

## LEMONADE STAND

### Performance Standard (15B/15C).D

Plan a lemonade stand in competition with another stand and analyze decisions from both a consumer and producer point of view accordingly:

- *Knowledge*: identify a strategy for selling lemonade at a high and low price;
- *Reasoning*: explain the strategy and the choices involved; and
- *Communication*: write a short essay that is well-organized, well-focused and well-detailed; express all ideas in a way that provides evidence of knowledge and reasoning processes.

### Procedures

1. ***In order to understand that scarcity necessitates choices by consumers (15B), and understand that scarcity necessitates choices by producers (15C)***, students should experience sufficient learning opportunities to develop the following:
  - Identify criteria they use when making consumer choices, and
  - Explain that producers will make and sell more of a good or service when the price of that good or service is higher, and will make and sell less when the price is lower.
2. Have students review and discuss the assessment task and how the rubric will be used to evaluate their work.
3. Students need to be taught the law of demand and the law of supply.
4. Each student will start planning what would be needed for a lemonade stand at the school carnival. Another class will also have a stand. The student will consider what might get potential customers to buy lemonade from his or her class rather than the other class and still make a profit. How consumers make choices needs to be discussed as part of the plan.
5. The principal has announced that all stands had to sell lemonade at the same price. The student needs to plan for both a possible low price and a possible high price. The class would prefer to only sell lemonade but will sell snacks if the lemonade is not likely to produce the profit they want.
6. Have the students decide which strategy to follow depending whether the price of lemonade is low or high. Have students write a short essay to explain why he or she made the choices involved.
7. Evaluate each student's work using the Social Science Rubric as follows and add the scores to determine the performance level:
  - *Knowledge*: identification of a strategy is clear, complete and accurate.
  - *Reasoning*: the explanation of the choice of strategy and decisions uses the law of supply and the law of demand and is well-reasoned and logical.
  - *Communication*: the writing is well-organized, well-focused and well-detailed; the knowledge and reasoning were completely and effectively communicated.

### Examples of Student Work not available

### Resources

- Brief guidelines for the student plans.
- Social Science Rubric

### Time Requirements

- One 50-minute period