

Name _____

Date _____

Needs & Wants

Learn more about this topic! Each section gives more detail on one of the lyrics from the song. Read each section, and then respond by answering the question or taking notes on key ideas.

1. A need is something you have to have in order to live. Some needs are free, like air to breathe. Other needs are provided by your community or government. One example of this is clean water to drink and bathe. Communities also provide hospitals and homeless shelters for people who need them. We have to spend money on other things that we need, like food, clothes and a place to live.

Notes

2. Wants are things that we'd like to have but that aren't essential to life. Wants can sometimes feel like needs if we want them very much. For example, if many people in your class are wearing the new Air Jordans, you may want to buy them, too. You might feel like you need to get them to fit in with everyone else. Of course, your life doesn't depend on having them. You probably do need shoes to get around in your society, but you don't need those exact shoes.

Notes

3. Many wants and needs can be divided into two categories: goods and services. Goods are things that are made or grown for sale. Some examples of goods are bread, jeans, books, toys and refrigerators. People usually pay for goods with money. Services are a type of work that you can pay someone else to do for you. For instance, a dentist provides a teeth-cleaning service, and a babysitter provides a childcare service.

Notes

4. People often want more than they can have. In fact, there are so many goods and services available to us that we may have unlimited wants. However, most of us don't have unlimited money to buy everything we want. That's why we need to make choices. It's important to focus on the things we need before getting the things we want. For example, it's best to buy nutritious foods at the store before adding treats. It's smart to buy the pens you need for school before buying the markers and colored pencils that you really want for fun.

Notes

5. A tool that can help you with making choices is a budget. A budget is a plan for how you will spend and save your money. If you know that you get \$10 every week for allowance, you can't spend more than that. You can spend it all by buying \$10 worth of stuff every week. You can also put some or all of the money aside every week, which is called saving. Saving helps you build up money so that you can buy something more expensive at a later time.

Notes