

Simulating Trade Between Nations

Name: _____ **Date:** _____

LEARNING OBJECTIVE

Student will be able to participate in a simulated trade exercise to understand the concepts of resources, scarcity, and voluntary exchange.

MATERIALS NEEDED

- 10-15 small household items or craft supplies split into 2-3 different 'resource' piles (e.g., paperclips, buttons, pasta, stickers)
- paper
- pencil
- at least 1-2 other people to trade with (family members)

HANDS-ON ACTIVITY

1. Split your collected items into 2-3 piles representing different 'resources' (e.g., Pile A = paperclips, Pile B = buttons, Pile C = pasta) and distribute unevenly among yourself and your trading partners (give each person more of one resource and little/none of others).
2. Without telling each other your goal, each person should try to trade to end up with an equal amount of all 3 resource types.
3. Conduct at least 4 rounds of trading, where players offer trades to each other (e.g., '3 paperclips for 2 buttons') and can accept or reject.
4. Record each trade you make on paper (what you gave, what you got, and from whom).
5. After trading ends, count your final resources and compare to your starting amounts.

QUESTIONS

1. **What resources did you start with, and what did you end with after trading?**

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2. **Did trading help you get closer to having an equal amount of all resources? Explain using your numbers.**

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3. **What is 'scarcity,' and how did it show up in this trading activity?**
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4. Why do countries trade with each other instead of only using their own resources?
