Choices, Crops, Prices

Read how supply and demand shape buyers, farms, and businesses.

5.11 "Economics. The student understands the impact of supply and demand on consumers and producers in a free enterprise system. The student is expected to: explain how supply and demand affects consumers in the United States..."

NAME ______________________________ DATE ______________

1 READ AND MARK

Read it twice

YOUR JOB Underline each change in supply or demand. Circle each effect that change has on consumers, farmers, plantation owners, workers, or businesses.

From Fans to Cotton

1 In a free enterprise system, people and businesses usually choose what to buy, sell, and produce. Demand is how much of a product people want and can buy. Supply is how much sellers offer. When a heat wave raises demand for fans but stores have few fans, shoppers may face higher prices or empty shelves. Some consumers wait, choose another product, or buy fewer fans.

2 During the 1800s, demand in the United States and Europe for cotton helped plantation owners seek more land and labor to grow it. Enslaved people were forced to do much of the work on Southern cotton plantations. As cotton supply grew, textile mills had more raw cotton to turn into cloth. Plantation owners could earn money from sales, while enslaved workers did not receive fair pay or freedom.

3 Supply and demand still affect farms and industries today. A drought can lower the supply of oranges because fewer trees produce fruit. If demand for orange juice stays high, grocery shoppers may pay more or choose a different drink. Higher prices may lead farmers to plant more orange trees later, and juice companies may look for other fruit or change how much juice they make.

2 ANSWER WITH EVIDENCE

Use the passage

1. What happens to consumers when demand for fans rises but stores have few fans?

2. How did demand for cotton affect plantation owners during the 1800s?

3. How did a larger cotton supply affect textile mills?

4. According to the passage, how could a drought affect both orange juice shoppers and juice companies?

3 YOUR TURN

Your own words

Imagine that a frost reduces the supply of strawberries while demand stays high. Write 3 sentences explaining one effect on consumers and two effects on a farm or food business.

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PART 1 · READ AND MARK

Underline each change in supply or demand. Circle each effect that change has on consumers, farmers, plantation owners, workers, or businesses. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	What happens to consumers when demand for fans rises but stores have few fans?	**Consumers may face higher prices or empty shelves. They may wait, choose another product, or buy fewer fans.**
2	How did demand for cotton affect plantation owners during the 1800s?	**It helped plantation owners seek more land and labor to grow cotton.**
3	How did a larger cotton supply affect textile mills?	**Textile mills had more raw cotton to turn into cloth.**
4	According to the passage, how could a drought affect both orange juice shoppers and juice companies?	**Shoppers may pay more or choose a different drink. Juice companies may look for other fruit or change how much juice they make.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

Consumers may pay more for strawberries or buy another fruit. A farm with strawberries to sell may earn more per box and may plant more strawberries next season. A jam company may make less strawberry jam or use a different fruit.

Accept answers that correctly connect lower supply and steady high demand to consumer choices or higher prices. Student responses should include one consumer effect and two reasonable effects on a producer or food business.