



Alexander, Who Used to Be Rich Last Sunday



Use these questions to discuss the following economic concepts in *Alexander, Who Used to Be Rich Last Sunday* by Judith Viorst (ISBN: 978-0-689-71199-2) with children 5 to 7 years old: **opportunity cost**, **saving**, **savings goal**, and **spending**.

1. Where did Alexander and his brothers, Anthony and Nicholas, each get a dollar?

Grandma Betty and Grandpa Louie gave Alexander and each of his brothers a dollar as a gift.

2. Saving means putting money aside to buy goods or services later. Were Alexander's brothers good at saving?

Yes, it seems so, since they had money. Anthony had "two dollars and three quarters and one dime and seven nickels and eighteen pennies." Nicholas had "one dollar and two quarters and five dimes and thirteen pennies."

3. Was Alexander good at saving? Why or why not?

No. He spent his dollar right away on many different things.

4. Spending means using money to buy goods or services now. On what did Alexander spend all of his money?

Gum, bets, snake rental, bad language fines, chocolate, a magic trick, a kicking fine, and garage sale items (a one-eyed bear, a melted candle, and a deck of cards). He also lost some of his money.

5. A savings goal is a good or service that you want to buy in the future. What savings goal did Alexander's mom remind him about, and what did she suggest he do?

His savings goal was a walkie-talkie, and his mom suggested he save his money.

6. Spending is using all or some of your money to buy things you want now. Read the section of the book again where Alexander spends his money. (It begins on page 12, which starts "Because last Sunday when I used to be rich, I went to Pearson's Drug Store.") Note how much Alexander spent on each item. As you mention each item, ask your child to decide whether he or she would make the same spending choice.

Option: Provide a dollar's worth of change as follows: 5 dimes, 8 nickels, and 10 pennies. Count out the amount Alexander spends on each item. (Use the dimes and nickels first so there will be enough pennies when needed.)

7. Opportunity cost is the value of the next-best alternative when a decision is made; it's what is given up. What was the opportunity cost of Alexander's spending?

When he spent all of his money, the next-best thing Alexander gave up was being closer to achieving his savings goal of buying a walkie-talkie.

8. What is a savings goal you have? What can you do to meet your savings goal?

Answers will vary but may include the following: Save money instead of spending it. Find ways to earn money, and save the money until your savings goal is met.