



BIZ KID\$

Episode 208: Economic Cycles – What goes up must come down

Episode 208 Synopsis:

There are trends in fashion and trends in business. Is there any way to be on the leading edge of the trend and how do these cycles in business effect every area of our lives.

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Biz Kid\$ Curriculum Package #208



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Episode 208: Economic Cycles – what goes up must come down

Biz Terms

1. advantage
2. anticipate
3. bear market
4. broker
5. bull market
6. buyers' market
7. consumer prices
8. contraction of economy
9. corporate profits
10. costs
11. crash
12. cutbacks
13. economic cycles
14. economy
15. expansion
16. demand
17. depression
18. devalue
19. downturn
20. future longevity
21. inflation
22. interest rate
23. opportunity
24. options
25. projected profit
26. prosperity
27. quick return
28. rate of inflation
29. recession
30. sellers' market
31. stock prices
32. surge
33. timing
34. upturn
35. value



Suggestions for using Biz Terms include:

- Have students research and write dictionary definitions.
- Discuss the use of these terms in the episode of "Biz Kid\$".
- Have students construct sentences using these terms.
- Have students write paragraphs, stories, dialogs, "raps", or lyrics.



Episode 208

Economic Cycles – What goes up must come down

Equipment/Materials/Prep needed:

Day One and Day Two:

- TV or projection system
- DVD player
- DVD of Episode 208

Day Two only:

- Student copies of the "Family Activity Sheet".
- Student copies of the "Biz Terms" Sheet.
- Paper, pens, pencils, color markers, and highlighters for students making ads and posters.
- Computers for students to explore web sites listed.
- Guest speaker to be greeted and directed to the correct location for the session.

Preparation:

- Check to be sure needed equipment is available and operational prior to the sessions.
- Gather listed materials.
- Make an appropriate number of copies of the "Biz Terms" Sheet and the "Family Activity Sheet".
- Invite guest speaker from the local community regarding fraud and how to prevent being scammed.



Episode 208: Economic Cycles – What goes up must come down

Day One

Previewing Questions:

Day One Introduction

Welcome students/youth to “Biz Kid\$” and introduce yourself, giving your name and job title.

Explain that “Biz Kid\$” is a program to help people become financially educated, learn work-readiness skills, and to even become entrepreneurs...Biz Kids!!!

They can view the program “Biz Kid\$” with their families on Public Television stations all over the country, and also participate by using the “Biz Kids” web site. Today, they get to see an episode with you.

Today’s pre-viewing questions:

Have you ever ridden a wave; or watched a wave coming from out at sea crest, and then go downhill as it heads toward the beach?

Waves move in cycles, as do the seasons.

The economy moves in cycles as well.

Have you heard the economy being discussed lately?

The print and electronic media have been filled with articles about the economy for months.



Financially educated people know that the economy is constantly changing, that there will be good times and bad.

In today's episode of Biz Kid\$, you will learn about economic cycles, the ups and downs that **periodically** happen, and how to plan ahead so you survive economically.

You'll meet some young business entrepreneurs who will share their experiences and advice with you.

Let's watch the program together.

Show Episode 208: "Economic Cycles (What Goes Up Must Come Down)"

Activity to follow viewing the program together:

As was said by the character "**Substitute Teacher**", "You can wave goodbye to your money if you don't pay attention to economic cycles."

I'd like you to think about what you learned from this episode that you find important to remember and share.

List student responses on a blank OHP Transparency.

Also, encourage students to generate a list of questions related to the episode that they'd like to have answered.

Thank students for their attention and participation in today's session!



Episode 208: Economic Cycles – What goes up must come down

Day Two

Day Two Introduction

Play part of the theme music for “Biz Kid\$” from the episode intro to motivate and engage the students. Then stop the music, welcome the students/youth to today’s session, and introduce yourself. If needed, ask students to please use their nametags.

Review and Connect with the Previous Session

The phrase “**timing is everything**” is especially true with regard to economic cycles.

Economic cycles are like waves in the ocean. It was said that, “the wave never stays down forever.”

The economy doesn’t stay down forever either; it goes in cycles of expansion and prosperity, into contraction and recession, and then rises again.

Biz Kid **John** wanted to start his own business, “**Running Wild Paintball.**” He found it was harder than he thought it would be, and the business wasn’t making the profit they had projected. The economy was the reason they made adjustments such as changing their prices, giving big discounts, and waiving fees on certain nights.

As a result, they have more customers now. John was willing to listen to good advice from others, which helped his business survive. His advice to you is, “**A Biz Kid always finds a way to make a downturn into an upturn.**”



Mary, of the “**Gold Creek Equestrian Center**” in Woodinville, Washington, compared the economy with riding a horse. You can fall off, or be prepared in case you fall, and be ready to do well. Be ready for the downturns so you can get back up and win! Her advice to younger kids is to save your money.

Conner owns the “**Country Boy Gold Mine**” in Colorado. We learned from his segment that the price of gold changes over time, but that gold has always been valued in good economic times and bad. At the moment, gold is very expensive or worth a lot.

Katy is the Biz Kid known as a car “**wheeler-dealer.**” She explained how the economy affects the car business. During a recession, people want more fuel-efficient cars, smaller cars, and fewer options on the cars. They splurge on bigger cars with more options when the economy is good.

Nineteen-year-old **Artin** got into the business world when he was 13. He started with vending machines, and then took his business online so people wouldn't discount him because of his age. He now owns a limo company, warehouses, a stone business, and a restaurant. Did I mention that he's only 19???

His advice included the following:

- Anticipate what the future holds
- Be aware of the world's economy
- Be patient
- Adapt to the economic cycle
- Keep your eyes open for opportunities

He reminded us that bad times happen, but understand that there are always ups and downs.



Display an OHP Transparency of the following ACTIVITY and read it aloud to students as they read along silently.

ACTIVITY

Bull Market or Bear Market?

The terms "**Bull Market**" and "**Bear Market**" refer to a Market **trend**, or the direction in which a financial market is moving.

The term "**Bull Market**" describes an upward movement, and "**Bear Market**" describes a downward movement.

The terms "**bullish**" and "**bearish**" can also mean "**optimistic**" and "**pessimistic**" respectively.

In a **Bull Market**, investment prices rise faster than average. Bull Markets can happen as a result of an economic recovery, an economic boom, or investor psychology.

In a **Bear Market**, investment prices fall. This usually happens when the economy is in a recession, when unemployment is high, and when inflation rises quickly.

In Episode 208 of Biz Kid\$, specific words were used to describe whether the Market trend was bullish or bearish.

As a class, you are going to look at a list of words from the episode, and decide if they refer to a Bull Market or a Bear Market. Please raise your hand if you'd like to volunteer an answer.



Display an OHP Transparency of the "Bull Market or Bear Market Word List." Using an OHP pen, write "Bull" or "Bear" next to each word in the list.

Students may need to discuss a difference of opinion about the correct classification of a word. Guide the discussion in the correct direction, as you want them to get the right answer.

Bull Market or Bear Market Word List

Recession

Surge

Economic contraction

Depression

Buy and invest

Wages are down

Prosperity

Stock prices rise

More people get better jobs

Corporate profits go lower



Financial portfolio is devalued

Inflation

Money is tight

Once the students, with your guidance, have correctly identified the words as relating to a Bull or Bear Market, explain that they are going to create a poster that reflects this information.

Each student will need a large sheet of construction or drawing paper, and colored markers or colored pencils.

They may design the poster their way.

Some students may wish to fold the paper in half and label one side "Bull" and the other side "Bear". Using words and pictures, they are to accurately describe both directions of the Market trend.

Other students may prefer to use a circle or a wave shape for their posters.

The goal of this activity is for students to become comfortable and familiar with using and understanding these economic terms, and to share their knowledge with others through their posters.

Students will need to see the terms on the word list, so please continue to display the OHP Transparency of the Word List with correct answers.



Teachers may wish to allow additional time for students to complete these posters. Posters could be displayed on a bulletin board during April, Financial Literacy Month; shared during a "Back to School Night"; or shared with other classes.

Distribute the "**Family Activity Sheet**" and the "**Biz Terms**" Sheet for Episode 208 to all students to share with their families.

Thank students for their attention and participation in today's session!



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Family Activity Sheet

Episode 208 Synopsis:

There are trends in fashion and trends in business. Is there any way to be on the leading edge of the trend and how do these cycles in business effect every area of our lives.

Family Activities:

Discuss together how the current economic trend has affected your family's financial situation.

1. What adjustments have you had to make?
2. Are there things you can do as a family to cut expenses, such as raising your own fruits and vegetables?
3. Can you barter and exchange goods and services with friends and neighbors?
4. How can you reduce expenses for entertainment and eating in restaurants?



Reassure your children that people have survived tough economic times before. Have older family members share their memories of the Great Depression, and what things they did to get through that period.

Remember the fable titled "The Ant and the Grasshopper"? Read it as a family and discuss how it relates to behavior in good economic times and bad.

Talk about the phrase "**Save some money for a rainy day.**" How does that relate to wise behavior during prosperous times?

The board games "**Pit**" and "**Stock Market Tycoon**" help players gain a greater understanding of financial markets.

Ask your children what they've learned from this episode of Biz Kid\$, and ask to see their posters about **Bull and Bear Markets**.