



## TEACHING THE COVER STORY

# BIG IMPACT

The COVID-19 pandemic is changing lives in many ways. Read about how it is affecting the U.S. economy.

### FINANCIAL-LITERACY STANDARDS

- I. Earning Income
- II. Buying Goods and Services

### COMMON CORE STANDARDS

- RI.1, RI.3, W.2

**From the Editor:** Thanks to the PwC Charitable Foundation, *TIME for Kids* is pleased to offer teachers, students, and their families a monthly financial-literacy magazine.

—**Andrea Delbanco**,  
**Editor in Chief, TIME for Kids**

### ESSENTIAL QUESTIONS FOR FINANCIAL-LITERACY STANDARDS

Standard I. Benchmark 2: How are businesses and individuals making money right now?

Standard II. Benchmark 1: What is the difference between an essential business and a nonessential one?

Students are learning from home, so this guide has been adjusted accordingly. Your methods may need to be adjusted to meet the needs of your remote-learning classroom.

### Before Reading the Text

- Before reading this issue, have students write down or share some of the ways their lives have changed because of COVID-19.
- You might ask them to respond to this in a blog post where they can discuss some of stores and restaurants they usually go to that are still open and some that are closed. Encourage students to comment on one another's posts. Or open this up to class-based or family discussion.

### While Reading the Text

- While students read the magazine, encourage them to stop after each question (before reading the response) and think about what they already know on the subject. Have them write down what they know. As they read each response, have them make note of what they've learned.
- You might also ask students to reflect in a journal on what resonates with them as they read pages 2 through 4.

Below are some essential questions you might wish post to guide their writing:

- Do you know someone who has been furloughed? Are your parents' workplaces closed? Is your family

spending less money? Do you remember a global health emergency in the past?

### After Reading

- Use the writing lesson on page 2 of this guide to have students connect the pandemic with their lives.
- The lesson asks students to "research" a local business that has been affected by COVID-19. Students may conduct their research on the Internet, from watching the local news, by talking to their family and friends, or by making phone calls to local businesses.
- If students do not have access to quotes, they may use fictitious ones or quote family members as customers of a store or restaurant.

## WITHIN THIS GUIDE

- Page 1: Find tips for teaching the cover story.
- Page 2: Jean Chatzky talks to a clinical psychologist about how to answer your kid's questions.  
Use a writing lesson to prompt students to create a newspaper article about a local business that has been impacted by COVID-19.  
Our paired-text lesson connects the cover story to "TFK Explains: The Government Shutdown."
- Page 3: Students can use this reproducible to gather information for their newspaper article.
- Page 4: Students can use this reproducible as a template students for their newspaper article.



## A NOTE FROM JEAN

Dear Teachers,

Money's always a tough topic to discuss with children. But right now—with so much uncertainty and so many Americans struggling—it's tougher than ever. I reached out to clinical psychologist Melanie Katzman, PhD, to ask for some guidance on how to proceed.

Before beginning to answer children's questions, she suggests listening to ascertain what they're really worried about. "Let them ask the first, second, and third question," she says. "Are they asking: 'Are we going to have a home? Is mommy or daddy going to have a job? Are we going to have to move?'" Then you know where to target your reassurance. "We're together. We have enough food! Look at the things that are going right so they can see that the family is working through it."

If you lose a job or a business, she suggests finessing when you tell your children, so you can do it calmly (perhaps, once you've made a game plan). Then address it factually, without too much detail. Say something like: "There've been some changes in our family. Like many people, I've lost my job. But we're going to find a way through this, and I'm going to figure it out."

Above all, be calm. "If you're flipping out," your kid will read that. "But if you're saying 'I've lost my job, but when we reemerge, there will be all kinds of new jobs,' that will have a better impact."

Jean

### ADDITIONAL RESOURCES

[councilforeconed.org/standards](http://councilforeconed.org/standards)

Visit for free teaching resources and to download the K-12 national standards for financial literacy.

**BBB Tip: How to Support Small Businesses During Coronavirus** ([bit.ly/3aZlRth](http://bit.ly/3aZlRth))

This article from the Better Business Bureau explains how you can support small businesses from home.

## YOUR \$ ANSWERING QUESTIONS ABOUT COVID-19 AND THE ECONOMY

How is the COVID-19 pandemic changing the life for you and your family? You've likely been asked to make changes to prevent the spread of the disease. Your school has probably been closed. You might be practicing social distancing. The stay-at-home orders have been asked to stay home for weeks at a time.

But the pandemic is not just a health problem. It's also a problem for the economy, and for many individual families, in a number of ways. We know you have questions. Here, we'll walk you through some of the answers.

**What's the connection between the COVID-19 pandemic and money?**

People across the U.S. and the world have been told to stay home to prevent social distancing to slow down the spread of COVID-19. These stay-at-home orders, stay-at-home orders, and stay-at-home orders have led to a sharp decline in consumer spending. As a result, many companies have had to lay off or furlough employees. The result is less money in circulation and less money being spent on goods and services.

**Why are businesses in my town closing?**

Not every store and every business has been able to stay open. Some businesses that are not essential have been ordered to close to prevent the spread of COVID-19. These businesses that don't need to be open in order for people's health and safety to be maintained, such as restaurants, gyms, and salons, have had to close. These businesses that have closed during this pandemic: While they may be able to survive, they may not be able to stay open for good.

**When will businesses reopen?**

Unfortunately, no one knows for sure. But everyone hopes that sometime very soon, life will get back to normal and the economy will start getting back on track.



**SHOPPING SAFE** Grocery stores are open, but shoppers are asked to wear masks and gloves. People are also asked to keep a safe distance from one another.

But to remain in that zone, many businesses will be able to start bringing back some of their furloughed workers.

**Until then, how are people who lose their jobs making money?**

Together, the state and federal governments provide something called unemployment insurance. Usually, if you lose your job for a reason that isn't your fault, you are eligible to receive money from your state that covers a portion of your salary for about 26 weeks. Because of the pandemic, these benefits have been extended for an additional 13 weeks. The federal government is making additional payments of \$600 a week until at least July to people who lose their jobs.

**What else is the government doing?**

The government passed a \$2.2 trillion law called the CARES Act. CARES stands for Coronavirus Aid, Relief, and Economic Security. The law was created to get money to people in the U.S. as a time of need. It allows for a number of things to happen, including payments of up to \$1,200 per adult (and another \$500 to parents for each child under 17). It also includes loans for small businesses. Payments on home loans,

called mortgage, could continue to be paid for a few months without penalty. Plus, the deadline for filing taxes has been pushed back by three months.

The government also lowered interest rates, so it's less expensive for people and companies to borrow money. Lower interest rates also encourage companies to spend. All of these actions are designed to help the economy going.

**What is a recession, and why is the pandemic causing one?**

A recession is a decrease in overall economic activity for an extended period of time. Recession happens when consumers stop spending. Sometimes, consumers stop buying individual items because prices go up.

### Power Words

Although we're temporarily left a worker, pandemic is an outbreak of disease that spreads very quickly and affects a large number of people throughout the world.

## EXPLANATORY WRITING ISSUE: BIG IMPACT

After students have read the issue, ask them to respond to the following questions: Why are businesses closing? What type of businesses are being impacted most during the COVID-19 pandemic? How is the pandemic affecting business owners and workers? What steps is the government taking to help people who are struggling financially? What other solutions might help businesses or individuals struggling financially?

Next, tell students they'll be writing a newspaper article informing readers about the economic impact COVID-19 has had in their town or city. For this assignment, students will explain what is happening to a local business and how people are adjusting to these changes. The article should include a quote from a store owner, someone who has been furloughed, and/or a consumer. Articles should discuss the challenges that businesses are facing and hopes for the future. They should also include an illustration depicting the current situation. Students can use the questions from "Reporter Research" to gather information and then may use the template "Local Effects of COVID-19" to complete their final draft.

## PAIRED TEXT DISCUSS A SIMILAR TOPIC WITH TFK

- Once students have read this month's cover story, send them to [timeforkids.com](http://timeforkids.com) to read "TFK Explains: The Government Shutdown" (01/11/19). This story describes how federal workers were furloughed during last year's government shutdown.
- After students have read the two articles, engage them in a discussion about how and why people's jobs have been affected by government orders now and in the past.

\_\_\_\_\_  
Your name

\_\_\_\_\_  
Date



# REPORTER RESEARCH

Use the questions below to gather information about how COVID-19 has affected businesses in your area. Then use the information to write a newspaper article.

1. Name one business in your hometown that has been affected by COVID-19. \_\_\_\_\_  
\_\_\_\_\_

2. What type of business or industry is it? \_\_\_\_\_  
\_\_\_\_\_

3. In what way has it been affected? (Is it out of business? Temporarily closed? Operating with restrictions?) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

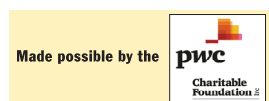
4. What, if anything, is the business doing to support itself at this time? (Is it taking orders online? Offering gift cards? Asking for donations?) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. What is one quote you found in your research about how a business owner, employee, or customer is coping at this time? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. What would you recommend readers do to support businesses in their town? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. What is a headline that will grab a reader's attention? Is there a compelling photo you can include? \_\_\_\_\_  
\_\_\_\_\_

**Common Core State Standards: W.4.2**



\_\_\_\_\_  
Your name

\_\_\_\_\_  
Date



# LOCAL EFFECTS OF COVID-19

After reading the issue *Big Impact* (May 2020), write a newspaper article about the economic impact COVID-19 has had in your town or city. Be sure to write a headline and include an image.

## THE DAILY ECONOMIST

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By: \_\_\_\_\_

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**Common Core State Standards:** W.5.2, W.6.2

