



# Teacher Tip of the Week

## New Teacher Support Program 2008-2009

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Teacher Tip of the Week  
New Teacher Support  
Program  
Wilson County Schools  
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March 2009

Vol. 4 Issue 24

### How to explain Economic Recession to your students

Most teachers have a pretty good idea about what an economic recession is, but when children constantly hear the term on the news and hear the subject being discussed by the adults around them, they'll be curious about what's going on. Here are a few things you can do to discuss economic recession with your students of any grade level.



#### Step5

Let them know that an economic recession is part of a cycle--it's happened before and will happen again. Explain to them that they will probably see or hear some adults who seem worried about an economic recession. It's because it

changes how some businesses work.

#### Step6

Reassure the child that there is nothing for them to worry about. Many children, after hearing this explanation, will be fine. There may be a few who will worry because the adults around them are expressing worry. Take what steps you need to in order to minimize stress for the child about the topic.

#### EXPLANATION FOR MIDDLE AND UPPER GRADE LEVELS

Everybody knows that there is an economic downturn happening at the moment. The problem is explaining in a simple way why it is happening without just saying its the (insert your scapegoat here!) Below, an explanation to the problem in simple, but understandable language. Simple enough for a 14 year old to understand!

Everything in the world has a value to someone. When you buy cars, or houses or chocolate, that item has a cash value that you are willing to pay to own it. With a house, you pay to own the house so you can live in it.

This means that you should be able to sell the house when you have finished living in it, and get some money towards the next house.

*Story continued on page 2 ...*

#### HELPFUL WEBSITE FOR TEACHERS



<http://www.pressdisplay.com/pressdisplay/viewer.aspx>

This website displays newspaper front pages from around the world.



#### Cutting Corners

##### SIGN OUTS DURING CLASS

Have a notebook on your desk and require your students to sign out to go to the restroom or get a drink. They may sign out three times per week. For each time over three they serve recess. Very effective.

Grade Level(s): 3-5

#### Step 1

Choose age appropriate explanations. A first grader is not going to need as detailed an explanation as a fifth grader. Make sure that the vocabulary you use is the right level for the child. Also, just plan on spending about one minute per grade level on your explanation (for example, three minutes for a third grader).

#### Step2

Explain that people in this country must buy and sell things. Sometimes families do that (such as at the grocery store or an ice cream stand) and sometimes companies do that (such as a car dealership or factory). The way this all works together is called "economics" and the "economy" is the word that adults use to keep track of all that activity.

#### Step3

Tell the child that sometimes the economy moves very fast. People and companies buy and sell things quickly and banks and the government help make that happen. Sometimes the economy moves very slowly, and it can be a little harder to buy and sell things. Explain that this kind of activity goes round and round, like a wheel. There are economic cycles that exist.

#### Step4

Help the child understand that when the economy is moving slowly, this part of the cycle is called a "recession." That's an adult word for "holding back or pulling back." In an economic recession, people and companies and banks and the government often hold back their spending money. It just means that things are moving slowly.



## Explaining Economics to Students *(continued)*

In an economic bubble, or boom, people start to value their goods on what something will be worth sometime in the future. This makes the items go up in price. The idea is that people don't worry about this because it just means they will be worth even more sometime in the future.

With chocolate, you will normally buy it to eat it, so you cannot sell the chocolate afterwards. This means that the price of chocolate doesn't depend on any future value it may have to you. The only thing that would make chocolate go up in price is if there was a shortage of it, and there

wasn't enough to go around. In those cases, the only people who could have chocolate were the people who were willing to pay a higher price for it.

Eventually, prices get so high that people can't justify spending any more money of that product, which could be chocolate or houses, or anything else in-between. This is the peak of the market price.

With chocolate, the price will stay at this high price until supplies come through. Once that happens, the price will come down. This type of cycle is perfectly normal.

With the house prices, because the price is based on their future value, once the price hits the market peak, nothing moves. Anyone with a house is going to expect to still make money over the price they paid for it. For this reason, the market slows down, meaning that everyone involved with that industry has less work to do. Eventually, they have so little work to do, that their jobs disappear.

With most bubbles, people borrow money to spend on the products in the bubble. They do this because they can make plenty of money from the deal and pay the interest from borrowing the money. This means that when a bubble product reaches the peak price, there is a time limit of how long people can afford to pay the interest charges while not seeing their house prices going up.

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We recently arrived at this point. The sale of houses practically stopped as sellers were sticking to their prices, while buyers were only willing to pay a much lower figure. The end result being a stalemate. If houses were sold, it was at a price where most sellers would lose money. This would mean that the banks would not get their money back. This makes the banks very nervous about lending fresh money to new buyers because they are also worried about houses not being worth the price sellers were asking for them. At the current time the banks are in a lose, lose situation. They cannot get their money back from any sellers where the loan amount is higher than the price buyers are willing to pay. They also cannot feel confident that people who want to buy a house will be buying when houses are at their cheapest.

The normal way a bank ensures that it can get it's money back in risky deals is that it increases the cost of the loan. They do this with an additional charge called an interest rate. When a deal is very risky, the rate is very high. When the bank is sure a loan will get paid back, the rate is very low. At the mo-

## THANK A TEACHER



Patti LaBelle  
Singer, Entertainer

"Ms. Eileen Brown of John Bartram high School in Philadelphia was very special because she was my mentor. She was very helpful to my family and me. She and I became close friends and are still good friends. After so many years, we still spend time talking on the phone." — Patti LaBelle

ment, banks would like to charge a high interest rate because they don't feel many loans will get paid back.

Today, governments all over the world have been lowering their official interest rates to very low figures. The politicians hope that this will make people borrow more money from the banks, and make people buy and sell houses again. The banks are being asked to reduce the rates that they charge people to borrow money. The banks don't think this is a good idea. This is because they know that people are not buying houses because they are too expensive. The cost of borrowing money is not relevant.

What will happen next?



**"The art of teaching is the art of assisting discovery."**

—Mark Van Doren

## New Teacher Support Participants:



**Erin Killebrew**  
Elzie D. Patton  
Elementary  
Computer



**Kristin Kirkland**  
Wilson Central  
High School

Algebra,  
Geometry

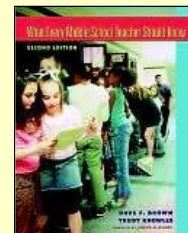
### WHY DID YOU BECOME A TEACHER?

*"I became a teacher to make a difference in my students' lives. I also decided to be a teacher so that I would enjoy my job every day. So far, that is happening."*—Erin Killebrew

### WHY DID YOU BECOME A TEACHER?

*"I decided to become a teacher for many reasons. I love to teach kids and be around them. The thing that excites me the most is to see students succeed at each of their highest levels. I want to make a difference in their lives as far as education is concerned."*—Kristin Kirkland

## From the Bookshelf:



**What Every Middle School Teacher Should Know**  
by Dave F. Brown, Trudy Knowles, James A. Beane

The first edition of *What Every Middle School Teacher Should Know* helped tens of thousands of preservice and inservice educators find new, energizing ways to think about their practice. Now Dave Brown and Trudy Knowles present a second edition with 40 percent new material that includes the latest research about middle schoolers' development, deep explorations of why true middle school structures strongly support young adolescents' learning, and ways to combine these findings to optimize students' in-school experiences.



**Big Words for Little People**  
by Jamie Lee Curtis  
ages 4-8



Ages Pre-K-7



## Organize Reading Materials by Story

Keeping reading curriculum materials organized can be a huge job. A great way to keep things easily accessible is to invest in enough 3-drawer organizers to have one drawer for each story in the reading series.



Put into the drawer any materials associated with the story -- spelling tests, worksheets, activities, student work samples to show students the following year as models, games, transparencies, supplementary literature, and so on. The money spent is well worth it, since the never-ending filing problem is permanently solved. No more digging through file cabinets to locate or put things away properly -- just slide open a drawer!



# Master Teacher Tips...

## Discipline

If you and a colleague are having the same problem with a student, “partnering” can be effective. Follow a six-step guide. First, meet with your colleague and make a plan before talking to the student. Second, agree on a basic approach, including actions that will be in the best interest of the student. Third, pinpoint the standards that are alike in both your class and that of your colleague, and identify the behaviors you will emphasize. Fourth, agree to focus on getting the student to talk about the problem. Fifth, decide what the primary objective will be, who will do what, and how it will be done. Sixth, decide who will close the conference when you talk to the student so that you don’t risk over-talking your message and weakening your effectiveness.

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If two students can’t tolerate each other, meet with them together. Discuss the situation, its affects on others, and the students’ responsibility for working cooperatively and peacefully in class. Then explore solutions by asking thought-provoking questions to uncover options. First, ask whether they can work it out alone—or whether a third party is necessary. Second, tell students you are not interested in “war stories.” You want results. Then focus on results. Third, reveal what options you are considering if things do not work out, and schedule a follow-up meeting to check progress.



## Upcoming Events

National Nutrition Month

National School Breakfast Week  
March 2-8

National Grammar Day March 4

Get Over It Day March 9

Salvation Army Day  
March 10

Teen Tech Week March 8-14

## For a Laugh!

