

# Unit 3: Economic/Government Influences, Financial Institutions, and Psychology

Content Area: **Mathematics**  
Course(s):  
Time Period: **Marking Period 1**  
Length: **1.5 Weeks**  
Status: **Published**

## Brief Summary of Unit

This interdisciplinary unit examines the interconnections among economics, government influence, financial institutions, and psychology. Students explore macroeconomic principles, analyzing the impact of government policies on financial systems. The role of key financial institutions, including banks and stock markets, is scrutinized in shaping economic landscapes. Simultaneously, the psychological dimensions of economic decision-making are investigated, unraveling the cognitive and emotional factors guiding choices. Through case studies and real-world examples, learners gain insights into the complex interplay of economic forces, government interventions, financial institutions, and human psychology. The unit aims to equip students with a comprehensive understanding of the multifaceted influences that shape our global economic environment.

Revised December 2023

## Standards

LGBT and Disabilities Law: N.J.S.A. 18A:35-4.35: Discuss how the government provides supports to help people of all backgrounds when providing financial support for people in society.

LA.L.6.1	Demonstrate command of the conventions of standard English grammar and usage when writing or speaking.
LA.L.6.2	Demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing.
MA.6.SP.A	Develop understanding of statistical variability.
MA.6.SP.B.4	Display numerical data in plots on a number line, including dot plots, histograms, and box plots.
MA.6.SP.B.5a	Reporting the number of observations.
PFL.9.1.8.EG.1	Explain how taxes affect disposable income and the difference between net and gross income.
PFL.9.1.8.EG.2	Explain why various sources of income are taxed differently.
PFL.9.1.8.EG.3	Explain the concept and forms of taxation and evaluate how local, state and federal governments use taxes to fund public activities and initiatives.
PFL.9.1.8.EG.4	Identify and explain the consequences of breaking federal and/or state employment or financial laws.
PFL.9.1.8.EG.5	Interpret how changing economic and societal needs influence employment trends and future education.

PFL.9.1.8.EG.6	Explain the economic principle of the circular flow of money in different situations regarding buying products or services from a local or national business and buying imported or domestic goods.
PFL.9.1.8.EG.7	Explain the effect of the economy (e.g., inflation, unemployment) on personal income, individual and family security, and consumer decisions.
PFL.9.1.8.EG.8	Analyze the impact of currency rates over a period of time and the impact on trade, employment, and income.
PFL.9.1.8.EG.9	Identify types of consumer fraud, the procedures for reporting fraud, the specific consumer protection laws, and the issues they address.
PFL.9.1.8.FI.1	Identify the factors to consider when selecting various financial service providers.
PFL.9.1.8.FI.2	Determine the most appropriate use of various financial products and services to borrow and access money for making purchases (e.g., ATM, debit cards, credit cards, check books, online/mobile banking).
PFL.9.1.8.FI.3	Evaluate the most appropriate financial institutions to assist with meeting various personal financial needs and goals.
PFL.9.1.8.FI.4	Analyze the interest rates and fees associated with financial products.
PFL.9.1.8.FP.1	Describe the impact of personal values on various financial scenarios.
PFL.9.1.8.FP.2	Evaluate the role of emotions, attitudes, and behavior (rational and irrational) in making financial decisions.
PFL.9.1.8.FP.3	Explain how self-regulation is important to managing money (e.g., delayed gratification, impulse buying, peer pressure, etc.).
PFL.9.1.8.FP.4	Analyze how familial and cultural values influence savings rates, spending, and other financial decisions.
PFL.9.1.8.FP.5	Determine how spending, investing, and using credit wisely contributes to financial well-being.
PFL.9.1.8.FP.6	Compare and contrast advertising messages to understand what they are trying to accomplish.
PFL.9.1.8.FP.7	Identify the techniques and effects of deceptive advertising.
SOC.6.3.8.CivicsPR.2	Evaluate the effectiveness of the fundamental principles of the Constitution (i.e., consent of the governed, rule of law, federalism, limited government, separation of powers, checks and balances, and individual rights) in establishing a federal government that allows for growth and change over time.
SOC.6.3.8.EconET.2	Assess the impact of government incentives and disincentives on the economy (e.g., patents, protection of private property, taxes).

## Essential Questions

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- • How do emotions impact my financial decisions?
- • How does advertising and marketing effect how I spend my money?
- • What are the consequences of not repaying debt?
- How does the government influence financial institutions and society's financial responsibilities?
- What purpose do financial institutions serve in the community?

## Essential Understandings

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- • Advertising and marketing can have impacts on how and what people buy.
- • Being a responsible consumer means making sound financial decisions.
- • Identity theft and fraud can impact anyone, but there are ways that you can keep yourself as protected as possible.
- • Interest can accumulate and cause debt if not paid in full.
- An individual's values and emotions will influence the ability to modify financial behavior (when appropriate), which will impact one's financial well-being.
- Marketing techniques are designed to encourage individuals to purchase items they may not need or want.
- There are a variety of factors that influence how well suited a financial institution and/or service will be in meeting an individual's financial needs.

## **Students Will Know**

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- • Basics of debt and its impacts on building good credit
- • How to calculate simple interest
- • Key vocabulary terms (consumer, consumer protection laws, deceptive advertising, fraudulent activities, personal information)

## **Students Will Be Skilled At**

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- • Describing the impact emotions can have on how effectively they manage their finances.
- • Knowing the consequences associated with not repaying a debt.
- • Providing examples and reasons why advertising and marketing affect how they spend their money.
- • Providing examples of decisions that they make in the present that will affect the lifestyle they will have in the future.
- • Providing specific examples of rewards related to building good credit.
- • Providing the benefits of earning interest versus paying interest.

## **Evidence/Performance Tasks**

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Formative assessment: Compile a list of personal information that should never be given out to trusted sources.

Summative assessment: Present a report about the role the government plays in today's society regarding financial institutions.

Benchmark assessment: Reflect upon previous misconceptions regarding financial psychology and concluding upon newly learned truths.

Alternative assessment: Create a venn diagram about financial institutions' and government's role in today's society.

## Learning Plan

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- • Assign students different products to purchase and have them present on the advantages and disadvantages of buying them in both small and large quantities.
- • Examine how the impact of financial decisions affects goals of individuals, communities, and society.
- • Generate a list of personal information that may be disclosed in financial situations and when it is appropriate to do such.
- • Have students identify any fees/rates associated with different financial services and products.
- • Have students research advertising claims about a product and compare that to the actual facts of the product. Results can be shared with the class.
- • Have students work in groups to brainstorm a list of what it means to be a responsible consumer and what factors need to be considered when making consumer decisions. Groups can share their list and as a class generate a master list.

## Materials

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[Core Book List 2022-2023](#)

Core instructional materials:

- [Banzai!](#) is an online learning platform that teaches real-world finance through interactive courses, printable workbooks and a lesson library for students ages 8 through 18.
- [EconEdLink](#) is the leading economics and personal finance resource for K–12 educators, providing high-quality lesson plans, videos, assessments, activities, professional development webinars, and more.
- [Everfi](#) Money Matters: Financial Education Courses for Kids is an interactive K–12 curriculum that includes quizzes in video-game format. It offers web-based tours of the New York Stock Exchange and explanations of compounding interest and savings, the pitfalls of bad credit and consumer fraud to teach students the core concepts of financial literacy.
- [Financial Fitness for Life](#) is a comprehensive K–12 personal finance curriculum teaches students how to make thoughtful, well-informed decisions about important aspects of personal finance, such as earning income, spending, saving, borrowing, investing, and managing money.
- [FDIC's Money Smart](#) financial education program can help people of all ages enhance their financial skills and create positive banking relationships.
- [FoolProof Academy](#) provides teachers a free, online consumer life skills and financial literacy curriculum for middle and high school students.
- [Hands on Banking](#) offers lesson plans, instructor guides, activities and video-based student courses for elementary, middle, and high school students to explore and practice money skills.
- [Hard Core Financial Education Boot Camp](#) website contains videos and PowerPoint slides for a full-day financial education training program for teachers. Printed PowerPoint handouts to accompany the videotaped

presentations can be downloaded free of charge.

- [Junior Achievement of New Jersey \(JA\)](#) is the world's largest organization dedicated to educating young people about business, economics and free enterprise. Through a dedicated volunteer network, JA offers in-school and after-school programs for students in grades K–12. JA programs focus on seven key content areas: business, citizenship, economics, entrepreneurship, ethics/character, financial literacy, and career development.
- [MoneySKILL](#) provides educators with the tools to create high-quality, custom, personal finance courses. The curriculum covers a broad range of personal finance topics and can be used in a variety of learning environments.

Supplemental materials: Big Ideas Math

## **Suggested Strategies for Modifications**

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### [Middle School Financial Literacy Modifications](#)

- • Accommodations of students per their IEPs and 504s will be considered on a daily basis.
- • Offer compound interest introduction to The cost of Credit Activity.
- • Pre-assess: Use K-W-L to assess students' prior knowledge and identify further student-identified learning goals for the unit.
- • Teacher will provide graphic organizers to show what positively affects credit and what negatively affects credit.