



## **Kevin’s Mixtape Economy**

### **Lesson Description:**

To enhance students’ understanding of money and systems of payment, they participate in a bartering simulation based on the *Kevin Becomes Famous* video. Students determine the value of selected items and decide whether to barter them for copies of Kevin’s mixtape.

### **Suggested Grade Level:**

2<sup>nd</sup> – 4<sup>th</sup>

### **Economic Concepts:**

Voluntary Exchange  
Trade  
Goods and Services

### **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 5: Trade

Students will understand that voluntary exchange occurs only when all participating parties expect to gain. This is true among individuals or organizations within a nation, and among individuals and organizations in different nations.

#### Content Standard 11: Money and Inflation

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.

### **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 Person Finance Education:**

#### Spending and Saving – Standard 3:

Describe how to use different payment methods.

#### Financial Decision Making – Standard 1:

Recognize the responsibilities associated with personal financial decisions.

Financial Decision Making – Standard 4:

Make criterion-based financial decisions by systematically considering alternatives and consequences.

Financial Decision Making – Standard 5:

Apply communication strategies when discussing financial issues.

**Time Suggested:**

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

**Supplies:**

- *Kevin Becomes Famous* video and means to project it
- Handout 1: What's It Worth? – one copy per student
- Writing utensil – one per student
- Set of printed store signs – ten total
- Set of printed store items – two copies of each item, ten total
- Sticky notes – one stuck on the back of each item, ten total
- Copies of Kevin's mixtapes, cut into individual tapes – copy as many pages as desired for the bartering simulation
- Handout 2: Price Chart – projected or copied on board for whole class use; one copy per student or small group, if desired
- Handout 3: Reflection Time – one copy per student

**Classroom Procedures:**

1. In preparation for the lesson, have students watch the entire *Kevin Becomes Famous* video. Discuss Kevin's problem, which is not understanding how money is used to buy goods and services, and how the other characters help him solve it. It may be helpful to show the video in its entirety a day or two before completing the lesson below.
2. Re-watch the video up to the point (4:15) where Megan explains to Kevin that he must use money to purchase the candy that he wants, and he decides to make a mixtape and sell it in order to earn money. Ensure that students are clear on the distinction between goods and services: goods are objects that people obtain to satisfy their economic wants, while services are actions that satisfy these wants.
3. Review the idea of barter with students – that people can exchange goods/services for other goods/services without using currency. Brainstorm situations from students' lives where they might encounter barter: "When have you bartered for something that you want? When have you seen other people barter?" (**Trading items in school lunches; trading cartoon or baseball cards; trading various items within video/online games; etc.**) Ask, "Was bartering successful in these situations?" (**Answers will vary, but help students see that bartering only works if both parties are satisfied with the outcome.**)
4. Tell students that they will be imagining a situation where Kevin tries to use copies of his mixtape to barter for different things he wants to buy. Ask the following questions:
  - a) In the video, Kevin races around the store picking up all sorts of candy. Then, it turns out he has no way to pay for it. Why can't Kevin just take the candy that he wants? (**In order to get the goods and services we want, we must provide some form of payment. This is how our economy and our society work.**)
  - b) How does Kevin want to pay for his candy at first? (**With street cred(it).**) Why won't Megan, Timmy, and Tammy accept it? (**Street credit is not a form of payment. The store needs to earn money to pay its own bills, compensate its employees, and earn profits for its owner. Forms of payment provide this money, while street credit does not.**)
  - c) When Megan explains that money is easier to use than trade or barter, what does she mean? (**Money is portable and has a standard value within an economy/country. Bartering requires that actual goods or services be exchanged, and different people have different opinions about the value of a good or service. In addition, bartering is often inconvenient – it is hard to carry around a bushel of apples to trade for services you need.**) **NOTE TO TEACHERS: *barter is still used throughout the world, and in some situations here in the United States. By no means is it "wrong" to barter, but it is far less common than using a method of payment involving money.***
5. Explain to students that Kevin's confidence in his musical talent constitutes his "street cred." Since he is relying on his music to provide the goods and services he wants, the

class can simulate a barter situation that relies on his music for his portion of the trade relationship. Music itself cannot be traded easily, so this activity uses mixtapes for barter. [Note: some students may be unfamiliar with the idea of a cassette tape, much less a mixtape. Explain that cassette tapes preceded CDs and MP3s – some schools may still have a few hiding in the media center that teachers can use as artifacts.]

6. Give students a moment to brainstorm what value they would give, personally, to Kevin's mixtape based on what they heard of his music in the video. Have them turn and talk with a classmate to compare answers. Then, distribute **Handout #1: What's It Worth?** Ask the following questions and use the sample answers to guide discussion:
  - a. "Which item do you think would cost the most? Why?" (**This question is obviously subjective, but many students will say that the video game controller costs the most, or that a specific construction block set might be rare and therefore cost more.**)
  - b. "Which item do you think would cost the least? Why?" (**Again, the question is subjective. Some students will say that the ice cream sundae would cost the least, while others may think that the comic would.**) Keep in mind that some students may lack any schema for the cost of these items, so be prepared to help them think through these questions.
  - c. "In what order would you rank the items listed on your handout? In the "ranking" column, next to the items, put a one next to the item that would cost the least, a five next to the item that would cost the most, and then numbers 2, 3, and 4 next to those in the middle." (**Students' rankings will vary, based on their opinions of the value of each item. Stress that the items should be ranked by students' perceptions of their value or price, NOT by how much the students want a given item. For example, a fourth grader might want a new video game system more than a new luxury car she cannot yet drive. This does not alter the fact that the car is more valuable than the video game system.**)
7. Tell students, "for this activity, we are going to imagine that we live in an economy that operates on a barter system for goods and services. Think about the number of mixtapes a store would want to barter for each item on your handout." Remind students to pay attention to the ranking that they did – the cost in mixtapes should be highest for the item ranked fifth, and lowest for the item ranked first. Ask two or three students to share their answers, and the reasons that they decided upon their costs. Discuss how different students put different values on each item, based at least in part on their opinion of Kevin's mixtape's value.
8. Divide the class into two groups. Within each group, assign 2-3 students to take on the role of a specific store. There will be five stores in each group, so adjust student numbers accordingly. Then, give each store its sign to display. Note that there are two matching store names – one for each group. For example, one group will have The Sports Store and the other group will have The Store of Sports.

9. Each pair of stores will set a value for their item, assigned according to the chart below:

Group 1	Group 2	Item
The Sports Store	The Store of Sports	Basketball
Ice Cream Shop	Shop of Ice Cream	Ice Cream Sundae
Video Game Store	Store of Video Games	Game Controller
Comic Book Store	Store of Comics	Comic Book
The Toy Shop	The Shop of Toys	Airplane Set

Give each store a printed copy of their item to display, with a sticky note affixed to the back. Students assigned to each store should discuss their item's value as they recorded it initially on their handouts. Some groups may mostly agree, while others might have varying ideas. Give students a time limit (60-90 seconds) to come to an agreement about their item's cost in mixtapes.

10. Once students have decided the cost of their store's item, they should write it on their sticky note and move the sticky note to the front of their item's picture as a price tag.
11. Explain to the class that you will be playing the role of Kevin and will barter Kevin's mixtapes at each pair of stores for their item. You will use paper copies of Kevin's mixtape to do this. Project **Handout 2: Price Chart** or draw a version of it on the board so that the class can compare each store's price on its item. Teachers may wish to give each student or store a copy to help with focus, but this is not essential.
12. Pick one pair of stores to visit first. As an example, begin with the sports stores. Ask – in the role of Kevin – the following questions:
- "I'd like a basketball, please. May I trade you a mixtape for it?" (**Students reply accordingly, pointing out the actual number of mixtapes they are willing to trade for their item.**)
  - React appropriately to their asking price, and then ask the matching store from the other group whether or not they will trade a mixtape for a basketball. (**Again, students share their price in mixtapes, and discussion follows.**)
  - Record each store's price on the chart.
13. Bargaining is a part of bartering. Tell students this, and discuss with each store's students whether or not you are willing to trade the number of mixtapes requested. For example, in the sports store, you may be willing to trade a significant number of tapes for a basketball. If the store is asking for only one or two tapes, you might accept that price as is. If the store is asking for ten tapes, you might try to bargain for a lower number of tapes in exchange for the ball.
14. If both parties agree on the exchange, complete it, giving the appropriate number of mixtapes in exchange for the printed copy of the item. If the price seems reasonable, it is fine to purchase the item at both stores to fully engage both sets of students. Point out to students that you are doing so, and the reason why: one basketball to keep and one to give

as a gift; two different issues of the same comic book; or two ice cream sundaes on a very hot day. Remind students that most consumers would not choose to purchase the same item at two different stores. To better represent the way consumers make choices, purchase the item only at the store asking for the fewest mixtapes.

15. Continue the simulation at each pair of stores, continuing to ask the store for its desired price in mixtapes, bargaining as appropriate, and bartering items for tapes if both parties agree. Record each store's asking price on the chart, so that students can see disparities in what value different students/stores have assigned to the mixtapes and to their items for sale.
16. *It is critical to continue the lesson with the discussion below so that students see that mixtapes cannot be used as a type of currency.* At this point, students are hopefully beginning to see the difficulty in Kevin bartering mixtapes for the things he wants to buy. Not only is he traveling from store to store with a large number of mixtapes, but there have likely been situations where he has not been able to barter successfully. If all stores have willingly bartered with Kevin, then pose this possibility as question: "What would have happened if a particular store had not wanted to barter with Kevin at all?" (**Kevin would not have been able to buy that item. He would have had to do without it, or continue visiting additional stores to try to find someone willing to barter.**)
17. Continue debriefing about Kevin's experience. Use the following questions to guide class discussion:
  - a. "How would the stores who bartered with Kevin be able to use his mixtapes?" (**They might give them to employees, they might play them in the store, or they might try to sell them to their customers.**) Follow up by asking, "do you think stores would find the mixtapes useful?" (**Answers will vary, but students should note that while some store employees might enjoy listening to them, and some stores might even be able to sell a few, most of the tapes would not be especially useful. Stores could not use them to pay utility bills or rent, buy supplies, pay employees, etc.**)
  - b. "What might happen when Kevin wants to buy something from the same store in the future? For example, what happens when he wants another ice cream sundae or the next comic book in his favorite series?" (**Even stores that were willing to barter for his mixtape the first time probably will not want to do so again. Unless they have found a way to use the mixtapes, which is unlikely, there is no reason for them to provide a good or service in exchange for a mixtape.**)
  - c. "Even if Kevin did not want any of these items again in the future, could he continue to barter for things he needs? What happens when he needs to buy groceries every week? (**People are far more likely to barter a good for a good a single time than to want to barter on an ongoing basis. It is generally easier to barter a single item for another single item. For something like groceries, Kevin would probably have a hard time getting a store owner to agree to barter, especially more than once. Kevin could go to different grocery stores and attempt to barter at each of them for his groceries, but that would be far more inconvenient than simply using money.**)

d. "In this simulation, Kevin wanted to buy goods. How would things change if he needed to pay someone for a service, such as someone to walk his dog while he rehearses?" **(Service providers make money when someone pays them to provide their service. They will only be willing to barter if they have a personal use for Kevin's mixtape.)**

e. "Someone might provide a service once for Kevin's mixtape, but will that person want to provide it a second – or third or fourth – time and be paid via mixtape? Why or why not?" **(Even Kevin's biggest fans probably do not want multiple copies of his mixtape. They might be willing to continue to barter with him, but they will want something they can use or something new in exchange for providing their service.)**

18. Among the characteristics of money is the idea that it is widely accepted. To help students understand this, share the following idea: "within our classroom, we have accepted that these mixtapes are worth something. They were worth more to some of us than others, but we agreed that they have some value. What would happen if we left the classroom, drove to the mall, and tried to spend these mixtapes? What would employees at the mall think?" **(Students should be able to acknowledge that the mixtapes have no value outside the classroom. Mall employees would not recognize the paper mixtapes as anything more than pieces of paper. Even if the entire class and the teacher told the employees that the mixtapes were valuable, that would not change the employee's opinion that they were worthless in terms of purchasing goods and services.)**
19. Restart the video and have the class finish watching it. Answer any questions that students may have.
20. Distribute **Handout 2: Reflection Question** to each student. Read the prompt aloud, and give students instructions for completion. Depending on your objective, students might work in pairs or small groups to record notes about their responses; write responses individually and share them in a class discussion; or write responses individually to be submitted as an assessment.

### **Extension Ideas:**

Read Rufus the Writer by the Elizabeth Bram, which shows how a boy uses barter to share his stories with his friends. The trades that the characters complete might seem lopsided, but in each case, both parties are pleased with the outcome. This book is a good way to reinforce the economic idea of voluntary exchange.

Ox-Cart Man, by Donald Hall and illustrated by Barbara Cooney, provides a clear example of how money replaced barter in trade. The farmer in the story takes all his family's excess goods to market, where he sells them. Then, he takes that money and buys the goods his family cannot produce for themselves. After reading this book, a class discussion can address how using money made the farmer's market trip simpler and more convenient than it would have been if he had tried to barter each item from his farm for goods and services his family needed.





# Handout 1: What's It Worth?

	Ranking	Value in Mixtapes
		
		
		
		
		

**The Sports  
Store**

**The Store  
of Sports**

**Ice Cream  
Shop**

**Shop of  
Ice Cream**

**Video  
Game Store**

**Store of  
Video  
Games**

**Comic  
Book Store**

**Store of  
Comics**

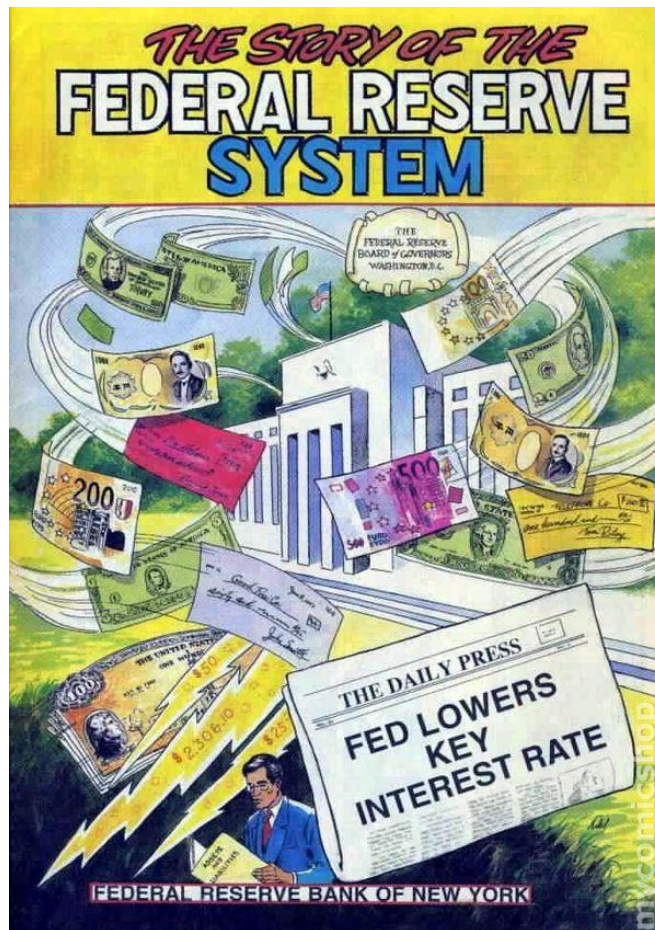
**The Toy  
Shop**

**The Shop  
of Toys**











## Handout 2: Price Chart

	Value in Mixtapes at Each Store	
	The Sports Store	The Store of Sports
	Ice Cream Shop	Shop of Ice Cream
	Video Game Store	Store of Video Games
	Comic Book Store	Store of Comics
	The Toy Shop	The Shop of Toys

### Handout 3: Reflection Time

*Think about what you learned from the bartering simulation and Kevin's experience in the video. Why do you think it is more common for people in our society to use money instead of barter to obtain goods and services?*