

Buyers and Sellers



Artist: Alec Melzar • 3rd Grade • Larchmont Elementary School • Norfolk

BUYERS AND SELLERS
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Definition/Background

Buyers demand goods and services; sellers supply goods and services. Markets exist when buyers and sellers interact. This interaction determines market prices and thereby allocates goods and services. The price is what people pay when they buy a good or service, and what they receive when they sell a good or service. In market economies there is no central planning agency that decides how many different kinds of sandwiches are provided for lunch everyday at restaurants and stores, how many loaves of bread are baked, how many toys are produced before the holidays, or what the prices will be for the sandwiches, bread, and toys. Businesses want to sell the goods and services consumers will buy. A market exists when buyers and sellers exchange goods and services. People's choices about what goods and services to buy ultimately determine what producers produce.

Teaching Ideas

1. Have students brainstorm a class list of possible goods and services that people might sell in the future. Allow students to select their favorite good or service and create an advertising poster for it
2. Pay the students play money for various behaviors and jobs they do around the classroom. Divide the class in half, identifying half the class as buyers and half the class as sellers. Bring in inexpensive candy or other items and allow the sellers a chance to sell to the buyers and vice versa.
3. Make the following statement to the students, "The grocery store owner is both a buyer and a seller." Ask them to explain, with details, why this is a statement of fact.
4. Ask the students to become playwrights and write a short play titled, *Billy the Buyer and Sam the Seller*. The setting of the play is the local shopping center and the lead characters start out strangers and end up friends.
5. Invite a local "producer" to come in and speak to the students. Ask students to prepare interview questions and have them write a magazine-like article about the guest speaker.

Lessons & Resources

Print Lessons

Spotting Economics: From Africa to Ice Cream, Lesson 2: When Benny Spends His Pennies (elementary)

Focus: Economics Grades 3-5, Lesson 11: How Many Snacks Will the Students Buy? (elementary)

Online Lessons

What Does a Farmer Do? Farmer's Market (elementary)

<http://mrsweissman.com/farmer.aspx>

To Market To Market (elementary)

<http://www.econedlink.org/lessons/index.cfm?lesson=EM357&page=teacher>

Bringing the Market to the Farm (middle)

<http://www.econedlink.org/lessons/index.cfm?lesson=EM403&page=teacher>

Literature

- **My Granny Went to Market** by Stella Blackwell. Barefoot Press, 2005. Granny's quest to **buy** unique items leads to a magic carpet flight to the markets of the world where **sellers** from Istanbul to Peru are happy to assist her. [Grades K-3]
- **Nothing** by Jon Agee. Hyperion Books for Children, 2007. Otis has nothing left to **sell** when the richest lady in town arrives at his shop. Therefore, she **buys** "nothing" and starts a new trend in town. [Grades K-3]
- **Money Hungry** by Sharon Flake. Jump at the Sun, 2001. Because 13-year-old Raspberry Hill knows the hardship of homelessness, she values money more than anything and becomes skilled at **buying** items to resell to her classmates. [Grades 5-8]

VIRGINIA COUNCIL ON ECONOMIC EDUCATION

VCEE is a nonprofit organization providing Virginia's K-12 teachers with professional development, quality curriculum and other resources to promote economic and financial education. Visit www.vcee.org or contact VCEE or one of its affiliated centers to learn about specific opportunities.

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Contact one of our economic education specialists or go to www.richmondfed.org/educational_info for resources on teaching economics and the Federal Reserve System. Among these free and easy to use resources you'll find lesson plans, workshop information and publications.

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The Virginia Council on Economic Education, in cooperation with the Federal Reserve Bank of Richmond, is pleased to provide this poster featuring a winning entry from the 2007-2008 Color the Economic Concepts Contest.

Teachers in Grades K-8: Give your students the opportunity to illustrate their knowledge of economic concepts in a creative and fun way. They may be selected for a poster next year! Winning students also receive a \$50 U.S. Savings Bond.

Entries must be received by April 30, 2009. See www.vcee.org for more details.