

Bonus Video:

The Fundamentals of Economics

Segment Length: 10:32 minutes

The Fundamentals of Economics provides a good explanation of the role of human action in economics.

Description:

What is economics? We often think about money when we hear the word “economics.” But what else should we think about? In this video, we learn the six fundamental concepts crucial to understand economics: Individual action, scarcity, choice, trade-offs, subjective value and incentives.

Pair with:

The Fundamentals of Economics is a good standalone video to explain the basis of economics, but it can be paired with In Defense of Capitalism, which is streamed on SITC.org and is included on the 2020 DVD.

Preview Activity:

Distribute copies of the K-W-L worksheet to the class. Have students fill in the K and W sections. After showing the video, have students complete the L section and answer the question at the bottom of the worksheet.

OR

Use Think, Pair, Share to have students answer the preview question. After a few minutes, poll the students and ask them to discuss their answers.

What do you think economics is all about?

Discussion and Analysis:

1. The “professor” in the video said economics is about people. What did he mean?
2. The “professor” also said that people act to satisfy their own desires and values. Can you give some examples of how you act to satisfy a desire or value of yours?
3. Do you always make good decisions? Why not?
4. What is scarcity? Why is it an issue in economics?
5. How does scarcity affect the choices we make? Can you give an example?
6. What is value? How is value subjective? What is a price? How are price and value connected?
7. What are incentives? What are some examples? Why do incentives matter? How are incentives related to economics?
8. Every group is just a bunch of individual people working together. True? / False? Explain.
9. Kevin, the host, said that markets make us better off than we would ever be otherwise. What does he mean? Can you give some examples?