

FROM FIELD TO TABLE

LESSON OBJECTIVE

By the end of this lesson students will be able to distinguish between market, command, traditional, and mixed economies as well as explain the costs and benefits of trade.

VIDEO SYNOPSIS

Students will learn how food gets from the farm field to their dinner tables by hearing from farmers and employees who work at or with the Columbus Produce Terminal, a produce processing and shipping facility located in central Ohio.

TEACHER BACKGROUND

Over eighty years ago, a young man named Frank Macaluso attended school by day and sold fruit and vegetables in the afternoon in order to help support his family. He later started a business selling produce in the city's central market. For years the Macaluso Fruit Company has maintained a bustling business that helped fresh produce travel from the field to the consumers' dinner tables. In the 1960's Frank Macaluso and other entrepreneurs got together to set up the Columbus Produce Terminal.

Today, the Columbus Produce Terminal acts as a terminal market. A terminal market is a central site that functions as an assembly and trading place for agricultural commodities. Located near Port Columbus, the city's international airport, and with easy access to the major highways, the Produce Terminal is in an ideal location for a company in the business of processing and shipping goods. Fresh produce arrives daily from all over the United States and from distant places such as Japan, New Zealand, South America, and Africa. The Columbus Produce Terminal also serves as the major transportation hub for local farmers, who often send their produce to the Columbus Terminal for processing and delivery to local grocers.

VOCABULARY

Accession	Traditional Economy	Import
Command Economy	Infrastructure	Export
Market Economy	Tariff	Bilateral
Mixed Economy	Trade	



FROM FIELD TO TABLE

OHIO ACADEMIC CONTENT STANDARDS

ECONOMICS

GRADE 9 MARKETS

1. Describe costs and benefits of trade with regard to:
 - A. Standard of living;
 - B. Productive capacity;
 - C. Usage of productive resources
 - D. Infrastructure.
2. Explain how changing methods of production and a country's productive resources affect how it answers the fundamental economic questions of what to produce, how to produce, and for whom to produce.
3. Analyze characteristics of traditional, market, command and mixed economies with regard to:
 - A. Private property;
 - B. Freedom of enterprise;
 - C. Competition and consumer choice;
 - D. The role of government.

INSTRUCTIONAL PROCEDURE

BEFORE VIEWING

1. Ask the students the following question: What are some things you have eaten today?
(Collect answers on the board)
2. Ask your students to do the following:
 - What were the main ingredients of some foods you have recently eaten? (e.g. flour, sugar, fruit, meat etc.)
 - How can you tell?
 - How was that main ingredient made?
 - Where did it come from?
 - Where was your food grown?
 - Nearby? Far away? How can you tell?
 - If a produce item is listed, is it in season here or did it likely come from elsewhere?
 - Where did you purchase some foods you have recently consumed?
 - Now, ask students in what countries bananas are grown. (Latin America, Caribbean)

Ask students to consider why bananas are imported into the United States despite being grown in Hawaii. (Not enough supply)



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- Ask students to think about who grows their food. How do farmers typically learn to farm? (In the past, children often learned farming from the parents, a characteristic of a traditional economy.)
3. Review the definitions of Command, Market, Mixed, and Traditional economies. Then, show students the video *From Field to Table* and ask them to think about which of these economic characteristics they can identify. Discuss some of the characteristics they have identified. (The farmers' observation that people want fresh quality products illustrates the consumer driven competitive aspect of market economies.)
 4. After viewing the video, have students complete the multiple choice and visual and constructed response worksheet.

ANSWER KEY

MULTIPLE CHOICE QUESTIONS

- | | | |
|------|------|-------|
| 1. A | 5. B | 9. A |
| 2. B | 6. C | 10. D |
| 3. B | 7. B | |
| 4. D | 8. C | |

VISUAL AND CONSTRUCTED RESPONSE QUESTIONS

1. New ideas are sometimes discouraged, lack of progress and innovation keeps standard of living low.
2. All authority for decision making is in one central location, and all of the basic economic questions are decided by that group.
3. Adaptable, individuals have a great deal of freedom. Government involvement is low with a wide variety of goods and services.

SHORT ANSWER QUESTIONS

1. One can infer that trade relations between the U.S. and China were minimal.
2. China committed to reduce tariffs which will make U.S. products more competitive in Chinese markets.
3. Sales will be greatest for almonds, pistachios, and grapefruit. This is because there is a high demand for these in China, but little to no domestic supply.



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MULTIPLE CHOICE QUESTIONS

Name: _____

Date: _____

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READ THE QUESTIONS BELOW AND CIRCLE THE CORRECT ANSWER FOR EACH. (1 POINT)

- 1) **The man who operates the Columbus Produce Terminal learned business practices from his father, and he is now teaching them to his son. This is usually a characteristic of what type of economy?**
 - A. traditional
 - B. market
 - C. mixed
 - D. command

- 2) **The farmer in the story mentioned that “everybody wants the freshest food they can get,” so he ships food out as fast as he can. He is concerned about what consumers want because they can buy produce from anyone they choose. This characteristic of competition and consumer choice is usually associated with what type of economy?**
 - A. traditional
 - B. market
 - C. competitive
 - D. command

- 3) **You decide that Ohio needs another produce terminal to collect and distribute fruits and vegetables to area supermarkets. Since you are able to start your own business without direct government oversight, this is a characteristic of what type of economy?**
 - A. supplemental
 - B. market
 - C. independent
 - D. command

- 4) **If the government told farmers what type of corn to produce, how many bushels to deliver to Columbus, and what price to charge, this would be an example of what type of economy?**
 - A. traditional
 - B. market
 - C. global
 - D. command

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- 5) **Ecuador has an ideal climate for growing bananas. The United States can grow bananas only in Hawaii. In order to help U.S. consumers of bananas, the United States would likely:**
- A. increase the cost of U.S. goods traded with Ecuador.
 - B. eliminate the tariff on bananas imported from Ecuador.
 - C. put an excise tax on bananas grown in the United States.
 - D. discourage global competition in the U.S. banana market.
- 6) **The climate in Ohio is ideal for growing crops such as soybeans and corn, but not good for growing crops such as oranges. Oranges grow well in Florida, soybeans or corn do not. What would be the best use of the productive resources of Ohio and Florida?**
- A. Ohio should grow all of the oranges and Florida should grow all of the corn.
 - B. Ohio should grow all of the oranges and corn that they need to be self-sufficient and Florida should do the same.
 - C. Ohio should grow mostly corn and soybeans, and Florida should grow mostly oranges.
 - D. Both Ohioans and Floridians should stop eating corn, soybeans, and oranges.
- 7) **In order for the Columbus Produce Terminal to operate there must be infrastructure. Infrastructure is:**
- A. vegetables, fruits, and nuts.
 - B. roads, bridges, electrical and communications systems.
 - C. grocery stores, consumers and producers.
 - D. producers, consumers, and savers.
- 8) **A traditional economy is based on:**
- A. outside influences.
 - B. nomadic travel.
 - C. past practices.
 - D. government regulations.
- 9) **Which of the following is a characteristic of a market economy?**
- A. free enterprise
 - B. government control
 - C. an apprentice system
 - D. lack of industry
- 10) **All of the following are benefits of trade EXCEPT:**
- A. improved standard of living
 - B. increased ability to make things
 - C. increased earnings
 - D. Domestic economies become dependent on global markets.

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VISUAL AND CONSTRUCTED RESPONSE QUESTIONS

Name: _____

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DIRECTIONS

The chart below shows three types of economic systems. Answer the following questions by completing the chart. Place your answers next to the numbers.

TYPE	DESCRIPTION	STRENGTHS	WEAKNESSES
TRADITIONAL	Ritual, habit, or custom decides all of the basic economic questions (what, how and when to produce, and who gets it)	Clear roles; no uncertainty about what or how to produce, or who gets it; stable, predictable, and continuous	1
COMMAND	2	Can make drastic changes in a short period of time	Not designed to meet the wants and needs of individuals; Few incentives to work harder; no flexibility to deal with day-to-day issues;
MARKET	People and businesses decide basic economic questions; buyers and sellers come together to exchange goods and services	3	Competition creates both winners and losers; markets lacking competition do not work well. Sometimes businesses abuse workers, the environment, or consumers if left unchecked by the government

1. _____

2. _____

3. _____

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SHORT ANSWER QUESTIONS

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DIRECTIONS

Analyze the following excerpt taken from a 2001 U.S. Department of Agriculture report to answer the questions that follow. Answers should include two to three complete sentences.

China's Entry into the WTO: High Stakes for U.S. Horticultural Industry

In 2000, China and the United States signed a bilateral agreement that permits the United States to endorse China's accession to the World Trade Organization (WTO). While several hurdles remain before China receives WTO membership, this agreement represents a crucial step in China's accession process. For U.S. producers, China's entry in the world trading system entails a fundamental departure from the current trade relationship. Under the terms of the bilateral agreement, which will be incorporated into the final WTO accession protocol, China commits to eliminate non-tariff barriers on agricultural imports upon its accession and to implement a series of tariff cuts between 2000 and 2004....In addition, exporters will be able to do business with private traders in China, without interference of a state-trading entity. China will also comply with WTO rules regarding use of domestic support and export subsidies.

Large reductions in tariffs will make U.S. products more competitive in China's markets...The lower tariffs are scheduled to take effect by 2004...Overall tariff reductions are greater for fruits than vegetables.

Sales impacts will be greatest for products such as almonds, pistachios, and grapefruit, for which demand is high and China has no domestic productions. U.S. exporters will benefit from a liberalized distribution system that will allow companies to more freely market, distribute, and provide sales services.

Currently, China limits import rights to a small number of companies that receive specific authorization or that import goods to be used in domestic processing...China has recently lifted a ban on U.S. citrus imports...Despite large domestic citrus production in China, potential exists for U.S. growers to export citrus during the winter harvest season and during the spring season, after China's harvest has peaked.

Outlook Report No. (VGS285-01) , August 2001

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SHORT ANSWER QUESTIONS

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- 1. China has been a member of the WTO since 2001. Based, on the report, what can you infer about trade between the U.S. and China prior to its admittance into the WTO?**

- 2. What had China committed to do between 2000 and 2004 and how would this stand to impact U.S. products in China's markets?**

- 3. For which U.S. products will sales be greatest and why?**
