

Date Reviewed

February 2023

Course

[Social Studies 10](#)

Topic

Free Trade

Big Idea

Worldviews lead to different perspectives and ideas about developments in Canadian society.

Essential Question

What are the costs and benefits of free trade for Canada?

Learning Standards**Content:**

Students are expected to know the following:

- environmental, political, and economic policies
 - trade agreements

Curricular Competencies

Students are expected to be able to do the following:

- Explain and infer different perspectives on past or present people, places, issues, or events by considering prevailing norms, values, worldviews, and beliefs (perspective).

Core Competencies

[Communication](#) - I can name the major trade agreements that Canada is involved in.

[Thinking](#) – I can consider the pros and cons of free trade from different points of view.

[Personal and Social](#) - I can respectfully and thoughtfully debate the costs and benefits of Canada's involvement in free trade agreements.

First People's Principles of Learning

Learning is holistic, reflexive, reflective, experiential, and relational (focused on connectedness, on reciprocal relationships, and a sense of place)

Introduction

- Set up the [National Geographic Trading Game](#):
- Divide the class into five groups and assign each group one of the following countries:
 - United Kingdom
 - China
 - Colombia
 - Saudi Arabia
 - Ghana
- List the following exports and their values on the board for reference during trading:
 - Gold—5 points per unit
 - Oil—4 points per unit
 - Lumber—3 points per unit
 - Electronics—2 points per unit
 - Coffee—1 point per unit
- Provide each group with a random set of approximately ten [trading cards](#). The trading cards represent their country's worth.
- The objective is for each student to get the most points by trading their country's goods for products from another country. The game simulates free trade, meaning any country can trade with another country, and any item and/or amount of product can be traded for another. Explain to students that they can creatively market their products or combine products to end up with something more desirable.
- Conduct the first round of trading. Allow for ten minutes of open trading. Then announce the following:
 - The world is running out of oil, making oil extremely rare and much more expensive. The worth of oil increases by two points. Update the point system on the board to reflect the increase in points per unit for oil.
- Conduct the second round of trading. Allow for two additional minutes to trade. Announce that trading time is over and have groups tally points. Then announce the following:
 - Ghana learns to make counterfeit electronics, making its electronics cheaper. Ghana takes one electronic unit from each country.
 - Re-tally the points and figure out who got the most points.
- Afterwards engage students in a discussion using the following questions:
 - Did any countries end the game richer or poorer than they started? Which ones?
 - What was it like to be a rich country? A poor country?
 - Was it easy or difficult to trade? Why?
 - Which items were most popular? Which were least popular? Why?
 - Did any countries feel especially powerful or powerless?

Pre-Assessment

- Using a [Carousel Activity](#), have students work in groups to respond to the following four questions on four pieces of chart paper arranged around the room:
 - Why do countries trade goods? Who are Canada's major trading partners?
 - What are Canada's major exports? What do we import?

- o What are tariffs? Why do countries have tariffs on imports?
- o What is free trade? What are the benefits and problems of free trade?

Interactive Learning Activities

Part 1: Trade

- Ask: How do countries benefit from trade?
- Explain that they will be learning about the following economic terms: specialization, comparative advantage and opportunity cost and how these key economic concepts help countries around the world benefit from trade. Provide students with the handout “Trade”.
- Show the short video [Comparative advantage and opportunity cost: how economic sharing is caring](#) (3:49). Have students take notes on the handout.
- Project or provide students with access to [The Observatory of Economic Complexity](#), a data visualization platform for international trade data.
- Ask: Who are Canada’s major trading partners? What are Canada’s major exports? Imports? Have students add this information to their notes on the handout.

Part 2: Tariffs vs. Free Trade

- Ask if students entered Canada from another country such as crossing the border from the United States or going through customs at an airport after returning from international travel. What types of questions were they asked by Canadian Border Services?
- Explain that anyone bringing goods into Canada must pay a tariff to the Canada Border Service Agency. Provide the definition of tariff as a tax on imported goods.
- Show the short Investopedia video [Tariffs](#) (1:58).
- Using a [Think Pair Share](#) strategy, ask:
 - o Why would a country create a tariff? (*protect country’s products against foreign competition*)
 - o What problems could tariffs cause? (*trade wars; lack of competition*)
 - o What is NAFTA and what does it do? (*North American Free Trade Agreement between Canada, U.S. and Mexico*)
 - o What is the WTO and what does it do? (*World Trade Organization monitors trade agreements and settles disputes*)
- Show the short Investopedia video Free Trade (1:25).
- Have students show their understanding by completing the [Frayer Model](#) on the handout “Free Trade”.

Part 3: Canada’s Trade Agreements

- Show at least one of the following the short videos about NAFTA:
 - [Take a ride in this Mustang to understand free trade](#) (2:52).
 - [NAFTA explained by avocados. And shoes.](#) (5:54)
 - [A Brief History of NAFTA](#) (2:45).
 Ask: Why has NAFTA been controversial? Who benefited from NAFTA? Who did NAFTA impact negatively?
- Explain that Canada is part of three international trade agreements. Provide students with the handout “Canada’s Trade Agreements” and have them conduct research using the links

provided to answer the following questions:

- o Which countries are involved?
- o When was it signed?
- o Does the trade agreement replace an earlier trade agreement? If so, which one?
- o What are the benefits of the agreement, according to the Government of Canada?
- o How does this agreement affect Canadian industry?

Part 4: Free Trade Debate

- Inform students that they will be debating whether Canada should enter free trade agreements.
- Provide students with the handout “Free Trade Debate”.
- Organize students into small groups of about five members. Assign half the groups to be on the affirmative side and the other half to be on the negative.
- Provide groups time to conduct research using the resources listed on the handout and to organize their arguments and speaking order.
- In preparation for the debate, set up the classroom according to the diagram on the handout. The teacher can act as chairperson.
- Two groups (one affirmative, one negative) will debate at a time.
- The other students form the audience who will listen to the debate and choose the most convincing side.
- Repeat a 2nd or 3rd time until all groups have had a chance to debate.

Post-Assessment

- Use a [Placemat Activity](#) to have students reflect on the most important negative and positive aspects of free trade.

Extension Activities

- Provide students with current articles or news clips about trade agreements and international trade.
- Have students respond in a journal entry:
 - o What did you learn?
 - o How does it affect your life?
 - o What does it make you wonder about?

Additional References

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Materials and Resources

Trade

Watch the video [Comparative advantage and opportunity cost: how economic sharing is caring](#) (3:49)

Define the following terms:

- specialization
- comparative advantage
- opportunity cost

How do countries benefit from trade?

Explore the international trade data on the site [The Observatory of Economic Complexity](#).

Who are Canada's major trading partners?

What are Canada's major exports?

What are Canada's major imports?

Trade Answer Key

Watch the video [Comparative advantage and opportunity cost: how economic sharing is caring](#) (3:49)

Define the following terms:

- specialization
focusing on one task
- comparative advantage
what is gained by specializing and trading with others
- opportunity cost
cost of doing one thing instead of another—the value of what is given up

How do countries benefit from trade?

By specializing and trading with others, countries get more than if they did everything themselves.

Explore the international trade data on the site [The Observatory of Economic Complexity](#).

Who are Canada's major trading partners?

- United States
- China
- United Kingdom
- Japan
- Mexico
- Germany

What are Canada's major exports?

- Petroleum
- Cars
- Gold
- Vehicle parts

What are Canada's major imports?

- Cars
- Petroleum
- Delivery trucks

Free Trade

Complete the Frayer Model below to show your understanding of Free Trade.

Definition	Facts
Examples	Non-examples

**Free Trade
Answer Key**

<p>Definition</p> <p>Goods can be bought and sold across international borders without tariffs (taxes).</p>	<p>Facts</p> <p>Economists consider free trade to be good for global economy.</p> <p>Countries' exports reflect their skills and resources.</p> <p>Import goods that are scarce or unavailable.</p> <p>Free trade agreements usually have rules and regulations.</p>
<p>Examples</p> <p>NAFTA</p>	<p>Non-examples</p> <p>Protectionism</p> <p>Economic isolationism</p>

Canada's Trade Agreements

	Canada-United States-Mexico Agreement CUSMA Video	Comprehensive and Progressive Agreement for Trans-Pacific Partnership CPTPP Video	Canada-Europe an Union Comprehensive Economic and Trade Agreement CETA Infographic
Which countries are involved?			
When was it signed?			
Does it replace an earlier trade agreement? If so, which one?			
What are the benefits of the agreement, according to the Government of Canada?			
How does this agreement affect Canadian industry?			

**Canada's Trade Agreements
Answer Key**

	Canada-United States-Mexico Agreement CUSMA Video	Comprehensive and Progressive Agreement for Trans-Pacific Partnership CPTPP Video	Canada-Europe an Union Comprehensive Economic and Trade Agreement CETA Infographic
Which countries are involved?	Canada US Mexico	Canada, Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam	Canada and all countries of the European Union, excluding the UK which left the union
When was it signed?	July 1, 2020	December 30, 2018	September 21, 2017
Does it replace an earlier trade agreement? If so, which one?	Yes--NAFTA	Yes—TPP which US withdrew from	No
What are the benefits of the agreement, according to the Government of Canada?	economic growth and better standard of living for the people of all three member countries	opens new markets for exports in Asian Pacific countries	allows Canadians to do business in Europe without barriers
How does this agreement affect Canadian industry?	US is Canada's largest trading partner	no tariffs on agriculture, metals, wood, fish and seafood	EU is Canada's 2 nd largest trading partner

Free Trade Debate

Topic: Be it resolved that Canada should enter into free trade agreements wherever possible.

Assignment: Each small group of students will be assigned to either the affirmative or negative side for the debate. Your group should work together to research arguments either for or against Canada being involved in free trade agreements. Decide on the top arguments for your side. Each group member is responsible for one argument.

Resources:

<http://www.enetlearning.org/wp-content/uploads/2015/05/free-trade-resource.pdf>

<https://www.thebalance.com/free-trade-agreement-pros-and-cons-3305845>

<https://www.debatingeurope.eu/focus/arguments-for-and-against-free-trade/#.X7n1jBNKgbk>

Rules for the debate

1. The first speaker for the affirmative side who is sitting next to the chairperson begins. Then, as indicated by the arrows in the diagram on the next page, the first speaker for the negative side responds. In this way, the speakers for both sides speak in turn. When the last speaker for the negative side has the last word.
2. Each speaker has a maximum time of one minute. The chairperson checks the time carefully. They give a sign when the speaker has 10 seconds to go, and after speaking time is over, the speaker may finish their sentence and must then stop.
3. Interrupting a speaker is forbidden.
4. The audience must not participate in the debate.
5. After the debate, the audience has five minutes to share their impressions and opinions. Then they vote by a show of hands.
6. In the vote, yes and no votes are counted. The majority wins the vote.

Tips for debating speakers

1. With the exception of the first speaker for the affirmative side, spend approximately the first half of your statement to rebut an argument of the other side and then present a new point.
2. (For the first speakers.) State your motion – say what decision you want to see.
3. When you prepare for the debate, first brainstorm ideas. Then decide in which order you want to present your points, and assign them to a speaker. Begin and finish with a particularly strong and impressive point.
4. The last speakers should sum up their side's argument, highlighting three or four points.
5. Don't read your statement. Make eye contact with your opponents and with the audience.
6. Treat your opponents with respect. Rebut their arguments but don't insult them.

Classroom setup:

