

# How is *Local Food* Good for Our Economy?



# What is an Economy?

- The system by which goods and services are produced, sold, and bought that helps us determine how to use limited resources.
  - Everything we MAKE (or GROW)
  - Everything we BUY
  - How resources are USED

# Economics



- **Production** (What gets made and how?)



- **Distribution** (How do we get things to people who want them?)



- **Consumption of goods and services** (What do people want, how much, and what price?)

## The Big Question:

*How can we satisfy unlimited wants ...with limited resources?*

# Economics



- Helps us decide:
  - **What** goods & services get produced
  - **How** they are produced
  - **Who** gets them

**Who answers all of these questions?**

**YOU answer these questions as a CONSUMER**

# Intro to Supply & Demand

## ● Supply

- How much is available to us?
- What price can it be sold for?

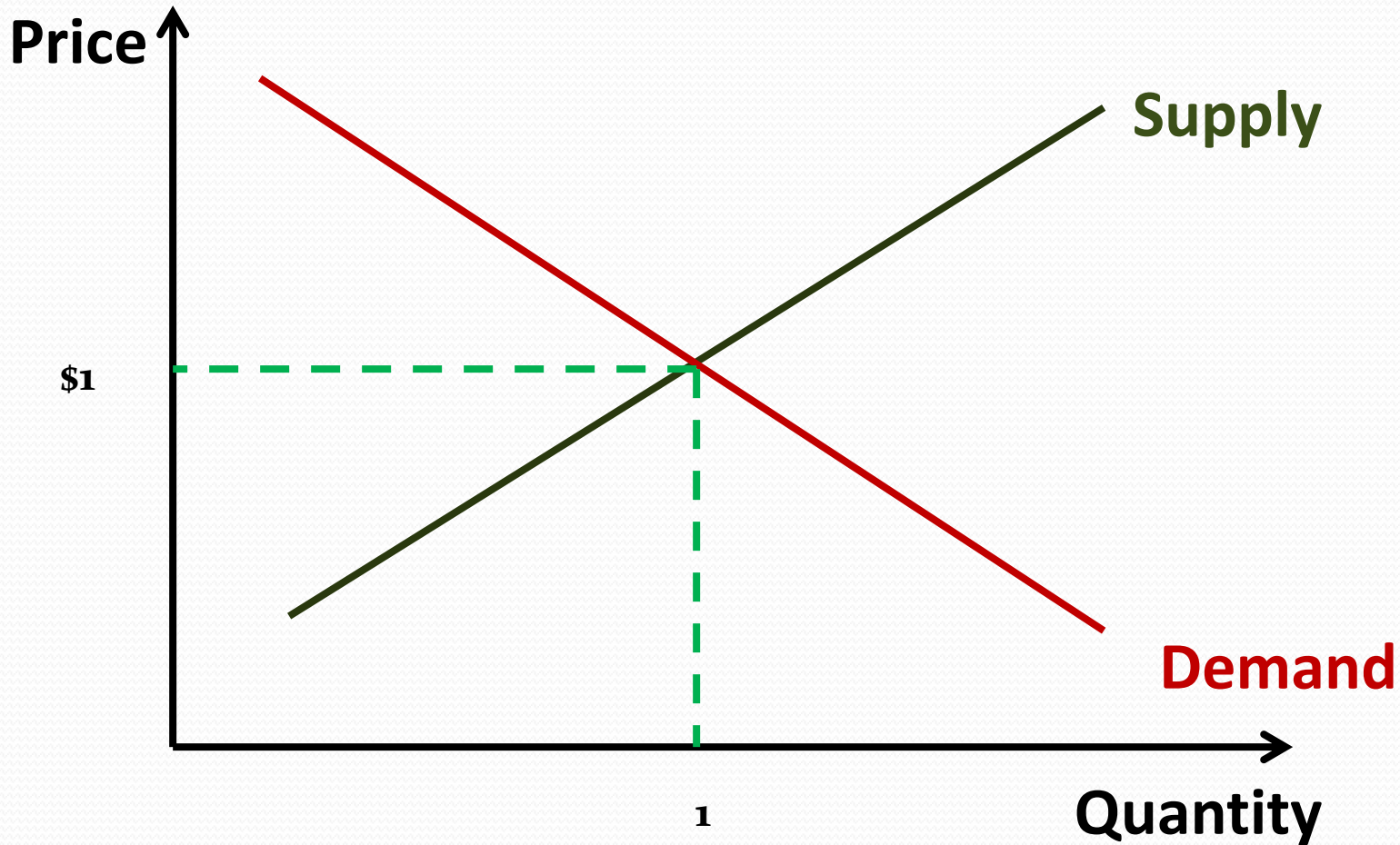


## ● Demand

- How much do we want?
- What price are we willing to pay?



# Economics: Supply & Demand



The Facts About Food

# Economics: Supply & Demand

## ● Supply

- Price decreases when more supply is available
  - especially when demand is low!



## ● Demand

- Price increases when demand is high
  - Especially when supply is low!



# Economics: Supply & Demand

- Which of these foods do you think farmers sell more of?

- Bok choy



- Blueberries



- WHY?

# Farm to School Benefits



- Farmers have a new place to sell their local food!
- Local farmers get to keep more **\$MONEY\$**
- YOU get to eat tasty, local, & healthy food!
- That **\$MONEY\$** stays INSIDE the community!

## HERE'S THE IDEA

Buying local products at locally owned businesses keeps money circulating closer to where you spend it. This creates a ripple effect as those businesses and their employees in turn spend your money locally. Corporate chains send most of your money out of town.



**For every \$1 spent  
at a local business ...**



**For every \$1 spent  
at a corporate chain ...**



# Economics: Supply Chain

Farmer



Processor



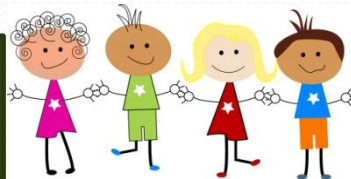
Distributor



Retailer



YOU!



VS.

Farmer



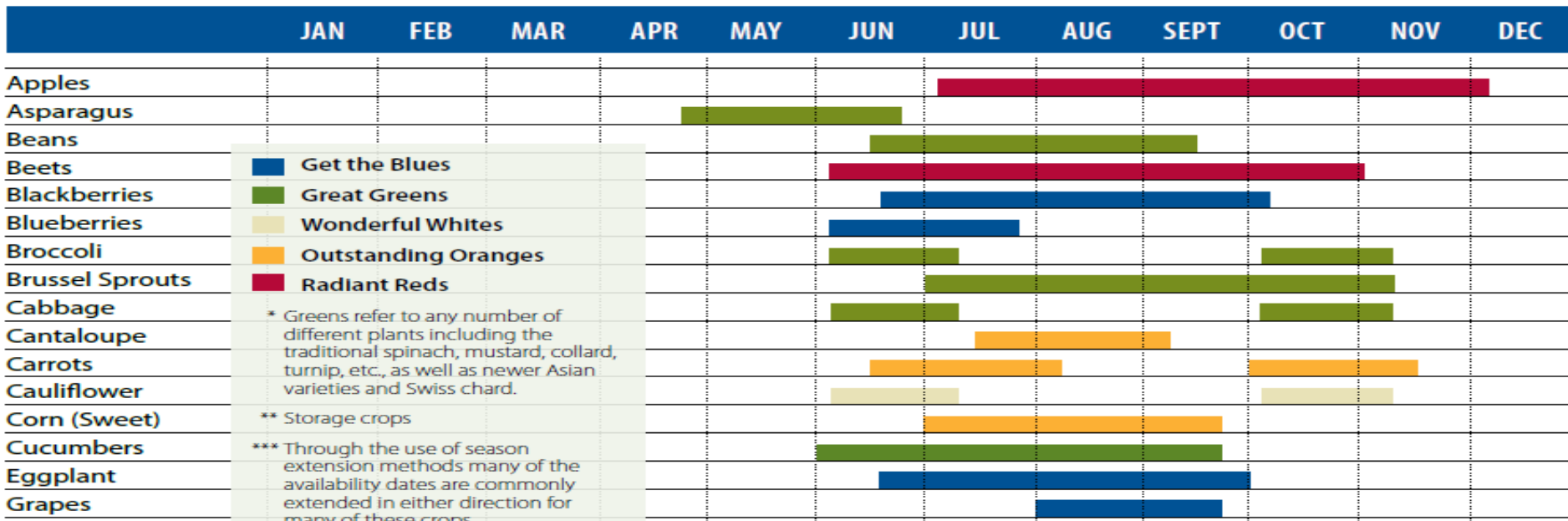
School



YOU!



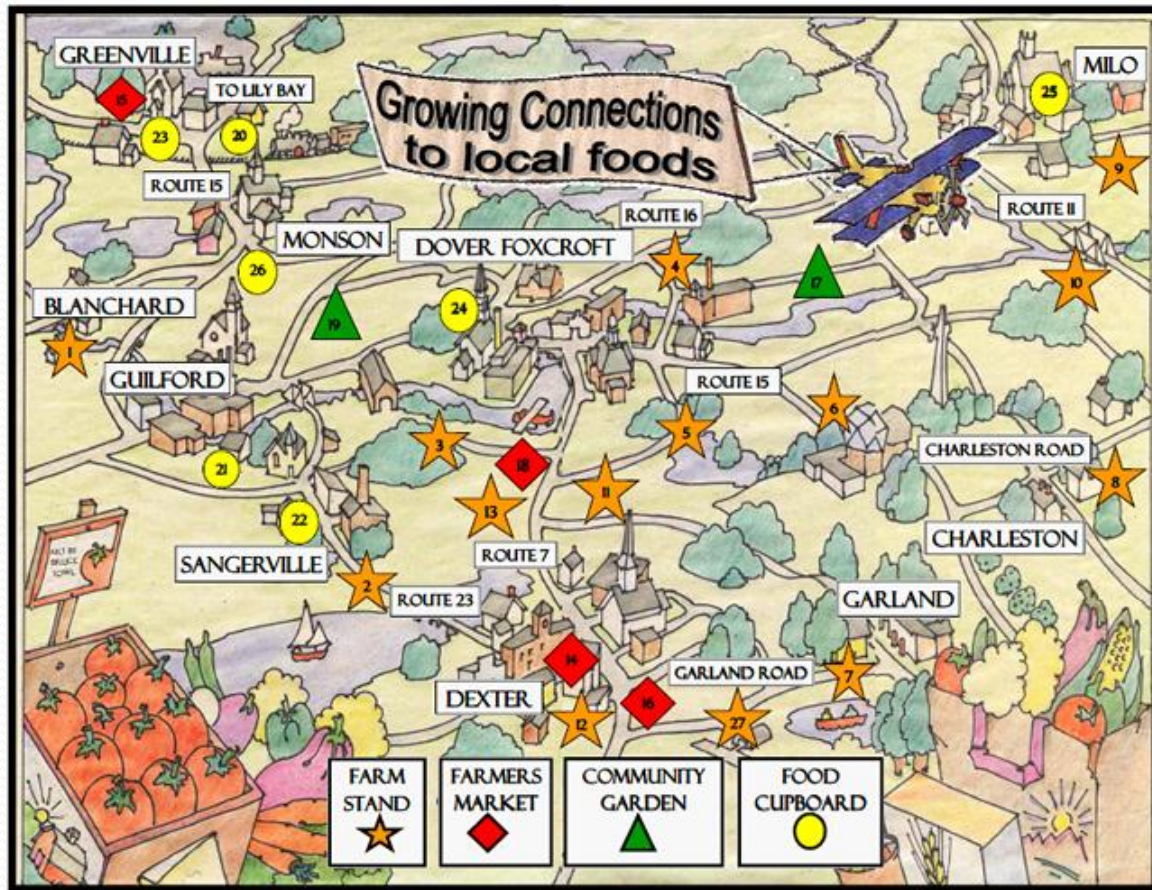
# Why can't we always get all foods locally?



Can you grow bananas in KY?

Oranges?

# Do you know where to buy local?



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- Farmers Market
- Farm stands
- Some grocery stores
- Gardens
- Orchards
- Farms
- Food Banks



**Have you been to the Farmers Market???**

