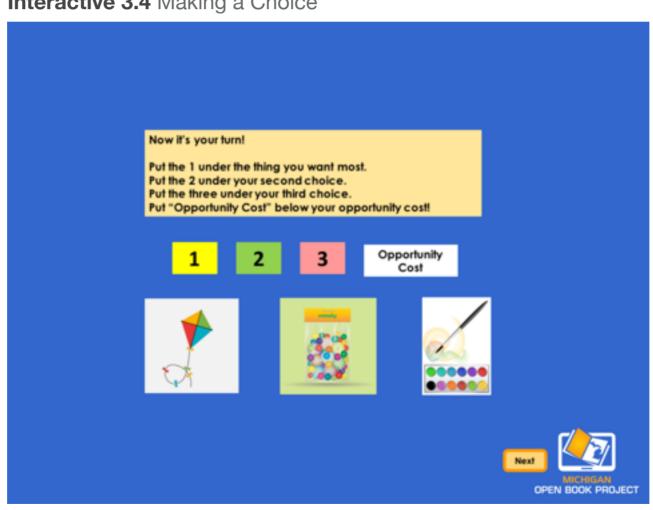
People cannot have all the goods and services they want. Why? Because of scarcity! Scarcity is when there is not enough. Because of scarcity people have to make choices.



Think about a time when you had to make a choice when you were buying something. What were the things you wanted? Which one did you choose?

What is an Opportunity Cost?

Sometimes it is hard to make a choice. It is hard because once you make your choice, you have to give something up. Every time you make a choice there are other things that are not chosen.



Interactive 3.4 Making a Choice

Click here to practice making a choice

You just learned that an **opportunity cost** is the second thing you want most when you make a choice. What was your opportunity cost? Was it the paint set? Was it the candy? Was it the kite?







How Can You Make Good Choices?

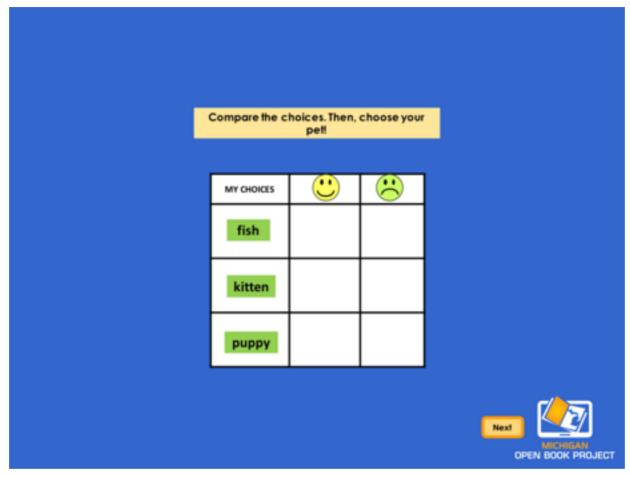
Think about the choice you just made. How did you decide between the kite, the paint set and the candy?



Do you think it is important to make good choices?

Why or why not?

You will have to make many choices in your life! It is important to make good ones!

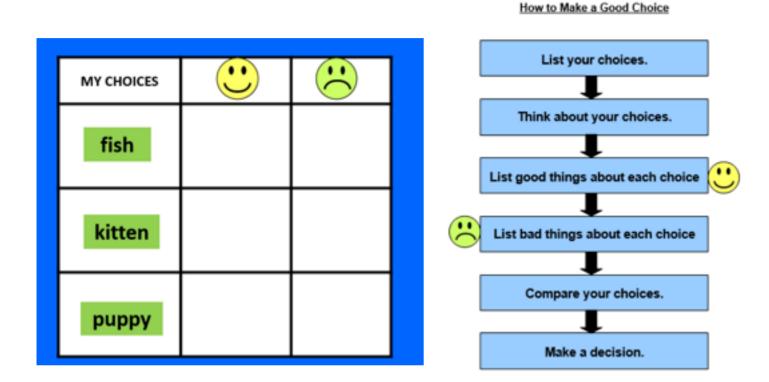


Interactive 3.5 Making Good Choices

How can you make a good choice? Click here to find out!

Which pet did you choose? Did you choose the fish? Did you choose the kitten? Did you choose the dog? How did the chart help you make a good choice?

Because of scarcity people have to make choices. It is important to make good choices!

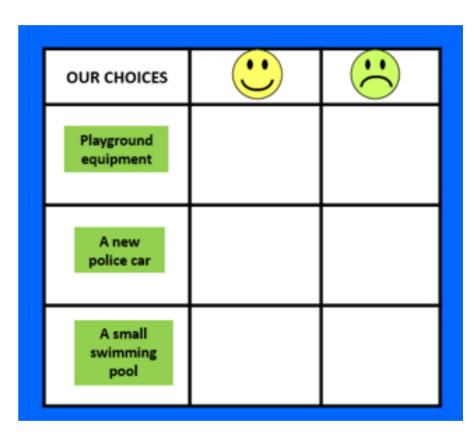




Do people in communities sometimes have to make choices? What kind of choices do they have to make?

Imagine your community has to make a choice between buying these three things: new playground equipment for the park, a new police car, a small swimming pool for the park. Work with your teacher and your class to make a good choice by completing the chart below.





How Do People Use Resources to Make Goods?

QUESTIONS TO GUIDE INQUIRY

- 1. How does scarcity affect people?
- 2. How can people make good economic choices?
- 3. How do people use resources to produce goods and services?
- 4. Why do people trade?

TERMS:

resource: something people use to make goods

natural resources: things in nature that people use to make goods

human resources: workers who make goods

capital resources: goods that used to make

other goods

businesses: places that make or sell goods

and services

You have learned that people need and want goods. Goods are things people buy that they can touch or hold. How do people make goods? People use resources to make goods.



What does it take to make a wooden pencil? Think of two different things then share with a partner.

What are Natural Resources?

To make a wooden pencil you need a tree! A tree is a natural resource. Natural resources are things in nature that people use to make goods. Water is another natural resource.



How does the tree turn into a pencil? You need a person to cut down the tree! A person is a human resource. Human resources are workers who make goods.



Image source: Javid Kheryrabaldi/Shutterstock



Image source: Visual Generation/

Shutterstock

What are Capital Resources?

Wait! Is that all you need to make a wooden pencil? A tree and a person? What else do you need? The person would need a saw to cut down the tree! The saw is a capital resource. Capital resources are goods that used to make other goods.



Putting Resources Together to Make Goods

Image source: Rvector/Shutterstock

To make a pencil you need a tree. The tree is a natural resource. To make a pencil you a person to cut down the tree. The person is a human resource. To make a pencil you need a saw. The saw is a capital resource.

Interactive 3.6 How to Make a Pencil



Is that all it makes to make a pencil? A tree, a tree cutter and a saw??? Click here to find out.

You just saw that it takes a lot of resources to make a pencil. You saw many machines in the video. What kind of resource are machines? Are they natural, human or capital resources?

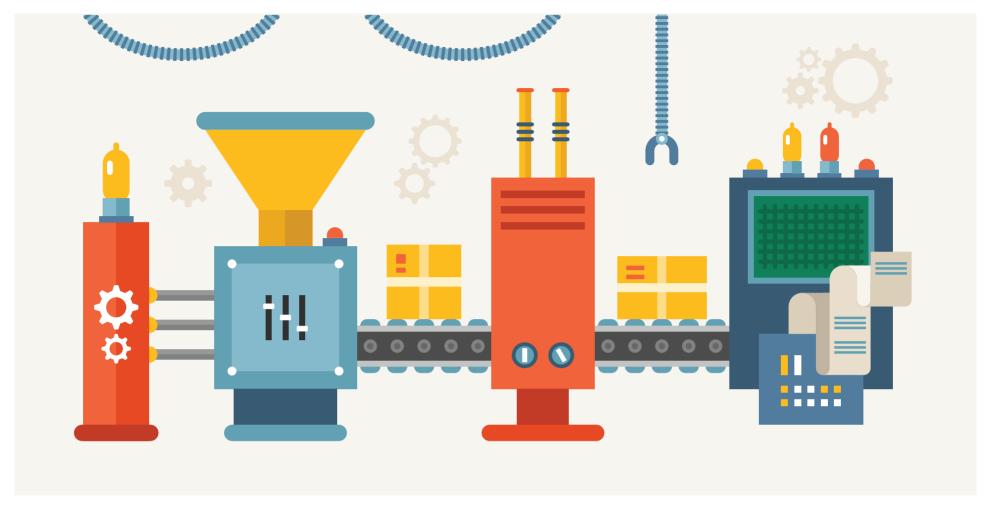


Image source: AntartStock/Shutterstock

Let's think this out! Machines were made by people. So they can't be a natural resource. Machines are NOT people. So they can't be a human resource. Machines must be a capital resource. A capital resource is a good used to make other goods!

The spoon is a capital resource. It is a good used to make another good.

| Natural | Human | Capital | Resource | Resour

Interactive 3.7 Lemonade Stand

Time to Practice! What resources do you need to make lemonade? Click to show what you know!

What Do Businesses do?

Businesses are a very important part of communities. Businesses are places that make or sell goods. Think about that wooden pencil again. Where might you go to buy one in your community?



Image source: Michael C. Gray/Shutterstock

Think about the lemonade again. Could you open your own lemonade business in your community? You would be making and selling a good.

These are some resources needed to make potato chips. Place them in the right places. Natural Resource Resource Resource The person who runs the perion who runs the slicing machine potatoes slicing machine salt Next Peeling machine

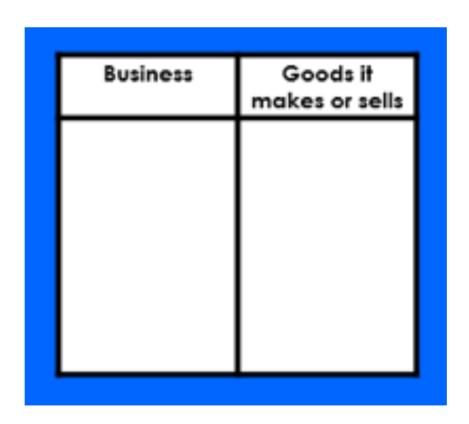
Interactive 3.8 A Community Business

Click here to learn about a business in the community of Detroit.

People want many goods. Goods are made with resources. There are three kinds of resources. There are natural, human and capital resources. Businesses in a community use resources to make goods. Businesses also sell goods.



Work with your teacher and your class to make a list of businesses in your community. Use the chart below to make the list. Then, invite someone who owns a business to visit your class!



Why do People Trade?



QUESTIONS TO GUIDE INQUIRY

- 1. How does scarcity affect people?
- 2. How can people make good economic choices?
- 3. How do people use resources to produce goods and services?
- 4. Why do people trade?

TERMS:

specialization: when people produce, or make, certain kinds of goods or services

trade: to exchange one thing for another

You have learned that people want many goods. You have also learned that goods are made with resources. There are three kinds of resources. There are natural, human and capital resources. You have also learned about businesses.



What do businesses do in a community?
Why are they important?

Businesses in a community use resources to make goods. Businesses also sell goods. Businesses are an important part of a community.

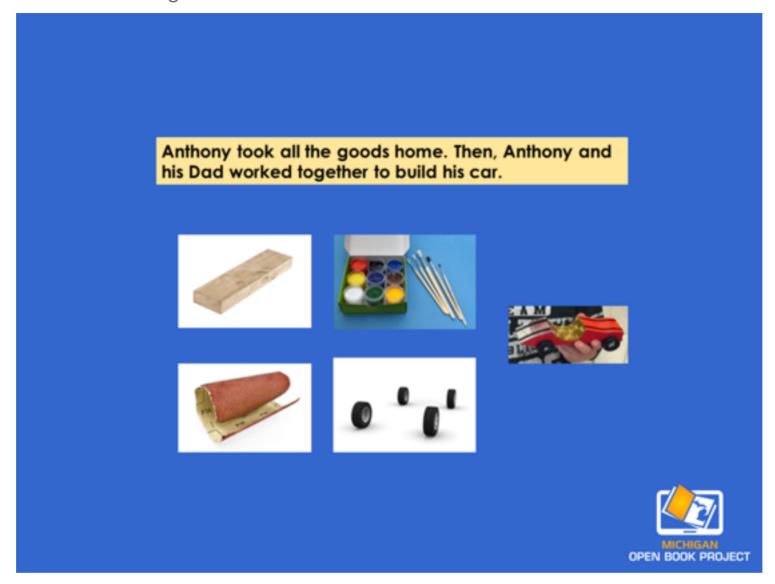
How Can Businesses Help You Build a Wooden Car?

Meet Anthony! He won an award in a pinewood derby contest! He worked hard to build his car.



Image source: Vicki Shearer

Interactive 3.9 Making a Wooden Car



What did Anthony need to build his car? Click here to find out.

Why did Anthony and his Dad have to go to some many places? They went to three different businesses. Why couldn't they just go to one?



Anthony needed many things for his car. He needed a piece of wood and sandpaper. He needed wheels. He needed paint and brushes. No business in his community had all those things. That is why he had to go to three different businesses.

What is Specialization?

Most businesses choose certain things to make or sell. This is called **specialization**. Specialization is a big word! But it is easy to understand. Specialization is when people produce, or make, certain kinds of goods or services.

You wouldn't go to a pizza place to have your hair cut! You would go to a business that specializes in cutting hair. You wouldn't go to a shoe store to buy candy. You would go to a candy store. You would buy your shoes from the shoe store.



Image source: MilkyM/Shutterstock

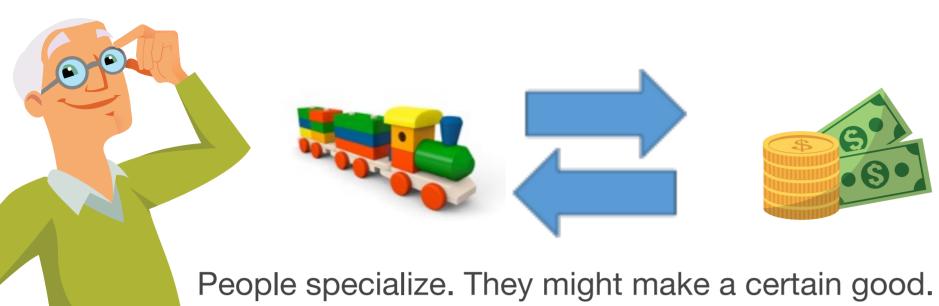
He bought the wooden train from Mrs. Lewis. He gave her money for the train.

Interactive 3.10 Specialization

How does specialization work? Click here to find out!

Why Do People Trade?

Mrs. Lewis wanted the wooden toy train for her toy shop. How did she get it? She traded with Mr. Chavez for it! She traded money for the toy. What did Mr. Chavez do with the money? He traded it for the paint!



They might provide a certain service. They earn money for the work they do. Then, they trade the money for the things they need and want.



Interactive 3.11 Time to Review



Click here to show what you know