Lesson Overview

Fernando loves art and is going to paint for the first time. He learns to make paint from natural resources. Unfortunately, he has no paper! After much persuasion, Fernando’s parents allow him to paint the outside of their adobe house. Now all his neighbors want houses like the Espino family.

<table>
<thead>
<tr>
<th>Key Economic Concepts</th>
<th>Productive Resources</th>
<th>Trade Human Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Natural Resources</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capital Resources</td>
<td></td>
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</tbody>
</table>

Materials

Handouts 1 and 2

Teaching Procedure

1. Define and discuss productive resources.

2. While reading the story, have students identify the productive resources and place them in the correct category on Handout 1.

3. Define trade. Brainstorm and discuss how Fernando might get the paper he so desperately wants. List these on the board.

4. Do the following trading lesson adapted from Lesson 6 in Play Dough Economics. Give students five – ten minutes to make a good out of clay. Give each student a chance to tell about his or her good. Explain that students will have four minutes to trade for the good they want most. They may trade goods or services, and may make as many trades as they want. Discuss possible services they might perform to acquire a good.

5. Perform trades. After five minutes, discuss the trading outcomes.

6. Explain that trades are made daily by each of us in many ways. Brainstorm some of the ways trading might occur during a student’s day. For example, a student might trade an eraser to get a pencil. A student might get to go to the movies by washing the family car.
7. Encourage students to make trades throughout one week, using Handout 2 to monitor the trades. At the end of the week, discuss the trading outcomes.

**Key Questions To Ask Students**

1. What **productive resources** did Fernando use to create his paintings? (charcoal, berries, dried grass, clay, paintbrushes, clay pots, adobe house, himself)

2. Which are **natural**, **capital**, and **human resources**? (natural: charcoal, berries, dried grass, clay, capital: clay pots, paintbrushes, adobe house; human: Fernando)

3. How could Fernando have gotten the paper he wanted? (buy it, trade a **good** for it, trade a **service** for it)

4. When people make a **trade**, who benefits? Why? (both, since they both get what they want)

5. Why is trading sometimes difficult? (Each person must want what the other has. We use **money** to make trade easier.)

**Follow-up Activities**

1. *Nature’s Own Colors*: Create your own set of colors using natural resources. Tea bags in warm water create brown. Onion skins boiled in water create golden yellow. Mashed beets or crushed red raspberries give a reddish purple color; crushed blueberries provide blue. Research and create other colors. Paint with all these natural colors. Let students trade for a color they do not have.
Handout 1

The Little Painter’s Productive Resources

Name ___________________________

As you read, list the **productive resources** mentioned in the story. Decide if they are **natural**, **human**, or **capital resources**.

<table>
<thead>
<tr>
<th>Human</th>
<th>Natural</th>
<th>Capital</th>
</tr>
</thead>
</table>

Pretend that you are a candle maker. Draw or cut out pictures for the **productive resources** that you might use.

<table>
<thead>
<tr>
<th>Human</th>
<th>Natural</th>
<th>Capital</th>
</tr>
</thead>
</table>
Name __________________________

For one week, keep track of the trades in Section A that you make to acquire the goods or services you want. At the end of the week, complete Section B at the bottom of the page.

SECTION A

<table>
<thead>
<tr>
<th>Day of Week</th>
<th>What I Traded</th>
<th>What I Received</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

SECTION B (Use tally marks to complete this section.)

1. Number of trades:  
2. Number of goods traded for goods:  
3. Number of goods traded for services:  
4. Number of services traded for goods:  
5. Number of services traded for services:  