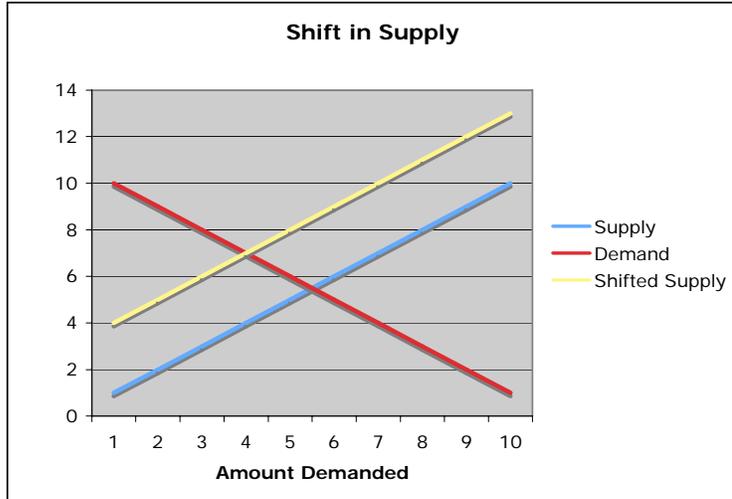


Lesson/Unit Title	Shifting Situations: Factors Affecting Supply and Demand
Day(s)	5 days
Grade Levels	10-12
Curriculum Areas	Economics
Website(s)	http://www.investopedia.com/university/economics/economics3.asp Basics of supply and demand http://www.netmba.com/econ/micro/demand/curve/ Demand curve http://www.netmba.com/econ/micro/supply/curve/ Supply curve http://www.investorwords.com/5812/supply_curve_.html Supply curve http://faculty.uwb.edu/danby/bls324/pricedet.html Model: Price determination in markets
Teacher Resources	Information on Supply, Demand, Factors, Equilibrium, Shortages and Surpluses (See the websites listed above and/or textbook suggested materials)
Unit Overview	<p>In the unit, students will study the supply and demand model. At the completion of the unit, students will be able to:</p> <ul style="list-style-type: none"> • Define supply and demand • Identify factors affecting shifts in the demand/supply curve • Identify the equilibrium price • Determine if the supply/demand should shift left/right • Explain why the supply/demand curve shift left/right • Create situations where supply/demand curve would shift <p>Daily Lesson Overview: Day 1: Demand and Factors that Shift the Curve Day 2: Supply and Factors that Shift the Curve Day 3: Equilibrium Price, Shortages, and Surplus Day 4: Group work Day 5: Class Case work</p>
NE Frameworks Essential Learnings	<p>Business Administration (Pages 45) Economics and Personal Finance BE 12.5.1 Students will understand basic economic and financial principles in order to make wise domestic and global economic decisions related to their personal financial affairs, the successful operation of organizations and the economic activities of the country. They will demonstrate competency by applying economic and personal financial reasoning to individual, business and government practices.</p> <p>Example Indicators <i>Aggregate Supply and Aggregate Demand</i> - examine how the United States' economy functions as a whole and describe measures of economic activity</p>
Link to Nebraska Standards	<p><u>Reading/Speaking/Listening</u></p> <ul style="list-style-type: none"> • Students will write using standard English (conventions) for sentence structure, usage, punctuation, capitalization, and spelling. (12.2.1)

	<ul style="list-style-type: none"> Students will participate in student directed discussions by eliciting questions and responses. (12.3.1) <p>Mathematics</p> <ul style="list-style-type: none"> Students will justify solutions to mathematical problems. (12.2.2) Students will perform estimations and computations of real numbers mentally, with paper and pencil, and with technology. (12.2.3)
NBEA Curriculum Standards	<p>Economics and Personal Finance: (Page 59) V: Market Structures Level 1: Performance Expectations</p> <ul style="list-style-type: none"> Discuss how buyers and sellers establish prices for products and services
National Economics Standards	Standard 7: Markets - Price and Quantity Determination
National Personal Finance Standards	N/A
Nebraska Math Standards	<p>12.2 Computation/Estimation 12.2.2 Justify solutions to mathematical problems 12.2.3 Perform estimations and computations of real numbers, mentally, with paper and pencil, and with technology</p>
Teaching Strategies, Procedures and Activities	<p>Day 1 Students will define <i>demand</i> and identify the factors that cause a shift in the demand curve. <i>Step 1:</i> Bell Ringer - “What do you know about demand and supply?” <i>Step 2:</i> Introduce Unit (Supply and Demand) <i>Step 3:</i> Discussion about demand and factors that cause a shift http://www.netmba.com/econ/micro/demand/curve/ <i>Step 4:</i> Closure - “What factors cause shift in demand curve?”</p> <p>Day 2 Students will define <i>supply</i> and identify the factors that cause a shift in the supply curve. <i>Step 1:</i> Bell Ringer - “What is demand?” <i>Step 2:</i> Discussion about supply and factors that cause a shift http://www.netmba.com/econ/micro/supply/curve/ <i>Step 3:</i> Closure - “What factors cause shift in supply curve?”</p> <p>Day 3 Students will identify <i>equilibrium price</i>. <i>Step 1:</i> Bell Ringer - “What is <u>supply</u>? What factors shift the <u>demand</u> curve?” <i>Step 2:</i> Discuss equilibrium price, shortages, and surplus. http://faculty.uwb.edu/danby/bls324/pricedet.html <i>Step 3:</i> Closure - “What causes a shortage? A surplus?”</p> <p>Day 4 Students will create situations in which the supply and demand curves will shift. <i>Step 1:</i> Bell Ringer - “What are the factors that cause shifts in the supply curve? Demand curve?”</p>

	<p>Step 2: Group work - Students create situations in which the supply curve and/or the demand curve shift.</p> <p>Step 3: Assignment 1: Curve Shift Situations (attached)</p> <p>Step 4: Closure - “What is the equilibrium price?”</p> <p>Day 5 Students will explain why the supply/demand curve should shift left/right.</p> <p>Step 1: Bell Ringer - “What causes the supply curve to shift to the right? The demand curve to shift to the left?”</p> <p>Step 2: Using the situations from Day 4, determine the shift of the curves.</p> <p>Step 3: Closure - “What would be a situation in which both supply and demand would shift?”</p>
<p>Assignments</p>	<p>Assignment 1: Shift Situations</p> <p>This assignment gives students the opportunity to work in groups to create situations in which one of the curves will shift. Each group must create at least three situations in which either the supply or the demand curve will shift. Be creative by using a “storytelling” mindset (using paragraph form rather than simply listing).</p> <ul style="list-style-type: none"> • Options for shift: • Supply shift right • Supply shift left • Demand shift right • Demand shift left • No Change <p>Assignment 2: Application</p> <p>As a class, we will look at each situation and discuss which curve will shift, how it will shift and why.</p> <p style="text-align: center;">EXAMPLE</p> <p>Ma and Pa own a cookie baking company. They sell their cookies to the town of Podville. Recently, the price of flour increased. Flour is a major ingredient in Ma and Pa’s cookies. With everything else staying the same, will the supply curve shift and in which direction? ANSWER: Yes, the supply curve will shift left because of the increase in cost of production resulting in a decrease in supply.</p>
<p>Math Applications</p>	<p>Students will justify solutions to mathematical problems when examining the situations created by the groups. The students will need to state what way the curve will shift and why they feel that way. They will justify their reasoning by using the information (the factors) presented in class. (See EXAMPLE with ANSWER above)</p> <p>The estimation/computation comes in when discussing the change in the equilibrium price as a result of the shift of the one or both of the curves. Students will use the graphs to determine the amount of change. Pencil and paper will be used to draw the graphs and calculators can be used if necessary.</p>

EXAMPLE:



The above chart could be the visual representation of the sample story of Ma and Pa’s cookies. The supply curve shifted to the left when the cost of flour increased and caused an increase cost of production. This increase in cost of production decreased the supply. The equilibrium price was at a little less than 6 (where the blue and red lines intersect) and after the shift, the equilibrium price is now 7. The increase in price is almost 1.

Assessment	Students will be assessed in the following areas:	Points
	Lesson/Unit Evaluation Criteria	
	Student “bell ringer(s)”	0 - 10
	Student participation	0 - 15
	Assignment 1: Shift Situations NOTE: Students should have at least 3 situations from their group work. Collect the situations at the end of class to review them before discussion in class	0 - 50
	Assignment 2: Application (math applications) (Points for participation and defense of answers)	0 - 25
	Unit Possible Points	100
Grading Scale: A = 90-100 B = 80- 89 C = 70- 79 D = 60- 69 F = 0- 59	Instructor Comments:	
Teacher	Sara Lorene Petty	
School	Council Bluffs, IA, Abraham Lincoln High School	

'Shift Situations' Grading Rubric

	Excellent	Satisfactory	Needs Improvement
Participation /10	7-10 Students participated actively in the group.	3-6 Some group members did not participate.	0-2 One student did all the work.
Demonstrated learning and understanding /10	7-10 Students demonstrated a high level of understanding by effectively using the information discussed in class.	3-6 Students used the information from class, but did not understand the information.	0-2 Students did not use the information and did not understand the concepts.
Number of Situations /20	13-20 3 or more situations.	7-12 2 situations.	0-6 1 situation.
Readability /10	7-10 Situations were clear and easy to understand.	3-6 Situations were mostly clear.	0-2 Situations were confusing and not understandable.
Total Points /50			
Project Grade for Situations Grading Scale	A+ = 49-50 A = 47-48 A- = 45-46 B+ = 43-44 B = 41-42 B- = 39-40	C+ = 37-38 C = 35-36 C- = 33-34 D+ = 31-32 D = 29-30 D- = 27-28 F = <26	Grade Received Comments