



JIM'S POPCORN DAYDREAM



Jim could not wait to go to JA BizTown! It was hard for him to picture exactly what he would be doing on that day, but he liked to try. Sometimes, he daydreamed about being a **consumer**. He could see himself walking around town using his checkbook and debit card to buy goods at the town's businesses.

Right now, as he loaded his homework into his backpack, he was thinking about being an **entrepreneur**. He had learned that **entrepreneurs** are people who start a **business** and use **resources** to provide **goods and services** to **consumers**.

Jim thought maybe he ought to start his career in the JA BizTown restaurant as a **producer**, making and selling popcorn to other JA BizTown **citizens**. He knew that in an economy based on **free enterprise**, businesses decide what price they charge for their **goods and services**.

Jim thought about it and decided he would charge a penny for each bag of popcorn. After all, pennies were easy to count and stack. Then he thought about all the work that needed to be done. He would have to fill the popcorn machine with popcorn kernels, dump out the hot popcorn, salt it, and fill the bags with freshly popped corn. He would have to serve the **consumers** promptly, take their pennies, operate the cash machine, and clean up. Wow. There was a lot a **producer** had to do—especially for only one penny. That price might not be such a good idea.

"Who wants one little penny for all of that work?" he grumbled, as he headed downstairs to watch a movie.

Just as he was settling onto the couch, Jim had a flash of brilliance.

"Everyone loves popcorn, and we couldn't make enough for everyone," he thought. He remembered his teacher had called the situation where people can't have everything they want due to limited resources **scarcity**.

"The restaurant could charge \$5 for each bag of popcorn. Wait, I'll charge \$10 and make even more money. I'm a genius." Jim knew that with that much money coming in, the restaurant could pay its business costs and earn a **profit**.

"I'll be rich!" Jim thought to himself.

Just then, Jim's mom brought in a big bowl of fresh popcorn and sat

down beside him. The two enjoyed buttery handfuls of popcorn as the movie started. Jim's mind, however, kept wandering back to his imagined plan to be a popcorn **producer** at JA BizTown. He pictured what he'd say to his mother when she walked into the **business** to buy popcorn.

"Hello, Mrs. Thomas. Would you like a bag of popcorn? It's nice and fresh. Yes? Great! That will be \$10 please."

All of a sudden, Jim's mental picture of himself as an **entrepreneur** took a dramatic turn...

Very clearly, Jim could hear his mom screech, "How much money did you say? Who's going to pay that for a bag of popcorn? That's robbery! Good luck selling all of those bags you just made."

Jim popped out of his daydream and snuck a look at his mom. She worked hard for the family's money and understood the value of a dollar. Jim realized he had spent his daydreaming time thinking like a **producer**. But he realized he had to think like a **consumer**, too. After all, he regularly consumed **goods and services**.

He also knew that **producers** need **consumers** to buy their **goods and services**. After all, if nobody buys the goods, **businesses** can't meet their costs. Quite simply, **businesses** need customers. JA BizTown's restaurant would need customers, too.

As Jim scooped another handful of popcorn into his mouth, he realized he needed to rethink the price of his popcorn. If a penny a bag was way too little and \$10 way too much, maybe \$1 was just about right. That price would mean good sales and a **profit**.

Jim smiled. Now he was thinking like both a **producer** and a **consumer**. And that meant he was on the right track to succeed with his **business**!