

# LESSON 39

## TEXAS ALMANAC TEACHERS GUIDE

### Modern Economy of Texas

- *Industry & Labor*
- *Employment*
- *Per Capita Income*
- *Banks, Savings & Loans, Savings Banks*
- *Insurance*

#### INSTRUCTIONAL SUGGESTIONS

- 1. BUSINESS START-UP ACTIVITY:** In groups, students will research each of the four geographic areas of Texas (North, South, East, and West) to **determine where they want to start a new business**. They should use the Texas Counties Map (*see* Appendix) and these Texas Almanac articles and tables:

“Counties of Texas” (Counties section)

“Recent Population Growth in Texas” (Population section)

“Per Capita Income by County” (Business section)

“Tourism Impact Estimates by County” (Business section)

“Foreign Consulates in Texas” (Transportation section)

Using the **Student Activity Worksheet**, each group will assess the natural, human, and financial resources that would contribute to the development of its business and select the type of business it wants to develop in one of the four geographic regions. They will **write a proposal to a bank requesting a loan** to start the business.

*American Bank in Waco moved into the Round Bank building in 1979. It is locally owned and can be seen from Interstate 35.  
Photo by Elizabeth Cruce Alvarez.*

#### SOCIAL STUDIES TEKS

4 - 7, 21, 22, 23

7 - 9, 19, 21, 22, 23

8 - 29, 30

#### STAAR

4, 7 - Writing - 1, 2, 3

4, 7, 8 - Reading - 1, 3



## LESSON 39 — Modern Economy of Texas

Students also will write a **letter or email to one of the foreign consulates** and present the information they have gathered in steps 1. through 4 on the **Student Activity Worksheet**.

The **letter should request information** on that country's current business holdings in Texas and if they would like to increase those holdings by investing in the students' new business.

The proposal should include visual aids in the form of a PowerPoint presentation. Each group will present their proposal to the class, and **the class will vote** to determine which group's loan proposal is approved.

- 2. INCOME BAR GRAPH:** Using "Per Capita Income by County" in the Business section and a blank grid (*see* Appendix), students will select a county from each of the four geographic areas (North, South, East, and West) and their own county to **construct a bar graph** illustrating the per capita income of each of the selected counties.
- 3. COST OF LIVING LINE GRAPH:** Students will select a metropolitan area from each of the four geographic areas (North, South, East, and West) using the table "Cost of Living Index for Metro Areas" in the Business section. On a blank grid (Appendix), they will **construct a line graph** reflecting the "**overall percentage**" of each area, using a different color for each area.
- 4. EMPLOYMENT ANALYSIS:** Students will answer the **Employment Analysis questions** on the **Student Activity Sheet** using the tables "Average Work Hours and Earnings," "Employment in Texas by Industry," and "Per Capita Income by County" in the Business section of the Texas Almanac.
- 5. NATIONAL AND STATE BANKS:** Using the website [www.fdic.gov](http://www.fdic.gov), students will research the difference between **national and state banks**. They will create a **Venn diagram** showing similarities and differences.
- 6. S&Ls AND SAVINGS BANKS:** Students will answer the **Savings & Loan and Savings Bank questions** on the **Student Activity Sheet** using the tables "Savings and Loan Associations in Texas" and the "Texas Savings Banks" tables in the Business section.
- 7. INSURANCE IN TEXAS:** Students will answer the **Insurance in Texas questions** on the **Student Activity Sheet** using "Insurance in Texas" in the Texas Almanac's Business section.
- 8. FOREIGN TRADE ZONES:** Students will work in groups and select a **foreign trade zone** from the "Foreign Trade Zones in Texas" in the Texas Almanac's Transportation section. They will contact the foreign trade zone for information about industries in that zone that make the foreign-trade-zone status desirable. Students will **create a T-chart** that lists the positives and negatives of having a foreign trade zone in that city or county.

*The Horse Hollow site in Nolan County is the second-largest wind farm in Texas. Photo by Robert Plocheck.*





# Business Start-Up Activity Worksheet

Research each of the four geographic areas of Texas (North, South, East, and West) to decide where your group wants to start a new business. Use the Texas Counties Map (found in the Appendix material at <http://www.texasalmanac.com/teachers-guide>) and these Texas Almanac sections to conduct your research:

**"Counties of Texas"** (Counties section)

**"Recent Population Growth in Texas"** (Population section)

**"Per Capita Income by County"** (Business section)

**"Tourism Impact Estimates by County"** (Business section)

**"Foreign Consulates in Texas"** (Transportation section)

Assess the natural, human, and financial resources that will contribute to the development of your business. Select the type of business you want to develop and write a proposal to a bank requesting a loan to start the business. Your proposal should include the following elements:

1. Kind or type of business: \_\_\_\_\_  
\_\_\_\_\_
2. Natural resources available: \_\_\_\_\_  
\_\_\_\_\_
3. Human resources available:
  - Civilian labor force: \_\_\_\_\_  
\_\_\_\_\_
  - Percentage of unemployed: \_\_\_\_\_  
\_\_\_\_\_
  - Annual wages: \_\_\_\_\_  
\_\_\_\_\_
  - Average weekly wage: \_\_\_\_\_  
\_\_\_\_\_
4. Financial resources:
  - Property value: \_\_\_\_\_  
\_\_\_\_\_
  - Retail sales: \_\_\_\_\_  
\_\_\_\_\_

## Employment Analysis

Students will answer these questions about employment using the tables "Average Work Hours and Earnings," "Employment in Texas by Industry," and "Per Capita Income by County" in the Texas Almanac Business section.

a. How did the overall employment picture change over the past two years? \_\_\_\_\_

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b. Which goods would have a longer life, those listed as durable or non-durable goods? \_\_\_\_\_

c. What is the hourly wage of an automobile dealer compared to a food/beverage worker for the most recent year listed? \_\_\_\_\_

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d. Which of the retail employment areas earns the least amount per hour? \_\_\_\_\_

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e. Which county's total income is more than that of any other? \_\_\_\_\_

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f. Which areas of employment had the greatest increase? \_\_\_\_\_

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g. Which areas of employment had the greatest decrease? \_\_\_\_\_

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## Savings & Loans and Savings Banks

Answer these Savings & Loan and Savings Bank questions using the tables "Savings and Loan Associations in Texas" and the "Texas Savings Banks" tables in the Business section of the Texas Almanac.

- a. Texas savings banks loaned \$\_\_\_\_\_ for mortgages in the year ending Dec. 31, 2004.
- b. The net worth of Texas savings and loan associations as of Dec. 31, 2001 (or the closest year available), was \$\_\_\_\_\_.
- c. In \_\_\_\_\_, \$29,394,433,000 was deposited into Texas savings and loan associations.
- d. There were \_\_\_\_\_ more Texas savings and loan associations in 1990 than in 2002 (or the closest year available).
- e. The most recent "Total Assets" of Texas savings banks was \_\_\_\_\_ (more or less) than in 2000.

## Insurance in Texas Questions

Answer these questions using the "Insurance in Texas" section in the Business section of the Texas Almanac.

a. How many out-of-state companies are licensed to handle insurance in Texas? \_\_\_\_\_

b. How many Texas firms are licensed to handle insurance in Texas? \_\_\_\_\_

c. Why was the State Board of Insurance established in 1957? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

d. What is the total number of firms licensed to handle insurance business in Texas and how many insurance agents are there?

Insurance Firms: \_\_\_\_\_

Insurance Agents: \_\_\_\_\_

e. Who serves as the chief administrator of the Texas Department of Insurance? \_\_\_\_\_

f. How does Texas rank compared to other states in the cost of homeowners insurance and auto insurance?

Homeowners Insurance: \_\_\_\_\_

Auto Insurance: \_\_\_\_\_