



Sheep in a Shop



Use these questions with children 5 to 7 years old to discuss the following economic concepts in *Sheep in a Shop* by Nancy Shaw (ISBN: 978-0-395-70672-5): **barter**, **goods**, and **services**.

1. Why were the sheep shopping?

They wanted to buy birthday presents.

2. At first, the sheep could not buy all of the presents they had picked out. Why?

They did not have enough money.

3. How did the sheep solve their problem?

The sheep made a swap: They traded their wool for the presents.

4. The swapping the sheep did is called bartering. Bartering is when you trade goods or services for other goods or services without using money. What goods did the sheep and the shopkeeper barter?

The good the sheep bartered was their wool. The goods the storekeeper bartered were the presents. They traded wool and presents.

5. Why would the shopkeeper be willing to barter presents for the wool?

He had a use for the wool. He could either use it or sell it.

6. Goods are things that people use to satisfy their wants. You can touch, see, eat, drink, or play with goods. Wool is a good. A present is a good. Services are things that people do for us. For example, a haircut is a service. If the sheep hadn't bartered their wool, what services might they have bartered instead?

Answers will vary but may include that the sheep could have offered to work for the storekeeper and sweep the floor or fill the shelves.

7. Would a storekeeper be willing to barter with you at a store? Why or why not?

Storekeepers usually don't barter. They want to be paid with money, not with other goods or services. They use the money people pay them to buy other goods and services and to pay their workers.

8. Think about the following situations and decide what you could barter and what you would want in return.

- You barter a good for a good.
- You barter a service for a service.
- You barter a good for a service.
- You barter a service for a good.