Illustrating International Trade in the Classroom: How Current World Events Can Facilitate Ten Rounds of Active Learning

Kathleen Young, Management, Webster University

Abstract
This game is a learning exercise for use in economics courses to teach international trade and GDP. The game allows students to experience international trade through a scenario environment consisting of ten trading sessions. Students learn about GDP, the benefits of trade and the impact world events can have on trade outcomes. The game can also be used to foster discussion on scarcity, opportunity costs, geopolitical events and comparative advantage. Four versions of the game are provided allowing for classroom flexibility including a list of discussion questions and instructor guide.

Game Objectives
• Students will be able to understand the definition and components of Gross National Product (GDP)
• Students will be able to understand the importance of exports and imports.
• Students will understand the importance of international trade in our society.
• Students will understand the concept of comparative advantage.
• Students will begin to understand the concept of sustainability.

Ten Trading Sessions

<table>
<thead>
<tr>
<th>Trade Session Event</th>
<th>Description</th>
<th>Minutes to Play</th>
<th>Supporting Reference for Debrief Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Open Trade</td>
<td>Students can trade with other countries with a goal of obtaining a diversified mix of GDP and getting the most points possible</td>
<td>5 mins.</td>
<td>Websites and articles that show various countries mix of GDP, exports and imports; articles on fair trade.</td>
</tr>
<tr>
<td>2. Commodity Shock</td>
<td>Inform students that the price of oil has sky-rocketed. Oil will now be worth 10 points going forward.</td>
<td>5 mins.</td>
<td>Articles about oil embargoes.</td>
</tr>
<tr>
<td>3. Natural Disaster</td>
<td>Inform the students that a natural disaster has occurred. Each student must select a good worth 10 points to give to the IMF for redistribution to the global disaster victims (note: the instructor will collect these and keep in the front of the classroom)</td>
<td>5 mins.</td>
<td>Articles about tsunamis, earth quakes, or hurricanes.</td>
</tr>
<tr>
<td>4. Political Unrest</td>
<td>Inform students that a political event has happened involving the overthrow of a government in country XYZ. Because of the political unrest, inform students that they can only trade during this session with ONE other country of their choosing (note to instructor – these instructions can be adjusted to TWO countries depending on number of students in the classroom).</td>
<td>5 mins.</td>
<td>Articles about France’s political unrest or Russia/Ukraine.</td>
</tr>
<tr>
<td>5. Cybercrime</td>
<td>Inform students that an unknown group in country XYZ has raid bank accounts globally through a cybercrime. All students must give the instructor game cards totalling 5 points (the instructor will keep these in the front of the classroom)</td>
<td>5 mins.</td>
<td>Articles about cybercrime and global internet crimes.</td>
</tr>
<tr>
<td>6. Country Bankruptcy</td>
<td>Inform students that a country is having major solvency issues and has to borrow money. Inform students that each country must give at least 10 points of a good to the country in need. (Note to instructor – identify the weakest player based on total points at this point and give the 10 points from each player to this individual).</td>
<td>5 mins.</td>
<td>Articles about Greece’s default, or country debt and/or current issues.</td>
</tr>
<tr>
<td>7. Country Sanctions</td>
<td>Inform students that all of the countries have imposed economic sanctions on a country. In the next trading round, country (instructor will randomly select a country/student) will have to sit out and not participate and additionally will have to give up five game points and give the cards totalling 5 points to the instructor (the instructor will hold the game cards in the front of the classroom)</td>
<td>5 mins.</td>
<td>Recent news articles on proposed economic sanctions against Russia.</td>
</tr>
<tr>
<td>8. Global Recession</td>
<td>Inform students that a global recession that started in the United States has now rocketed worldwide and is being experienced on a global basis. Tell students that the price of gold has now increased to 10 points.</td>
<td>5 mins.</td>
<td>Articles on the 2011 global recession.</td>
</tr>
<tr>
<td>9. Sustainability &amp; Innovation</td>
<td>Inform students that they can trade their wildcards in this session.</td>
<td>5 mins.</td>
<td>Articles on sustainability or futures articles.</td>
</tr>
<tr>
<td>10. Students Pick</td>
<td>Students can write down an idea for a trading session based on a global event. The instructor can randomly draw one idea and that becomes the 10th and final trading session</td>
<td>5 mins.</td>
<td>Student that has his/her idea selected for the 10th round can debrief the group on why he/she selected this idea.</td>
</tr>
</tbody>
</table>

Debrief Questions
• How was the trading session like the article of reference for this session?
• How did it feel to be the weakest country?
• Did any country feel that they wanted to change their GDP mix but couldn’t?
• How do countries determine their GDP output?
• How do you tie in the trading experience today to the country you are researching for your papers?
• Where do comparative advantages come in to play in international trade?
• Did anyone feel they had a comparative advantage in the trading sessions and why?
• What is the role of the International Monetary Fund?
• How did you feel when you had to contribute to a disaster relief fund to help another country out?
• How do you think countries make decisions about what goods to produce? What goods to export? What goods to import?
• How did you feel when the trading involved innovation?
• What do you think about sustainability and the future of our planet? Should countries be concerned about this?
• What issues are there when a good is scarce or there isn’t enough for everyone? Did you have to give up any good to purchase a good you wanted?
• What opportunity costs do countries have to consider when they export/import?

Ending the Game
After all of the trading rounds have been played and the debrief(s) have been completed, the game has ended. Instructors can award prizes to students for any of the following:
• wealthiest country [highest GDP]
• most improved country (over the course of the game this country’s GDP would have improved the most), most innovative country (country with the largest number of technology and wildcard points)