For the last two lessons, you can plan some really creative lessons. Now that the students have a background knowledge in economics, these last two lessons should encourage the students to apply their knowledge to real life situations. This really helps the students to remember the things they have learned. For the fourth lesson, EIS groups typically like to do a lesson on the economics of going to college. Middle school teachers tend to like this because in middle school they begin to really encourage the students to start thinking about their futures. For the last lesson you have some creative freedom. Below is a great example of a way you can get the kids to use the economics they have learned to solve a real world problem. Use a topic they are currently studying and have fun with it!

**Fourth Lesson:**

**Objective:**

Students will understand the importance of human capital, what it means, and the benefits of investing in it for their futures. They will be made aware of the social affects human capital has on lifestyle, earnings, and future stability in the world.

**Materials:**

1. Pretend business cards to pass out at the beginning of class with job titles, job descriptions, schooling or human capital required, expected salary, added benefits, opportunity costs, etc.
2. Paper to write about dream jobs

**Review:**

Ask the students if they did the homework assignment from last time. Did any of their parents know about the law of demand and the law of supply? If they didn’t, how did you explain it to them? Have a couple students explain these terms in their own words and a couple students give examples.

**Activity:**

Ask the students to write down their dream job on a piece of paper and then list at least five skills, personal qualities, or education degrees that are necessary to be able to perform that job. Have a few students volunteer to share their dream jobs. Point out that some of the five things listed come naturally but others have to be earned, like going to college to get a degree. That’s something you have to work towards.

**Human Capital:**

See if the students remember the factors of production (land, labor, capital, and materials). Explain that capital has a variety of forms and human capital is just as important for success as physical capital. Refer to the Large Post-It the kids wrote on from a former activity. Some previous examples we came up with for capital for the production of outputs were….By the same token, human capital is used for development of technology and qualifying people for better jobs, etc. What are some examples of human capital? (Creativity, problem solving skills, technology awareness, computer literacy, team player, etc)

**Activity:**
Break the class up into three groups based on the business cards they received at the beginning of class. Tell the class that they are now part of a software company and each one of them has an important job within the company. However, everybody’s jobs are different and each one has different skill and education requirements. Some examples of jobs will be: CEO, Secretary, Accountant, Engineer, and Research and Development Assistant. Within the three groups, give each student a turn to read aloud their job description to the rest of the group. As a group, talk about the costs and benefits of each job. Remember back to the first lesson when we talked about opportunity cost. If a person were to choose one of these jobs over another, what would be their opportunity cost?

Example: When you choose to be a secretary, your opportunity cost is the better pay you would make if you chose to become an engineer. If you want to be an engineer, your opportunity cost is you didn’t get to start working right away because you had to go to school longer than if you chose to become a secretary.

Discussion:
In one of our earlier lessons we talked about how economics is all about choices. Well, you all have the choice whether or not to finish school, and then you have the choice about what you will do after school. There are so many options! You can graduate and start working somewhere, you can go to a trade school, join the military, or go to college. And even within just those choices you have so many other choices. If you want to join the military, would you want to join the Navy, Army, Marines, etc? Or, if you go to a trade school do you want to go for auto mechanics, technology, culinary arts, etc? Or if you go to college you can major in a variety of subjects and you can graduate with a bachelor’s, masters, or a doctorate degree. You make your decision based on opportunity costs.

Share with the students why you chose to go to college, major in the subject you are majoring in, why you chose Trinity, etc. Talk about your other options and how opportunity cost figured into your decision.

Have the students look back at their dream job that they wrote down. What are some other choices they could make? What are the opportunity costs for making those choices?

Test Questions:
1. Why is it important to talk about human capital when talking about your future?
2. How does opportunity cost help you to make a decision about your future plans?

Sample Business Card:

- Butler Incorporated
- Jane Doe, Secretary
- 999-1234
- High School Diploma required
- Must have 1 year experience and training in basic computer skills
- $30.00 per year
- 1 week paid vacation per year
- Work full time with some overtime hours, schedule not flexible