Building Conceptual Understandings in the Social Sciences

Taking Part in Economic Communities
Acknowledgments

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Taking Part in Economic Communities

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**Introduction**

This book is about developing conceptual understandings in the social sciences and providing ways to develop students’ financial literacy in the context of a social sciences learning programme. The teaching and learning activities emphasise the values and perspectives that influence financial and economic decision-making.

We are all members of economic communities. Participating in these communities involves making choices: a child swaps a trading card with a playmate; a student chooses a treat at the dairy; a teacher decides to catch a bus rather than drive.

Children begin making financial decisions as soon as they have access to money. As they grow older, they will face many (often complex) financial decisions: How can I make ends meet? Should I take out a student loan? How much should I spend on a car? Should I start saving for retirement? How can I be an ethical consumer?

Disposition and family values will influence their decisions, but other factors also play a part, for example, friends’ values, cultural values, advertising, government policies, economic conditions, and education. Exploring and understanding these factors will position students to make more informed financial decisions. It will also contribute to a deeper understanding of self, others, and society.

Students develop social sciences conceptual understandings as they connect their own financial decision-making to economic issues in their communities, New Zealand, and the world.

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**Economic decision-making**

about economic issues in New Zealand and the world

- managing money
- values and perspectives

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**Financial decision-making**

about personal financial issues

- income
- budgeting
- managing risk
- goal-setting and planning ahead
- credit
- debt
- saving
- spending
- cultural identity

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**The relationship between financial decision-making and economic decision-making**

In this resource, financial decision-making refers to the management of money, income, saving, and spending to achieve personal goals. Decisions at this micro level have their most obvious impact on individuals and/or those closely connected to them. Economic decision-making refers to decisions made at a wider system level, which have direct and indirect impact on the economic well-being of New Zealand businesses, communities, and society.

Financial decision-making and economic decision-making are interrelated. For example, factors such as the price of goods, the inflation rate, the level of employment, and tax policies influence consumer spending; conversely, personal actions such as saving for retirement, taking out a mortgage, or investing in a business all have a collective impact on the economy. Both domains require an understanding of concepts such as values and perspectives, cultural identity, managing money, income, saving, spending, budgeting, credit, debt, managing risk, and goal-setting and planning ahead.

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**Figure 1: The relationship between financial decision-making and economic decision-making**
Financial concepts can be explored using an “expanding universe” approach. Such an approach helps students make authentic connections at a personal, community, national, and global level, in this way supporting them to develop complex understandings.

Figure 2 gives examples of contexts that could be used when exploring income and saving and credit at these different levels.

**Concept: Income and saving**

**In my life**
- Recognising that there are different sources of income and ways of saving
- Understanding how my taxes are calculated and how they affect my income
- Understanding how income affects my spending decisions and my lifestyle
- Recognising my values about income, spending, and saving
- Identifying and managing my financial risks relating to income and saving.

**In our community**
- Thinking critically about raising money for community projects
- The link between income and well-being in our community.

**In New Zealand**
- Providing retirement income for our ageing population
- New Zealand’s tax system
- Funding major infrastructure developments
- Youth wage rates.

**In the global economy**
- Inequalities in wealth
- The impacts of global recession.

**Concept: Credit**

**In my life**
- Recognising the effect of credit on my finances and my responsibilities as a borrower
- Understanding how interest is calculated and the true cost of credit to me as the borrower
- Recognising my values about credit and how they may differ from other people’s
- Managing my financial risks relating to credit, including my credit rating.

**In our community**
- Interest rates charged by local finance companies
- The impacts of credit cards and store cards on our community.

**In New Zealand**
- New Zealand’s borrowing
- New Zealand’s credit rating
- Carbon credits.

**In the global economy**
- The “credit crunch”
- Debt and developing nations
- Micro-finance schemes.

*Figure 2: Financial decision-making and economic decision-making: Some connections*
What is financial literacy?

Financial literacy is about understanding money and finances and being able to confidently apply that knowledge to make effective decisions.


Financial education needs to begin early. From a young age, children begin to establish patterns of spending and saving that can have considerable impact on their future lives. These patterns may be constructive (for example, a pattern of delaying gratification in order to pursue longer term goals); they can also be unhelpful (for example, a pattern of frittering money away and having very little to show for it).

Financial literacy equips young people with the knowledge, skills, and confidence to take charge of their own lives. People who are financially literate live within their means, borrow sensibly, and save for the future. By doing so, they build a more secure future for themselves, their families, and New Zealand.

As described in an OECD PISA study (2005), financial literacy enables people to:
- make effective decisions across a range of financial contexts
- improve the financial well-being of individuals and society
- participate [fully] in economic life.

Financial literacy and financial capability

Different writers and organisations use the terms “financial literacy” and “financial capability” more or less interchangeably. In this book, we use the term “financial literacy”, understanding this to mean not only knowing what to do (that is, how to make good, effective financial decisions) but also acting on that knowledge.

Financial literacy in the social sciences

The social sciences is a curriculum area that helps young people understand societies, their identities, and what it means to be a contributing member of a community. It also supports learners in developing competencies for participating as informed and responsible citizens.

Aitken & Sinnema, 2012, page 27

Economic communities exist wherever there are economic ties between people. These communities vary in scope and scale and are often interlinked. At a very basic level, people participate in economic communities because they have personal needs and wants. But people’s needs and wants are unlimited; resources are not. On an individual level, this means that people need to make choices, evaluating the benefit of something against its cost. At a group level, economic communities often engage in collective decision-making – for example, on how to use or conserve natural resources, how to meet the needs of an ageing population, or how wealth should be distributed.

Within the Economic World strand of the New Zealand social sciences curriculum, students explore choices about the use of resources – the production, consumption, and distribution of goods and services. Teachers may be hesitant about exploring economic concepts with young children, but there are lots of ways to make them accessible:

... economic concepts and understanding, often perceived by teachers to be unfamiliar to and distant from young children, are actually an important part of their culture ... teachers need to be alert to opportunities to draw on the everyday lives of children for connections to economic understandings.

Aitken & Sinnema, 2008, pages 71–72

Financial literacy is cross-curricular in nature

While this book shows how financial literacy can be developed within social sciences, aspects of financial literacy can and should be developed in other learning areas/subjects as well. For example, financial literacy can be developed by exploring money or interest rates in mathematics or in a design unit that requires students to work within a budget.

Students can also develop their financial literacy as part of education for enterprise, but it is important not to confuse the two. Financial literacy is primarily about personal management of money – earning, saving, spending, budgeting, sharing, setting financial goals, and managing risks. Education for enterprise seeks to develop entrepreneurs, and its valued outcomes include leadership, innovation, and risk taking.

There are many real-life situations and contexts that provide opportunities for developing financial literacy. These include, for example, school events (such as galas), outings (such as to a special event or place), charitable projects (such as the 40-hour famine or child sponsorship), hosting a meal, or organising class or school camps.

The Ministry of Education’s Figure It Out Financial Literacy books (The Real Cost of Pets, Saving for a Holiday, Granny’s Gift, and Young Entrepreneurs), and the “Financial capability progressions” section on The New Zealand Curriculum Online, provide further resources to support the development of financial literacy.
Financial literacy is a useful starting point for exploring economic decision-making because students can make connections between their personal money matters and wider economic issues. For example:

- Financial decision-making and economic decision-making both require an understanding of concepts such as generating income, saving, spending, credit, debt, budgeting, goal-setting, and managing risk. Individuals create budgets and monitor their spending and saving; businesses, community groups, organisations, and governments also do this.
- Financial decision-making and economic decision-making are informed by values and perspectives. At an individual level, a person who is conscious of their own values can use these to set and achieve goals. At an economic level, decisions about how resources are produced, consumed, and distributed are also based on values.

The following diagram illustrates some of the many ways that students can actively participate in financial and economic decision-making.

**Figure 3: Ways in which students can participate in financial and economic decision-making**
Building social sciences conceptual understandings

Concepts are generalised ideas or abstractions. They may be expressed in a single word, such as “choices”, or in a phrase, such as “economic decision-making”.

Conceptual understandings are just that – understandings about a concept and how it is demonstrated or applied in a particular context. People often differ in how they understand a particular concept, and their understandings tend to change over time. The development of conceptual understandings is central to teaching and learning in the social sciences.

In the social sciences, conceptual understandings are always matters for discussion or debate. For example, a student who says “Culture shapes our use of money” may be thinking of culture in quite different terms from those who are listening. And so the extent to which culture shapes financial decisions can be debated.

A focus on concepts lifts students’ thinking above topics and details and supports them to make connections across multiple contexts. Each learning area has its own key concepts. In the social sciences, the emphasis is on concepts that are embedded in the achievement objectives. For example, the achievement objective “Understand how people make choices to meet their needs and wants” (level 2) requires students to develop their conceptual understandings of choices, needs, and wants. As they do so, they may also increase their understanding of related concepts, such as cultural identity and diversity.

Revisiting the same concepts in different contexts helps to broaden and deepen students’ conceptual understandings. For example, students at level 4 who are exploring the achievement objective “Understand how producers and consumers exercise their rights and meet their responsibilities” might revisit concepts such as needs and wants while also exploring concepts such as producers and consumers, meeting responsibilities, exercising rights, consumer action, ethical consumerism, and social justice.

Learning story 1 (page 7) is an example of how two aspects of social inquiry enabled students to understand the link between the concepts cultural values and economic decision-making. The links to social inquiry are highlighted by the use of SMALL CAPITALS.

A social inquiry approach

A social inquiry approach supports students to develop social sciences conceptual understandings. The first step in any inquiry is SETTING THE FOCUS OF LEARNING. The students then:

- Find out information – relevant background, history, and issues
- Explore the values and perspectives that influence people’s decisions and actions
- Consider the responses and decisions that people make
- Reflect on and evaluate new understandings
- Ask so what? to draw out the implications of new learning
- Ask now what? to prompt further questions and possible social actions.

Strong contexts for social inquiry:

- are derived from the social sciences achievement objectives in The New Zealand Curriculum
- focus on controversial, current, and public social issues that enable students to explore and understand their own and others’ values
- are relevant to students’ lives so that students can make connections across different learning areas, and with their communities
- provide opportunities for students to take action in relation to social issues
- are authentic and promote effective links between the school and other cultural contexts in which students grow up.

See these other BCUSS titles for more information on building conceptual understandings:

- Approaches to Building Conceptual Understandings (2009)

PDFs of these resources can be downloaded from Social Sciences Online.

As used in this book, “cultural identity” refers not only to a person’s ethnicity but also to their life experience, interests, religious beliefs, political beliefs, gender, and social background.
Exploring values and perspectives

If social studies is concerned with the practice of living and making decisions as individuals and groups, then acknowledging the multiple values and perspectives that are represented in society is essential.

Milligan & Wood, 2010, page 497

The units in this book all emphasise EXPLORING VALUES AND PERSPECTIVES. This is because financial decisions, like economic decisions, are ultimately based on values and perspectives.

A person’s viewpoint (their opinions and preferences) is based on their values (deeply held beliefs about what is important or desirable). These values are shaped by perspectives (world view, ideology, theoretical frameworks).

At the individual level, people make all kinds of financial decisions. They may decide, for example, to leave a salaried job to set up their own business. If they have surplus income, they will choose how to spend, save, or share it. What they spend it on, what they save for, and how they share their money will all reflect their personal values.

At the economic level, governments decide how to distribute resources. For example, they decide who and what will be taxed and by how much. They may decide to spend less on prisons so that they can spend more on police, or less on roads so that they can spend more on public transport. Whether made in times of plenty or scarcity, such choices are largely based on values, which often have their origins in perspectives. Governments may, for example, have ideological biases that favour minimal taxes, redistribution of wealth, social justice, environmental sustainability, free market, infrastructure development, immigration, public or private education or health services, or raising the retirement age.

Cultural values play an important role in both financial and economic decision-making. For example, in most European cultures there is a correlation between monetary wealth and status, but in most Pasifika cultures, monetary wealth does not increase status. Rather, status is gained from seniority, roles in the community and church, and family social standing (Tamasese, Parsons, Sullivan, & Waldegrave, 2010). Many people of Pasifika descent place financial obligations to family and community above their personal financial goals.

Māori business

Significant local examples of how cultural values can and do influence financial and (especially) economic decision-making can be found in the numerous Māori owned and operated businesses in New Zealand. Iwi are now major players in the New Zealand economy. For example, the Central North Island Iwi Collective manages 176 000 hectares of forest. Iwi seek to make sound economic decisions that are consistent with their cultural values and perspectives.

“Māori business” does not conform to one model or definition, but some common features can be identified:

Learning story 1: Choosing a charity

Following a fundraising event, a teacher at an intermediate school asked his students, working in small groups, to select a charity to support. The activity required the students to develop criteria to help them decide on the charity.

The teacher deliberately planned this activity to encourage the students to EXPLORE VALUES AND PERSPECTIVES and CONSIDER RESPONSES AND DECISIONS. He noticed that the students, without realising it, were drawing on their cultural identity to help justify the worthiness of a specific charity.

The teacher then wrote the following statement (conceptual understanding) on the whiteboard: “People’s decision-making is strongly influenced by their cultural values.” He asked the students to decide whether they agreed with this statement by considering how they had developed their criteria and why they had selected their particular charity.

By discussing and debating the conceptual understanding, the teacher helped his students to think more deeply about the decision-making process people go through when they decide which charities to support. The students were beginning to understand how cultural identity and values can influence economic decision-making.
[It will be] a business that identifies itself as a Māori business. It will be owned by Māori and may be predominantly staffed by Māori. Typically, it will strongly value Māori culture and tikanga. Part of its kaupapa may be to support particular outcomes for Māori, and te reo may often be used in workplace interactions.

http://seniorsecondary.tki.org.nz/Social-sciences/Business-studies/Maori-business

Learning about Māori businesses provides opportunities for students to share their knowledge and expertise. For example, a student might share their understanding of kaitiakitanga (guardianship of natural resources) and how it is expressed through responsible management of the environment.

Māori business provides the focus of the third teaching and learning unit in this book (page 26).

Alignment involves setting up and resourcing learning experiences in such a way that students have the greatest possible opportunity to achieve the desired outcomes. This is a necessarily complex process:

Learners make sense of new information by relating it to concepts and ideas in their long-term memory, but the processes of selecting, sorting, and integrating that are central to this sense-making are complex. They are linked to the prior knowledge of the learner, the relationship between the learning experience and the purpose of the learning (alignment), the number of times the student engages with learning experiences related to the purpose (multiple opportunities), and the nature of and relationships between the various learning experiences (sequencing).

Although identifying prior knowledge, providing multiple opportunities to revisit new learning, and the sequencing of experiences are all important, the focus of this book is on aligning learning experiences to valued outcomes.

Valued outcomes of social sciences and financial literacy

Students need to understand what they are learning and why. By learning financial literacy in a social sciences context, they are able to make connections between their own money matters and wider economic issues. They do, however, need to be clear about which parts of their learning relate to financial literacy and which relate to social sciences; otherwise, the purpose of learning experiences is likely to be blurred, and the desired outcomes may not be achieved.

This means that teachers – and students – need a big-picture view of what financial literacy and social sciences are all about. To help make the distinction clear, Table 1 summarises the valued outcomes for each (those that are relevant to the purposes of this book).

In the teaching and learning units on pages 14–31, valued knowledge (conceptual-understanding) outcomes for both social sciences and financial literacy are identified in the left-hand column as conceptual building blocks. Skills (social inquiry) outcomes are identified in the text by the use of SMALL CAPITALS. For an explanation of the phases of social inquiry, see Approaches to Social Inquiry [BCUSS], pages 8–10.

The two learning stories that follow on pages 10 and 11 describe learning experiences that align with specific and valued financial literacy and social sciences outcomes. Knowledge and skills are most strongly emphasised. The contexts are accessing and using credit (Learning story 2) and providing for retirement (Learning story 3).
Table 1: Valued outcomes of social sciences and financial literacy

<table>
<thead>
<tr>
<th>Social sciences</th>
<th>Financial literacy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge outcomes</td>
<td>Understanding of concepts central to the social sciences learning area</td>
</tr>
<tr>
<td>Skills</td>
<td>Use of a social inquiry methodology to engage critically with social issues and to develop/express conceptual understandings</td>
</tr>
<tr>
<td>Identity/values</td>
<td>Understanding of their own and others’ layered, multiple identities</td>
</tr>
<tr>
<td>Participatory</td>
<td>Ability to translate conceptual understandings into effective participation in, and contribution to, local, national, and global communities</td>
</tr>
<tr>
<td>Affective</td>
<td>Dispositions and emotional response to learning; ability to explore and analyse their own and others’ values; commitment to values such as those identified in The New Zealand Curriculum</td>
</tr>
</tbody>
</table>

Adapted from Effective Pedagogy in Social Sciences/Tikanga ā Iwi [BES] and the section “Financial capability progressions” on The New Zealand Curriculum Online.
Learning story 2: Making decisions about accessing and using credit

A teacher wanted her year 5 and 6 students to understand what it means to take part in the economic world in the context of their own and others’ lives. As the focus for learning, she selected a level 3 achievement objective: “Understand how people make decisions about access to and use of resources”.

The teacher decided to use the concept credit as a bridge between the students’ understanding of money matters and issues affecting their local community.

**Credit** is “the provision of money, goods, or services with the expectation of future payment” (Merriam-Webster’s dictionary). When the money is borrowed, or the goods or services accepted, they become a debt. In this learning story, the two terms can be used interchangeably whenever the focus is the borrower rather than the lender.

The teacher explained to the students that they were going to use two “hats” to look at credit-related issues – a social sciences hat and a financial literacy hat. She set the focus of learning using the following learning intention and success criteria:

- We are learning that people, communities, and nations make different decisions about accessing and using credit.
- We will know we have succeeded when we can describe:
  - how credit works and the true cost of credit (our financial literacy goal)
  - different viewpoints and values of people in our community about access to and use of credit (our social sciences goal).

Wearing their financial literacy hats, the students focused on finding out information and explaining what they understood about credit. The teacher explained that, for the borrower, credit is actually debt. The class suggested possible reasons why people borrow money, for example, to cover the cost of an unexpected event, to buy a major item such as a car, to invest in education or training, to pay for something they need but can’t afford.

The teacher explained that some debt is productive, for example, borrowing to study (it can help you to earn more), buying a house (it can increase in value over time), or starting a business. Most people can’t do these things without incurring debt. She explained that we need to be careful about borrowing for things that don’t increase in value (for example, appliances) or have no continuing financial value after you have paid for them (for example, a holiday).

The teacher helped the students to identify potential sources of credit: family members, banks (credit cards and loans), shops (store cards and hire purchase agreements), and finance companies.

Continuing to wear their financial literacy hats, the students explored credit using the Figure It Out activity “The Cost of Credit” (http://nzmaths.co.nz/resource/cost-credit). They then used the debt calculator on the Sorted website (www.sorted.org.nz/calculators/debt) to find the true cost of a holiday when paid for with a high-interest credit card (based on minimum repayments over 12 months). Students were surprised to see the true cost of the credit. This helped them understand that, while credit has short-term benefits, it can have long-term drawbacks.

Putting on their social sciences hats, the class then explored how credit is accessed and used in their community. To find out information, they developed and emailed the following questions to a bank, local finance companies, and a department store:

- Do you offer credit? If so, what types?
- Why do you offer credit?
- What are the extra costs of the credit?
- Why might people choose to use credit rather than pay right away?
- What happens if people can’t pay the credit back?
- Can anyone get credit from you?

To explore values and perspectives, the students asked a representative from the Citizens’ Advice Bureau to answer a different set of questions about the impact of credit in their community.

The students then created a learning wall to display their conceptual understandings about access to, and use of, credit in their community. During news time, the teacher introduced stories that related to credit/debt at a community, national, or global level. The class added newspaper articles to their learning wall about credit/debt, along with advertisements offering credit and replies to their questions. Around these items, they placed their “wonderings” – reflecting and evaluating.

The students identified that, for many people, credit is part of everyday life. They also identified that those people may not be aware of its true cost. To pursue this further, the teacher posed a rich question: “What should responsible consumer credit involve?” This question allowed the students to make connections between borrowing in their own lives, economic decisions about credit/debt, and possible social actions (considering decisions and responses).

Asking themselves now what? the students then considered options for sharing their findings with the adults in the school community. These included putting content on the school website or Facebook page, creating a flyer to go out with the school newsletter, and a Vimeo presentation that parents could respond to.
Learning story 3: Making decisions about providing for New Zealanders’ retirement income

A year 10 teacher decided to explore with his class challenges related to lifelong economic well-being. He wanted his students to consider the concepts income, spending, and budgeting in the context of retirement, superannuation products, and transfer payments at a personal and national level.

To set the focus of learning, the teacher shared this level 5 achievement objective with them: “Understand how economic decisions impact on people, communities, and nations”. Together the students constructed a financial literacy learning intention: “We are learning to explain the relationship between economic decision-making and income, spending, and budgeting.”

The class began by forecasting their financial priorities at different life stages. Each student created a “future road map” showing probable events at each stage. They used road signs such as “Road block”, “Detour”, “Stop”, and “Winding road 5 km” to signal potential financial challenges such as paying for tertiary study, buying a house, or coping with unexpected redundancy. The students also projected their income at different points. They then shared and discussed their maps.

The students then used the information and tools on the Sorted website to

See the Sorted website www.sorted.org.nz/life-events for information about life events and financial tips for different stages.

Many students recognised that their income was likely to decrease significantly during retirement, while costs (for example, the cost of health care) might not.

The students then used the information and tools on the Sorted website to find out information. They estimated how much money they would need for retirement. They next listed possible sources of retirement income, for example, superannuation products, government-funded saving schemes, and rental property. They then conducted a survey to find out how people in their community were preparing for or managing retirement.

The teacher then expanded the learning focus to include the short- and long-term challenges to the nation of ensuring that retired people have adequate income. Students identified issues related to:

• population change (longer life expectancies and associated costs; lower fertility rates)
• affordability (the ability of the working-age population to meet the needs of retired people)
• economic change (recession and other global factors that could have a significant effect on the New Zealand economy).

How to contribute to future retirement income (for example, via superannuation) is a fraught issue for governments. The teacher asked the students to imagine themselves as members of parliament tasked with developing a new retirement income policy. He gave them the following set of statements and, working in small groups, he asked them to choose three as driving principles and to justify their selection (considering responses and decisions):

• People should be responsible for themselves and make their own choices (voluntary savings).
• Older people should not face poverty and hardship (income support).

• We need to promote the well-being of retired people by making sure that they are financially secure (well-being).
• People should have the same quality of life in retirement as when working (lifetime consumption smoothing).
• Every generation should pay its own way (cohort self-funding).
• We need to ensure that people don’t run out of money before they die (longevity risk pooling).
• Governments should not spend too much on retirement income – we need economic growth (spending and saving wisely).
• It’s part of good citizenship to provide (via the government) a level of financial security for retired people (citizenship).


The students also asked friends, parents, and families to choose three principles from this list and to justify their selection. The class collated this information and displayed their findings on a class perspectives wall.

The teacher then used a “deliberation forum” to explore the issue of how to provide for retirement. He linked this exploration to the level 5 achievement objective “Understand how economic decisions impact on people, communities, and nations”.

In a deliberation forum, people contribute (and listen to) expertise related to a controversial issue. The forum weighs alternatives, with the goal of reaching agreement on a course of action. A forum is an opportunity to engage in social inquiry by exploring values and perspectives and considering responses and decisions.

The teacher provided the class with a range of resources about retirement income in New Zealand. The students then used the social inquiry overview (page 12) to develop questions related to the resources, under the headings finding out information, exploring values and perspectives, and considering responses and decisions. Asked to develop a rich question beginning with “How should …?” the students eventually settled on “How should New Zealand provide for retirement income?”

The class then invited a local kuia, the local member of parliament, and a financial advisor parent to participate in a forum and speak to prepared questions.

After the forum, students split into groups of eight to deliberate the question further. One student in each group was designated facilitator. The teacher gave each student two speaking cards; whenever they spoke, they surrendered a card. This was to ensure everyone had an equal opportunity to contribute. After some time, the students reconvened as a class to share their deliberations.

The students reflected on the conceptual understandings they had developed to establish the personal and social significance (the so what?) of the learning and to consider another context (the new what?) in which to explore how economic decisions impact on people, communities, and nations.
Social inquiry overview: How should New Zealand provide for retirement income?

Focus of learning/topic
Understand how economic decisions impact on people, communities, and nations (Social sciences achievement objective, level 5).

Concepts
Economic decisions, impact

Focus conceptual understanding
Economic decisions relating to retirement provision have short- and long-term impacts on individuals, communities, and New Zealand.

Finding out information (questions developed by students)
Why does New Zealand need to make decisions about saving money for people’s retirement?
What decisions have been made in the past? What has been their impact?
How do other countries save money for people’s retirement?
How can New Zealanders save for their retirement?
If people don’t save for their retirement, what happens?

Considering responses and decisions (questions developed by students)
What choices could the government make about saving for people’s retirement?
What would be the advantages and disadvantages of these different choices?

Reflecting and evaluating
What have we learnt about economic decisions and their impacts?
What further information do we need?

Exploring values and perspectives (questions developed by students)
What do people think the government should do? What laws and rules could they put into place?
What different values do people have?
What world view are they coming from?

So what?
Why do I need to save for my future?
What spending choices and expenses might I face in coming years?
To save for expenses, what is the best plan of action?
What challenges might I meet?

Financial literacy

Social sciences
How do “big picture” economic decisions relate to the “little picture” decisions that people make in their lives?
Should everyone be saving for retirement?
What are the social and economic impacts for the community when we save?
What future challenges can we see?

Now what?
How could we encourage people to have their say about retirement income provision?
What could we do with the understandings we have developed?
What economic challenges related to our future life stages and well-being could we explore next?
### Overview of units

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<th>Social issue</th>
<th>Planning to share (levels 3–4)</th>
<th>Māori business (level 5)</th>
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<tr>
<td>What should influence our financial and economic choices?</td>
<td>How should we manage our financial and economic commitments?</td>
<td>How should we provide wealth for current and future generations?</td>
</tr>
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</table>

#### Conceptual understandings derived from achievement objectives

- **Social issue**
  - Understand how people make choices to meet their needs and wants
  - Understand that people have social, cultural, and economic roles, rights, and responsibilities.

- **Social issue**
  - Understand how formal and informal groups make decisions that impact on communities
  - Understand how cultural practices vary but reflect similar purposes.

- **Achievement objectives**
  - Understand formal and informal groups make different financial and economic decisions and that these decisions impact on communities.
  - Understand that people’s financial and economic decision-making is influenced by their cultural values.

- **Related concepts**: for example, sharing, reciprocity, redistribution of wealth, social and economic well-being, utu, manaakitanga, variations and similarities in cultural practices.

- **Achievement objectives**
  - Understand how people seek and have sought economic growth through business, enterprise, and innovation
  - Understand how economic decisions impact on people, communities, and nations.

- **Achievement objectives**
  - Understand how formal and informal groups make decisions that impact on communities
  - Understand how cultural practices vary but reflect similar purposes.

- **Related concepts**: for example, sharing, reciprocity, redistribution of wealth, social and economic well-being, utu, manaakitanga, variations and similarities in cultural practices.

#### Financial literacy concepts

- **Income, spending, budgeting, setting financial goals.**
- **Income, saving, spending, budgeting, planning ahead.**
- **Income, saving, setting financial goals.**

#### Key competencies

- **Managing self**
- **Relating to others**
- **Participating and contributing.**

- **Using language, symbols, and texts**
- **Thinking.**

- **Managing self**
- **Participating and contributing**
- **Relating to others.**

#### Values

- With the focus of this unit being on economic choices, roles, rights, and responsibilities, you can use these activities to enable students to:
  - Learn about different kinds of values
  - Critically analyse values and actions based upon them.

- With the focus of this unit being on economic decisions related to sharing, you can use these activities to enable students to:
  - Learn about the values of other groups and cultures
  - Explore with empathy the values of others.

- With the focus of this unit being on economic decision-making by Māori businesses, you can use these activities to enable students to:
  - Learn about the values on which New Zealand’s cultural traditions are based
  - Critically analyse values and actions based on them.

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Note that more detailed financial literacy outcomes aligned to levels 1–5 of *The New Zealand Curriculum* are described in “Financial capability progressions” on The New Zealand Curriculum Online.
### Market day choices (levels 2–3)

**What should influence our financial and economic choices?**

Different kinds of values influence our choices. These values may be, for example, moral, social, cultural, spiritual, aesthetic, environmental, or economic. The particular focus of this unit is on how values shape people’s financial and economic choices.

The activities in this unit centre on a school market day. Through the different activities, students consider the economic roles and responsibilities of producers, retailers, and consumers and apply what they have learned to the creation and selling of a product at the market.

As students explore the rich question “What should influence our financial and economic choices?”, they consider the financial literacy concepts income, spending, budgeting, and setting financial goals.

For an overview of the focus achievement objectives, conceptual understandings, and key competencies for this unit, see page 13.

Note that, throughout this unit and the two that follow, the left-hand column contains “conceptual building blocks”: social sciences and financial literacy understandings that are particularly relevant to the adjacent activity. They are designed as guidance for the teacher and may require rewording for students. As the column heading suggests, the intention is that these conceptual building blocks will be discussed and debated, not simply transmitted.

The phases of social inquiry are highlighted by the use of small capitals. For an explanation of these phases, see Approaches to Social Inquiry [BCUSS], pages 8–10.

### Teaching and learning sequence

<table>
<thead>
<tr>
<th>Conceptual building blocks – to be discussed and debated</th>
<th>Activity one: Identifying economic roles at markets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>People have economic roles such as producer, retailer, consumer</strong></td>
<td>In this activity, students develop the understanding that people make choices according to the different economic roles they have.</td>
</tr>
<tr>
<td><strong>I can make or earn an income in different ways (including through entrepreneurial activity)</strong></td>
<td>Explain to the students that they are going to participate in a school market day and that this will require them to make choices.</td>
</tr>
<tr>
<td><strong>Establish the focus of learning:</strong> Ask the students to observe a market in their community, for example, a fundraising activity organised by the senior school, a local farmers’ market, or a craft market. Have the students ask people at the market:</td>
<td></td>
</tr>
<tr>
<td>• Why did you choose to come to this market today?</td>
<td>Explain the difference between financial and economic choices (see page 2) and share the key question for this teaching and learning sequence: “What should influence our financial and economic choices?”</td>
</tr>
<tr>
<td>• What is one product you are selling (or buying)?</td>
<td>Establish the focus of learning: Ask the students to observe a market in their community, for example, a fundraising activity organised by the senior school, a local farmers’ market, or a craft market. Have the students ask people at the market:</td>
</tr>
<tr>
<td>• Why did you choose to sell (or buy) this particular product?</td>
<td>• Why did you choose to come to this market today?</td>
</tr>
<tr>
<td>Discuss with the students how they will play different roles when they participate in their own market (producer, retailer, consumer) and have them brainstorm the types of choices they might need to make in each role.</td>
<td>• What is one product you are selling (or buying)?</td>
</tr>
<tr>
<td>• Why did you choose to sell (or buy) this particular product?</td>
<td>• Why did you choose to sell (or buy) this particular product?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity two: Choices, needs, and wants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>People have different points of view about what is a need and what is a want</strong></td>
</tr>
<tr>
<td><strong>People make different choices to meet their needs and wants</strong></td>
</tr>
<tr>
<td><strong>I choose how to spend or save my money to meet my needs and wants</strong></td>
</tr>
<tr>
<td><strong>The choices I make about money may be different from other people’s</strong></td>
</tr>
<tr>
<td>In this activity, students develop their understanding of choices, needs, and wants.</td>
</tr>
<tr>
<td>Explore these concepts by giving the students sets of cards showing different items/resources and asking them to sort them into needs and wants. The items on the cards could include products from the market. Templates of needs and wants cards can also be found on the internet, for example, at <a href="http://www.ecoliteracy.org/downloads/needs-and-wants-activity">www.ecoliteracy.org/downloads/needs-and-wants-activity</a></td>
</tr>
<tr>
<td>Give pairs of students the following statements and ask whether they are true or false. Ask them to provide an example for each:</td>
</tr>
<tr>
<td>• People always buy only what they need.</td>
</tr>
<tr>
<td>• A need for one person can be a want for another.</td>
</tr>
<tr>
<td>• People’s role at the market affects their choices.</td>
</tr>
<tr>
<td>• Everyone makes the same choices.</td>
</tr>
<tr>
<td>• People can always have what they need and want.</td>
</tr>
</tbody>
</table>
Have students consider choices, needs, and wants in their own lives using the "Figure out your needs and wants" section at http://pbskids.org/itsmylife/money/managing/article2.html

Activity three: What values influence our choices?

In this activity, students consider values and perspectives that influence consumer decisions and ways their own values might influence the product they make for Market Day.

Ask the students "What factors influence the choices we make?" Have them share their responses and then explain that exploring people’s values and perspectives can help us to understand people’s financial and economic choices.

Tell the students that they are going to plan an afternoon tea for the class and that they have a budget of $40. Visit a local supermarket and, in pairs, have the students research the cost of possible items.

Once back in class, the students use their research to create a shopping list that is within budget. Discuss the reasons for the students’ choices and have them negotiate which items to include in a single class list.

Discuss how differing values might result in a different shopping list. For example: "How might our list be different if we …”

- wanted to be environmentally friendly?
- had less money to spend?
- lived in a different country?
- only wanted to eat healthy foods?
- only wanted to eat things that are in season?
- only wanted to buy locally made products?
- think it’s wrong to eat animal products?

Have students survey family and whānau members about the supermarket choices they make. Support the students to develop questions that will reveal the values that influence those choices. Discuss the survey results as a class.

Ask the students to discuss the values that they want to influence their choice of product to make for the upcoming market day and what this might mean in practice.

Activity four: Exploring how economic values influence choices

In this activity, students explore how economic values – in particular the need for businesses to make a profit/surplus – influence financial decisions. Students explore the concepts income, spending, and surplus.

Use the Figure it Out activity “Fresh Eggs for Sale” to introduce students to the concepts of income and surplus.

Have students play the online game “Jesse’s ice-cream stand”.

To extend students’ thinking, ask:

- How did Jesse earn an income?
- What costs did Jesse have, and how did these affect his income?
- How does the need to make a profit/surplus influence Jesse’s choices?
- What could Jesse do with his surplus money?
- Why was making a surplus important to Jesse?

Identify a local business that students are familiar with. Arrange for them to ask the owner or manager questions similar to the above. Have them ask how the community benefits (for example, through employment, taxes, funding for community activities) when the business makes a surplus.

Discuss the upcoming school market day and ask the students how they can apply what they have learnt from the game to their own business. Have them explore economic values and perspectives by asking “Why is financial decision-making important for businesses?”
Fairness and equality are examples of social values. Organic farming and waste reduction are examples of environmental values. People have different ideas about the economic, environmental, and social responsibilities of businesses. My financial goals will reflect my values. My financial goals can change over time. Financial planning can help me to achieve my goals.

Values influence the selection of decision-making criteria. Setting guidelines and thinking about consequences can help me decide between different choices.

Activity five: Exploring how social and environmental values influence choices

In this activity, students explore social and environmental values that can influence financial decisions. They discuss the social, environmental, and economic values that influence the “not just for profit” organisation Peoples Coffee. Discuss the use of takeaway coffee cups and watch the Campbell Live story “Why coffee lovers are polluting New Zealand landfills”. Encourage students to think critically as they find out information, by asking:

- What issues are described in this news story?
- What are the sources of information? Whose opinions are not represented?
- How does this news story connect to the concepts needs, wants, choices, values, and responsibility?
- What else would you like to find out?

Read the interview with Matt Lamason from Peoples Coffee (Resource, page 19). Ask the students:

- What connections are there between Matt’s story and the Campbell Live news story?
- What values influence Matt’s business choices?
- What evidence supports your suggestions?
- Why can Matt’s business be described as “not just for profit”?

Consider Matt’s responses and decisions by working together to identify positive and negative consequences of his decision to introduce KeepCups. Categorise these into environmental, social, and economic (long-term and short-term) consequences. These categories may need to be discussed and clarified.

Have the students complete a concept map of the Peoples Coffee story, using these concepts: environmental responsibilities, economic responsibilities, social responsibilities, values, needs, wants, and choices.

Discuss Market Day and ask the students how they can apply what they have learnt from the interview with Matt to their business and to their own lives.

Resources

- “Fresh Eggs for Sale” in Financial Literacy: The Real Cost of Pets, pages 12–13
- “Jesse’s ice-cream stand” at www.rickkidsmartkid.com/index.html

Activity six: Positive and negative consequences

In this activity, students consider what should influence our financial and economic choices. They consider financial and economic responses and decisions.

Present the students with the following suggestions for developing a product for Market Day and have them discuss how different values might influence whether people agree with the idea.

- Group A suggests selling helium balloons. They will find out where to get the helium and balloons.
- Group B suggests making homemade sweets to be sold in bags made from recycled newspaper.
- Group C suggests a game of chance such as throwing a ball at a target. The chance of winning must be small enough to ensure that the prizes don’t run out too quickly.
Group D suggests selling potted plants. They want to find out which plants are good for bees.

Group E suggests a lucky dip. They want to have a few good prizes but don’t mind if most of the prizes aren’t that good.

Have each group consider responses and decisions. Have them brainstorm the positive and negative consequences of each product, taking into account financial issues, impacts on people, and impacts on the environment. Have the groups collate their ideas and decide which product has the fewest negative consequences.

Ask the students: “What should influence our choices when we develop our product for Market Day?” Have them discuss which values should carry the most weight: financial, social, or environmental.

The class then develops a list of guidelines for the product they will develop for Market Day. For example, “Our product should be value for money, biodegradable, useful…” The students check that their guidelines reflect the values they say are important.

Activity seven: Market Day

In this activity, students plan and create their Market Day product, drawing on what they have learnt about social, environmental, and economic values. They put their financial literacy skills to use by preparing a budget.

Arrange the students into groups and have each group discuss the values that they want to influence their Market Day product. Explain that these values should be evident in their product and how they produce and sell it.

Students work with their group to:
- decide on a product
- prepare a budget
- decide on roles
- create the product.

Have students showcase their products. Ask them to explain to the class how their product reflects their group’s values.

Before the market, have students discuss what they think they might spend their money on:
- Do you have a want to purchase or a need to meet (for example, a birthday gift to buy)?
- Is there something in particular you want to buy?
- How will you decide what to buy?

Resources

The following resources provide support for planning a Market Day:
- http://education-for-enterprise.tki.org.nz/Resources-tools-templates/Primary-school-resources/Market-fair
- www.techlink.org.nz/Case-studies/Classroom-practice/Materials/BP637-market-day/index.htm
- www.techlink.org.nz/curriculum-support/unit-planning/Market-Day/Market-Day-Unit.pdf
- programmes such as the Primary Enterprise Programme (www.sbc.org.nz/programme.asp?ProgrammeID=12) or Business for Kids (www.yetrust.co.nz)

“Juggling a Business”, in Financial Literacy: Granny’s Gift, pages 12–13, can be used to introduce students to the need for start-up capital to get their business under way and to cover initial costs.


Activity eight: Reflection

In this activity, students reflect on what they have learnt about how values influence financial and economic choices (their social sciences learning) and about income, spending, budgeting, and setting financial goals (their financial literacy learning).

Involving the students in reflecting on and evaluating their Market Day experiences. Ask:

- How successful was your Market Day business?
- What might you do differently next time?
- How do needs, wants, and choices mean different things to different people?

Have the students discuss the SO WHAT? of their learning. Ask:

- How do values influence our financial and economic choices?
- What sorts of financial and economic responsibilities do producers and consumers have? How do these responsibilities influence their choices?
- How is this learning significant for others?
- How has my involvement in Market Day contributed to my understanding of the concepts income, spending, budgeting, and setting financial goals?

Have the students discuss the NOW WHAT? of their learning. Ask:

- How can I use what I’ve learnt when making day-to-day decisions?
- What am I interested in exploring further?
Matt, why did you decide to start Peoples Coffee?

To make a difference to small coffee farmers. Also, I loved coffee and had been a very keen barista in the Wellington cafe scene for three years before starting the roasting company. I saw a gap in the market for Fair Trade coffee.

What financial goals did you have for your business when you were starting out?

Pretty much to cover the running costs of the operation and pay a basic wage. I had little expectation of making lots of money. Over time, my financial goals changed as I became aware that, to stay alive in business and do the things I was interested in, I had to make more than I spent. I am now far more aware of cash flow, profit and loss, and balance sheets – and how fluctuating costs can put a lot of stress on a business owner! We are no longer a cottage business. We are now a wholesale business employing 10 and (at times) up to 19 people. My responsibilities have grown accordingly, as has the need to be a better financial manager.

What financial responsibilities do you have as a business owner?

Ultimately, I am personally responsible for all the financial requirements of our business. I have to ensure that, at all times, there is enough cash in the business. I have to keep an eye on any costs that could be damaging and use forecasts and historical financial data to ensure the business is in good health. I have to decide how to spend capital to grow the business.

Did you plan to make Peoples Coffee organic from the start? If so, why? If not, what made you decide to switch to organic?

Organic was not important to the business from the start. Trade Aid Importers (who we purchase all our coffee from) were aware that the international Fair Trade market was generally an organic one. They made the decision to source only coffee that was both Fair Trade and organic, so we switched to 100 percent organic coffee in 2006. Most small coffee farmers are organic as pesticides, herbicides, and commercial superphosphates are too expensive for them.

What are some of the consequences of deciding to make your business organic?

- We gain new customers who want to buy organic coffee.
- It benefits coffee farmers by not using pesticides or herbicides – better health for them and their animals.
- We gain a reputation as a 100 percent organic business.
- There is a cost to our business and the farmers to be certified as organic.
- There is a limited amount of organic and Fair Trade coffee available.

What financial challenges have you encountered in your business and how have you overcome these?

There was a huge increase in the cost of coffee over 2010/11. This meant we had to increase our prices quite a bit. We then had to explain to our customers just how necessary it was for them to pay more for Fair Trade organic coffee.

How do your values influence your financial decision-making?

I have strong values around fairness and equality. These affect the way I pay our staff and they mean that I am willing to pay higher rates for our coffee (in other words, I’m less likely to try and drive costs down to where they shouldn’t be). At times, my values mean I don’t make the profits I might otherwise make. We need to keep our head above water, definitely. That means making a worthwhile profit. But I believe that very high profits always come at the expense of someone else.

Have you made any changes to Peoples Coffee that have positively affected the environment? What led you to make these changes? What was the response from your customers?

We have always tried to use the most environmentally friendly packaging and processes. This started with our decision to only use double-walled paper retail bags (which means it doesn’t stay as fresh as it would in foil bags). We did this because it did not make sense to be a brand that was about supporting the small coffee producers and then package that product in environmentally unfriendly ways. We were the first to roll out KeepCups. We also switched all our takeaway cups and lids to CPLA – a plant cellulose that breaks down in your compost. Our customers liked this change, but the wider manufacturing industry is reluctant to support it because CPLA production is too small to be viable for their production facilities. We reuse our 1 kg wholesale coffee bags up to five times before they go in the bin. This saves us in bag costs and our cafes generally love returning them. We also reuse packaging, give away our coffee sacks to the community, and contribute our coffee grounds to local community gardens.

Are there any aspects of your business practice that you think could be modified to make Peoples Coffee more environmentally friendly? What would help you to make these changes?

We could closely monitor our energy and consumption of resources so we have a better understanding of what we are using and how we can minimise this use. We would need to monitor our use of water, power, recycling, green waste, general waste, vehicle mileage, and transport. We are looking into the cost of monitoring these and weighing up whether the cost can be justified as a small business.

How important is financial goal-setting and planning for a business such as yours?

It was non-existent when I began, and is now essential! Because I am so values driven, I have to set in place people and processes that are wired to goal setting and planning to help keep our business afloat. It was only after about four years in business that we started doing an annual budget. I have now learned a huge amount about financial processes that I never knew when starting out. I would say that financial goals and planning are as much part of a values-based business like Peoples Coffee as any other.

OK, perhaps I do spend less time on finance than I should, because I don’t like looking at sheets of numbers. I just want to know that we will be succeeding next year, and the next … I’d rather be thinking about my next idea. But then, I’ve got to know that I’ll have the money for it!
**Planning to share (levels 3–4)**

**How should we manage our financial and economic commitments?**

Sharing (giving) is a valued aspect of all cultures. While acts of sharing vary greatly in scale and formality – a child sorts out some toys to give to an opportunity shop, a lawyer works at a community law office pro bono, a neighbourhood exchanges Diwali gifts, an aid organisation develops a sanitation system for a village – sharing is a feature of all connected, cohesive communities.

In this unit, students explore the key concepts financial and economic decisions, impact, and cultural values. Related social studies concepts include sharing, reciprocity, and redistribution of wealth. The focus question is “How should we manage our financial and economic commitments?” In relation to this question, students explore the financial literacy concepts income, saving, spending, and budgeting and the idea of planning ahead: deliberately planning for sharing.

For an overview of the focus achievement objectives, conceptual understandings, and key competencies for this unit, see page 13.

For an explanation of the “conceptual building blocks” in the left-hand column, see page 14.

**Teaching and learning sequence**

**Activity one: Sharing in different ways**

In this activity, students develop an understanding of economic decision-making through exploring different ways of sharing and why people share.

Establish the focus of learning by sharing the key social sciences conceptual understandings for the unit:

- Groups of people make different financial and economic decisions.
- These decisions impact on communities.
- People’s financial and economic decision-making is influenced by their cultural values.

Explain that the class will be exploring how sharing relates to these understandings.

Have the students begin to find out information that will enable them to explore the concept sharing. Read a story that involves sharing and then ask questions that encourage the students to think about:

- why people share
- how it feels to share
- different ways of sharing (for example, involving food, goods, time, skills)
- the advantages and disadvantages of sharing.

For example, if the students read the story “Inati” (inati is the Tokelauan word for the sharing of food and other resources), you could ask:

- Who contributes to the sharing?
- How is the sharing organised?
- What are the benefits of sharing for this community?

Give each student several cardboard fish and ask them to write an act of sharing on each one – something that they could do. Pin the fish to a board. Encourage the students to carry out the suggested actions. They can remove a fish when the action has been carried out.

As a class, brainstorm other examples of sharing: at school, in the community, or in the media. Use a strategy such as “list, sort, label, and define” to organise the examples (see Approaches to Building Conceptual Understandings [BCUSS], page 12). Have the students look for relationships between the examples and then sort them into labelled groups. Use this process to develop a shared definition of the concept sharing.

Explain that when we share, exchange resources, or give gifts, we are taking part in an informal economic system. Sharing enables wealth to be redistributed, enhances people’s social and economic well-being, and strengthens social ties.
Activity two: Sharing in our own lives

In this activity, students consider the economic dimensions of sharing and explore financial issues related to sharing. They think about the role that planning plays in sharing.

Watch “Starting the giving habit early”. Ask the students:

- What motivates Ben and Adam to share?
- What might motivate other people to share?


- What are the financial and economic advantages of having a system for sharing?

Sharing can bring great pleasure, but it can also present financial challenges. Ask the students to CONSIDER DECISIONS AND RESPONSES that they have made in relation to issues that they have encountered in their own lives:

- Times when they and their families have felt under pressure to give, for example, at birthdays, festivals, funerals, street appeals for charities, or in response to a challenge/crisis highlighted in the media
- Times when unanticipated expenses have influenced decisions about sharing.

Present a scenario that requires students to consider alternative ways to share. For example:

Christmas is coming up, and Hana is looking forward to seeing her relatives, having a big feast, and opening her presents. Her mum explains that this Christmas they may not be able to afford the things that they usually have because of some unexpected expenses, such as the car breaking down. Hana’s mum asks her to think of things the family could do differently so that there is enough money to last them through the holidays. What could Hana suggest to her mum?

Discuss the role that financial planning can play in sharing.

Resource


Activity three: Exploring sharing in different cultures

In this activity, explore how sharing is a feature of all cultures and how cultural values influence sharing.

Have the students EXPLORE CULTURAL VALUES AND PERSPECTIVES associated with sharing. Recount a personal example of giving. Explain why the giving was important and how it reflected your cultural values. Then choose a cultural celebration and have the students FIND OUT INFORMATION about it. (The example used here is Chinese New Year.)

Explain that for the Chinese community, Chinese New Year (also known as the Spring Festival) is one of the most significant celebrations of the year. During Chinese New Year, family, neighbours, and friends give gifts to young people.

Have the students investigate Chinese New Year. Use these questions as prompts:

- What is Chinese New Year? Who celebrates it? Where is it celebrated?
- What is given during the festival? Why?
- How is it given (publicly, privately, anonymously)?
- How is this similar to or different from the act of sharing I [the teacher] recounted?
My cultural values influence the decisions I make about sharing. The choices I make about sharing are different from other people’s.

- My act of sharing, and sharing at Chinese New Year, have similar purposes. What might these be?

Have the students decide whether they agree with the key conceptual understanding: “The ways cultures share may vary, but they reflect similar purposes.”

Direct the students to choose another cultural event or custom involving sharing, for example, omiyage (a Japanese custom), the financial ritual surrounding haircutting ceremonies in Niue, Christmas, or the giving of ‘ie toga or tīvaevae. Have the students find out information about the event, encouraging them to draw on local expert knowledge if possible.

Have the students complete a table like this for each cultural event or custom:

<table>
<thead>
<tr>
<th>What is shared?</th>
<th>How is it shared?</th>
<th>How is it received?</th>
<th>What do I wonder about this?</th>
<th>Why is sharing important?</th>
<th>How is this example of sharing similar to and different from the Chinese New Year example?</th>
</tr>
</thead>
</table>

Have the students reflect on and evaluate the evidence summarised in their tables and decide whether they now agree with the focus conceptual understanding. What else do they need to know?

Have the students consider the so what? of this learning by making connections to their own cultural identity. Ask them to write about a sharing experience of their own, explaining how it shows their own cultural values.

Draw on the students’ experience and understanding of their cultural values by asking:

- How does it feel to give and receive in my culture?
- How do my cultural values influence how, what, and why I share?
- How do cultural values encourage feelings of responsibility and obligation?
- How do other people’s cultural values influence how, what, and why they share?
- What are the benefits of giving and sharing in my culture?

Resources

- www.chinatownology.com/red_packet.html
- www.topmarks.co.uk/chinesenewyear/chinesenewyear.aspx
- Chinese New Year Red Packets: www.youtube.com/watch?v=FMA4Qi27J5s
- Buddhist values and Chinese New Year rituals www.4ui.com/eart/154eart1.htm

Activity four: Sharing as reciprocity

In this activity, students explore the practice of whakakoha (the giving of koha) in Māori communities. For students unfamiliar with whakakoha, explain that a koha is a gift from the heart. If possible, use student knowledge to begin to fill out the meaning of this practice.

To find out information, invite a kuia or kaumātua to visit the class to explain the practice of whakakoha. Have the students prepare questions in advance. For example:

- When, where, and how is koha given?
- Why is koha given?
- What was traditionally given as koha?
- Is a koha a set amount? If not, how do you know how much to give?

Whakakoha is a form of reciprocity or sharing that contributes to social well-being. The practice of whakakoha reflects Māori cultural values. I can meet my financial obligations, including sharing, in different ways.
• Is it just the giving of money that is important?
• What happens if someone can’t afford to give money?
• How does the concept of utu (reciprocity) relate to whakakoha?

Have the students explore values and perspectives by asking:
• Why is whakakoha important in Māori communities? What might be the benefits and drawbacks?
• What are other examples of reciprocity?
• Is reciprocity important in all cultures?

Resources
• www.maori.org.nz
• www.maoridictionary.co.nz

Activity five: Sharing organisations

In this activity, students explore the values underpinning three formal sharing organisations and identify actions that reflect these values. They consider the economic and financial decisions that running and supporting a sharing organisation involves.

Have the students brainstorm sharing organisations they are familiar with (for example, the local foodbank or World Vision).

Create a chart with three sections: local, national, and international. Ask the students to identify sharing organisations that work at these different levels. Have them each select an organisation from each category.

Discuss the economic decisions that these organisations may have to make. Explain that even not-for-profit organisations need to cover their costs. Ask the students to find out how their selected organisations generate income. Do they also encourage people to share in non-monetary ways?

Have the students select one of their three organisations and then explore the values and perspectives that drive it. In most cases, this can be done by looking at the organisation’s website or promotional material. Ask the students to find evidence of the organisation’s values in its actions or ways of operating.

Ask the students to consider responses and decisions by finding out ways that people can contribute to the organisation, for example, by donating time, skills, items, or money. Use the organisation’s advertising (posters, pamphlets, television advertisements, or website) as a stimulus for thinking.

Use the Figure It Out activities “A Cat from the Animal Shelter” and “Can You Afford a Pet?” as the basis for exploring the financial implications of sharing.

Ask the students to choose a sharing organisation they would like to contribute to as a class. (Learning story 1 provides an example of students developing criteria to guide decision-making.) As they do so, they will explore values and perspectives and consider responses and decisions.

Have the students develop a fundraising plan, taking into account the money and/or resources that might be involved.

Resource
• “A Cat from the Animal Shelter” and “Can You Afford a Pet?” in Financial Literacy: The Real Cost of Pets, pages 22–23 and 1–5

Activity six: Kaibosh: “New Zealand’s first dedicated food rescue organisation”

In this activity, students explore the values that underpin a formal sharing organisation. They consider how the decisions the organisation makes impact on the community.

Kaibosh collects good-quality food that retailers are throwing out and gives it to organisations working with people in need. The people who established Kaibosh want to contribute to the community and believe that it is environmentally responsible to use food that would otherwise be wasted. Also, they want to encourage businesses to think about social justice and sustainability.
I can use budgeting tools to plan ahead and monitor and review spending and saving

Have the students **find out information**:

- What created the need for Kaibosh?
- What values are important for Kaibosh?
- Predict the economic roles that would be needed in Kaibosh.
- How can individuals and groups of people support Kaibosh?
- What is in it for Kaibosh volunteers? What do they get back?

Have the students **consider decisions and responses**. Explain that, although Kaibosh is a not-for-profit organisation, it still needs to cover its costs. Ask the students to draw a T-chart identifying possible sources of income, likely costs, and challenges that might impact on Kaibosh’s economic sustainability. Discuss how these challenges might affect the organisation’s decision-making.

Discuss the three-way choice that surplus poses: sell, throw out, or give away. Challenge students to **consider decisions and responses** that relate to their own lives: What do they have that is surplus? Can they find a way to share this surplus?

**Resources**

- The Kaibosh website: www.kaibosh.org.nz

**Activity seven: How should New Zealand’s economic commitments be managed?**

In this activity, students explore key social sciences and financial literacy concepts in relation to New Zealand’s contribution to international aid and development. They consider the question “Should taxpayer money be used to provide aid for other countries when poverty exists in Aotearoa New Zealand?”

Explain that the government makes economic decisions about how to use its income. Most of this income comes from the tax that people pay whenever they earn money (income tax) or buy something (GST). The government also has investments (which earn interest) and debts (which require interest to be paid).

Income can be saved, or spent on infrastructure and services such as hospitals, education, roads, and social welfare. Every year the government must plan ahead. Its budget predicts income and spending, sets priorities and goals, and authorises spending for the coming year.

As part of its budgeting, the government decides how much financial aid it will give to other countries. People have different views on what should be given, who should receive it, and the purposes for which it should be given.

Ask the students to **find out information** about New Zealand’s economic decision-making as it relates to overseas aid (see Resources for useful links). Have each student choose a country that receives aid from New Zealand and then **use the full social inquiry process** to explore how and why assistance is provided and how this is viewed by different people and groups. Encourage students to make connections with the concepts economic decision-making, impacts, cultural values, income, saving, spending, budgeting, and planning ahead.

Use the “Charity Begins at Home” resource from the Global Focus Aotearoa website, and other resources, to explore the question posed at the start of this activity.

**Resources**

- www.givingwhatwecan.org/resources/myths-about-aid.php
- A video clip featuring the NZ Aid eye care team in the Cook Islands: www.youtube.com/watch?v=Bl8o04J6o48
**Activity eight: Reflection**

In this activity, students reflect on what they have learnt about economic decision-making and its impacts.

Involve the students in considering the **SO WHAT?** and the **NOW WHAT?** of their learning, using this concept frame:

<table>
<thead>
<tr>
<th>can be ...</th>
<th>links to economic decision-making because ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sharing</td>
<td></td>
</tr>
<tr>
<td>impacts on my own life and the lives of others by ...</td>
<td>is influenced by cultural values, for example:</td>
</tr>
</tbody>
</table>

The students can then use three highlighter pens to identify: what they knew at the beginning of the unit, new understandings, and what has been the most important learning for them. Ask them: “What further information do we need to help us explain the key conceptual understanding for this unit?”

Support them to consider the **NOW WHAT?** and **SO WHAT?** for their personal financial decision-making by asking these questions:

- What do I now understand about the concepts income, saving, spending, budgeting, and planning ahead?
- How could my decision-making about sharing impact on my finances?
- How will I manage my sharing differently in future?
- Why might others need to know about what I have learnt?
- How could I communicate this learning to them?

**Resource**

Māori business (level 5)

How should we provide wealth for current and future generations?

Increasingly, Māori are major participants in the New Zealand economy. This is of significance for all New Zealanders. A distinctive feature of many Māori-owned businesses is their complex economic, social, and cultural agenda:

Many Māori organisations have multiple purposes. This means that they are not set up just to make a profit. Many have to balance being financially viable with the social and cultural aspirations of the owners as their core purposes. Although the organisations may trade commercially and measure themselves against economic indicators, wealth creation is not seen as an end in itself.

In this unit, students explore Māori businesses and the cultural identities, values, and perspectives that underpin them. The key social sciences concepts are business, economic growth, economic decision-making, and making a difference.

The focus question is “How should we provide wealth for current and future generations?” Students consider the financial literacy concepts income, saving, and financial goals in relation to this question.

The three types of Māori business looked at in the unit are:

• businesses owned, operated, or invested in by iwi as the result of Treaty settlements
• businesses managed by lands, trusts, and incorporations
• private companies owned and operated by Māori.

For an overview of the focus achievement objectives, conceptual understandings, and key competencies for this unit, see page 13.

For an explanation of the “conceptual building blocks” in the left-hand column, see page 14.

Teaching and learning sequence

Conceptual building blocks – to be discussed and debated

Businesses contribute to economic growth and social sustainability
Economic decision-making by businesses can make a difference for future generations

Activity one: Business in our local community

In this activity, students develop their understanding of the social sciences concepts business, economic growth, and making a difference.

Set the focus of social sciences learning by asking the students to identify (using resources such as maps or directories) different types of business in their local area.

Promote discussion by asking:

• What types of business are found in our town/city/area?
• What is economic growth? (What does it look, feel, and sound like?)
• How are business and economic growth intertwined?
• What does economic growth lead to?
• How have local businesses made a difference in our community?
• How might economic growth impact on future generations?

Have the students use a diagram (for example, a concept map) to display their answers. Encourage the students to discuss some of the above questions with their whānau, family, and friends.

Resource

• For guidance on concept mapping, see Approaches to Building Conceptual Understandings, Ministry of Education (2009), page 18.
Activity two: Income, spending, and financial goals

In this activity, by interviewing the owner or manager of a business, students develop understanding of income, spending, and setting financial goals.

Set the focus of financial literacy learning by asking students to identify what they think is involved in managing the financial side of a business.

Invite a local businessperson to visit the class to explain how their business manages money. These questions could be used as prompts:

- What made you want to run a business?
- How did you start your business? Where did the money come from?
- What are your financial goals for the business?
- How do you and your employees get paid?
- What are your main business expenses?
- What types of expenditure do you have (and not have) control over?
- How does your company invest any surplus income?

After the visitor has left, have the students work in groups to write on sticky notes (or list as a series of bulleted points) what they have learnt about the focus concepts: income, spending, and setting financial goals. Collate and discuss these ideas further as a class.

Activity three: Exploring the concept of Māori business

In this activity, students develop a shared understanding of what is meant by the term Māori business.

Ask the students to consider what might distinguish a Māori business from a non-Māori business, and to name Māori businesses that they are aware of.

Working in pairs to find out information, they then:

- write a tentative definition of what might constitute a Māori business
- use the resources below, together with other accessible resources, to refine their definition
- share their definition with another pair and further refine it as necessary.

Have the pairs share their definitions with the class. Encourage them to recognise the complexity and diversity of Māori business and to resist simplistic definitions.

Resources

- www.taupomoana.com/about/maori_business.htm

Activity four: Celebrating the economic growth of Māori businesses

In this activity, students develop their understanding of the role of Māori businesses in the New Zealand economy, and their impact.

Give students the New Zealand Herald article “The Rousing Giant of Māori Money” and provide them with a link to the Ngā haumi a iwi story on the Te Ara website. Ask students to find out information:

- Where did the initial money for each business come from?
- What investments were made by iwi?
- What factors have contributed to the financial success of the Tainui and Ngāi Tahu iwi?
- What wealth have these iwi generated, and how do they manage this wealth?
- What factors have contributed to the success of these businesses?

Challenge students to consider the so what? of this learning (that is, How is this learning significant for me and for others?). Ask: “Why should people know more about the economic growth of Māori businesses?”
Resources


Activity five: Tikanga in iwi business

In this activity, students explore the economic decision-making and financial success of the Tainui and Ngāi Tahu iwi in greater depth. They consider the cultural identity, values, perspectives that drive the financial and economic decision-making of these iwi.

This unit can be adapted to explore the business ownership, operations, and investments of other iwi. Explain that not all Māori businesses are iwi owned or operated.

Begin by clarifying the concepts viewpoints, values, perspectives, and cultural identity. Ask the students to write their interpretation of each concept and then compare their interpretations with the definitions found in this book (see pages 7 and 6).

By modelling, illustrate for your students how a person’s perspective influences their economic decision-making. For example: “I buy only free range eggs (viewpoint) because I am concerned about the well-being of caged hens (value). This is influenced by my belief that animals have rights just as humans do (perspective).”

Explain that Māori perspectives often shape the financial and economic decisions of iwi.

In pairs or small groups, have the students explore cultural values and perspectives by creating a webquest (see http://webquest.org/index-create.php) for each iwi. Direct them to focus on:

- iwi economic and social goals
- the separation of commercial and non-commercial activities
- examples of businesses owned, operated, or invested in
- economic growth and the potential benefit for iwi
- sources of income and how this income is used
- values that underpin economic decision-making.

Have the students compare and contrast their findings for each iwi, using a Venn-type diagram. They should pay particular attention to the values and perspectives involved.

Resources

- Waikato Tainui: www.waikatotainui.com
- Tainui Group Holdings: www.tgh.co.nz
- Te Rūnanga o Ngāi Tahu: www.ngaitahu.iwi.nz

Activity six: Whale Watch Kaikoura

In this activity, students explore the concepts economic decision-making, cultural identity, values, and perspectives in relation to Whale Watch Kaikoura, a private company set up and run by Māori families, in which Ngāi Tahu Holdings have a minority share.

Explain to the students that Whale Watch Kaikoura can be defined as a Māori business because the economic decisions made by individuals and the business as a whole are underpinned by Māori cultural values and perspectives.
Re-establish the focus of learning by discussing the key conceptual understandings for this unit:

- Māori have sought economic growth through business in order to make a difference for Māori communities.
- The economic decisions made by Māori may be driven by cultural identity, values, and perspectives.

Prompt the students to consider responses and decisions by developing a set of focusing questions. For example:

- What questions can we ask about the economic decisions made by Whale Watch Kaikoura? What key concepts are involved?
- What sources of information are available about this company? Why was the information produced and from what perspective?
- What key decisions did those who set up Whale Watch Kaikoura make?
- How did Māori values and perspectives shape these decisions?
- What have been the consequences of these decisions?
- What does this mean for us and for others?

Model critical analysis and thinking while watching the Whale Watch BNZ Stories.

- Who made this video? What do you think its purpose is?
- Who benefits from the production of this video?
- Whose values and perspectives are shown? Whose are missing?

Have the students use their focusing questions to guide their research. Ask them to present their findings to a fictional audience (for example, members of the school community, members of the local business community, or a whānau or iwi group).

Look for developments in students’ conceptual understandings and their use of key concepts.

Resources
- www.whalewatch.co.nz
- Whale Watch BNZ Stories, www.youtube.com/user/bnzstories

Activity seven: Māori land, business, and economic growth

In this activity, students explore businesses developed by ahuwhenua trusts (Māori land trusts) and incorporations. The focus of the activity is the concept of intergenerational economic growth.

Have the students find out information about the history of Māori land ownership in New Zealand. Ask:

- How has Māori land ownership changed over time? How have laws affected this?

Create a graphic organiser using these questions:

- What is the Wakatu Incorporation? What are its values?
- Who is involved?
- Where are its lands, properties, and businesses?
- Why does the incorporation exist?
- What were significant moments in the history of the whānau/owners? Why were these significant?
- How does the incorporation plan to provide wealth for future generations?

Using The Intergenerational Plan/Te Pae Tāwhiti as a resource, ask students to identify how this incorporation understands wealth. If necessary, explain what shares, shareholders, and dividends are.
I can recognise the effect that inflation will have over time on my income and savings and on the income and savings of my whānau.

I can investigate different investment products as a way of saving for the future.

I can calculate interest and recognise its effect on savings.

Use the jigsaw learning strategy to support students to **find out information**.

Create five expert groups:

- History/High Court case
- Marae/Lands
- Shareholding
- Education, projects, and sponsorship
- Businesses: property and Kono.

Ask each expert group to answer the questions in the graphic organiser. Once they have gathered sufficient information, have them form new groups, each containing a representative from each of the original groups. Have students add what they learn from each other to their graphic organisers.

Have the students **reflect and evaluate**, asking:

- Is there anything more we would like to know about how Wakatu is achieving its intergenerational plan?
- How could we have improved the learning process?

Prompt the students to use what they have learned to **find out information** about another ahuwhenua trust or incorporation, this time using a local example if possible. Alternatively, they could investigate either the Waipapa Trust or the Tauhara North Number 2 Trust (see Resources below).

Prompt the students to consider the **so what? and now what?** of this learning:

- Are all people responsible for providing wealth for future generations?
- How does my family contribute to the social, cultural, and economic wealth of future generations?
- What challenges and opportunities does creating wealth for future generations involve?
- If I were making an intergenerational plan for my family, what would it include? What would be our goals? What would be our sources of income? How would we distribute the wealth generated?

**Resources**

- Wakatu Incorporation: www.wakatu.org.nz
- Waipapa Trust: www.waipapatrust.co.nz/home.aspx
- Tauhara North No. 2 Trust: http://tauharano2.co.nz/home

**Activity eight: Personal financial management and economic growth**

In this activity, students explore the links between financial literacy, financial management, and economic growth.

Using the Whai Rawa website, have the students **find out information** about the Ngāi Tahu focus on creating wealth and well-being. Have the students also explore the KiwiSaver website. Ask:

- What is Whai Rawa? Who can be involved? What are the benefits?
- How is Whai Rawa the same as and different from KiwiSaver?
- What is financial literacy?
- Why do you think Ngāi Tahu see this as being important?
- How are Ngāi Tahu offering to develop financial literacy in the iwi?

So what? Have the students consider what financial literacy means or might mean for them and others. The resources on the Sorted and Whānau Matters websites can help them.
In groups, have the students discuss and describe:

- what financial literacy is about
- what the lifetime benefits of financial literacy might be for them
- what steps they could take now and in the future to become financially literate.

Encourage your students to formulate a personal financial literacy goal that they will pursue.

Resources

- www.whairawa.com
- www.kiwisaver.govt.nz
- www.sorted.org.nz
- www.whanaumatters.org.nz

Activity nine: Looking to the future

Share the following statement with your students, taking care to ensure that they understand its main ideas:

Treaty settlements are helping to boost the economic base of many iwi but financial wealth will be short-lived without the capability to grow and manage it effectively. Realising that goal means having the capability to manage borrowing and debt and to have the funds to be able to make important choices in life, for oneself, for one’s whānau and for one’s iwi.

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Have the students explore their own values and perspectives by indicating on a values continuum the extent to which they agree or disagree with this statement. Encourage them to use evidence from this unit to support their position.

Have the students debate the statement “Financial literacy is the key to having choices in life.”
References and further reading


"Financial capability" web page on TKI Education for Enterprise (http://education-for-enterprise.tki.org.nz/Resources-tools-templates/Financial-capability). This section discusses how financial literacy connects with The New Zealand Curriculum and provides links to a number of resources and school stories.

Sorted (Sorted.org.nz). This website covers the many aspects of managing personal finances in a clear and accessible way. The resources include various financial calculators and a series of booklets on financial topics.
