


# Inflation Investigation

## Inflation and Cost of Living

Daniel Schwarz
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| **Grade Level** | 9th – 12th Grade | **Time Frame** | 120 minutes |
| **Subject** | Social Studies | | |
| **Course** | Economics | | |

## Essential Question

What is inflation? What impact has it had on the American economy over the past century?

## Summary

Students will track how inflation has altered the cost of living from 1920 until today by examining vintage advertisements for various goods. Students will also learn how inflation continues to have an effect on the U.S. economy by watching a couple of videos and designing anchor charts.

## Snapshot

### Engage

Students participate in a Fold the Line activity in order to understand how inflation has affected the price of goods.

### Explore

In groups of four, students examine document packets containing copies of vintage ads, and chart the cost of various goods between 1920 and 2010.

### Explain

Students watch a couple of videos that explain what inflation is, how it works, and the impact it has had on the U.S. economy, and they answer questions in note catchers.

### Extend

Students work in groups to design Anchor Charts that teach others about inflation. They have an opportunity to view each other's charts during a Gallery Walk activity.

### Evaluate

The Anchor Charts and gallery walk serve as assessments.

## Standards

*Oklahoma Academic Standards (Social Studies: Economics (9th through 12th grade))*

**E.12:** The student will explain the role of inflation and unemployment in an economic system.
**E.12.1:** Define inflation and determine how it is measured, including the impact inflation has on different sectors of the United States economy.

## Attachments

- Anchor-Chart-Rubric-Inflation-Investigation.docx
- Cost-of-Goods-1920-to-2010-Table - Spanish.docx
- Cost-of-Goods-1920-to-2010-Table-Teacher-s-Guide.docx
- Cost-of-Goods-1920-to-2010-Table.docx
- Group-1-Vintage-Ad-Packet-Inflation-Investigation - Spanish.docx
- Group-1-Vintage-Ad-Packet-Inflation-Investigation.docx
- Group-2-Vintage-Ad-Packet-Inflation-Investigation - Spanish.docx
- Group-2-Vintage-Ad-Packet-Inflation-Investigation.docx
- Group-3-Vintage-Ad-Packet-Inflation-Investigation - Spanish.docx
- Group-3-Vintage-Ad-Packet-Inflation-Investigation.docx
- Group-4-Vintage-Ad-Packet-Inflation-Investigation - Spanish.docx
- Group-4-Vintage-Ad-Packet-Inflation-Investigation.docx
- Group-5-Vintage-Ad-Packet-Inflation-Investigation - Spanish.docx
- Group-5-Vintage-Ad-Packet-Inflation-Investigation.docx
- Lesson-Slides-Inflation-Investigation.pptx
- Note-Catcher-Inflation-Investigation - Spanish.docx
- Note-Catcher-Inflation-Investigation.docx
- Note-Catcher-Teacher-s-Guide-Inflation-Investigation.docx

## Materials

- Lesson Slides (attached)
- Internet access on a computer or device for each group of 4 students
- Calculators
- Cost of Goods 1920 to 2010 Table (attached; one per student)
- Cost of Goods 1920 to 2010 Table Teacher's Guide (attached)
- Groups 1-5 Vintage Ad Packets (attached; one for each respective group)
- Note Catcher (attached; one per student)
- Note Catcher Teacher's Guide (attached)
- Poster paper
- Sticky notes
- Anchor Chart Rubric (attached)

15 minutes

# Engage

Introduce the lesson using the attached **Lesson Slides**. **Slide 3** identifies the lesson's essential questions: *What is inflation? What impact has it had on the American economy over the past century?* **Slide 4** identifies the lesson's primary learning objective.

Once you have introduced students to the essential question and primary learning objective, display **slide 5.** Do a Fold the Line activity in which students line up across the room based on their answers to the following question: *How much do you think it would have cost to buy a car in 1940?*

### Teacher's Note: Fold the Line

In this lesson, rather than having students line up according to their level of agreement or familiarity with a topic, line them up from least to greatest according to their estimates of how much a car cost in 1940. While students could call out their estimates to the class, there is the possibility that some students might feel embarrassed to share their answers or feel compelled to change their answers based on the answers others have provided. For these reasons, it would be best to begin by having students take a minute to write down their estimates on a slip of paper. Once you have collected the slips, line up students from least to greatest as you read through their responses. Afterward, announce what the range of guesses is, and write it on the board.

Once the students have lined up in order from least to greatest, tell the students to speak with someone next to them to discuss why they believe that the car would have cost as much as it did. After a couple of minutes, let students know that it is time to "fold the line" in half. Once the line has been folded, pairs of students should briefly discuss their estimates of the cost of a car with the pairs of students directly opposite them in the folded line. After a couple more minutes have passed, display the 1940 Buick ad from the *Sapulpa Herald* on **slide 6** that shows what the cost of a car actually was. Ask students if they are surprised by the amount and if they think the cost of a car would be much different today. Organize students into groups of four based on their most recent discussions, with pairs from opposing sides of the folded line. Those groups will work together for the remainder of the project.

30 minutes

# Explore

Explain to students that they will be looking at vintage advertisements as they research the purchasing power and value of the U.S. Dollar from 1920 until today. Pass out the **Cost of Goods 1920 to 2010 Table** to students. Since students will be researching the values of six different goods over the span of nearly a century, the research process is divided up.

Assign the groups of four the numbers 1 through 5. Each group should be assigned two different years to research: Group 1: 1920 & 1970, Group 2: 1930 & 1980, Group 3: 1940 & 1990, Group 4: 1950 & 2000, Group 5: 1960 & 2010.

### Teacher's Note: Student Groups

If you have less than 20 students, you should still try to arrange the students into five groups, so that each group can utilize the document packets that have been provided and determine the values of the goods in each of the ten decades.

Once you have students in groups, pass out the **Vintage Ad Packets.** There are five in total, and you should hand out one packet to each respective group. Display **slide 7,** and explain to students that all of the ads in these packets were taken from copies of historic newspapers found in a digital archive called The Gateway to Oklahoma History.

Tell students that each vintage ad in their packet has brief instructions underneath it. These instructions ask them to look through the ad for a specific price or range of prices. In some instances, it may ask them to adjust a price within an ad, so that it is comparable to the prices listed in other ads. For instance, flour has often been distributed in 5-lb. sacks in more recent years, so they may need to divide the price of a larger sack of flour in an older ad to see how the price compares to those sold in later years. Any adjustments involve simple division, and specific instructions are provided that explain why division is necessary. However, make sure that each group has at least one calculator or device with access to a calculator app. Once students have determined each price, they should enter the value into the corresponding space in their tables.

After about 15 minutes, have the class reconvene. Ask a representative from each group to read aloud the values they entered. As you are entering this information into the blank table in **slide 8,** feel free to consult the attached **Cost of Goods 1920 to 2010 Table Teacher's Guide** to ensure that their answers are correct. Once all of the prices have been filled into the table, ask students if they notice any trends in the prices that are listed throughout it. Some other questions to ask are: *Why do you think the prices sometimes move up and down over the decades? Why do you think prices have increased over the years?*

### Possible Student Responses

*The values of the items look like they're mostly increasing each decade. Sometimes, the values go down, but usually, they go up. Things keep getting more expensive with each decade. If a good is popular, people might want to pay more for it.*

15 minutes

# Explain

To acquire a better understanding of what inflation is and how it works, students watch a couple of videos produced by PBS. Pass out the **Note Catcher** handouts to students, and tell them that as they watch each video, they have to answer a few questions about what they are learning on their handouts. Emphasize that each response only needs to be one or two sentences long.

Display **slide 9,** which has a link to the page containing both videos, and click on the first video, titled "What Is Inflation?" After students have answered the questions, ask a few students to share their responses with the class. Next, display **slide 10,** which includes a link to the same page. Click on the second video, titled "Why Is There Inflation? (And Is It Bad?)." Once again, ask students to share some of their responses once they have had adequate time to write them. Feel free to consult the **Note Catcher (Teacher's Guide)** in order to make sure that students have adequately answered each question.

### Teacher's Note: Video Activity Pacing

While both videos do an excellent job of teaching students about a complicated subject, they present a great deal of information in a collective span of 6 minutes. You will likely want to pause each video periodically to make sure that students understand what they are learning. You could ask them some of the questions posed on the handout and see how they respond. Once you have proceeded through each video, you will still want to have students write and share some of their responses to ensure that they understand what inflation is and how it works. If students are still struggling to understand some of the material, consider replaying the videos.

60 minutes

# Extend

Display **slide 11.** Tell students that they will be working with the others in their group to create an Anchor Chart that explains what inflation is, how it works, and how it affects the American economy. Emphasize to students that they have plenty of freedom in how they choose to present information in the charts, but are expected to create well-organized and easy-to-read charts with correctly spelled words. They are also expected to include the four required elements and one of the three optional elements outlined in the slide.

Display **slide 12.** After students have finished their anchor charts, they engage in a Gallery Walk. Have them hang their posters on the walls of the classroom. One student should stay behind to serve as a spokesperson for their group and explain what they have included on their chart, why it is relevant to the understanding of inflation, and why it is important information for them to know. The other students should rotate in groups from one poster to the next. Provide each student with enough sticky notes to leave one note on each chart. Tell students to leave one sticky note on each anchor chart with either a comment or a question they have after viewing the chart.

# Evaluate

The anchor charts and Gallery Walk activity serve as summative assessments. Use the attached **Anchor Chart Rubric** to evaluate students' anchor charts.

## Resources


- KQED/WGBH Educational Foundation. (2014). The lowdown | Understanding inflation: A stop motion explainer, parts 1 and 2. PBS LearningMedia. https://oeta.pbslearningmedia.org/resource/mkqed-math-rp-inflation/understanding-inflation-stop-motion-explainer/
- K20 Center. (2020, September 16). Anchor charts. Strategies. https://learn.k20center.ou.edu/strategy/58
- K20 Center. (2020, September 16). Fold the line. Strategies. https://learn.k20center.ou.edu/strategy/171
- K20 Center. (2020, September 16). Gallery walk / carousel. Strategies. https://learn.k20center.ou.edu/strategy/118
- Oklahoma Historical Society. (n.d.). The gateway to Oklahoma history. https://gateway.okhistory.org/