



The Ingredients for Economic Growth | Lesson Plan

Why is it important to use resources wisely instead of just using more of them?

Students will understand that productivity helps an economy grow by making better use of resources. Growth is most effective when businesses improve their tools and skills while balancing inputs like labor and equipment.

Learning Objectives:

- Define productivity and explain why it is essential for economic growth.
- Identify how improvements in technology and human capital increase productivity and efficiency.
- Distinguish between input and output in the context of production and explain how they relate to productivity.
- Explain the concept of diminishing marginal returns and describe how unbalanced inputs affect production.
- Analyze real-world examples to understand how productive economies improve standards of living.

Key Vocabulary:

- **Productivity:** How efficiently goods or services are produced using the same or fewer resources.
- **Input:** Resources used to make goods or services, such as time, labor, or machinery.
- **Output:** The total amount of goods or services produced from the inputs used.
- **Technology:** Tools, machines, or software that help people do work more efficiently and produce more with less effort.
- **Human Capital:** The knowledge, skills, and training that make workers more productive.
- **Diminishing Marginal Returns:** A point where adding more of one input (like machines) leads to less additional output unless other inputs (like workers) are also increased.

Educational Standards: CCRA.R.7, CCRA.R.10, CCRA.W.2, CCRA.W.4, CCRA.W.7, CCRA.SL.1, CCRA.SL.2, CCRA.L.6

Academic Subject Areas: Economics, Government & Civics, Technology & Innovation

What You'll Need

- Video: *Ca\$h Cour\$e: The Ingredients for Economic Growth* (Watch [Here](#))
- Worksheet: *Ca\$h Cour\$e: The Ingredients for Economic Growth* (Click [Here](#))
- Classroom whiteboard and dry-erase markers (or use a technology solution if available).

Lesson Plan (50 mins.)

Warm-Up: (10 mins.)



Scan to watch episode:

1. Begin with a quick analogy: Imagine you're growing tomatoes in your backyard. You have one small patch of soil, one watering can, and the same amount of sunlight each day. In Year One, you harvest 10 tomatoes. But in Year Two, you learn to space the plants better, use a drip system, and enrich the soil with compost—and now you harvest 20 tomatoes from the same plot.
2. Ask the class: What changed between Year One and Year Two? Did the amount of land or sunlight? How did you manage to grow more tomatoes with the same resources?
3. Explain to students that today's lesson will focus on how economies grow—not just by adding more stuff, but by using what they already have more efficiently. This idea is called *productivity*, and it plays a big role in how businesses, communities, and entire countries improve over time.
4. Introduce the following key terms on the board, and provide the definition and an example from the tomato scenario for students (ask students to write the definitions down in their notebooks):
 - **Productivity:** How efficiently goods or services are produced using the same or fewer resources.
 - *Tomato Example:* You harvested 20 tomatoes using the same soil, water, and sunlight, and your productivity improved.
 - **Input:** Resources used to make goods or services, such as time, labor, or machinery.
 - *Tomato Example:* The sunlight, water, soil, and gardening effort were your inputs.
 - **Output:** The total amount of goods or services produced from the inputs used.
 - *Tomato Example:* The tomatoes you harvested are the output of your garden.
 - **Technology:** Tools, machines, or software that help people do work more efficiently and produce more with less effort.
 - *Tomato Example:* Using a drip irrigation system made watering easier and helped the plants grow better.
 - **Human Capital:** The knowledge, skills, and training that make workers more productive.
 - *Tomato Example:* You learned better planting techniques and used your gardening skills to increase your harvest.
 - **Diminishing Marginal Returns:** A point where adding more of one input leads to less additional output unless other inputs are increased too.
 - *Tomato Example:* If you keep adding fertilizer but don't improve watering or spacing, your harvest will not continue increasing.
5. Have students come up with a few examples of their own to test understanding.
6. Transition to today's enduring question and explain that this question will help guide their understanding of today's lesson: *Why is it important to use resources wisely instead of just using more of them?*

7. Once students are familiar with the basic terms and ideas, explain that they'll now watch a short video that brings these concepts to life. The video uses real-world examples and visual storytelling to show how businesses grow by working more efficiently, how tools and training make a difference, and why adding too much of one thing without balance doesn't always lead to better results.
8. Let students know they'll be expected to discuss and apply what they see, so they should watch carefully for moments that connect to the vocabulary they just reviewed.

Watch and Discuss: (20 mins.)

1. Show the *Ca\$h Cour\$e: The Ingredients for Economic Growth* video to the class.
2. Note to teachers: watch straight through or pause at key moments if you want to clarify MPL or substitution/income effects.
3. After the video, ask the following discussion and comprehension questions:
 - What helped you understand the idea of productivity the most—was it the garden, the bakery, or the country examples? Why?
 - How do technology and human capital work together to increase productivity? Can one work without the other?
 - In the baker example, why didn't adding more ovens keep increasing output? What does that show us?
 - Why is it important for businesses to balance inputs instead of just adding more of one thing?
 - What can we learn from South Korea's approach to growth compared to North Korea's?
4. Give each student the "Cash Course: The Ingredients for Economic Growth" Worksheet and allow them to complete it independently or in pairs.

Wrap-Up: (20 mins.)

1. If students haven't already, allow them to finish the worksheets. Use this time to circulate, answer questions, and check for understanding.
2. Review and Reflect (Optional): Go over selected questions together, especially:
 - Multiple choice items tied to real-world reasoning
 - The application question
3. Wrap-Up Prompt (Board or Exit Ticket)
 - What is one thing you now understand about how a business or a country can grow?
 - Students can write a quick response on an index card or notebook, or submit it at the bottom of their worksheet.
4. Collect Worksheets: Use the completed worksheet as a way to assess comprehension and mastery of the lesson objectives.

Don't have time for the full lesson? Quick Activity (10-15 mins.)

Distribute the worksheet and allow students to complete it while they follow along with the video. Or, have students watch the video at home and use the worksheet as a quick quiz the next day in class.