

STUDENT WORKBOOK

THE 21ST CENTURY STUDENT'S GUIDE TO

FINANCIAL LITERACY

GOING GLOBAL



CHAPTER 1
WORKSHEETS
& ACTIVITIES

ILLUSTRATIONS
BY
ZAPP!

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LET'S PRACTICE

Name: _____

My Daily Consumer Diary

Our 21st century world is teeming with commercial activity. Hundreds of millions of businesses, government agencies and organizations, and billions of consumers interact to support business and promote the sale and exchange of goods and services locally, nationally, and around the world. Commerce includes supportive services like fire and police protection, and road construction and maintenance. Manufacturing, advertising, banking, shipping, utilities, telecommunications (broadband/Internet), transportation are all essential elements of commerce. E-commerce is the buying and selling of products or services over the internet.

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Keep a diary of your activities for a day. Note how often you consume a product or service purchased by you or your family. Record transactions you personally engage in, and activities you observe which support the functioning of commerce and business. Be aware of commerce in action all around you.

7:00 a.m. – 8:00 a.m. _____

8:00 a.m. – 9:00 a.m. _____

9:00 a.m. – 10:00 a.m. _____

10:00 a.m. – 11:00 a.m. _____

11:00 a.m. – noon _____

Noon – 1:00 p.m. _____

1:00 p.m. – 2:00 p.m. _____

2:00 p.m. – 3:00 p.m. _____

3:00 p.m. – 4:00 p.m. _____

4:00 p.m. – 5:00 p.m. _____

6:00 p.m. – 7:00 p.m. _____

7:00 p.m. – 8:00 p.m. _____

8:00 p.m. – 9:00 p.m. _____

9:00 p.m. – 10:00 p.m. _____

10: 00 p.m. – 11:00 p.m. _____

LET'S PRACTICE

Answer the questions below, including details of what you purchased, observed etc.:

Did you consume food purchased by you or your family?

Did you travel by car, bus or other vehicle on a roadway? Was it a local, state or interstate roadway?

Did you observe any commercial vehicles, such as delivery trucks, vans, or utility vehicles? Name two.

Did you observe road construction, or improvement of local or interstate transportation or infrastructure? Describe.

Did you make any purchases of goods or services? Did you engage in the sale of any local goods or services? Explain.

At any point in the day, did you observe a billboard, print or digital marketing, or other advertising enticing you to consume a good or service? Describe one.

Did you engage in e-commerce or m-commerce? (ie. use a computer, tablet, or mobile device to purchase or sell something?)

Estimate how much time you spent in a single day online/using the Internet.

Did you use water, gas, or electricity? What companies provide these services to you?

Were any of the goods or services you consumed, manufactured in a country outside of the U.S.? What, and which country?

Did you engage in any banking activities, use an ATM or credit card? Describe.

OPINION: On a scale of 1-5 (5 being "They're naming a mall after me!" and 1 being "I am Mr./Mrs. Anti-consumer!") what are your personal consumerist tendencies?

5 4 3 2 1

EXPLORING 21ST CENTURY SKILLS AND ISSUES

Name: _____

The Consumer Price Index



Data about commerce is published in reports called **economic indicators**. In the U.S., information about consumer spending is published in the **Consumer Price Index (CPI)**. This important report enables the government and private businesses to make all sorts of policy decisions and predictions about product sales, prices, wages, hiring or reducing the workforce, inflation, and other matters related to commerce. Your job: Go to the **Bureau of Labor Statistics CPI FAQs** (www.bls.gov/cpi/questions-and-answers.htm) and answer the questions below. See also an Investopedia, "The Consumer Price Index".

1. What is the CPI?

2. What U.S. government agency produces the CPI?

3. How often is the CPI produced?

4. The CPI represents changes in prices of what?

5. Who's buying habits are tracked in the CPI?

6. How is the CPI *market basket* determined?

EXPLORING 21ST CENTURY SKILLS AND ISSUES

7. List the consumer goods and services the CPI covers in its “basket.”

8. How does the Department of Labor define *inflation*?

9. The CPI used as an economic indicator of what, specifically? (Click on: *As an economic indicator*; More.)

10. What does the **Consumer Confidence Index (CCI)** measure? Why does it matter how the consumer feels?



BONUS: What is *inflation* and why are signs of inflation worrisome?

Check your answers
on page 304.

EXPLORING 21ST CENTURY SKILLS AND ISSUES

Name: _____

I Spy Commerce in Action

Page 3 contains a “snapshot” of a typical city, buzzing with commercial activity. Your job: identify commerce in action! Find the **commerce-related activity** and describe whether:

A. The activity indicates **local, domestic, or global commerce**. B. The activity is a **sale/exchange of money for goods and services**, or supports the functioning or operation of business, such as a government-provided service. Hint: There are 18 examples of commerce in action!

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____

Check your answers on the following pages.

6. Money is an essential element of commerce. In a later chapter, you will learn about the key functions of money, how money has evolved over time, and how cash is no longer king.
7. Banks have a long history of supporting and enabling the growth of commerce. Banks can be local, national, or global. You will learn about banks in a later chapter.
8. Reliable, safe, and speedy movement of goods and people locally, domestically and globally is important for the smooth operation of commerce. Transportation requires the coordination and cooperation of businesses and governments. Moving stuff and people around is so important there is an entire industry devoted to it. It's called the *transportation industry*. You will learn more about *industries* in a future chapter.
9. Shipping goods around the world requires the cooperation and coordination of governments, government agencies, organizations, and businesses. Trade (import and export) between countries is governed by highly negotiated and complex agreements. You will learn more about global trade agreements and trade organizations in a later chapter.
10. Stock markets are an important aspect of commerce, driving nations' economies. Securities, like stocks and bonds, are important wealth building tools. There are many securities exchanges around the world. Through them, people anywhere in the world can invest in the growth of companies around the world, making the pursuit of wealth and prosperity a truly global activity. You will learn more about securities and stock exchanges in later chapters.
11. This woman is a consumer. The consumer is considered the "last stop" for a product or service. The behavior of consumers is tracked, monitored, and analyzed by governments and businesses alike as indicators of the health of the economy, and to guide adjustments in prices, policies, and programs. Financial literacy includes knowing about consumerism.
12. This is an example of a local commerce. Agriculture and food production are essential commercial industries. Agriculture is the frequent focus of international trade agreements.
13. It is the responsibility of government to promote and protect commerce. Reliable and safe roadways, ports, airports, and other *infrastructure*, are essential for the transportation of goods and delivery of services. Successful commerce requires a delicate balance between business and government interests. You will learn more about the role of government in commerce in a later chapter.
14. Microbusinesses are small businesses employing just a few people – often family members. They are an important part of a vibrant local commerce.
15. That doesn't look like a dollar bill! It's foreign currency. Can it be used to make purchases in the U.S.? You will learn more about currency, virtual currency, and currency exchange in a later chapter.
16. Telecommunications is so important to commerce that there is an entire section (sector) of the economy devoted to it. M-commerce includes sales transactions conducted by cell phone and tablets.
17. This is an example of a company engaged in *intrastate* commerce, which is the sale of goods or services within the boundaries of the same state.
18. The Chamber of Commerce is an association of local businesses that network and organize to advocate for and promote their businesses, products and services. On the national level, they advocate (lobby) for pro-business U.S. government policies and laws. Financial literacy includes being familiar with key institutions of global commerce. You will learn about many of these in the "Let's Explore" activities.