Labor Market Lessons Powered by Inductive Reasoning
About Me

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Taught high school social studies for 17 years
M.A. in Economics & Entrepreneurship for Educators from the University of Delaware
Session Objective

You will be able to...

Describe and evaluate two Econiful lesson plans focused on the labor force and unemployment.
Econiful Curriculum
On-Level High School Economics

80 lessons, 45 minutes each

53 lessons available now

Literacy-targeted course

Emphasizes active learning, retrieval practice, & metacognition
**SEMESTER PLAN**

**Big Ideas**

- **UNIT 1: SCARCITY AND DECISION MAKING**
  - Unlimited wants and desires paired with limited resources require us to make choices.
  - Decision-making is complex and changes based on many factors.

- **UNIT 2: OPTIMIZATION AND INCENTIVIZATION**
  - Competitive markets can lead to optimal outcomes.
  - Incentives shape decisions.
  - Some market outcomes can be improved through government involvement.

- **UNIT 3: ECONOMIC HEALTH**
  - Economic health can be evaluated in different ways, each with its own limitations.
  - Fluctuations in the economy affect people's standard of living.
  - Institutions and government policy play an important role in the economy.

- **UNIT 4: INTERNATIONAL TRADE AND DEVELOPMENT**
  - Voluntary trade generates benefits for both parties.
  - Effective institutions and policies drive economic development and improvements in the standard of living.

- **UNIT 5: INVESTING AND PLANNING**
  - Investing in yourself is beneficial in the long run.
  - Planning is critical to achieving your personal finance goals.

**Essential Questions**

- Why do we have to make decisions?
- How do people make decisions?
- To what extent is competition beneficial?
- When is the risk worth the reward?
- When are rules helpful?
- How can we determine the overall health of our economy?
- Why does economic health matter?
- How involved should the government be in promoting economic health?
- When does it make sense to engage in trade?
- How does global trade influence the lives of people?
- Why are some countries richer than others?
- How does the “best” decision change over time?
- How do the choices you make today shape your life in the future?
How do you introduce students to the labor force and unemployment?
Econiful
Lesson 3.6
### 3.6 Thinking About the Labor Force Like an Economist

<table>
<thead>
<tr>
<th>Overview</th>
<th>Through a hands-on activity and the use of a flow chart, students define key labor force categories.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sequence</td>
<td>Card sorting exercise</td>
</tr>
<tr>
<td></td>
<td>Unemployment calculation and recent data</td>
</tr>
<tr>
<td></td>
<td>Practice scenarios with labor force flow chart</td>
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<tr>
<td></td>
<td>Summarizer linking unemployment &amp; GDP</td>
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</tbody>
</table>

Learning Objectives

You will be able to:

Describe unemployment and how it is measured.

Explain the interdependence of the GDP growth rate and unemployment rate.
Categorizing
According to the U.S. Bureau of Labor Statistics (BLS)
### Potential Labor Force Sort

Sort the people into

- **Potential Labor Force (7):**
  - THIAGO
  - GWEN
  - GRACE
  - JUAN
  - HARSHITA
  - SOPHIA
  - MARTA
  - LIAM

- **Not part of Potential Labor Force (3):**
  - DEVON
  - RAJ
  - MARTA
Note About Terminology

We use the term “potential labor force”

BLS uses “civilian noninstitutional population”

Some textbooks use “working age population”
THINKING ABOUT THE LABOR FORCE LIKE AN ECONOMIST

Potential Labor Force

GRACE  JUAN
HARSHITA  GWEN
MARTA  LIAM
SOPHIA

Not part of the Potential Labor Force

RAJ
THIAGO
DEVON
Now that you have the correct categorization of the people...

Establish at least two criteria for identifying members of the potential labor force.

**Hint:** Members of the potential labor force must not be ______, ______, or ______.
Determining Potential Labor Force

U.S. Population

Are they under 16, in the military, and/or institutionalized?

YES
Not part of the Potential Labor Force

NO
Potential Labor Force
Potential Labor Force

Which of your proposed criteria closely align with the BLS’s criteria?

What aspects of the BLS's criteria did you overlook?
Labor Force Sort

Sort the 7 people into
Labor Force (5)
Not part of the Labor Force (2)
THINKING ABOUT THE LABOR FORCE LIKE AN ECONOMIST

Part of the Labor Force

- JUAN
- HARSHITA
- MARTA
- GWEN
- LIAM

Not part of the Labor Force

- GRACE
- SOPHIA
Labor Force

Now that you have the correct categorization of the people...

Establish at least two criteria for identifying members of the labor force.
Determining the Labor Force

Potential Labor Force

Are they working for pay?

YES

Labor Force

NO

Not part of the Labor Force

Are they looking for and able to work for pay?

YES

NO
THINKING ABOUT THE LABOR FORCE LIKE AN ECONOMIST

Unemployment Sort
Sort the 5 people into
Employed (3)
Unemployed (2)
THINKING ABOUT THE LABOR FORCE LIKE AN ECONOMIST

Employed

GWEN
MARTA
JUAN

Unemployed

LIAM
HARSHITA
Now that you have the correct categorization of the people...

Establish at least two criteria for identifying those classified as unemployed.
Determining the Unemployed

Potential Labor Force

Are they working for pay?

NO

Are they looking for and able to work for pay?

NO

Not part of the Labor Force

YES

Unemployed

Employed

Part of the Labor Force
THINKING ABOUT THE LABOR FORCE LIKE AN ECONOMIST

U.S. Population
340 million

Potential Labor Force
268 million

Labor Force
169 million

Employed
162 million

Unemployed
7 million

Not part of the Labor Force
99 million

Not part of the Potential Labor Force

Data from June 2024; All values are rounded to the nearest whole million

Source: BLS.gov
An unemployment rate of 3.7% means 3.7% of the total U.S. population is unemployed.

False
An unemployment rate of 3.7% means 3.7% of the total U.S. population is unemployed.

An unemployment rate of 3.7% means 3.7% of the U.S. labor force is unemployed.
You will use the flowchart to determine the correct categorization of different people according to the U.S. Bureau of Labor Statistics (BLS).
Despite her engineering degree, Lisa (age 32) can only find work as a cashier at an electronics store. Her current position doesn’t match her qualifications and skill level.
Practice

Kai (age 29) is tired of going on interview after interview and has decided to pause their job search and live off of their savings for awhile.

Not part of the labor force
### 3.7 A Closer Look at Unemployment Data

<table>
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<tr>
<th>Overview</th>
<th>Working in groups, students analyze a variety of sources to evaluate the official unemployment rate.</th>
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<tr>
<td>Sequence</td>
<td>Unemployment retrieval practice&lt;br&gt;Short reading on labor underutilization&lt;br&gt;Data dive on different demographic groups&lt;br&gt;Transferring knowledge to a civic scenario</td>
</tr>
</tbody>
</table>
Learning Objectives

You will be able to:

- Explain the causes and consequences of unemployment.
- Explain the usefulness and limitations of the unemployment rate.
1. Read “Understanding and Responding to Underutilization of Labor.”

2. Note information that answers the questions on their handout.

3. Discuss the questions with their group.
A CLOSER LOOK AT UNEMPLOYMENT DATA

Questions for Students

1. What challenges/difficulties do underutilized workers face?

2. What factors contribute to uneven labor underutilization across groups?

3. Why are economists concerned about underutilized labor? Connect your answer to the circular flow model.

4. Why is an unemployment rate of 0% unrealistic?
In groups, students analyze unemployment data (charts from FRED) broken down by

- Gender
- Age
- Race/Ethnicity
- Educational Attainment
To what extent is the official unemployment rate a limited indicator of economic health?
Discuss...

1. Would these lessons be appropriate for a class you teach?

2. How might you modify these materials for your classroom?

3. What is your favorite event at the Summer Olympics?
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You should be able to...

Describe and evaluate two Econiful lesson plans focused on the labor force and unemployment.
Thank You!

For further information contact
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