

Grade 4-5: Economics of Agriculture

National Social Science Standards

Economics: Markets-Price and quantity determination

Objectives:

The student will

1. understand the law of supply in relation to low US food costs.
2. identify the use of technology in agriculture as the reason for adequate low cost food supply.
3. understand low food costs benefits the economy.



Background

Technology in agriculture has allowed for an abundant food supply in the US. Increased yields are the result of using modern farm equipment, pesticides, biotechnology and farming applications with the global positioning satellites. One of the principles of economics is the law of supply and

demand. Supply and demand determines the cost of everything you buy.

Because the US has an adequate supply of food for our population the cost is very low. If there was a limited supply of food and the demand was the same the cost of food would be higher.

Instruction Procedure:

1. Review background information.
2. Have students complete activity 1 “Agricultural Abundance” and activity 2 “Grocery Costs”.

Word Power

- Demand: the amount of a resource that people are willing to purchase
- Supply: the amount of a resource available to consumers

Assessment

1. Have the student explain what would happen in the following scenario:

A Midwestern drought caused a decrease in corn and soybean production. What would be the effect on you? How would a drought resistant corn or soybean plant developed with biotechnology change the situation?

Name _____

Activity 1: Agricultural Abundance

Corn Products



Corn and Soybean Hunt

Corn and soybeans are the main crops of Missouri. Corn and soybeans are grown for food, human medicine, cloth and much more.

Send half of the students on a “corn hunt” and half the students on a “soybean hunt” either at home or at a local supermarket. Have them check ingredient labels to find products that contain some form of corn or soybean.

Divide the products into two lists, one that includes foods that are primarily made from corn/soybean (i.e. corn tortillas, corn chex, hominy) and those which have corn/soybean-based additives such as corn syrup, dextrose or cornstarch (ketchup, pudding, soft drinks).



Soybean

plant

(Circle which crop for which you are hunting)

Foods made from Corn/soybean
corn/soybean **additives**

Example: Corn tortilla

Foods with

Example: ketchup

Name _____

Activity 2: Grocery Costs



Typical Bag of Groceries:

- 1 gallon of milk
- 12 eggs
- 5 pounds of sugar
- 1 pound of cheese
- 1 pound of sirloin steak
- 2 pounds of apples

Groceries cost different amounts around the world.

Graph the costs of these groceries for each of the following countries:

- United States: \$19.00
- England: \$24.00
- Spain: \$29.00
- France: \$31.00
- Japan: \$75.00

Grocery Costs

