

Sheep in a Shop

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Lesson by

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Lesson Description

In this lesson, students listen to a story about sheep that go shopping for a gift. Unfortunately, they don't have quite enough money and must barter wool to obtain the gift they want. The students discuss what barter is and suggest other solutions to the sheep's problems. Students earn cotton balls and pennies for work that they do. They use the cotton balls to decorate a sheep and use extra cotton balls and pennies to buy additional decorations for their sheep.

Age Level

Grades K-2

Content Standards

National Standards in Economics

- **Standard 5:** Students will understand that: Voluntary exchange occurs only when all participating parties expect to gain. This is true for trade among individuals or organizations within a nation, and among individuals or organizations in different nations.
 - Benchmark 2, Grade 4: The oldest form of exchange is barter, the direct trading of goods and services between people.
- **Standard 10:** Students will understand that: Institutions evolve and are created to help individuals and groups accomplish their goals. Banks, labor unions, markets, corporations, legal systems, and not-for-profit organizations are examples of important institutions. A different kind of institution, clearly defined and enforced property rights, is essential to a market economy.
 - Benchmark 2, Grade 4: Saving is the part of income not spent on taxes or consumption.

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- **Standard II:** Students will understand that: Money makes it easier to trade, borrow, save, invest, and compare the value of goods and services. The amount of money in the economy affects the overall price level. Inflation is an increase in the overall price level that reduces the value of money.
 - Benchmark 1, Grade 4: Money is anything widely accepted as final payment for goods and services.
 - Benchmark 2, Grade 4: Money (currency, coins, or checks) makes trading easier by replacing barter.

National Standards in Personal Finance

Saving and Investing Overall Competency: Implement a diversified strategy that is compatible with personal goals.

- **Standard I:** Discuss how saving contributes to financial well-being.
 - Benchmark 4, Grade 4: Piggy banks are places to hold savings. Savings accounts and savings bonds are ways to earn money from income not spent.

Economic Concepts

Barter
Money
Saving
Spending

Mathematics Concepts

Comparing amounts of money
Determining the value of a group of coins
Identifying and counting coins

Objectives

- Students will:
- Define barter, money, saving, and spending.
 - Explain why money is useful.

Time Required

60 minutes

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Materials

- *Sheep in a Shop* by Nancy Shaw
- One copy of Handout 1, 2, and 3 for each student
- Visual of Handout 3
- Glue stick for each student
- Selection of felt pieces, yarn, ribbon, beads, small eyes, feathers, markers, pipe cleaners, and other craft items to decorate sheep
- A plastic bag for each student containing enough cotton balls to decorate the sheep on Handout 1, 5 extra cotton balls, and 5 pennies (can be play money)

Procedures

1. Introduce the lesson by asking students for situations when they have shopped for a birthday gift. Ask them to share any problems they might have had in deciding what gift to buy and how they solved these problems.
2. Explain that buying gifts and other items is called **spending**. Ask the student how they and their families spend money. (*Answers will vary, but may include buy food, clothing, games and toys, gifts, gasoline, and many other things.*)
3. Tell students they will listen to a story about five sheep who go shopping for a birthday gift. Point out that the sheep, too, have a problem, and the class will help them solve their problem. Instruct students to listen for the sheep's problem.
4. Read *Sheep in a Shop*. Stop reading at the point where the sheep don't have enough money to pay for the gift that they chose. Discuss the following:
 - What are the sheep doing? (*shopping or spending*)
 - What is the sheep's problem? (*They don't have enough money to buy the gift they want.*)
 - How might the sheep solve the problem? List student ideas on the board or chart paper. (*Possible answers include putting back wrapping paper, checking the price before going to the counter to pay, buying a less expensive gift, and one sheep contributing or loaning money.*)

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- What are some advantages or disadvantages of each possible solution? *(Answers will vary.)*
 - How do you think the sheep will solve their problem? *(Answers will vary.)*
5. Finish reading the story. Discuss the following:
- How did the sheep solve their problem? *(They gave the merchant wool.)*
 - This is called **barter**. Barter is the direct exchange of goods for goods without the use of money.
 - When have you bartered? *(Answers will vary, but students may have traded a sandwich for a cookie at lunch or may have traded collectable cards and so on.)*
 - What did the sheep have to barter? *(wool)*
 - What good did the shopkeeper have to barter? *(the gift)*
 - Why would the shopkeeper be willing to trade or barter the wool for the gift? *(He has a use for the wool.)*
 - Would a storekeeper be willing to barter with you at a store when you went to buy a birthday gift? Why? *(No, storekeepers don't want what the students have to trade. Storekeepers want to be paid with money, not with other goods.)*
 - Why are storekeepers always willing to take money? *(They can use the money to buy other goods and services and to pay their workers.)*
6. Tell students that **money** is anything widely accepted as final payment for goods and services. Ask students if everyone agreed to accept pencils in exchange for goods and services, could pencils be considered money?
7. Distribute a copy of *Handout 1: Sheep Outline* to each student. Tell the students that they will have an opportunity to decorate their sheep with cotton balls. They can earn 5 pennies and a bag of cotton balls to glue on their sheep by completing a math activity.
8. Distribute a copy of *Handout 2: Yes or No?* to each student. Read the directions together and allow time for students to complete the work. Remind them that you will pay them with cotton balls and pennies when they are finished. Check answers to the worksheet together. Pay students by distributing bags containing cotton balls and pennies. *(Note: Pay all students who worked whether all of their answers were correct or not.)*
9. Distribute a glue stick to each student. Tell students that there are 5 extra cotton balls in their bags that should not be used on the sheep. The students will use these later. Allow time for students to glue cotton balls on their sheep.

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10. Tell student that you also have yarn, ribbon, feathers, pieces of felt, magic markers, and other craft items they can use to add to their sheep. You will sell or rent these goods for a price of one cotton ball or one penny. Tell students that they can use the income they earned completing the math activity to purchase decorative items for their sheep.
11. Allow students to buy the items they want. Accept either coins or cotton balls from the first few students. Then announce that you will no longer accept cotton balls as payment. You will only accept money. Discuss the following:
 - Why do you think I accepted cotton balls from some students? (*You thought that you might be able to use some extra cotton balls.*)
 - Why did I stop accepting cotton balls? (*You had too many or you had no further use for cotton balls. You didn't think you could use extra cotton balls to purchase other goods.*)
 - Why do you think I was always willing to accept money? (*You knew you could use the money to buy other goods.*)
 - Which would be easier for me to use when I go shopping? Why? (*Money is easier to carry. Everyone knows the value of money and will accept it. You don't have to explain to shopkeepers why you want them to take money like you would cotton balls.*)
12. Reinforce the idea that shopkeepers are always willing to accept money because they know they can use the money to buy the things that they want.
13. Ask the students why they think that the sheep didn't have enough money? (*Poor planning, didn't check the amount of money they had to spend before they started shopping, didn't check the price of the items before they went to the counter to pay.*)
14. Ask students what advice they would give the sheep to avoid this problem in the future. (*Determine how much money they have to spend before they begin shopping. Check the price of the item they have chosen to buy prior to getting in line to pay for it. Make a plan by checking out the price of possible gifts ahead of time, and then deciding how much to save in order to buy the gift.*)
15. Tell the students that **saving** means not spending money now so it can be used later. Ask students if the sheep had been saving money for the gift. Tell them that picture clues from the book will help them answer the questions. Reread the story and show students the pictures in the book again. Ask students what clues they saw. (*One sheep is carrying a piggy bank.*) Discuss the following:

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- When you receive money as a gift or as an allowance or when you earn money for doing chores, do you save some? (*Answers will vary.*)
 - If you save money, where do you save it/keep it? (*Answers will vary, but students may answer in a piggy bank like the sheep or in a bank account, or in their drawer.*)
16. Explain that if the sheep didn't want to barter their wool, they could have waited and saved more money until they had enough to buy the ball.

Closure

17. Review the important concepts in the lesson by asking the following questions.
- What is spending? (*buying things now*)
 - What did the sheep buy? (*a birthday gift*)
 - Give an example of some spending you did this week. (*Answers will vary, but may include: bought lunch at school, candy, a pencil, or a toy.*)
 - What is barter? (*direct trade of goods for goods and services without the use of money*)
 - Give an example of a time you have bartered for something? (*trade food at lunch, trade some type of collectible cards, trade books*)
 - Why were you willing to barter in this example? (*because I had a use for the other item—it was more useful to me than the item I had*)
 - Why are shopkeepers and others willing to accept money when they wouldn't be willing to barter? (*Money is useful.*)
 - Why is money useful? (*People can use it to buy other things that they want.*)
 - What is saving? (*not spending money now; keeping money to use in the future*)
 - Did the sheep save? (*Yes, they saved some money for the birthday gift.*)
 - Did they save enough? (*No.*)
 - Give an example of something for which you have saved. (*Answers will vary.*)

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Assessment

18. Distribute a copy of *Handout 3: Beach Ball Assessment* to each student and display a visual of the handout. Working together or individually, instruct students to complete the worksheet to determine how much the sheep needed to save to have 91 cents.
19. Use the visual to review student answers. Accept any combination of coins totaling 91 cents.
20. Instruct students to write an additional ending to the story that gives advice to the sheep to help them avoid not having enough money to pay the shopkeeper.

Handout 1: Sheep Outline



My sheep's name is _____

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Handout 2: Yes or No?

Directions: Count how much money the sheep have. Read the amount they need to buy the toy. Decide if they can buy the toy. Circle Yes or No.

The sheep have . . .



Can they buy the blocks?

YES

NO

The sheep have . . .



Can they buy the space ship?

YES

NO

The sheep have . . .



Can they buy the toy plane?

YES

NO

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Handout 3: Beach Ball Assessment

In the book, the sheep wanted to buy a beach ball for a birthday gift.



Count the coins. The sheep had _____

Circle the additional coins the sheep need to have enough to buy the beach ball.

