Globalization Day 3 Barriers to Trade

Grade level: 9–12

Time estimate: 1 50- to 70-minute class period

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Lesson Overview

Students will simulate trade barriers by repeating the simulation from Day 1 with the addition of government interventions. These trade barriers will impede the trade activity and indicate that government interventions are inefficient and hurt both sides. Students will define 5 different trade barriers and apply their experiences to understanding the trade barriers. Once they have read the definitions of 5 government trade interventions, they will analyze the outcomes of each. Students will then apply what they learned from the simulation to an exit ticket that invokes democratic processes.

Objectives

- Define embargoes, quotas, standards, tariffs, and subsidies
- Explain how government interventions create trade inefficiencies
- Evaluate the impact of various government interventions on international trade

Vocabulary

- Embargo
- Quota
- Standard
- Tariff
- Subsidy

Materials

- Warm-up worksheet
- Colored and/or labeled cards representing resources from each area of Spheradell. (The cards attached here have markings to indicate the area of origin to make the simulation clear.)
  - Blue skybloom flakes (at least 16 blue cards)
  - Red wheat (at least 12 red cards)
  - Purple elderbloom fruit (at least 15 purple cards)
  - Yellow copper cups (at least 15 yellow cards)
  - Green ovens (at least 15 green cards)
- Optional table tents or colored tablecloths
- Optional baker's hat

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- Optional candy, mini muffins, or mini cupcakes to represent Sphere-Sweet Treats (at least 40)
- Optional sandwich bags
- Simulation production explanation (if you have not done Globalization Day 1)
- Letters from Strawkin the Elf (green paper), Vaelor the Griffin (purple paper), Gildron the Knight (yellow paper), Liora the Fairy Queen (red paper), and the mayor of Brindlebrook Country (blue paper), including preround questions
- Simulation debrief questions
- Vocabulary models
- Synthesis questions
- Exit ticket

Prework (if applicable)

It would be helpful if you and your students completed the Globalization Day 1 simulation. If you have not, you will need to use Strawkin's letter from that simulation to describe the Sphere-Sweet baking process.

- Print and cut the resource card and the Sphere- Sweet Treats cards or have enough candy or other treats on hand to complete 2 rounds of the simulation. It may be helpful to laminate the cards for ease of reuse. It is also preferable, for ease of identification and trade, to print each resource on a different color of paper. Create at least 40 cards for each resource and 40 Sphere- Sweet Treats cards or candies.
- Display the Spheradell fantasy land map for student reference. Arrange students' desks into 5 groups that mimic the geography of Spheradell, with Glintopolis in the middle (green), Brindlebrook Country in the northwest (blue), Scarlowe Country in the southwest (yellow), Aberria Country in the southeast (red), and Skydell Country in the northeast (purple). These can be signified with table tents or by color.



Warm-Up

- Have students read the scenario on the worksheet as follows:

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- Your economics project has completely fallen apart. No one in the group is speaking to each other. One of your group members is bragging that they could do the whole thing by themselves. This member criticizes the other group members and spreads rumors that have made even previously friendly group members angry with each other. You have asked your economics teacher for advice on how to move forward, and your teacher says that you cannot remove this specific group member and keep the rest of the group intact. You are also not allowed to simply split the group in 2. You are given the option of breaking up the entire group and having all the members do individual projects. You know that you could do the project on your own and probably manage to get at least a C, but you are worried about the other members of your group, many of whom could fail if they had to start over or work independently. You expect, however, that the problematic group member will likely fail if they work alone. If you finish the project your group has started, you could still get an A.
    - What are the costs and benefits of working as a group? (Answers will vary, but you are looking for students to say that the costs of keeping the group together involve further discord and putting up with the problematic group member. The benefits of keeping the group together are that the workload will be lighter on everyone and that students are therefore likely to get a better grade.)
    - What are the costs and benefits of working individually? (Answers will vary, but you are looking for students to say that the benefits of working alone after the group is broken up include being able to rebuild some friendships, not having to deal with the problematic group member, believing the problematic group member will fail, and being in control of their own grade. Costs include the increased workload and therefore possibly a lower grade.)
    - Will you split the group or finish the project as a team? Why? (Answers will vary, but you are hoping that some students will break up the group out of spite.)
- Give students a few minutes to respond on the warm-up page. Students who voted to split the group should stand on one side of the room, and students who voted to finish the project together should stand on the other side of the room. For this simulation, do not allow students to stand in the middle. They must take a position.
- Have a few students from each side report on why they made the choices they did. Encourage students to switch sides if they find arguments compelling.
- If you completed the Globalization Day 1 lesson, send students back into the same 5 groups they were in for that simulation. If you have not completed the Globalization Day 1 lesson, divide your students into 5 groups based on the 5 regions of Spheradell. You may mark these groups with colored tablecloths or with table cards if you'd like. The groups are as follows: Glintopolis (green), Skydell Country (purple), Scarlowe Country (yellow), Aberria Country (red), and Brindlebrook Country (blue). Either name someone to be Mr. Bakesmith or act as Mr. Bakesmith yourself.

Lesson Activities

Set up the Simulation

- If students have not completed the Globalization Day 1 simulation, have them read the letter from Strawkin the Elf as follows:

> *Grand greetings, Spheradell citizens everywhere! Our illustrious wizard has appointed me as our new leader on account of my exceptional intellect! In celebration of this momentous occasion, I am directing all Spheradell to throw public celebrations. Of*

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course, the centerpiece of these celebrations will be our Sphere- Sweet Treats, as these tasty baked goods allow us to work together and highlight all that is good and abundant in the different parts of Spheradell. We will, of course, need wheat from the Aberria Country, the fruit of the elderbloom trees of Skydell Country, and the skybloom flakes of Brindlebrook Country. After these ingredients are mixed, they will be poured into copper cups from Scarlowe Country and baked in the specialized ovens of Glintopolis! All areas of Spheradell are to produce and trade their resources to the best of their ability and take all 5 ingredients to Mr. Bakesmith of Glintopolis, who will give you 1 Sphere- Sweetreat for every set of resources you collect. Share the treats in your area of Spheradell in joyous celebration of the coronation of Strawkin the Elf!

- Hand each group the letters that will establish the government interventions for this round of simulation and the resources they will have for the simulation round.
  - Glintopolis (10 ovens, 5 elderbloom fruits): *My wonderful friends of Glintopolis, I believe I may have allowed my unending trust in my fellow Spheradell citizens to cloud my superior intellect. It turns out that the citizens of Brindlebrook Country have deceived us! By purchasing our ovens, they have undermined our ability to trade for the benefit of our own Glintopolis citizens! I have been in touch with the mayor, but he refuses to destroy the ovens he bought from us. He is threatening to build more! As such, we can no longer, in good conscience, trade with Brindlebrook Country. Fortunately, while we figure out how to produce our own skybloom flakes, we have made an agreement with Aberria Country to purchase skybloom flakes from them. Sphere-Sweet Treats production will continue without Brindlebrook meddling. —Strawkin the Elf*
    - How do you think Strawkin's decision will affect the ability of Glintopolis to produce Sphere- Sweet Treats? Why? (Answers may vary, but you hope students will determine that Sphere-Sweet Treats will be more difficult to make.)
    - What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why? (Glintopolis produced 10 ovens and 5 elderbloom fruits. Students who have done the first simulation may recall that Glintopolis has a comparative advantage in ovens and should focus production on that resource. Students new to the simulation may be able to figure this out based on the difference in production numbers.)
  - Skydell Country (10 elderbloom fruits, 5 copper cups*): Great citizens of Skydell Country, I'm afraid the citizens of Glintopolis have been working behind our backs to undermine our ability to produce and trade elderbloom fruits! I have tried to reason with Strawkin, but he seems unable to follow my logic. We must be brave in our resolve to punish Glintopolis for its transgressions. Therefore, Skydellians can only use one of Glintopolis ovens. Fortunately, our friends in Brindlebrook Country have plenty of ovens to use! —Your King, Vaelor the Griffin*
    - How do you think Vaelor's decision will affect the ability of Skydell Country to produce Sphere-Sweet Treats? (Answers may vary, but you hope students will determine that Sphere-Sweet Treats will be more difficult to make.)
    - What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why? (Skydell Country produced 10 elderbloom fruits and 5 copper cups. Students who have done the first simulation may recall that Skydell Country has a comparative advantage in elderbloom fruits and should focus production on that resource. Students new to the simulation may be able to figure this out based on the difference in production numbers.)
  - Scarlowe Country (10 copper cups, 5 units of wheat): *Wonderful citizens of Scarlowe Country, it breaks my heart to tell you that our friends to the north, the citizens of Skydell Country, have been working behind our backs to make copper cups and sell them to our*

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customers. Even worse, we feel that the Skydellians are selling substandard elderbloom fruits in our markets. After trying to appeal to them based on my deep and abiding love for Vaelor the Griffin, it came to my attention that at least half the elderbloom fruits in Skydell are rotten. We are appointing an elderbloom fruit inspector, who will reject elderbloom fruit that is rotten. Soon, the Skydellians will see the error of their ways and change their production techniques because we have held them to high health and safety standards! —With love, Gildron the Knight

- How do you think Gildron's decision will affect the ability of Scarlowe Country to produce Sphere-Sweet Treats? (Answers may vary, but you hope students will determine that Sphere-Sweet Treats will be more difficult to produce.)
- What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why? (Scarlowe Country produced 10 copper cups and 5 units of wheat. Students who have done the first simulation may recall that Scarlowe Country has a comparative advantage in copper cups and should focus production on that resource. Students new to the simulation may be able to figure this out based on the difference in production numbers.)

- Aberria Country (7 units of wheat, 6 skybloom flakes): *My good neighbors of Aberria Country, it has come to my attention that the citizens of Brindlebrook Country are behaving wickedly. They have been buying wheat from the Scarlowe people, which has undermined our own wheat on the market. I have tried to appeal to their natural good nature, but they refuse to see things through my rose-colored glasses. To rise above the Brindlebrooks, I am ordering that more resources be used to support the skybloom flake industry so that Aberria Country skybloom flakes will be more attractive on the market than those from Brindlebrook Country. Friends, together we will encourage our own very good skybloom flake production to best the deceitful people of Brindlebrook! —Good day, Liora, Fairy Queen*
  - How do you think Glinda's decision will affect the ability of Aberria Country to produce Sphere-Sweet Treats? (Answers may vary, but you hope students will determine that Sphere-Sweet Treats will be more difficult to produce.)
  - What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why? (Aberria Country produced 7 units of wheat and 6 skybloom flakes. Students who have done the first simulation may recall that Aberria Country has a comparative advantage in wheat and should focus production on that resource. Students new to the simulation may be able to figure this out based on the difference in production numbers.)
- Brindlebrook Country (10 skybloom flakes, 5 ovens): *Marvelous members of the Brindlebrook community, the Aberrians have ramped up their production of skybloom flakes despite our best efforts to negotiate with them in good faith. My merry Brindlebrooks, to convince the people of Aberria Country to come to their senses, we will be placing a tax on wheat from Aberria Country. You may negotiate to trade for wheat from the Aberrians, but you must get at least 2 units of wheat at a time. One of these units must be given to the mayor so that he can create a stockpile of wheat for possible future shortages. Soon the Aberrians will see the error of their ways, and Brindlebrook Country will be rich in wheat for years to come! —Magnificently, your mayor*
  - How do you think the mayor's decision will affect the ability of Brindlebrook Country to produce Sphere-Sweet Treats? (Answers may vary, but you hope students will determine that Sphere-Sweet Treats will be more difficult to produce.)
  - What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why? (Brindlebrook Country produced 10

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skybloom flakes and 5 ovens. Students who have done the first simulation may recall that Brindlebrook Country has a comparative advantage in skybloom flakes and should focus production on that resource. Students new to the simulation may be able to figure this out based on the difference in production numbers.)

Run the Simulation

- Tell each group they must select a trade commissioner to enforce the rules presented in their given letters. All trade must be supervised by the trade commissioners for the groups that are trading. Glintopolis's trade commissioner will make sure that Glintopolis citizens are not trading with anyone from Brindlebrook Country. Skydell Country's trade commissioner will only allow 1 trade for an oven from Glintopolis, and all other ovens must come from Brindlebrook Country. Scarlowe Country's trade commissioner will destroy half of the fruit coming in from Skydell Country. Aberria Country's trade commissioner will simply oversee trade. Brindlebrook Country's trade commissioner will set aside half of the wheat coming in from Aberria Country.
- Give students about 3 minutes to plan in groups how they will trade for their resources.
- Open the market and allow students to trade. Give them about 10 minutes.
- Make sure your Mr. Bakesmith is actively trading the resources for Sphere-Sweet Treats. Allow people who have already made trades and those who are standing in line with all 5 resources to continue to exchange them at the end of the round.
- After all of the transactions are concluded, debrief the students the following questions:
  - Which resource did your country produce? How many resources did you produce? (This will vary by group.)
  - How was your group able to gather the resources necessary to be able to create Sphere-Sweet Treats? (You want students to indicate that it was necessary to trade.)
  - Were all the resources used efficiently, or were some left over? If there are resources left over, how did that happen? (It is possible to create 12 Sphere-Sweet Treats. It is unlikely that your class will achieve this perfectly efficient use of resources. If they do, that will work fine. If they don't, it is slightly more realistic, because different areas will have different trading strategies. This is an ideal outcome, as it will create tension and inequity in the room, which will set up the second round nicely. If students wanted perfect efficiency, they would have had to trade more effectively. Have students record leftover resources on their team worksheet that has Strawkin's letter on it.)
  - How many Sphere-Sweet Treats did your group make and consume? (Have students write this answer on the debrief worksheet. It is impossible for Sphere-Sweet Treats to be distributed evenly between the groups. Also, one benefit of using real candy, mini muffins, or cupcakes will be to create real distribution problems in each group and ramp up the tension.)
  - How many Sphere-Sweet Treats did the class create in total? (Again, the total possible number of treats is 12. Add the group totals together to determine how many treats were created. Have students write this number on the debrief worksheet.)
  - How was this simulation round different from previous rounds? Why? (If your students have not done the Day 1 simulations, you may skip this question. If they have, you are looking for students to indicate that this round of production was the least productive because trading became so much more difficult, and some resources may have been destroyed in the trade process.)
  - Collect any leftover resources.

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Vocabulary Activity

Distribute the vocabulary activity worksheet:

- Each set of 4 squares is a modified Freire model. The top right square includes a definition of the word. The student is to add at least 2 counterexamples in the box that says the vocabulary word "is not." The student is to either draw a picture or provide 2 written descriptions of what the vocabulary word looks like in the bottom right square. The student is to provide at least 2 written descriptions of what the vocabulary word sounds like in the bottom left corner.
  - The word "trade" has been provided as an example and as a review of previous vocabulary.
  - Talk through the example with the students as a whole group before allowing them to work in their country groups to complete the remainder of the words.
  - Allow about 10 to 15 minutes for students to complete the models, and then have the groups share their ideas and suggestions.
  - Restructure the groups into jigsaw groups so that each new group has at least 1 member from each country. Have these groups share the trade rules under which they were functioning. Provide time for the jigsaw group to answer the questions on the back of the vocabulary sheet.
    - Which country in Spheradell had an embargo against another country? How could you tell? (Glintopolis had an embargo against Brindlebrook Country and was not allowed to trade with Brindlebrook Country.)
    - How did the embargo affect the ability of both countries to produce Sphere-Sweet Treats? (Both countries should have been less able to produce Sphere-Sweet Treats.)
    - Which country had a quota for a product from another country? How could you tell? (Skydell Country had a quota on ovens from Glintopolis. The Skydellians were only allowed to use 1 oven from Glintopolis.)
    - How did the quota affect the ability of both countries to produce Sphere-Sweet Treats? (By making it difficult to trade, the quota reduced the ability of both countries to produce.)
    - Which country passed standards on imports from another country? How could you tell? (Scarlowe Country passed standards on elderbloom fruits. The Scarlowe people had an inspector who destroyed at least half the elderbloom fruits from Skydell Country.)
    - How did the standards on imports affect the ability of both countries to produce Sphere-Sweet Treats? (These standards actually caused the destruction of some productive resources and restricted the ability of both countries to effectively trade in order to produce Sphere-Sweet Treats.)
    - Which country passed a subsidy for a product intended for trade? How could you tell? (This is probably the most difficult question, so students may need some guidance, as the simulation did not include currency. The government of Aberria Country, however, demanded the dedication of extra resources to the production of skybloom flakes, so the cost was expressed in wheat production instead of tax revenues. The simulation holds, however, since taxes cause deadweight loss in both consumption and production. Microeconomic study of tariffs indicate that they direct production away from more-efficient industries.)
    - How did subsidies affect the ability of the country and its competitors to make Sphere-Sweet Treats? (Subsidies shifted production away from a more-efficient

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industry and resulted in an overall reduction of productive capacity for Sphere-Sweet Treats. It made the wheat more desirable and the skybloom flakes less desirable. When we translate this into prices in future lessons, we will see that subsidies cause overproduction and drive down prices, thus making it difficult for developing countries to compete. This also makes the domestic producers overly reliant on the subsidies because prices are artificially low.)

- Which country passed a tariff on imports from another country? How could you tell? (Brindlebrook Country passed a tariff on Aberria Country's wheat. This was illustrated by the fact that half of the Aberria wheat had to go into government storage. By taking money out of the simulation, we actually made this clearer. The bakers trying to produce Sphere-Sweet Treats lost some of their productive capacity while the government stored wheat for later. The consumers of Brindlebrook Country were the ones paying the tax.)
- How did tariffs on imports affect the ability of the taxing country and the taxed country to produce Sphere-Sweet Treats? (The tariffs caused the removal of productive resources from the economy, so it resulted in the reduction of productive capacity for all regions.)

Exit Ticket

Have students read the message on the exit ticket and answer the questions:

- Government interventions in international trade are often very popular with voters. Today's simulation allowed you to experience some of these interventions: embargoes, quotas, standards, subsidies, and tariffs. Answer the questions below based on your experiences and reasoning.
  - Why might voters support government interventions to trade? (Remind students to look back at their original letters to see their leaders' explanation for imposing the trade barrier or intervention. Each letter makes it clear that each section of Spheradell is blaming a different section for productive inefficiencies.)
  - What were the overall results of government interventions on the ability to produce Sphere-Sweet Treats? (In each case, the ability to produce Sphere-Sweet Treats was reduced.)
  - What would you say to someone who argued that government interventions in trade would improve productive capacity? Why? (Answers will vary. You hope that students will say that government interventions in international trade make trade less efficient and decrease productive capacity. This is not to say that government interventions are never valid; they just do not improve economic efficiency or productive capacity.)

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Warm-Up and Student Handout

Your economics project has completely fallen apart. No one in the group is speaking to each other. One of your group members is bragging that they could do the whole thing by themselves. This member criticizes the other group members and spreads rumors that have made even previously friendly group members angry with each other. You have asked your economics teacher for advice on how to move forward, and your teacher says that you cannot remove this specific group member and keep the rest of the group intact. You are also not allowed to split the group in 2. You are given the option of breaking up the entire group and having all the members do individual projects. You know that you could do the project on your own and probably manage to get at least a C, but you are worried about the other members of your group, many of whom could fail if they had to start over or work independently. You expect, however, that the problematic group member will likely fail if they work alone. If you finish the project your group has started, you could still get an A.

What are the costs and benefits of working as a group?

Costs	Benefit

What are the costs and benefits of working individually?

Costs	Benefit

Will you split the group, or finish the project as a team? Why?

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Simulation Production Explanation (Optional)

Grand greetings, Spheradell citizens everywhere!

Our illustrious wizard has appointed me as our new leader on account of my exceptional intellect! In celebration of this momentous occasion, I am directing all of Spheradell to throw public celebrations. Of course, the centerpiece of these celebrations will be our Sphere-Sweet Treats, as these tasty baked goods allow us to work together and highlight all that is good and abundant in the different parts of Spheradell! We will, of course, need wheat from the Aberria Country, the fruit of the elderbloom trees of Skydell Country, and the skybloom flakes of Brindlebrook Country. After these ingredients are mixed, they will be poured into copper cups from Scarlowe Country and baked in the specialized ovens of Glintopolis! All areas of Spheradell are to produce and trade their resources to the best of their ability and take all 5 ingredients to Mr. Bakesmith of Glintopolis, who will give you 1 Sphere-Sweet Treat for every set of resources you collect. Share the treats in your area of Spheradell in joyous celebration of the coronation of Strawkin the Elf!

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Simulation Instructions for Glintopolis

My wonderful friends of Glintopolis,

I believe I may have allowed my unending trust in my fellow Spheradell citizens to cloud my superior intellect. It turns out that the citizens of Brindlebrook Country have deceived us! By purchasing our ovens, they have undermined our ability to trade for the benefit of our own Glintopolis citizens! I have been in touch with the mayor, but he refuses to destroy the ovens he bought from us. He is threatening to build more! As such, we can no longer, in good conscience, trade with Brindlebrook Country. Fortunately, while we figure out how to produce our own skybloom flakes, we have made an agreement with Aberria Country to purchase skybloom flakes from them. Sphere-Sweet Treats production will continue without Brindlebrook meddling.

—Strawkin the Elf

How do you think Strawkin's decision will affect the ability of Glintopolis to produce Sphere-Sweet Treats? Why?

What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why?

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Simulation Instructions for Skydell Country

Great citizens of Skydell Country,

I'm afraid the citizens of Glintopolis have been working behind our backs to undermine our ability to produce and trade elderbloom fruits! I have tried to reason with Strawkin, but he seems unable to follow my logic. We must be brave in our resolve to punish the Glintopolis for its transgressions. Therefore, Skydellians can only use one of the Glintopolis ovens. Fortunately, our friends in Brindlebrook Country have plenty of ovens to use!

—Your King, Vaelor the Griffin

How do you think Vaelor the Griffin's decision will affect the ability of Skydell Country to produce Sphere-Sweet Treats?

What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why?

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Simulation Instructions Scarlowe Country

Wonderful citizens of Scarlowe Country,

It breaks my heart to tell you that our friends to the north, the citizens of Skydell Country, have been working behind our backs to make copper cups and sell them to our customers. Even worse, we feel that the Skydellians are selling substandard elderbloom fruits in our markets. After trying to appeal to them based on my deep and abiding love for Vaelor the Griffin, it came to my attention that at least half the elderbloom fruits in Skydell are rotten. We are appointing an elderbloom fruit inspector, who will reject elderbloom fruit that is rotten. Soon, the Skydellians will see the error of their ways and change their production techniques because we have held them to high health and safety standards!

—With love, Gildron the Knight

How do you think Gildron's decision will affect the ability of Scarlowe Country to produce Sphere-Sweet Treats?

What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why?

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Globalization Day 3 Barriers to Trade

Simulation Instructions Aberria Country

My good neighbors of Aberria Country,

It has come to my attention that the citizens of Brindlebrook country are behaving wickedly. They have been buying wheat from the Scarlowe people, which has undermined our own wheat on the market. I have tried to appeal to their natural good nature, but they refuse to see things through my rose-colored glasses. In order to rise above the people of Brindlebrook. I am ordering that more resources be used to support the skybloom flake industry so that Aberria Country skybloom flakes will be more attractive on the market than those from Brindlebrook Country. Friends, together we will encourage our own very good skybloom flake production to best the deceitful people of Brindlebrook!

—Good day, Liora, Fairy Queen

How do you think Glinda's decision will affect the ability of Aberria Country to produce Sphere-Sweet Treats?

What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why?

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Simulation Instructions Brindlebrook Country

Marvelous members of the Brindlebrook community,

The Aberrians have ramped up their production of skybloom flakes despite our best efforts to negotiate with them in good faith. My merry Brindlebrooks, in order to convince the people of Aberria Country to come to their senses, we will be placing a tax on wheat from Aberria Country. You may negotiate to trade for wheat from the Aberrians, but you must get at least 2 units of wheat at a time. One of these units must be given to the mayor so that he can create a stockpile of wheat for possible future shortages. Soon the Aberrians will see the error of their ways, and Brindlebrook Country will be rich in wheat for years to come!

—Magnificently, your mayor

How do you think the mayor's decision will affect the ability of Brindlebrook Country to produce Sphere-Sweet Treats?

What resources has your group produced? Do you think this production of resources was the most efficient for your country? Why?

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Simulation Debrief Questions

Which resource did your country produce? How many resources did you produce?

How was your group able to gather the resources necessary to be able to create Sphere-Sweet Treats?

Were all the resources used efficiently, or were some left over? If there are resources left over, how did that happen?

How many Sphere-Sweet Treats was your group able to make and consume? _____

How many Sphere-Sweet Treats was the class able to create in total? _____

How was this simulation round different from previous rounds? Why?

Globalization Day 3 Barriers to Trade

Vocabulary Activity Part 1

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Trade is exchanging a good or service for another or for currency; mutually beneficial; interdependent	**Trade** isn't forcing someone to give you something being independent producing just enough for yourself	An **embargo** is a rule that prohibits trade with a certain country or economy	An **embargo** isn't
Trade looks like exchanging things, such as baseball cards or elementary school lunch	**Trade** sounds like an auction I want, and you have Let's make a deal	An **embargo** looks like	An **embargo** sounds like
A **quota** is a limit on the amount of a specific good or service that can be imported	A **quota** isn't	A **standard** is a rule that an imported product must meet in order to be imported	A **standard** isn't
A **quota** looks like	A **quota** sounds like	A **standard** looks like	A **standard** sounds like
A **subsidy** is a taxpayer-funded government payment to a producer in order to encourage production	A **subsidy** isn't	A **tariff** is a tax on a specific good or service	A **tariff** isn't
A **subsidy** looks like	A **subsidy** sounds like	A **tariff** looks like	A **tariff** sounds like

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Vocabulary Activity Part 2

Which country in Spheradell had an embargo against another country? How could you tell?

How did the embargo affect the ability of both countries to produce Sphere-Sweet Treats?

Which country had a quota for a product from another country? How could you tell?

How did the quota affect the ability of both countries to produce Sphere-Sweet Treats?

Which country passed standards on imports from another country? How could you tell?

How did the standards on imports affect the ability of both countries to produce Sphere-Sweet Treats?

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Which country passed a subsidy for a product intended for trade? How could you tell?

How did subsidies affect the ability of the country and its competitor to make Sphere-Sweet Treats?

Which country passed a tariff on imports from another country? How could you tell?

How did tariffs on imports affect the ability of the taxing country and the taxed country to produce Sphere-Sweet Treats?

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Exit Ticket

Today's simulation allowed you to experience some of these interventions: embargoes, quotas, standards, subsidies, and tariffs. Answer the questions below based on your experiences and reasoning.

Why might voters support government interventions to trade?

What were the overall results of government interventions on the ability to produce Sphere-Sweet Treats?

What would you say to someone who argued that government interventions in trade would improve productive capacity? Why? What are the intended versus unintended consequences?

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