



Making Decisions

Lesson Description:

In this lesson, students work together to consider the advantages and disadvantages of the choices discussed in the video.

Suggested Grade Level:

2nd – 3rd

Economic Concepts:

Opportunity cost

Voluntary National Content Standards in Economics:

Content Standard 1: Scarcity

Students will understand that productive resources are limited. Therefore, people cannot have all the goods and services they want; as a result, they must choose some things and give up others.

Content Standard 2: Decision Making

Effective decision making requires comparing the additional costs of alternatives with the additional benefits. Many choices involve doing a little more or a little less of something: few choices are “all or nothing” decisions.

Content Standard 4: Incentives

People usually respond predictably to positive and negative incentives.

National Standards for Financial Literacy:

Standard II: Buying Goods and Services

People cannot buy or make all the goods and services they want; as a result, people choose to buy some goods and services and not buy others. People can improve their economic well-being by making informed spending decisions, which entails collecting information, planning, and budgeting.

Jump Start National Standards in K-12 Personal Finance Education

Financial Decision Making:

- Standard 1: Recognize the responsibilities associated with personal financial decisions.
- Standard 4: Make criterion-based financial decisions by systematically considering alternatives and consequences.

Time Suggested:

45-60 minutes (if completed in a single teaching period)

Supplies:

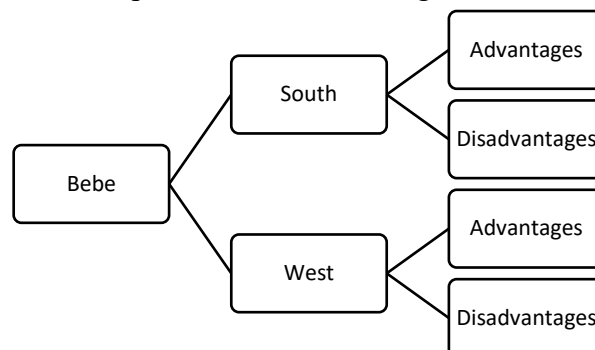
- *Bebe Learns About Opportunity Cost* video, and means to project it
- Handouts from the end of this document:
 - One sign for each team: west and south
 - One advantages and disadvantages sheet for each team
 - One copy of the picture of Bebe
 - One copy of the opportunity cost sign
- Writing utensils for each student
- White board marker or string for the large graphic organizer
- Notebook paper for answering the assessment

Classroom Procedures:

1. Begin the lesson by asking students to think of decisions they have made so far that day. Ask, “starting with getting out of bed this morning, what decisions have you had to make today?” **(Possibilities include: getting up right away or snoozing the alarm; figuring out what to eat for breakfast; deciding which clothes and shoes to wear; whether or not to take a coat or umbrella depending on the weather; deciding where to sit in the car or school bus; deciding to walk or ride a bike quickly or slowly; etc.)**
2. Tell students that we make so many decisions in a day that we often do not realize we are making them. Some decisions become almost automatic, but others require lots of thought in order to make the best decision possible. As the class watches this lesson’s video, they can pay attention to the choices that Bebe tells us Blackbeard makes at the beginning of the video, and how those decisions affect Bebe’s choices later on.
3. Show *Bebe Learns About Opportunity Cost* to the class, stopping as indicated in the following lesson steps. (If students have not watched the *Blackbeard Learns a Lesson* video, explain that Bebe is Blackbeard the Pirate’s parrot, and that Blackbeard is fighting the British Royal Navy. Unfortunately, he and his pirate crew are out of cannonballs, so they are losing the battle.)
 - a. At the beginning of the video, Bebe is explaining why her current job (parroting for Blackbeard) is not going well. Among her concerns is that Blackbeard does not listen to her advice when making choices. Stop the video at 1:50, and ask students to identify the choices that Blackbeard made without listening to Bebe.
 - i. Ask, “why is Bebe upset with Blackbeard” **(He does not listen to her or respect her suggestions.)**
 - ii. Continue by asking, “what are the examples that Bebe gives of Blackbeard ignoring her advice?” **(She told him to stock more cannonballs for the battle, and he tells her “that is a bird-brained idea.” Then, she suggested that he use the stars to create a map that would allow them to escape danger. Blackbeard replied to that advice by asking her if she wanted a cracker.)**
 - iii. Ask, “why do you think Blackbeard ignores Bebe’s advice?” **(Bebe says that as a parrot, people often think she can only repeat things other people say, and that she is not able to share her own ideas. She also says that Blackbeard prefers to listen only to himself, not to others.)**
 - iv. Finally, ask “how does listening to no one else affect Blackbeard?” **(He ends up without enough cannonballs to fight the battle. We can also assume he ended up sailing into the battle, rather than away from it, since he did not listen to Bebe’s suggestion about making a map to escape from danger.)**
 - b. Continue watching the video. Ask students to pay attention to the choices that Bebe makes now that she has decided not to work for Blackbeard any longer. After the video ends, ask students to think about Bebe’s choices.
 - i. Ask, “does Bebe behave differently from Blackbeard when it comes to listening to other people’s suggestions?” **(Yes. She talks with Megan**

about her choices regarding her job. She makes her own decision, but she listens to Megan’s ideas before she decides.)

- ii. Ask, “what sorts of things does Bebe consider when she makes her decision?” **(She considers what the job will ask her to do. She does not want to parrot any longer, so she is looking for a job that will let her do things she thinks she will enjoy. She also considers the cost of making each decision. She is interested in Captain Cook’s water slide, but she is more interested in working on a steamboat.)**
 - iii. Take this opportunity to review opportunity cost by asking, “what is the name for the next-best alternative to the choice that someone makes?” **(Opportunity cost.)** Explain quickly that all choices involve costs, but the next-best choice to the one that is made is given this specific name in economics. The other choices, which are also not selected, do not get this name.
4. Following the video and discussion, explain to the class that they will think through Bebe’s decision by analyzing the advantages and disadvantages of each choice. To do this, they will work in two groups. Divide the class in half by having students number off, or use another method that may be more familiar to them.
 5. Tell the class that each group will be analyzing one of Bebe’s new location choices. One group will represent the West, and its steamboat, while the other represents the South, and its waterslide. Give each group the sign for its location (found at the end of this document).
 6. Remind students that they will be thinking about the advantages and disadvantages of the location that Bebe is considering. If needed, discuss the meanings of advantage and disadvantage. While she listed several of these for each location in the video, students can also draw their own inferences, as well. Once both teams seem to understand, give each the appropriate advantages and disadvantages page for their location.
 7. On these pages, the teams should list the advantages and disadvantages of the location for Bebe. Depending on students’ literacy skills, this can be done in words, phrases, or sentences. Different students should take turns writing, and the teams should work to make sure each person has a chance to share their thoughts.
 8. Once the teams have listed their advantages and disadvantages, tell the class that they will be building a large graphic organizer on the board/wall/other large surface so that both teams can see the results of their work. Give one student a copy of the Bebe picture found at the end of this document to place at the beginning of the organizer.
 9. Use the model below to help students build the organizer.



10. Build the organizer, having one student put Bebe at the end of the board/wall. Then, have one member from each team put their location's signs in the correct place to show that Bebe had to choose between two options. Connect the signs to Bebe's picture by drawing lines or using string. Then, have members of each team place their advantage and disadvantage lists in the correct place, and connect with lines or string.
11. Discuss the teams' responses within the organizer.
 - a. Ask, "what were the advantages of Bebe moving south?" **(She could do the same sort of job she did for Blackbeard, so she knows how to do it. She would get to travel with Captain Cook. She would get to enjoy the water slide, and the warm air and breezes.)**
 - b. Follow up by asking, "what were the disadvantages of this choice?" **(She would not get to follow her dream of working on a steamboat. She did not think she would receive better treatment. It seemed likely that Captain Cook would not listen to her advice and suggestions any more than Blackbeard had.)**
 - c. Then, move to the team that analyzed Bebe's decision to move west. Ask, "what were the advantages that Bebe considered in moving west?" **(She would get to do her dream job, and work on a steamboat. She would learn more about technology, and possibly help it advance. It also seems likely that her suggestions and thoughts would receive more respect, and that people might listen to her ideas.)**
 - d. Finally, ask this team to list the disadvantages of this decision. "What disadvantages did Bebe consider in moving west?" **(She would have to give up the career that she knew how to do and felt comfortable in. This move felt like a risk to her. Also, she would not get to enjoy the water slide on Captain Cook's ship.)**
12. Once the discussion concludes, ask students to revisit the choice that Bebe made and the reasons she made it.
 - a. Ask, "which choice did Bebe make?" **(She moved west.)**
 - b. Continue by asking, "why did this seem like the best choice?" **(She wanted to change her job, as well as her environment. She wanted to do something meaningful and interesting to her, and she wanted to feel like other people valued her ideas and suggestions.)**

Closing:

Give one student the opportunity cost handout from the end of this document. Ask the class to think about the opportunity cost of Bebe's decision. By choosing to move west, she gave up the ability to move south. Have the student place the opportunity cost page on top of the "south" section of the organizer to show that it was the next-best alternative to Bebe's final choice.

Assessment:

Ask students to complete a quick-write to the following prompt:

In the video we watched today, Bebe sings a song confirming her decision to move west and follow her dream of working on a steamboat. While this is a big change from her previous career in parroting, it is also something she dreams of doing. Do you agree with her decision? Why or why not? Share your thoughts in a paragraph.

Have students share their paragraphs as appropriate.

Extension:

-Return to the everyday decisions students brainstormed at the beginning of the lesson. Ask if any of them required as much thought as Bebe gave to her decision about her new job. Most likely, they did not. Ask students to brainstorm some situations they think they might encounter soon or when they are older. **(Deciding if/where to go to college; what career to choose; who to marry; etc.)** Help students compare these types of decisions, and point out that we make larger decisions less often, but they usually require much more thought and effort.





ADVANTAGES



DISADVANTAGES

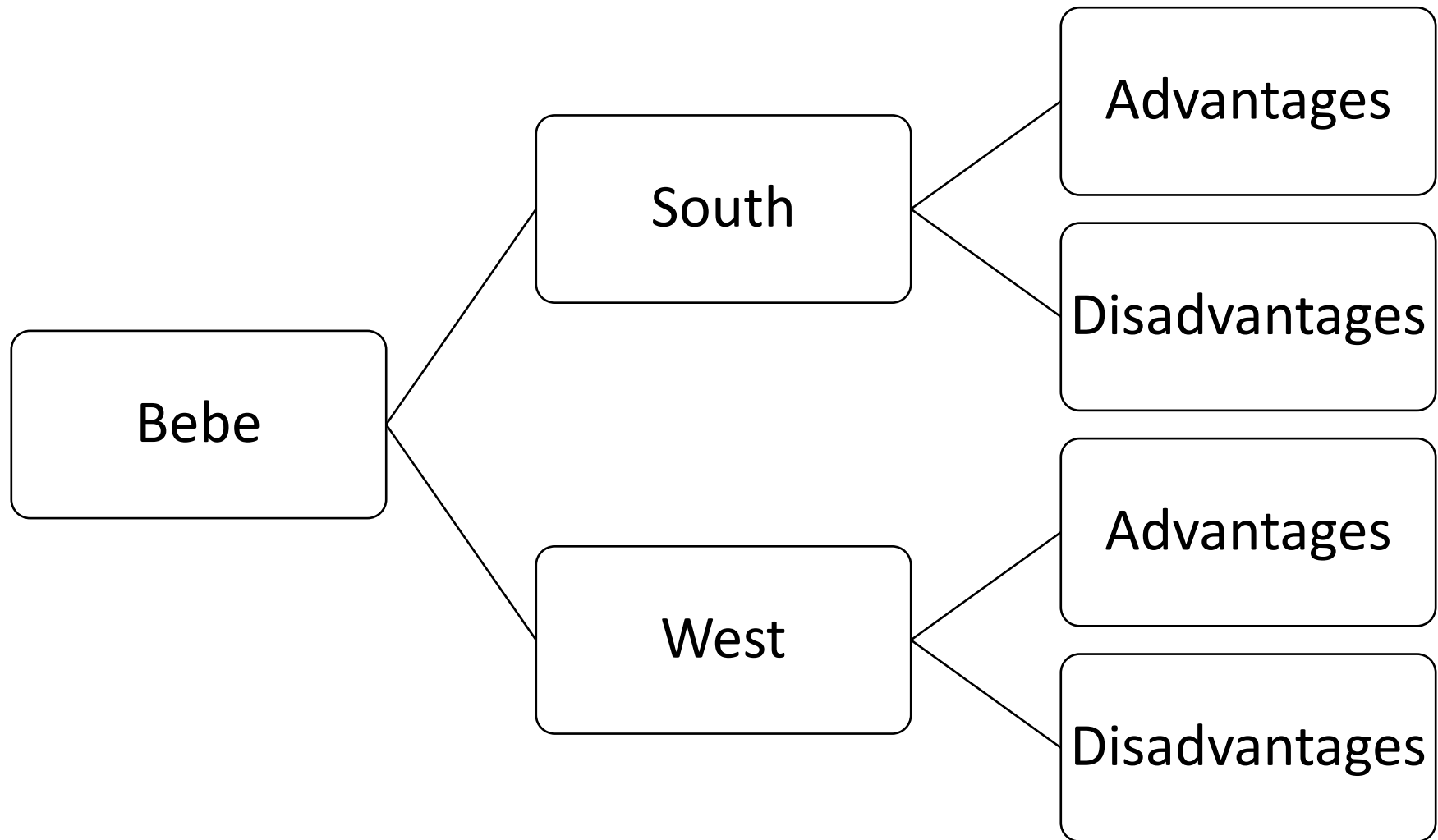


ADVANTAGES



DISADVANTAGES











Bebe Learns About Opportunity Cost Lesson 2: Making Decisions