

Unit 1: Lesson 10

Adding Complexity to the PPF: Part 2

DURATION: 45 minutes

OVERVIEW:

In this lesson, students will continue to build on their understanding of the production possibilities frontier (PPF; also called the production possibilities curve) from [Lesson 1.8](#) and [Lesson 1.9](#). Students will work in groups to link the PPF to other key concepts from Unit 1 and to practice interpreting and generating PPF models.

LEARNING OBJECTIVES:

Students will be able to:

- Apply the concepts of scarcity, choice, opportunity cost, and the interdependence principle to a production possibilities frontier.
 - Explain the causes of shifts in the production possibilities frontier.
-

RELEVANT UNIT BIG IDEAS: 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.

RELEVANT UNIT ESSENTIAL QUESTIONS:

- Why do we have to make decisions?
 - How do people make decisions?
-

MATERIALS:

[Instruction Slides](#) (display during class period)

[Student Handout](#) pp. 4-5 (1 copy per student)

Poster paper (1 large piece for each group of 3 students)

Markers (2 different colors for each group of 3 students)

SEQUENCE:

Activator – 3 minutes (Slides 2-3)

1. Display Slide 2. Direct students to discuss their responses to the prompts on the slide with a peer. Then debrief as a class. Click to reveal an asymmetrical shift on the PPF when discussing the second prompt. (Additional educator tips/details/suggested answers are in the notes section throughout *Instruction Slides*.)
2. Proceed to Slide 3 and introduce the learning objectives for the lesson.

Making Connections – 15 minutes (Slides 4-9)

**Printing Pro Tip: print everything as 2 sheets per page to cut down on the amount of paper used. ["How To"](#)*

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3. Display Slide 4. Organize students into groups of 3 (2 if needed) and distribute 1 copy of *Student Handout* to each student.
4. Advance to Slide 5. Explain the difference between consumer goods and capital goods.
5. Display Slide 6. Read the instructions on *Student Handout* for “Making Connections” aloud. Instruct students to work with their group to record responses to the 3 prompts on their handout. Allow students 8 minutes to work.
6. Proceed through Slides 7–9 to debrief “Making Connections.” (Suggested responses are in the notes section of *Instruction Slides*.)

Creating and Analyzing a PPF Story – 25 minutes (Slides 10–15)

7. Display Slide 10 and distribute 1 piece of poster paper to each group of students.
8. Advance to Slide 11. Tell groups to select a shape, color, and number as a group. **Note:** Some students may want to know what their selections mean. Explain that groups will soon write a short economic story and that details of their story (producer, notable factor of production, and PPF outcome) will be assigned based on the group’s choices.
9. Proceed to Slide 12 to reveal the meaning of each shape, color, and number. Tell students to record the information that aligns with their group’s selections in the “Creating and Analyzing a PPF Story” of *Student Handout*.
10. Display Slide 13 and explain the group task. Students should use the remaining space on *Student Handout* to create a rough draft of their story and model before transferring it to their poster paper. Each group’s story and model should fill about two-thirds of the space on their poster paper. Students should show the change in their PPF in a different color. Give students 10 minutes to work.
11. Advance to Slide 14 and call students to attention. Tell students that in a moment each group will review the story and model of another group to provide feedback and economic analysis. Explain the 2 steps each group will complete in the empty one-third of the poster they receive.
12. Instruct student groups to swap their poster paper with another group. Allow students 4 minutes to complete the 2 tasks described on Slide 14.
13. Tell student groups to return the poster they have reviewed to its authors.
14. Display Slide 15. Tell students to review the feedback and analysis provided by their classmates and to make edits to their poster as necessary. If something their classmates wrote is unclear, students should briefly confer with the other group that wrote on their poster. Allow students up to 4 minutes for this task. Circulate and address confusions as they arise.

Summarizer – 3 minutes (Slides 16–17)

15. Advance through Slides 16–17. Tell students to follow the instructions on Slide 17. Collect student posters while they complete the summarizer.
16. Collect *Student Handout* and review the responses to the summarizer for misconceptions or gaps in understanding. Address these at the start of the next lesson.

STANDARDS: Voluntary National Content Standards in Economics

STANDARD 1 Scarcity and Allocation

STANDARD 2 Decision-Making

STANDARD 11 Gross Domestic Product (GDP)

STANDARD 16 Growth and Fluctuations

FEEDBACK & QUESTIONS:

Fill out this [30-second feedback form](#) to let us know how the lesson went. Thank you!

Contact Kathleen Cusack with questions at Kathleen@econiful.org.

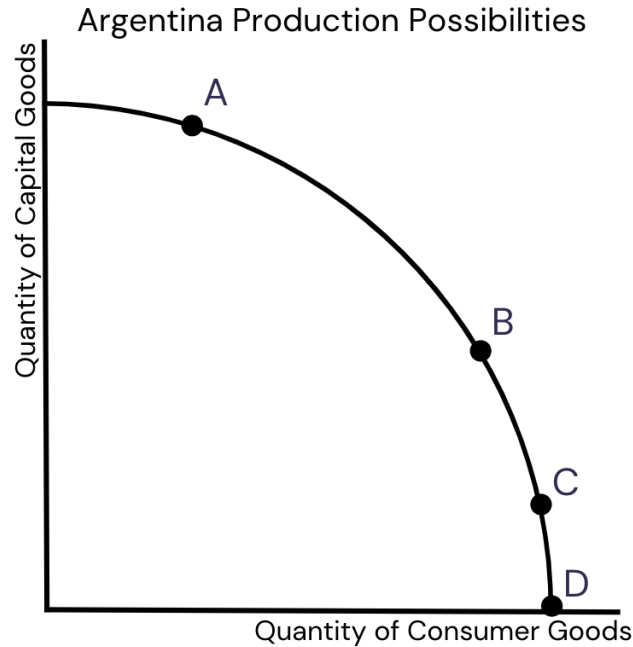
1.10 Student Handout (Adding Complexity to the PPF: Part 2)

Adding Complexity to the PPF: Part 2

Name _____

Period _____

MAKING CONNECTIONS: Refer to the PPF model for Argentina to respond to the prompts below. Provide an explanation for each response that includes at least one of the economic concepts in parentheses.



- Why might Argentina choose to produce at Point B instead of Point C? Explain. (*cost-benefit principle, diminishing marginal utility*)
- Argentina's PPF is more likely to shift to the right in the future if it produces at Point A than if it produces at Point D (producing at Point A will increase Argentina's capital stock). Despite this, why is Argentina unlikely to choose to produce at Point A? (*opportunity cost, present bias*)
- Assume Argentina is currently producing at Point B. How might Argentina's production decision change if new weather forecasts indicate that successful farming will be very difficult next year? Explain. (*marginal principle, interdependence principle*)

CREATING AND ANALYZING A PPF STORY: You and your team will create your own story and model to demonstrate your understanding of economic concepts and their connection to the PPF model. This will help prepare you for the Unit 1 summative assessment and the Unit 2 mid–summative assessment.

Producer	Notable Factor of Production	PPF Outcome

Your story must include:

- The name of the producer
- Two appropriate producer outputs
- A development that will generate the appropriate outcome in the producer’s PPF model

Your PPF model must:

- Include a title, axis labels, and the appropriate PPF shape
- Illustrate what changed in the model based on your story (in a different color)

Use the space below to write a rough draft of your story and your PPF model before transferring your final work to your group’s poster paper.

My key takeaway from today’s lesson is:

I still have questions about: