

Supply and demand on a giant scale!

If the weather is good!!!

Equipment: Labels (preferably laminated, P, Q, S1, S2, D1, D2), old climbing ropes for the axes and curves (hence 5 or 6 for each team) and some playing cones for the equilibriums.

Divide the students into two teams, then you could start off with a relay race to get the equipment. The students collect one piece of equipment at a time and bring it back to the rest of the team who construct a demand and supply diagram. Points can be awarded for the fastest team.

Following that read out a series of scenarios.

For each scenario the students discuss in their teams which curve to shift and whether it was an increase or decrease. Then circulate around each group to check the diagram and ask for a justification. Points were awarded for each correct diagram and explanation.

For each scenario ask a different student in each group for an explanation to ensure that the students were discussing the scenarios amongst themselves and that they all understood why D or S was shifting.

You could use these resources for other topics such as AD/AS, labour markets and even theory of the firm.

Examples of scenarios are as follows:

Market	Change in the market	Shift in demand or supply?	Increase or decrease?	Effect on the market price – higher or lower?
World market for steel	The IMF issues a report forecasting a slowdown in global construction output and investment for 2012			
World market for gas	An exceptionally cold autumn and winter period affects North America			
European market for grapes	Spring floods badly affect the crop of grapes from Mediterranean countries			
Global market for gold	A depreciation (fall) in the value of the US exchange rate (the dollar) and other currencies			
The market for new cars	A sustained rise in the world price of steel and rubber			
UK market for coal	The European Union increases the size of the import tariff on coal from non-EU countries			