

Striker Jones

By: Maggie M Larche
Elementary Economics

Text Dependent Questions



Chapter 1

Check for understanding with the following questions:

- ⇒ Why did Zack not want Bill to find his own arrowhead? (Because then Bill wouldn't have needed to trade with Zack anymore.)
- ⇒ How were both Bill and Zack made better off by completing the trade? (They each ended up with something that they valued more highly than what they'd traded away. Zack would rather have the baseball card; Bill would rather have the arrowhead.)

TDQ - Explain the concept of barter and scarcity. Use text evidence to support your answer.

Key points include the following:

- ⇒ All resources are scarce. Whether it means that you only have so much time before you go to bed, or whether the United States is made up of only so much land, we don't have unlimited amounts of anything!
- ⇒ With scarce resources, we can barter, or trade, to get the best combination of resources possible. For instance, you can trade goods, like comic books or toys. You could also trade other things that aren't so easy to see and touch, like an extra half hour of playing outside in exchange for doing the dishes.
- ⇒ Barter, or trade, is amazing, because it always leaves both sides better off. After all, if a trade didn't make you better off, why would you do it in the first place? This applies whether you're trading between friends or between countries! We call this the mutual benefits of trade.

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Chapter 2

Check for understanding with the following questions:

- ⇒ In the story, Amy makes a profit by buying Bill a soda. How is she able to do this? (The sodas in the teachers lounge only cost 50 cents. So, when Bill gives her 60 cents, she has enough to buy the soda and save some for herself.)
- ⇒ How much is her profit? (10 cents)
- ⇒ Amy stole the key to the teacher's lounge, which was wrong. However, if she'd been able to get Bill a cheaper soda without stealing the key, would it have been wrong for her to help him? Discuss.

TDQ - Describe the relationship between the concepts of incentives and profit. Support your answer with specific examples from the text.

Key points include the following:

- ⇒ Incentives are any factors that motivate someone's behavior. Sometimes money is an incentive, but people can be motivated by many non-monetary factors as well, such as wanting to help a friend or a desire to watch a favorite TV show.
- ⇒ Profit is a common incentive, particularly for people operating businesses. By working to make a profit, business owners also do good for others by providing goods and services to their customers. If they didn't make a profit, there'd be no way for them to stay in business. Then, where would customers go to get what they need? Both the business and its customers would be worse off.
- ⇒ The opposite of a profit is a loss. This happens when a person or a business is actually losing money instead of earning money. Businesses can't stay open for long if they're losing money.

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Chapter 3

Check for understanding with the following questions:

- ⇒ In the beginning of the story, why wouldn't Zack pick Jim for his team? (Jim had forgotten his glasses and likely wouldn't play well.)
- ⇒ At the end of the story, Zack finally does pick Jim for his team. How is his decision less risky than if he'd picked him at the beginning of the story? (Zack knows that Jim has contacts and can actually see just fine. So, he expects picking Jim will now pay off because he will have a good player on his team who can see well.)
- ⇒ Did Zack's decision pay off? (Not this time. We find out that Jim played very poorly in the last match of dodge ball. He spent the entire time throwing at his teammate, Ralph!)

TDQ - Explain the concepts of risks and benefits. Describe a time when you took a risk. Identify the benefit of the risk.

Key points include the following:

- ⇒ When we're doing something we shouldn't be doing, it's easy to think of the risk involved. For instance, if you play on the computer at night when you should be in bed, you're running the risk that your parents will catch you. But in fact, every decision we make every day has some element of risk in it, even when we're deciding whether or not to do something nice. For instance, if you're friendly to the new student in class, you're running the risk that he/she might be mean in return.
- ⇒ Risk isn't all bad. Instead, it can make us more careful about the decisions that we make. Knowing that a risk is involved helps people think through all the consequences of their actions.
- ⇒ The key is to balance potential risks with potential benefits. If the possible benefit of an activity is greater than the possible risk, then we say the benefits outweigh the risks, and the activity is probably worth doing. So, though you may run a risk that the new kid in class could be mean to you, the possible benefit is that you make a new friend! Does that benefit outweigh the risk?

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Chapter 4



Check for understanding with the following questions:

- ⇒ In the story, Mr. Larsen ran a business. What kind of goods did he provide? (Musical instruments and accessories, such as the cymbals and music stands that Striker knocked over.)
- ⇒ What kind of services did he provide? (Providing a place for musicians to practice was a service.)
- ⇒ Why did Mr. Larsen sometimes have to ask Amy and Striker to leave the practice room? (He had a paying customer who needed the room. He has to keep customers to keep his business open.)
- ⇒ Imagine that a paying customer came in to Mr. Larsen's store, and he didn't ask Amy and Striker to leave the practice room. He would have made Amy and Striker happy, but what would he be giving up? That is, what's his opportunity cost? (He would be giving up the rental money for the practice room from a regular customer.)

TDQ - Describe the concept of goods vs. services and opportunity costs. Use the following key points in relation to the chapter to support your answer.

Key points include the following:

- ⇒ Businesses generally provide either goods or services, and sometimes both. A good is a tangible thing, like a bike, a cell phone, or a house. A service is when someone does something for you. So, a teacher is providing a service. So is a fireman, a lawyer, or a nurse.
- ⇒ Any time we make any kind of choice, we incur an opportunity cost. This is what we had to give up or what we didn't choose. So, if we choose to play on the swing set, our opportunity cost could be going on the jungle gym. We get to swing, but we don't get to climb the jungle gym. If we choose to go to a birthday party instead of the beach, the beach is our opportunity cost.
- ⇒ We incur an opportunity cost no matter whether we're choosing a good or a service. We always have to choose between different alternatives.



Text Dependent Questions

Chapter 5

Check for understanding with the following questions:

- ⇒ Did most students want Ralph to win the election? How do we know? (No. They were angry at the outcome.)
- ⇒ Did most students vote for Ralph? How do we know? (Yes. Ralph won the election, so he must have had most of the votes.)
- ⇒ Why did people vote for Ralph? (Ralph promised that everyone who voted for him could swim in his pool. Each person wanted this benefit, while thinking that his/her one vote couldn't possibly be enough to make Ralph win.)

TDQ - Discuss the concept of group decision-making. Explain why group decisions can be hard to reach. Include the following key points as support for your answer.

Key points include the following:

- ⇒ When people are not held directly responsible for the consequences of their actions, you can get bad results. For instance, when no one thought that their vote would really count, or could be enough to turn the tide, they were happy to vote in their own best interests, rather than in the best interests of the group. This happens quite a bit in group decision-making. The bigger the group, the more likely it is to happen. In this case, little decisions add up to one bad outcome.
- ⇒ Luckily, lots of people making individual decisions can also add up to some wonderful outcomes, as long as each person is responsible for his own actions. For instance, every time you go to the store, you're getting the benefit of hundreds or even thousands of people all working together. They're each playing their part by working to take care of themselves. Yet, all of that individual activity combines to create one amazing store where you can go to buy all kinds of things!
- ⇒ The difference in whether you get a good outcome or a bad outcome depends on whether people are held directly responsible for their decisions. When people can hide in a group, it's much harder to hold people responsible. On the other hand, when they're working in a business or as an individual, they can't hide as easily and are held directly responsible for their actions. As a result, they make better choices. Lots of these little good choices all add up to one big positive outcome!

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Chapter 6



Check for understanding with the following questions:

- ⇒ In the story, the class wasn't very enthusiastic about making the scarves. Why? (It was right before Christmas vacation, and they didn't feel like working after the party. They also would not be able to keep the scarves for themselves.)
- ⇒ Why did Amy work so hard on her scarf? (Amy was in the Chorale Pals, so she would be able to keep her scarf and wear it herself.)

TDQ - Explain the concept of private property rights. Identify the private property rights discussed in this chapter. Apply this concept to a real world experience by describing a time when private property rights were important to you or your family.

Key points include the following:

- ⇒ People have a right to enjoy the fruits of their labor. If you work hard on something, you should reap the benefits. For instance, when parents have jobs, they are paid for their efforts. That's how they enjoy the benefits of their labor. It wouldn't make much sense if your neighbor was paid when your mom went to work, would it?
- ⇒ Even when it's for a good cause, people still tend to work harder when they will enjoy the results themselves. In other words, they have more incentive to work hard when they will benefit themselves.
- ⇒ Private property rights protect a person's ability to benefit from their own work. If your parents put lots of effort into renovating your house, no one will come along and take it from them. They have private property rights.
- ⇒ Many people still donate their time and efforts to charitable causes, even though they may not directly benefit themselves. People work hardest for others, however, when they are freely choosing to do so, not when someone else is making them.

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Chapter 7

Check for understanding with the following questions:

- ⇒ What special information did Striker have about the pencil box? (He knew that money had been hidden inside of it.)
- ⇒ If someone else knew this, would they think the pencil box was more or less valuable than everybody else? (More valuable.)
- ⇒ Why wouldn't most people pay \$30 for the pencil box? (The pencil box by itself wasn't worth that. They didn't know there might be money inside.)
- ⇒ How does Striker know who stole the money? (He knew that only one other person would value the pencil box so highly—the thief who thought there was money inside.)

TDQ - Discuss the concept of information asymmetry. Describe something that the main character knows more about than any other character in the story. Use text evidence to support your answer.

Key points include the following:

- ⇒ Information asymmetry simply means that one person knows more than the other about something. We experience this all the time. Your teacher probably knows more about world history than you do. You know more about your own family than your teacher does. Thus, you can see, information asymmetry isn't necessarily bad. It's just the way things are.
- ⇒ Information asymmetry is important to remember when two people are making a deal of some kind. For instance, if a person is selling a car, he/she will know lots more about the car than a potential buyer. He/she may know good things, like how well the car runs in the cold, or bad things, like sometimes the car doesn't start!
- ⇒ In that case, the buyer would either expect the seller to share those important pieces of information or could do research on his/her own to learn more about the car.
- ⇒ Information asymmetry can also affect multiple people who are thinking about buying the same thing, as is the case with the pencil box in the story. Someone may have special knowledge about the product to think it's more valuable, or maybe even less valuable, than everybody else thinks it is.

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Chapter 8

Check for understanding with the following questions:

- ⇒ What specific comment of Ralph's caught Striker's attention? ("Every single cup [of punch] is better than the one before it.")
- ⇒ Why did it catch his attention? (While Ralph could still be enjoying the punch, it wouldn't actually be getting better as he drank more and more. In fact, it would be less enjoyable the more he had.)
- ⇒ Imagine that Bill has chocolate in each of the eggs he collected. If he sat down and ate all of the chocolate at once, would it taste better at the beginning or the end? Why? (The beginning. As he has more and more chocolate, the pleasure he gets from it will fade.)

TDQ - Summarize the concept of diminishing marginal utility. Relate it to chapter and the characters in this story.

Key points include the following:

- ⇒ Diminishing marginal utility is a fancy way of saying that the more you have of something, the less you enjoy it. This applies to all kinds of things: food and drink, fun activities, songs you like, even summer vacation!
- ⇒ You can really tell the law of diminishing marginal utility is in place when you overeat. Maybe that first piece of pizza is delicious. The second might be almost as good. The third is so-so. Now imagine that you kept going until you'd eaten 20 pieces of pizza! You'd feel so sick by then that you wouldn't be enjoying it at all!

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Chapter 9

Check for understanding with the following questions:

- ⇒ In the story, there was a lot of demand for the flower crowns. That is, lots of kids wanted one. How do we know that? (Julia and Rosie were surrounded by a big crowd wanting one. People were willing to trade for them. They eventually ran out of crowns, and people, like Sheila, still wanted more!)
- ⇒ Julia and Rosie weren't able to supply as many crowns as they would have liked. Why? (They had to make the crowns in the garden in front of the museum, but they didn't get to spend too much time there.)
- ⇒ Why do Ralph and Jason go back to the garden, even when they weren't supposed to? (To make crowns so that they could charge for them; to provide competition to Julia and Rosie and increase the supply of flower crowns.)

TDQ - Discuss the concepts of supply and demand and competition. How does the main character deal with supply and demand?

Key points include the following:

- ⇒ Supply is how much of something is produced. Demand is the flip side—how many people want to buy what is being produced. Supply and demand are constantly changing and interacting with each other all the time.
- ⇒ You see the results of supply and demand every time you go to the store. Suppliers produce the product and demanders buy it. If you didn't have suppliers, there would be no product to buy. If you had no demanders, no one would buy the product, and suppliers would stop making it!
- ⇒ Ralph and Jason go back to make more flower crowns in response to all the demand. This also happens in the real world. When goods are very popular, new people are attracted into the field and start making those products, too. After all, people are just waiting to buy the goods!
- ⇒ When new suppliers enter the field, like Ralph and Jason did, that is competition. Buyers are made better off by competition, because suppliers compete for their business by trying to make better and better products. If only Ralph and Jason hadn't been so bad at making flower crowns, the other students could have taken advantage of the competition!

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Chapter 10

Check for understanding with the following questions:

- ⇒ In the beginning of the story, Striker's dad changes his behavior according to the price of gas. Can you give the example? (He says that gas is expensive, so he'd like to combine the trip to his meeting with taking Striker to the arcade).
- ⇒ How would you expect Striker's dad to react when the price of gas goes even higher at the end of the story? (Striker's dad would want to use less gas. So, he might drive even less. He might combine more trips. He might walk more places. etc.)
- ⇒ Instead, what happens? (Striker's dad doesn't mind making a special trip to take Striker to the arcade.)
- ⇒ Why did Striker's dad do this? (To get Striker out of the house for a surprise party!)

TDQ - Discuss the concept of prices and price sensitivity as related to the story. Identify a time when prices and price sensitivity was important to you. Explain the situation and why the price and price sensitivity was important.

Key points include the following:

- ⇒ All goods and services have some sort of price if you want to buy them. When we talk about prices, we're usually talking about a dollar amount, although really, it could be anything that it costs you to get a good or service.
- ⇒ Prices are very important because they help us direct our resources in the best way possible. Prices give us an idea of how much something is worth. So, if we only have a set amount of money, we can make decisions about how to divide it up among the huge variety of goods and services that are available!
- ⇒ Prices are set as a combination of the number of people who want an item (demand) and the amount of the item that is available to buy (supply). They move up and down as supply and demand for a product change. For instance, if lots of people want something (high demand), the price goes up.
- ⇒ Prices can affect our behavior, like in the story with Striker's dad. How much a change in price affects our behavior is called price sensitivity. That describes how much we'd change in response to a price change.