**PERFORMANCE GOALS:**
Following their farm field trip, students learn to recognize and understand the relationship between supply and demand in respect to farm commodities such as corn.

**OBJECTIVES:**
- Students will understand the uses of corn.
- Students will understand the economic principle of supply and demand.

**NATIONAL STANDARDS:**
- NSS-EC.K-4.8 Role of Price in Market System
  Prices send signals and provide incentives to buyers and sellers. When supply or demand changes, market prices adjust, affecting incentives.
- NSS-EC.5.8.7 Price and Quantity Determination
  Markets exist when buyers and sellers interact. This interaction determines market prices and thereby allocates scarce goods and services.

**PREPARATION:**
1. First, a little background on agricultural commodities: Commodities are “undifferentiated” products—that is, products that are essentially the same no matter who produces them. This is especially true for agricultural products; a pig’s a pig and a pumpkin’s a pumpkin. This means the price for most agricultural products is determined by the market as a whole, with fundamental economic forces such as supply and demand playing major roles. The forces of supply and demand are, in turn, influenced by factors such as weather, disease, and the interest of the consumers.

2. Print and cut out the Commodity Cards on "The Price is Wrong!" Teacher Resource Sheet. Fold each one in half or quarters and collect them all in a hat, a goldfish bowl, or a box. Give the vessel a good shake and a sturdy stir to thoroughly mix the cards up.

3. Did we mention that this is a classroom game show? So don’t be afraid to get creative! If you feel like creating some flashy signage or decorations, go for it! You can also use a bell or a buzzer, or even bring in a boom box to play the theme music of your choice. Hey, it’s your show! Go nuts!

**MATERIALS REQUIRED**

**ACTIVITY:**
1. Advise your students that they are about to become contestants in an exciting new game show called “The Price is Wrong!” It’s a game based on a fundamental force of economics called “supply and demand.”

2. If you have already covered the subject of supply and demand in your class, give your students a quick recap of the principles involved. If you haven’t yet focused on it, you can provide a quick introduction based on sources available in your school. You can also find additional knowledge resources here:
   - http://www.socialstudiesforkids.com/articles/economics/supplyanddemand1.htm
   - http://www.realtrees4kids.org/ninetwelve/supply.htm
   (or Google these search terms: “Understanding Supply and Demand”)

3. Remind your students of their recent farm field trip and inform them that the forces of supply and demand affect how much money the farmers are able to get in exchange for their products and how much consumers must pay to purchase those products or items made from those products. When consumer demand for corn or corn-based products is high, for example, the corn growers can cash in on the scarcity and charge more per bushel. But if the supply of corn available far exceeds the demand, the price will go down accordingly in order to encourage more people to buy the product. The object of this game will be to correctly predict whether the price of a bushel of corn will go up or down based on different market conditions—or, conversely, whether the price of a consumer product connected to the abundance or scarcity of corn will go up or down.
4. Divide up your class into two or more teams. (Since there are twelve Commodity Cards, try to divide up your students into two, three, four, or six teams so that each team will get the same number of questions.) Encourage the teams to come up with team names for themselves (“The Corn-huskers,” “The Pork Bellies,” “The Pumpkin Chunkers,” whatever) and, if you like, let them make team signs or banners for themselves.

5. Inform your class that you will be playing the role of Show Host, calling on the teams one by one and then selecting a Commodity Card at random and reading aloud the description of the market conditions. The card will describe a set of market conditions and will indicate whether these conditions have caused the price of corn (or a corn-related product) to rise or fall according to the forces of supply and demand. After you read the market conditions and the price change, it will be up to the team to announce “The price is RIGHT!” if they think the direction of the price change is true, or “The price is WRONG!” if they think the direction of the price change is false.

6. Commence game play. Call on the first team and then pull out a Commodity Card at random and read the market conditions and price change aloud. The team then announces whether they think the price is “RIGHT” or “WRONG.” (You can give the team members a few moments to huddle and confer at this point if you wish.) After giving an answer, the team should explain its reasoning. If the team offers a correct response, award that team a point (be sure to keep track of the scores) and take a moment to read the explanation at the bottom of each card. Then move on to the next team and repeat the process. After cycling through each team once, go back to the first team and start again, continuing this way until all twelve Commodity Cards have been used. All the teams should be called upon an equal number of times.

7. Following the last response, add up the scores and announce the winner. If more than one team gets the top score, you may declare multiple winners.

8. The “prize” for the winning team may be in the form of some sort of recognition or special classroom privilege…or it could be something more tangible. That’s totally up to you, of course.

MATERIALS:
- Copy of cards
- Pair of scissors
- A farmer’s hat (straw hat), gold fish bowl, or box decorated with images of items you might find on a farm for mixing up and selecting the game cards
### The Price is Wrong

#### Commodity Cards

<table>
<thead>
<tr>
<th>Major floods in the Midwest have reduced this season's corn harvest by 25%. The price of soft drinks quickly goes higher.</th>
<th>A huge bumper crop of corn is on its way to the U.S. from South America. The price of chicken goes higher.</th>
</tr>
</thead>
</table>
| **The price is RIGHT!**
(Most soft drinks are sweetened with corn syrup. When the supply of corn is reduced, the price of corn syrup and other corn-derived products goes up.) | **The price is WRONG!**
(Corn is a major feed source for chickens. When large amounts of corn suddenly come onto the market, the price of corn feed goes down. This makes it possible to raise more chickens, thus increasing the supply and reducing the cost per chicken.) |
| Fuel companies in the U.S. are buying up large amounts of corn to use for the production of biofuels such as ethanol. The price of bread goes down. | A nationwide transportation strike leaves corn growers without the means by which to move their product to the mills and food processing facilities. Soon the silos and storage facilities are overflowing with corn. In the supermarkets, the price of corn-on-the-cob goes higher. |
| **The price is WRONG!**
(High demand for corn drives up its price, prompting farmers to turn over more of their farmland to corn cultivation and away from growing other crops such as wheat. This reduces the supply of wheat and other crops on the market, thus increasing the price of wheat products such as bread.) | **The price is RIGHT!**
(Even though the supply of corn in storage is high, because of the transportation strike, the supply on the market is very low. This creates scarcity, which drives up the price. Eventually the price will drop again when the strike ends and the corn backlog floods the market.) |
| A new corn-based breakfast cereal has been introduced and consumers can't get enough of it! The cereal factory is working overtime to meet the demand. As a result, the price of corn-on-the-cob goes up. | Farmers in the U.S. sell a record amount of corn to countries overseas, leaving a reduced amount of corn available for American consumers. The price of fresh apples at the supermarket suddenly shoots up. |
| **The price is RIGHT!**
(The huge demand for the corn-based breakfast product reduces the overall supply of corn on the market, which drives up the price of corn in general.) | **The price is WRONG!**
(The price of apples is not directly or indirectly linked to the price of corn. Other factors may affect the price of apples, but the supply of corn isn't normally one of them.) |
<table>
<thead>
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<th>Scenario</th>
<th>Conclusion</th>
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| A new diet craze sweeps America: the Egg-A-Day Diet. The demand for eggs suddenly skyrockets…and so does the price of microwave popcorn. | **The price is WRONG!**  
While the price of feed corn for chickens will go up because of the increased demand for eggs, the price of popcorn will not be affected since popcorn comes from a different strain of corn than feed corn. |
| A very “active” flu season prompts America’s drug manufacturers to produce a record amount of antibiotics. The price of corn soon goes higher as a result. | **The price is RIGHT!**  
(Corn syrup and other corn-based ingredients are the preferred “carbohydrate sources” for most antibiotics. A heavy increase in antibiotics production would create a scarcity of corn for other markets, thus forcing the price up.) |
| Oh no! Space aliens have gotten bored with making crop circles in cornfields and are now making “crop craters” instead—abducting about 20% of the American corn harvest straight out of the fields! You quickly find the price of dog food has shot sky high. | **The price is RIGHT!**  
(Since many brands of dog food include corn as a major ingredient, a sudden scarcity of corn means the supply of dog food will decrease, driving the price of dog food upwards.) |
| The popularity of corn mazes increases dramatically to the point at which half the cornfields in the U.S. are being used as mazes. But since the total number of cornfields doesn’t change, the price of corn remains the same. | **The price is WRONG!**  
(The corn used in corn mazes is not suitable for human consumption. This reduces the amount of corn in the human food supply, thus creating scarcity and therefore increasing the price.) |
| A long drought in the U.S. corn belt has dramatically reduced the supply of corn on the market. Mexican restaurants across the country are forced to increase their menu prices. | **The price is RIGHT!**  
(When the supply of corn goes down, its price goes up. This also increases the prices of corn products.) |
| When the price of corn suddenly goes up, you soon find that the price of french fries at your favorite fast food restaurant goes up as well. | **The price is WRONG!**  
(Most french fries are cooked in beef tallow or tropical oils rather than corn oil. So the price of corn doesn't strongly affect the price of french fries.) |