



'I' in Inflation App – Mini-Lesson

Free download on the Google Play or iTunes stores

Overview:

'I' in Inflation is a free, engaging, easy-to-use app for students and others to explore the relationships among wages, inflation, and a potential gap in spending power over time. Students can change the initial salary they're earning from their first professional job. They can also adjust the rate at which they'll receive raises and the rate that inflation occurs. By considering these rates, it becomes more evident whether or not the offered salary is enough to survive on over the long run.

Materials

- Mobile device(s) able to download free apps.
- Adapter to connect to projector (if using just one device)
- Handout (optional)

Recommended Ages

4th-12th grade

Time Needed

30-60 minutes

Connections to Curricular Standards

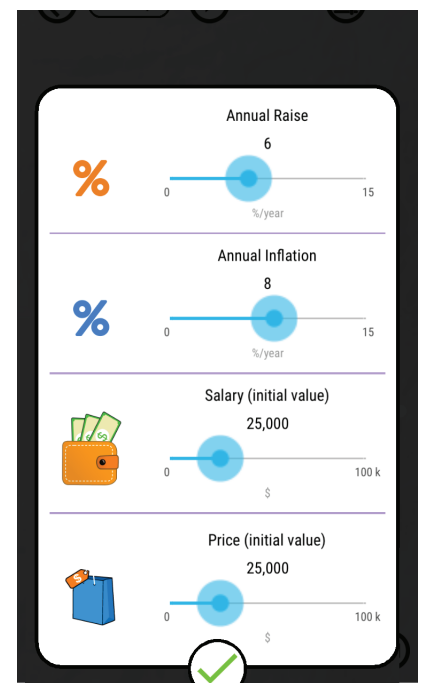
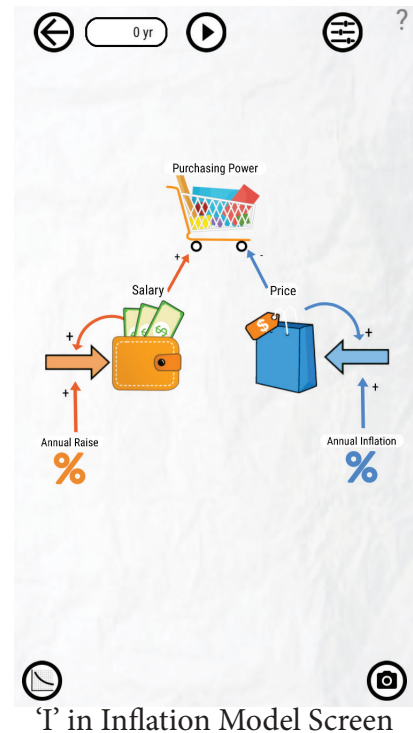
- Common Core Math, CCSS.MATH.CONTENT.7.EE.B.3 Solve real-life and mathematical problems using numerical and algebraic expressions and equations.
- State and national Math standards, See article, *"Thinking Systemically About Common Core Mathematical Practice Standards."*
- National Financial Literacy Standards
"The standards contain areas of knowledge and understanding that are fundamental to personal finance, including earning income, buying goods and services, using credit, saving, financial investing, protecting and insuring.

Annual Raise: The percent your salary will go up each year

Annual Inflation: The percent that the cost of goods and services will go up each year

Salary: How much money you earn when you are first hired

Price: How much all the goods and services you buy each year cost when you are first hired



'I' in Inflation Controls (sliders)

Suggested Instructional Sequence

- Define terms, annual raise, annual inflation, salary and price.
- Work through “The Story” in the app, either as a class or independently.
- Pause and discuss strategies to maximize your financial worth in the long run.
- Using the handout, continue experimenting with “The Model” to consider different scenarios.
- Discuss students’ reflections from their handouts.
- Consider causes of low vs. high inflation and how you as a consumer might change your buying behavior.
- Discuss questions such as,
 1. What strategies could you use to improve your financial situation?
 2. What financial choices could you make to avoid overspending the amount of money you have?

Additional Ideas and Connections

- Surface, practice and discuss related mathematical practices.
 1. Make sense of problems and persevere in solving them.
 2. Reason abstractly and quantitatively.
 3. Construct viable arguments and critique the reasoning of others.
 4. Model with mathematics.
 5. Use appropriate tools strategically.
 6. Attend to precision.
 7. Look for and make use of structure.
 8. Look for and express regularity in repeated reasoning.
- Extend student learning with one or more of the optional related resources.

Related Curricular Resources:

See the Creative Learning Exchange website to download lessons, purchase materials and access additional online simulations for:

- [Dollars and Sense](#), a series of lessons and simulations for elementary through high school students that explores patterns with money.
- [Model Mysteries Chapter 1, Growing, Growing, Gone](#), a lesson to build your own model to explore a population of zombie chickens growing in a similar pattern as dollars going up or down in a bank account. Available from the Creative Learning Exchange at <http://www.clexchange.org/curriculum/modelmysteries/>
- Investigate definitions and explanations of inflation. For example, “*Social Studies for Kids*,” <http://www.socialstudiesforkids.com/articles/economics/inflation1.htm>
- Read current articles about the impacts of inflation on the economy. For example,
 - “What are the Effects of Inflation on the Economy? Understanding How Inflation Helps and Harms Investors and Consumers” at <https://www.thebalance.com/what-are-the-effects-of-inflation-357607>
 - “How Does Inflation Impact My Life? Impact on You and the Economy, Why President Reagan Said “It’s as Violent as a Mugger” at <https://www.thebalance.com/inflation-impact-on-economy-3306102>

Acknowledgments and Sources

- Lesson written by Anne LaVigne for the Creative Learning Exchange, <http://www.clexchange.org>
- App by BTN, <http://learnwithbtn.com/>
- Common Core Math Standards, <http://www.corestandards.org/Math/>
- National Financial Literacy Standards, <http://councilforeconed.org/>
- Potash, Jeff, “*Thinking Systemically About Common Core Mathematical Practice Standards.*” http://static.clexchange.org/ftp/documents/implementation/IM2014_CommonCoreMath.pdf

'I' in Inflation

Name: _____

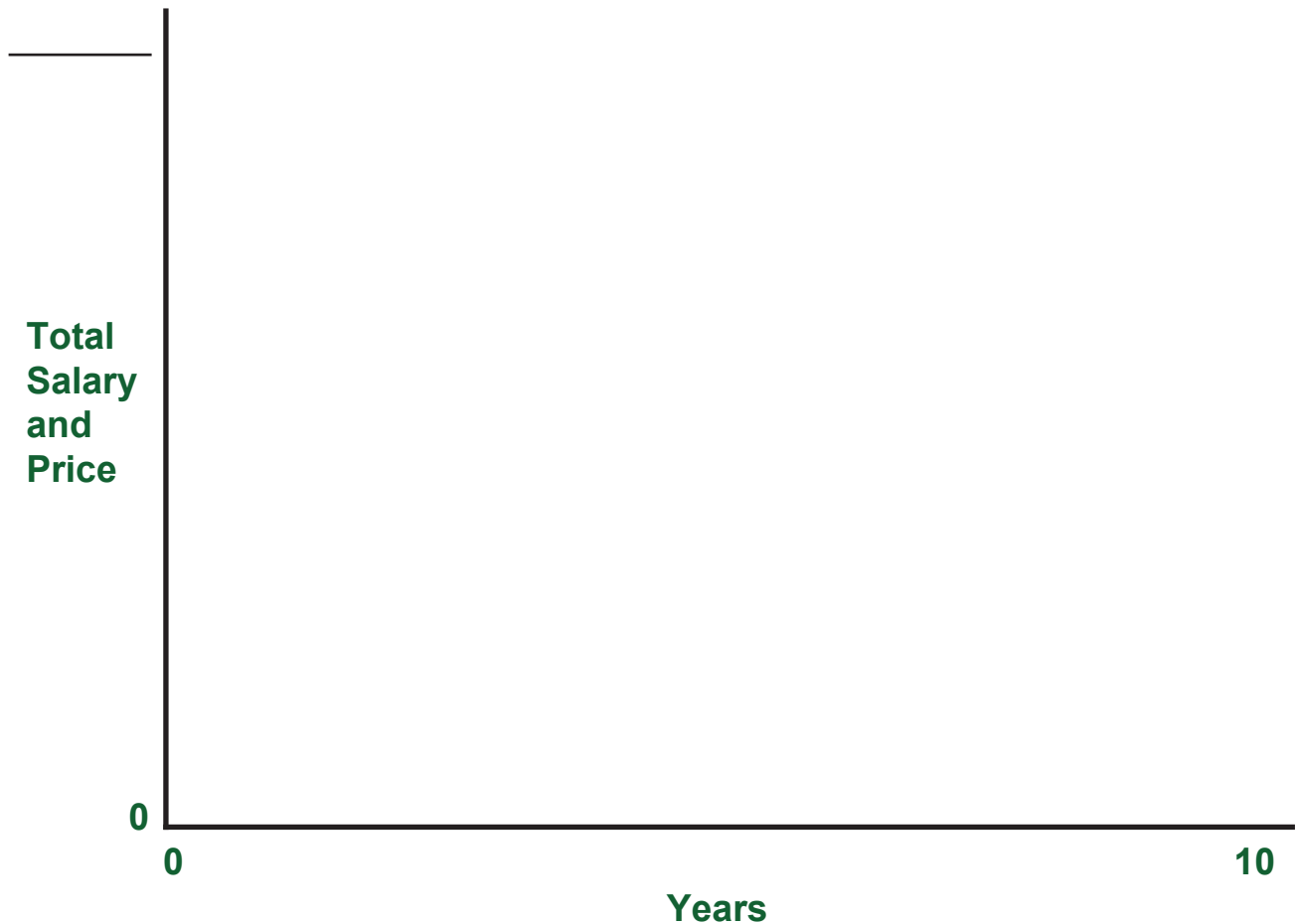
Run 1:

Salary: _____
(initial value)

Annual Raise: _____

Label and draw a run on the graph that shows a problem (a gap) in how much money you make in comparison to how much you need to spend.

My Financial Situation



Reflection

What happened to your spending power over time? Why?

How can you reduce or eliminate the gap, so your buying power stays the same or goes up?

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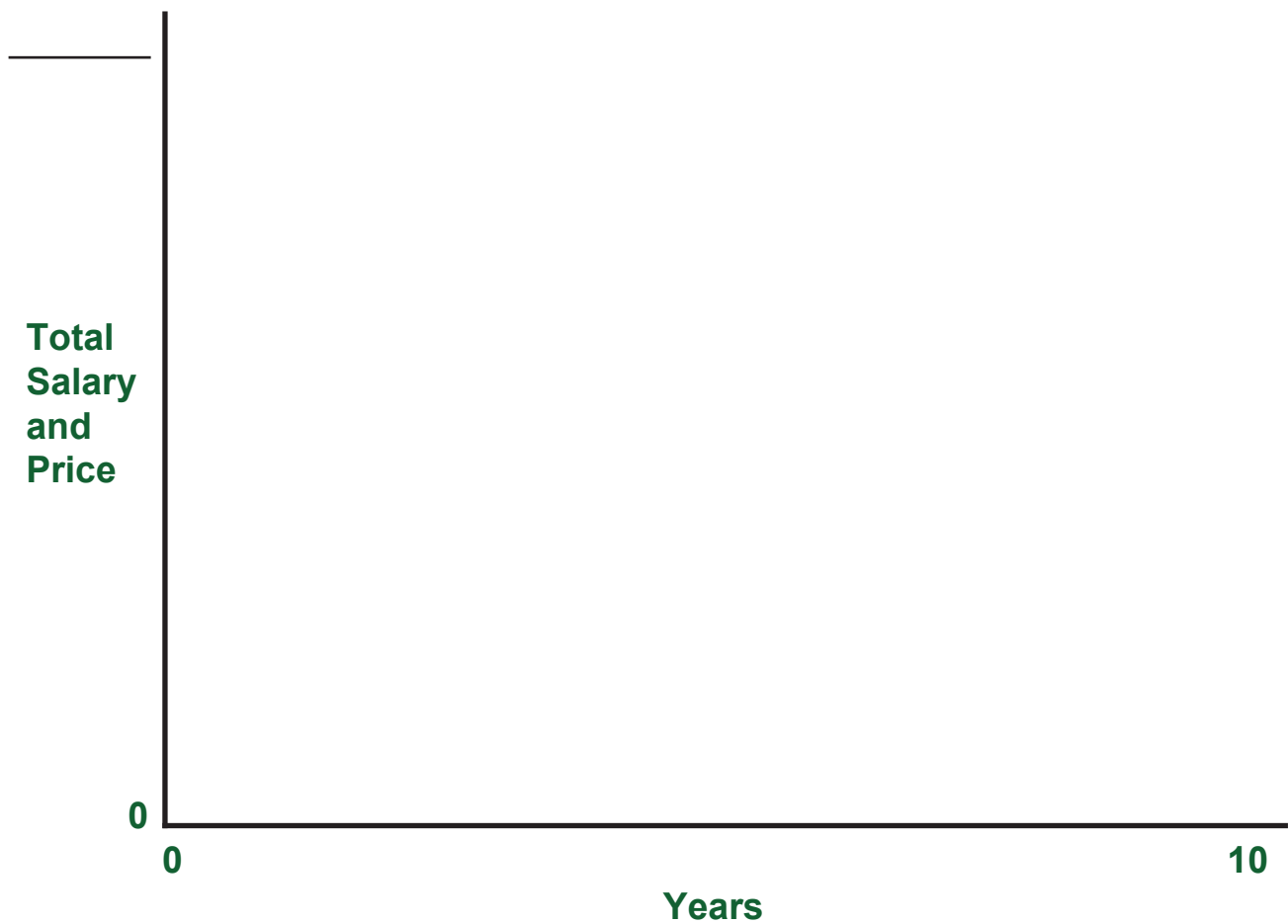
RUN 2:

Salary: _____
(initial value)

Annual Raise: _____

Label and draw a run on the graph that shows one way to fix the problem (gap) in how much money you make in comparison to how much you need to spend.

My Financial Situation



Reflection

What happened to your spending power over time? Why?

How did you reduce or eliminate the gap, so your buying power stays the same or goes up?

Given what you learned, how will your new understanding of inflation affect your own financial decisions?