

Both Sides of the Issue

Grocery Prices

A MiniGuide for Teachers

stosselintheclassroom.org

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Objectives

Students will be able to:

- list the causes of higher grocery prices that each video identifies.
- classify each cause as a corporate decision, a government policy, or a change in supply and demand.
- test at least one claim from each video against its original source and the most recent data.
- assess which video better explains what has happened to grocery prices since it was posted, answering the strongest point from the other video.

About This Pairing

This pairing sets *Trump Lied About Grocery Prices*, from Robert Reich's YouTube channel, against *Why Are Your Groceries SO Expensive?*, from the Foundation for Economic Education (FEE). Reich, a former U.S. Secretary of Labor, argues that the Trump administration's plans on taxes, tariffs, mergers, and immigration will push grocery prices higher. The FEE video, written by comedian Andrew Heaton, argues that government rules on sugar, milk, and imports, not corporate greed, drive prices up.

Both videos say tariffs raise food prices, and both say government decisions shape what we pay. They split on which decisions matter most. Each is a scripted video under four minutes, with no one on hand to provide an alternative viewpoint.

Reich's video was posted in March 2025, when several of the policies it discusses were still proposals. The FEE video was posted in July 2026. Tax rates, tariffs, and food prices have changed since.

Concepts & Key Terms

The following terms appear across both videos in this pairing, or in the activities that follow. Understanding them will help students follow the arguments and engage in discussion.

Antitrust Law: A law that prohibits business practices that unfairly limit competition, and that allows the government to block mergers or break up companies.

Competition: Rivalry among businesses for customers, which pushes sellers to improve quality, lower prices, or offer something new.

Corporate Tax Rate: The percentage of its taxable profit that a corporation pays in income tax to the government.

Deportation: The government's removal of a noncitizen from the country.

Federal Trade Commission (FTC): The federal agency that enforces consumer protection and antitrust laws, including reviewing large mergers.

Import Quota: A government limit on how much of a product may be brought into the country, or on how much may enter before a higher tariff applies.

Inflation: A general increase in prices of goods and services across an economy over time, which means each dollar buys less than it did before.

Merger: The joining of two companies into one.

Price Floor: A minimum price set by law, below which a product may not be bought or sold.

Primary Source: An original record of an event or a finding, such as a government data table, a company's financial report, or a research study, rather than an article describing it.

Profit Margin: The share of each dollar of sales that a business keeps as profit after paying its costs.

Regulation: A rule issued by government that controls how businesses or individuals may act.

Stock Buyback: A company's purchase of its own shares from investors, which leaves fewer shares and usually raises the value of each remaining share.

Supply and Demand: The relationship between how much of a product is available and how much people want to buy, which together set its price in a market.

Supply Chain: The series of steps and businesses that move a product from where it is grown or made to the person who buys it.

Tariff: A tax on imported goods, collected by the government from the business that brings the goods into the country.

Discussion Questions

Before watching, have students read through the questions below. After viewing both videos, use the questions to guide discussion—in small groups, as a whole class, or in writing. Encourage students to weigh the evidence on both sides before forming a view.

1. What did President Trump tell *TIME* magazine about bringing grocery prices down?
2. How big a tax cut does Robert Reich say the five largest grocers would get?
3. What does Reich say large corporations did after the first-term corporate tax cut?
4. Why does Reich say the Kroger and Albertsons merger was worth blocking?

5. What profit margin does the FEE video say grocery stores earn? Why does that matter?
6. What is New York City's mayor planning to open?
7. Which two groceries does the FEE video say government rules make more expensive?
8. What does the FEE video mean by "financial cholesterol"?
9. If a store keeps two cents of every dollar, how much can cutting its profit lower prices?
10. When a company gets a tax cut, what decides whether it lowers prices, raises pay, or buys back stock?
11. When two grocery chains merge, what happens to shoppers who had been choosing between them?
12. Who pays a tariff on imported food: the foreign farmer, the importer, the store, or the shopper? Explain.
13. If a law guarantees dairy farmers a minimum price for milk, who benefits and who pays?
14. If fewer workers are available to pick and pack food, what happens to its price?
15. If a city-owned store sells groceries for less, who pays the difference, and where does that money come from?
16. How exactly would a city-owned store do a better job than a private one? What would it do differently?
17. Reich says tariffs are "paid by us at the checkout line." Does the FEE video agree? Where do the two disagree?
18. The FEE video says corporations "compete with each other." Reich says grocers would "line their pockets." What evidence could show which view fits grocery prices?
19. Reich's video was posted in March 2025, and the FEE video in July 2026. Which of their figures would you check first today?
20. Reich wants government to block mergers. The FEE video wants government to drop its rules on sugar and milk. Could both be right about lowering prices? Why or why not?
21. What is the strongest argument on the side you disagree with?

Related Resources

Teachers looking to extend this discussion may want to pair it with these resources from SITC.org:

- [Both Sides: Greedflation Revisited](#)
- [Both Sides: Digging Deeper on Tariffs](#)
- [Both Sides: Monopolies Revisited](#)
- [Both Sides: The Immigration Debate Revisited](#)
- [Sugar's Sweetheart Deal](#)
- [Bad Government Brings Bad Inflation](#)
- [The Trouble with Tariffs](#)
- [Lessons in Lyrics: No Such Thing as a Free Lunch](#)

Activities

The activities below may be used in any order. Each one requires students to engage with both videos. Worksheets begin on their own pages so they may be printed separately.

Activity 1: Venn Diagram Plus

Each video offers its own list of reasons groceries cost more, and students tend to remember the lists as opposites. Sorting the claims shows where they overlap. Distribute the worksheet after both videos have been viewed, and allow about fifteen minutes.

Students sort twelve claims into the diagram by letter, then answer the question in the Plus box. The answer key follows the worksheet and notes where more than one answer can be defended.

Name _____

Date _____

Class _____ Period _____

Teacher _____

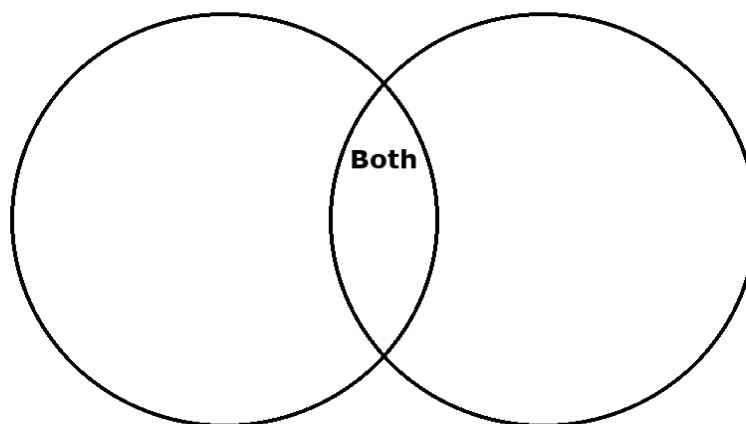
Venn Diagram Plus: Grocery Prices

Write the letter of each claim in the part of the diagram where it belongs.

	Claim
A	Tariffs on imported food raise what shoppers pay.
B	Grocery stores keep only a penny or two of profit from each dollar of sales.
C	Companies used an earlier corporate tax cut to buy back their own stock.
D	Limits on sugar imports make sugar cost more for Americans.
E	Fewer competitors in the food industry lead to higher prices.
F	Deporting workers who pick, pack, and process food will raise prices.
G	Prices go up because demand rises or supply shrinks.
H	A rule from the 1930s makes milk cost more than it otherwise would.
I	A politician's promise to lower grocery prices deserves a skeptical look.
J	Blocking the Kroger and Albertsons merger protected shoppers.
K	Government policy is pushing grocery prices higher.
L	Corporate greed does not explain why prices rise and fall.

Only the Reich video

Only the FEE video



PLUS: Name one cause of higher grocery prices that neither video mentions, and where you could check it. _____

Activity 1: Venn Diagram Plus—Answer Key

Only the Reich video: C, E, F, J

Only the FEE video: B, D, G, H, L

Both videos: A, I, K

Where more than one answer is acceptable

G (supply and demand). Only the FEE video states the rule. But Reich's argument about deportations is a supply argument: fewer workers, labor shortages, and then "Higher prices." A student who places G in the center and points to that part of Reich's video should be credited.

E (fewer competitors). The FEE video never says fewer competitors raise prices, but it does say corporations "compete with each other," which assumes competition holds prices down. Accept a center placement if the student explains that reasoning.

I (a skeptical look). Reich questions President Trump's promise, and the FEE video questions Mayor Mamdani's plan. A student who places I on only one side has missed the other video's target. Ask which politician each video is skeptical of.

Teacher Notes

The center holds the most surprising result: both videos blame government policy for higher grocery prices. They blame different policies. Reich points to tax cuts, tariffs, merger approvals, and deportations. The FEE video points to sugar import limits, the milk price floor, and tariffs. Ask the class why the one policy both videos name is the tariff.

For the Plus box, students often name weather, fuel and shipping costs, wages, or disease. Eggs are the clearest case. Bird flu, which began spreading through U.S. laying flocks in 2022, cut egg supplies, and the average price of a dozen Grade A large eggs reached a record \$6.23 in March 2025, according to the Bureau of Labor Statistics. By August 2026 it had fallen to \$2.27. Neither video mentions bird flu.

Activity 2: Common Ground Finder

The Venn diagram sorts what each video claims. This activity goes a step further and looks for the reasoning both videos share, including an idea about competition that neither states in the same words. Distribute the worksheet after both videos have been viewed, and allow about twenty minutes.

Students work in pairs to find three ideas both videos accept, record how each video expresses the idea, and then locate the exact place where the two diverge. The Teacher Notes that follow the worksheet list the strongest points of agreement.

Name _____

Date _____

Class _____ Period _____

Teacher _____

Common Ground Finder: Grocery Prices

Find three ideas both videos accept. For each one, write how the Reich video puts it and how the FEE video puts it.

Idea both accept	How the Reich video puts it	How the FEE video puts it

If the two videos agree on these ideas, where exactly does their disagreement begin?

Which point of agreement surprised you most? Why?

Activity 2: Common Ground Finder—Teacher Notes

Students will find different wording, but the strongest shared ground usually falls into four areas.

Tariffs raise food prices.

Reich says tariffs "are not paid by other countries" but "by us at the checkout line." The FEE video calls a tariff "basically a tax" on imported food that makes "your food cost more as well." This is the one cause both videos name outright.

Less supply means higher prices.

The FEE video says prices go up "because demand has increased or supply has shrunk." Reich makes a supply argument when he says deportations will cause labor shortages that mean "Higher prices." Students may not see this at first, because Reich never uses the word supply.

Competition holds prices down.

Reich cites research that "markets with fewer competitors have higher prices." The FEE video says corporations "compete with each other," and treats that competition as the reason greed cannot explain price changes. Both assume that sellers who must compete for customers cannot simply charge what they like.

Government decisions shape grocery prices.

Every cause Reich names is a government decision on taxes, trade, mergers, or immigration. The FEE video blames "dumb government regulations." Neither video treats grocery prices as something government has no part in.

Where the disagreement begins

The videos disagree about whether grocery companies face enough competition. Reich argues that the food industry is "already dominated by just a few corporations," so government must block mergers to protect shoppers. The FEE video argues that grocers already compete on thin profits, so the bigger problem is government rules that limit supply. Ask the class what evidence would show whether a town's grocery stores are competing hard for its shoppers.

Activity 3: Devil's Advocate Round

Students take a position, then argue against it using the other video's best material. The goal is not to change anyone's mind. It is to make sure every student can state the opposing case well enough that a supporter of that case would accept the summary. Plan on one class period.

How to run it

- Write this statement on the board: "Government should do more to bring grocery prices down."
- Have each student write "agree" or "disagree" on an index card, with one sentence of explanation. Collect the cards.
- Pair students who chose the same answer. Hand each pair a challenge card from the list below that argues against their position.
- Each pair has ten minutes to build the strongest version of the challenge, using at least one specific example from the video it comes from.
- Pairs present the challenge in two minutes. The class decides whether a supporter of that view would accept the presentation as fair.
- Return the index cards. Each student writes a new sentence stating whether his or her position changed, held, or became more qualified.

Challenge cards for students who agree with the statement (drawn from the FEE video)

- Grocery stores keep only about one or two cents of each dollar in profit. Even a store that gave up every cent of profit could barely lower prices.
- The government already limits sugar imports, and Americans pay more for sugar as a result. Some government action is the reason prices are high.
- A rule from the Great Depression still sets a minimum price that processors must pay dairy farmers for milk, and shoppers pay the difference.
- A city-owned store still has to pay for food, workers, and buildings. If it charges less, someone else pays the difference.

Challenge cards for students who disagree with the statement (drawn from the Reich video)

- After the corporate tax cut in President Trump's first term, the largest corporations spent a record \$806 billion buying back their own stock. Businesses left alone do not always pass savings on to shoppers.
- Walmart, the nation's largest grocer, has spent \$43 billion on stock buybacks since 2018. That money could have gone to lower prices.
- Research shows that markets with fewer competitors have higher prices. Only government can block a merger that would leave shoppers with fewer choices.
- The government blocked the merger of Kroger and Albertsons, two of the largest grocery chains. Without that lawsuit, the merger would have gone ahead.

Activity 4: Real-World Connection

Both videos name specific prices, tariffs, and plans that have changed since they were posted, and grocery prices are in the news nearly every week. In this activity, each student finds one recent story and tests both videos' arguments against it. Assign as homework, and use the next class to compare findings.

Find a news article published within the past twelve months that fits one of the categories below. Then answer the four questions in writing.

Story categories

- A new tariff on imported food, or a food product exempted from a tariff
- A proposed merger between grocery chains or food companies, or a government action to block one
- A city or town that owns or funds a grocery store
- A sharp rise or fall in the price of one food, such as eggs, beef, coffee, or milk, and its cause
- A change to the federal rules on sugar or milk
- A report on farm or food-processing workers and immigration enforcement

Questions

- Summarize the story in three to five sentences, and name the publication and the date.
- How would Robert Reich likely respond to this situation? Point to a specific claim from his video.
- How would the FEE video likely respond? Point to a specific claim from it.
- Which video's argument better explains what happened in the story? Defend your answer with evidence from the article and both videos.

Activity 5: Exit Ticket Reflection

Use this at the close of the lesson. Collect the tickets and sort them by position before the next class, so students can see how the room actually divides rather than how they assumed it would. The second prompt matters most. It asks a student to hold on to a fact that cuts against him or her.

Distribute the ticket on the following page and allow five to seven minutes.

Name _____

Date _____

Class _____ Period _____

Teacher _____

Exit Ticket: Grocery Prices

1. In one sentence, what do the two videos actually disagree about?

2. Name one fact from the video you agree with less that you still cannot dismiss.

3. What drives grocery prices most right now? Circle one, then give your reason in one sentence.

Corporate power

Government rules

Something else

Not sure yet

4. What's the one thing you would need to find out before you could be more certain?

Activity 6: Trace the Claim

Both videos lean on numbers, and every number in them came from somewhere. In this activity, students take a figure back to the government data, company report, or study behind it and report what the original source actually says. Plan on one class period with device access, or assign it over two nights.

Assign each student or pair one claim, or divide the four among groups and report out. Point students to the description field under each video on YouTube. Reich's video lists no sources. The FEE video lists one article, about food prices in 1919 compared with today, which does not address any of the four claims below. Students should record that no citation was provided and go looking for the source themselves.

Students may begin with a search engine or an artificial intelligence (AI) assistant, but a claim counts as traced only when the student reaches the original source and records what it says.

Name _____

Date _____

Class _____ Period _____

Teacher _____

Trace the Claim: Grocery Prices

Take your assigned claim back to the source that produced it. Fill in every row. If you cannot find an original source, write that down. It counts as a result.

#	The Claim	Video
1	Walmart, "the nation's largest grocer, has spent \$43 billion on buybacks since 2018."	Reich
2	Mexico and Canada accounted for "\$84 billion worth of food and beverage imports in 2023."	Reich
3	"grocery stores have a profit margin of 1 to 2%."	FEE
4	The federal price floor for milk adds a cost "which is around 25%" that "gets passed on to you."	FEE

My claim number:

The report, data table, or study the claim appears to come from:

What that source actually says, in its own words:

Who collected the information, and when:

Does the video's wording match the source? Explain any gap.

Activity 6: Trace the Claim—Teacher Notes

No answer key is possible in the usual sense, because what students find depends on which source they reach first. What follows is what a careful search turned up while this guide was being written, in September 2026.

Claim 1—Walmart's \$43 billion in buybacks.

This claim holds up, and it can be checked in Walmart's own annual reports to the Securities and Exchange Commission. Walmart's stock repurchases for the fiscal years from February 2018 through January 2025 total about \$42.7 billion. Its annual report for the year ending January 31, 2026, adds another \$8.1 billion, for a newer total of about \$50.8 billion. That Walmart is the nation's largest grocer also holds up. Its U.S. grocery sales were \$285.5 billion that year. A student who finds the newer total has succeeded, not failed. Ask the class whether a buyback total tells you anything about prices by itself, or whether you would also need to know what Walmart did with its prices over the same years.

Claim 2—\$84 billion in food and beverage imports.

The figure matches U.S. Department of Agriculture (USDA) numbers reported at the time: more than \$45 billion from Mexico and about \$40 billion from Canada in 2023. But the USDA category is agricultural imports, which include animal feed, live animals, and alcoholic drinks, not only food and beverages. That is the gap for students to find. The USDA's Economic Research Service reports \$43.9 billion in agricultural imports from Mexico in 2025. The tariffs the video warns about also changed after it was posted. Most goods that qualify under the U.S.-Mexico-Canada Agreement were exempted from the 25 percent tariffs within days, and the Supreme Court struck down those tariffs in February 2026. Newer tariffs on some Canadian goods, including dairy, took effect in August 2026.

Claim 3—a profit margin of 1 to 2 percent.

This claim holds up for net profit, the profit left after all costs and taxes. The Food Industry Association (FMI) reported a food retail margin of 1.7 percent in its 2025 report and 2.1 percent in its 2026 report. Census Bureau data for food and beverage stores work out to roughly 1 percent after taxes over the four quarters ending in mid-2026. The gap to push on is which margin is being measured. Gross margin, the share of sales left after paying for the goods themselves, runs about 23 percent. The Federal Trade Commission reported in March 2024 that grocery retailers' revenues rose to more than 6 percent over their total costs in 2021 and about 7 percent in 2023, the highest in years. Ask students why an advocate on either side might prefer one of these measures over the others.

Claim 4—milk rules and 25 percent.

The rule itself is real. The Agricultural Marketing Agreement Act of 1937 authorizes Federal Milk Marketing Orders, which set minimum prices processors must pay

dairy farmers for milk, and USDA last amended them in 2025. No study turned up that puts the cost to shoppers at 25 percent. The closest estimate found, in a 2010 article in *Choices*, a journal of the Agricultural and Applied Economics Association, projected that ending the milk orders would lower retail prices for fluid milk by about 15.5 percent. A student who cannot find a source for 25 percent has found something important. Have that student record where he or she looked.

Two more worth tracing

Reich: the five largest grocers would get "a collective \$1.7 billion tax cut." The figure comes from a June 2024 estimate by the Center for American Progress Action Fund, which modeled a 15 percent corporate tax rate for Kroger, Costco, Albertsons, Target, and Walmart. The 15 percent rate was a campaign proposal and was never enacted. The top federal corporate rate remains 21 percent. Ask students whether an estimate of a proposal can be checked the same way as a report of something that happened.

FEE: "Americans pay more than twice as much for sugar as the rest of the world." USDA data show that U.S. raw sugar prices averaged about 2.4 times the world price in the first eight months of 2026. Those are wholesale prices, not what shoppers pay at the store. USDA does not publish a world retail price to compare against.

The payoff question

Close by asking which claim was hardest to trace, and why. Claim 1 shows that a claim with no citation can still hold up when the original record is public. Claim 4 shows that a claim can rest on something real and still carry a number no one has published. Tell students that finding a more recent figure counts as success, not as a failure to locate the original, and have them record the date beside every number they write down.