

Name:

Econ 101 Reading Assignment #2 – *Excerpt, The Grapes of Wrath*

Steinbeck, John. 1939. The Grapes of Wrath. Penguin Classics: London, England. Pgs. 364-365.

Context: The Grapes of Wrath tells the story of the Joad family, which falls on hard times during the Great Depression and moves out to California in search of work. Interwoven through the story are excerpts like the following, that step back and describe the economic hardships of the time in more general terms.

The works of the roots of the vines, of the trees, must be destroyed to keep up the price, and this is the saddest, bitterest thing of all. Carloads of oranges dumped on the ground. The people came for miles to take the fruit, but this could not be. How would they buy oranges at twenty cents a dozen if they could drive out and pick them up? And men with hoses squirt kerosene on the oranges, and they are angry at the crime, angry at the people who have come to take the fruit. A million people hungry, needing the fruit – and kerosene sprayed over the golden mountains.

And the smell of rot fills the country.

Burn coffee for fuel in the ships. Burn corn to keep warm, it makes a hot fire. Dump potatoes in the rivers and place guards along the banks to keep the hungry people from fishing them out. Slaughter the pigs and bury them, and let the putrescence drip down into the earth.

There is a crime here that goes beyond the denunciation. There is a sorrow here that weeping cannot symbolize. There is a failure here that topples all our success. The fertile earth, the straight tree rows, the sturdy trunks, and the ripe fruit. And children dying of pellagra must die because a profit cannot be taken from an orange. And coroners must fill in the certificates – died of malnutrition – because the food must rot, must be forced to rot.

The people come with nets to fish for potatoes in the river, and the guards hold them back; they come in rattling cars to get the dumped oranges, but the kerosene is sprayed. And they stand still and watch the potatoes float by, listen to the screaming pigs being killed in a ditch and covered with quicklime, watch the mountains of oranges slop down to a putrefying ooze; and in the eyes of the people there is the failure; and in the eyes of the hungry there is a growing wrath. In the souls of the people the grapes of wrath are filling and growing heavy, growing heavy for the vintage.

1. Draw a possible demand curve for oranges. Assume the supply of oranges is fixed, and indicate on your drawing how the demand curve gives the market price.

2. This book takes place during the Great Depression, when a large proportion of people lost their jobs, or otherwise saw their income decline sharply. Show how this would affect your demand curve, if oranges are a normal good. Assuming the supply of oranges is fixed, indicate how the price of oranges changes.

3. The farmers destroy their crops to drive up prices. If the farms are maximizing profits, what does this imply about the price elasticity of demand for their crops?

4. Why won't the farmers let people take the crops they are throwing out or burning?

