

## FARMING SIMULATION

Directions: Organize the class into “farm families” consisting of two or three students each. Divide the “farm families” into Homesteaders, Tenant Farmers and Sharecroppers. Distribute the appropriate Homesteader, Tenant Farmer or Sharecropper handout to the families. Each family borrows \$1500 to cover their various expenses and decides which crops to plant and which livestock to raise for the first year. At the end of each year the teacher reads the Investment return for each crop or livestock from the chart below. The family calculates their profit and determines how much money they have to invest in the following year. After three years the teacher asks how much money each family has and compares that with the \$1500 that they borrowed to start with. There should be a disparity between the success of the Homesteaders, Tenant Farmers and Sharecroppers which will raise themes for class discussion. Discussion could also focus on the successful and unsuccessful strategies used by the “farm families” in the simulation.

The families engaged in homesteading need a rate of return of 1.5 to break even. A higher rate means an increase in working capital and a lower rate means a decrease in working capital that will result in increased debt and eventual bankruptcy. Similarly, the tenant farming families and sharecropping families need rates of return of 2 and 2.5 respectively.

All the rates of return are based on research into average crop prices in nine representative states: Alabama, Tennessee and Kentucky for the South; Indiana, Ohio and Pennsylvania for the North; and Missouri, Kansas and Nebraska for the West. These states were chosen to provide the widest range of crop information; for example Missouri provided data on tobacco yield and prices in the West that was not present in North or South Dakota. In the simulation, the average rate of return is 1.7 in 1872, 1.5, in 1873, and 1.3 in 1874. This accurately reflects the situation in the early 1870s and particularly the depression that followed the Panic of 1873.

Prompt discussion of gender roles, family decision making, social expectations and actual situations.

What is the economic and social focus of the simulation and what aspects does the simulation ignore? What does this reflect?

Given the prevalence of growing debt, how does the farm family survive? How could the farm family cut its costs? Gardening, raising chickens, hunting or fishing. (Farm life) Transportation and storage of crops. (Populist political issues) How could the farm family raise additional income? Sell eggs, wood, pelts, be a seamstress, maid or cook. During winter: lumbering, plowing, repairman, day laborer.

## Investment Return

<b>Crop</b>	<b>1872 Return</b>	<b>1873 Return</b>	<b>1874 Return</b>
Barley	1.5	1.5	1.5
Corn	2	1.5	1.5
Cotton	1	1.5	1
Oats	2	1.5	1
Rye	2	1.5	1
Tobacco	2	2	1
Wheat	1.5	1.5	1.5
<b>Livestock</b>			
Cattle	2	2	2
Pigs + Hogs	1.5	1	1
Sheep	1.5	1	1.5