

## Picture This

### Description:

Students express themselves artistically as they identify, define, and illustrate economic concepts from The Fed Experience. Teachers have a choice of two implementation methods for the activity: independent or competitive.

### Age Level:

Middle and high school students

### Content Standards:

The Fed Experience is designed to complement Virginia Standards of Learning for Civics and Economics. For detailed information on specific standards, please see [www.thefedexperience.org](http://www.thefedexperience.org).

The Fed Experience also correlates to CEE National Standards in Economics

- Standard 10: Institutions
- Benchmark 1, Grade 8: Banks and other financial institutions channel funds from savers to borrowers and investors.

### Concepts:

Business Cycles	Inflation
Consumption	Innovation
Consumer Price Index	Market
Deflation	Market Economy
Economics	Monetary Policy
Economic Growth	Money Supply
Equilibrium Price	Price
Federal Reserve System	Price Stability
Federal Open Market Committee	Standard of Living
Gross Domestic Product	
Growth of Living Standards	

### Objective:

Students will be able to:  
Define, identify and create visual examples of economic concepts from The Fed Experience.

### Time Required:

Approximately 25-30 minutes.

### Materials:

Independent Materials:

- Handout 1/ Visual 1: The Fed Experience Glossary Sheet. Display on overhead projector.
- Paper, pencils, crayons or markers for each student.

Competitive Materials:

- Handout 1/ Visual 1: The Fed Experience Glossary Sheet. Display on overhead projector.
- Handout 1/ Visual 1: The Fed Experience Glossary Sheet. Print. Cut apart terms on dotted line and place strips in bowl or grab bag.
- Scissors, one pair
- Bowl or grab bag
- Dry erase markers and a white board or markers and a large pad, one for each team
- Timer or clock/watch with second hand

Choose one of the following activity options, Independent or Competitive, and follow procedures below.



THE FED EXPERIENCE

where you and the economy come together

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### Independent Procedures:

1. Display Handout/Visual 1: The Fed Experience Glossary Sheet.
2. Assign or allow students to select a concept.
3. Students draw a picture illustrating the concept and include the term and definition on the illustration.
4. Display artwork in room and conduct a gallery walk with students.

### Competitive Procedures:

1. Display Handout/Visual 1: The Fed Experience Glossary Sheet.
2. Inform students they have 5 minutes to review the terms in preparation for a game. Remove visual from view.
3. Divide class into 2 teams.
4. Choose one student to pick a concept from bowl or grab bag.
5. Allow the student 30 seconds to draw the concept on the white board/ pad and one minute for the student's teammates to guess the term.
6. If the student's teammates guess the correct term within one minute, the team earns a point. Otherwise the other team can steal the point by guessing the correct term.
7. Teams alternate drawing and guessing terms until all terms have been used.
8. The team with the most points after all terms have been drawn earns a teacher chosen incentive.



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### Handout 1/ Visual 1: The Fed Experience Glossary Sheet

Term	Definition
<b>Business Cycles</b>	The ebb and flow of economic activity.
<b>Consumption</b>	The purchase of goods and services.
<b>Consumer Price Index</b>	Measures the purchasing power of money over time. It compiles average prices for purchases made by households each month.
<b>Deflation</b>	A decrease in the overall price level, which can be accompanied by slower economic growth.
<b>Economics</b>	The study of how people choose to use scarce resources in production, trade and consumption.
<b>Economic Growth</b>	The increase in the amount of the goods and services produced in an economy over time.
<b>Equilibrium Price</b>	The price at which quantity demanded equals quantity supplied.
<b>Federal Reserve System</b>	The central bank of the USA which includes the Board of Governors in Washington, D.C. and 12 regional Reserve Banks and their branches across the country.
<b>Federal Open Market Committee</b>	A part of the Federal Reserve System. Made up of the Board of Governors and Federal Reserve Bank Presidents. The FOMC sets monetary policy.
<b>Gross Domestic Product</b>	The total market value of all final goods and services produced in a country within a year. GDP is often used as an indicator of economic growth. When GDP increases, standard of living also tends to increase.

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### Handout 1/ Visual 1: The Fed Experience Glossary Sheet

Term	Definition
<b>Growth of Living Standards</b>	The increasing ability of people to produce and consume more of what they want, enjoy greater leisure time, better working conditions, a cleaner environment and healthier and longer lives.
<b>Inflation</b>	An increase in the overall price level which can reduce the purchasing power of money.
<b>Innovation</b>	Invention of new products and better ways to do things. Key to the growth of living standards.
<b>Market</b>	A physical or virtual place where buyers and sellers exchange goods or services.
<b>Market Economy</b>	An economy in which the goods and services produced are determined by consumer and producer choices and where choices are influenced by relative prices of goods.
<b>Monetary Policy</b>	The Fed's actions to manage the money supply to keep inflation low and stable.
<b>Money Supply</b>	The amount of currency, coins and checking account deposits available in the economy.
<b>Price</b>	Set by forces of supply and demand. Influences the choices made by consumers and quantity of products supplied by producers.
<b>Price Level</b>	The average price of all goods and services in an economy.
<b>Price Stability</b>	The persistent absence of significant inflation and deflation.
<b>Standard of Living</b>	The necessities, comforts, and luxuries people enjoy.