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**MIDDLE GRADE INITIATIVE**

**College and Career**

**C O N N E C T I O N S**

**T R A D E R E S T R I C T I O N S**

**AZCCRS addressed in this C O N N E C T I O N:**

**Social Studies; Strand 5 Economics, Eighth Grade**

**Reading/Writing Standards for Literacy in History/Social Studies, Grades 6 - 8**

**Thunderbird School of Global Management (a partner of Arizona State University)**

**From their website:**

<http://www.thunderbird.edu/bachelor-global-management>

“*Since its inception in 1946, the Thunderbird School of Global Management has focused exclusively on educating leaders from around the world in the intricacies of international management. While other business schools scramble to add global curriculum and keep pace, Thunderbird remains firmly at the forefront. And, through its partnership with Arizona State University the School promises to grow even stronger. For those who seek an educational opportunity in an environment focused on global engagement, Thunderbird continues to deliver on its promise of creating global prosperity and global opportunity.*

*Thunderbird has been one of the top-ranked international business schools, regardless of the publication or category, for decades. With nearly 70 years of experience, Thunderbird continues its mission today in developing leaders with the global mindset, business skills and social responsibility necessary to create real, sustainable value for their organizations, communities and the world.*

*In today’s world, more and more of what we do is global – in business, in government and in the non-profit world.  Succeeding in this dynamic environment means understanding other economies, politics, business and culture. You need more than traditional business management skills. You need a global mindset, with a global skillset that allows you to function effectively with colleagues and customers anywhere in the world. The Bachelor of Global Management draws on Thunderbird’s 70 years of top-ranked expertise in global management practices and intercultural communication to provide students with a highly specialized global business and leadership education. “*

**Degree Program:**

**Bachelor of Global Management** (courses include:)

**ECN 211; Macroeconomic Principles** - Basic macroeconomic analysis. Economic institutions and factors determining income levels, price levels, and employment levels.

**Lesson:**

**Trade is among the major factors that influence the complex interrelationships between nations of the world. Assume that your class is responsible for drafting a trade agreement which will affect not only domestic manufacturers and merchants, but also consumers.**

Students will use the information from the reading (Trade Restrictions and Their Effects, attached) along with information from sources explored independently to craft effective arguments regarding the tariff.  ***Each student*** *should be prepared to argue either side of the debate or to serve as a judge****.***

Once the research is completed, students are divided into three groups. Group A is presenting a request from small domestic producers of athletic shoes in the US. Each of these producers is the major industry in a small town, providing jobs and above average wages to skilled local workers. Recently, foreign companies have begun shipping less expensive shoes to the US, competing with the domestic producers so the domestic producers would like to impose a tariff on shoes from outside the country. Group B is opposed to the tariff. Group C will judge the debate.

**Debate:**

Students will complete the required reading outside class and collect research on the topic of tariffs, using curricular and non-curricular sources. (Students are looking for effects of a tariff on various groups such as consumers, trade partners, manufacturers, governments etc. Who benefits? Who is at a disadvantage?)

On the day of the debate, students will be randomly assigned to groups which will determine whether they are expected to judge the debate, to argue in favor of the tariff, or to argue in opposition. Once groups are formed, Groups A and B will spend 15 minutes coalescing the information they have found among their group members and organizing it to support the position they have been assigned. Group C will spend the same time generating a list of key points they feel should be made by each side.

Groups A and B will each select a recorder, who will write the official versions of each response for the group, and a speaker, who will deliver the response selected by the group. Group A will have three minutes to begin the debate. Group B will then have 90 seconds to formulate a response, followed by three minutes of speaking time. The pattern will be repeated, and then each will have one minute speaking time to summarize.

Debate Structure:

Group A 15 minutes, followed by 3 minutes of speaking time

Group B 90 seconds, followed by 3 minutes of speaking time

Group A 90 seconds, followed by 3 minutes of speaking time

Group B 90 seconds, followed by 3 minutes of speaking time

Group A 90 seconds, followed by 1 minute of speaking time

Group B 90 seconds, followed by 1 minute of speaking time

When the debate is concluded, each group’s recorder will submit the official responses to Group C.

**Summary/Reflection:**

Students from Group C will confer quietly using the recorders’ notes and their own list of key points to determine a winner. Once the winner is announced, all students will write a one paragraph summary of the debate and its outcome citing evidence from the conversation and their own research to support their reflection in class if time permits, otherwise as homework).

This lesson plan was adapted from a plan developed by EcEdWeb at University of Nebraska, Omaha and is available in its entirety at:

<http://ecedweb.unomaha.edu/lessons/feoga.htm>

***University of Nebraska, Omaha***

***EcEdWeb,*** “The Economic Education Web, is your national portal to economic education resources in all forms and at all levels.”

**Deliverables and Assessment**

Standards by assignment

**Debate -**

Social Studies, Concept 1: Foundations of Economics

Social Studies, Concept 4: Global Economics

Reading Standards for Literacy in History/Social Studies

The teacher will be monitoring student contributions for both validity of argument and participation.

**Summary/Reflection –**

Social Studies, Concept 1: Foundations of Economics

Social Studies, Concept 4: Global Economics

Writing Standards for Literacy in History/Social Studies

Summaries will be assessed against both the Social Studies and Writing standards.

**From the Arizona Department of Education Website:**

**AZCCRS for Social Studies; Eighth grade**

Strand 5 Economics

Concept 1: Foundations of Economics

PO 1. Explain how limited resources and unlimited human wants cause people to choose some things and give up others.

PO 2. Analyze how scarcity, opportunity costs, and trade-offs, influence decision-making.

PO 3. Analyze how individuals, governments and businesses make choices based on the availability of resources.

PO 5. Describe the impact of the availability and distribution of natural resources on an economy.

Concept 4: Global Economics

PO 2. Identify the effects of trade restrictions between national and world regions.

PO 3. Describe the role of the United States government in influencing international commerce in regions studied.

**Reading Standards for Literacy in History/Social Studies (RH)**

6‐8.RH.1. Cite specific textual evidence to support analysis of primary and secondary sources.

6‐8.RH.10. By the end of grade 8, read and comprehend history/social studies texts in the grades 6–8 text complexity band independently and proficiently

**Writing Standards for Literacy in History/Social Studies (WHST)**

6‐8.WHST.1.

Write arguments focused on discipline‐specific content.

a. Introduce claim(s) about a topic or issue, acknowledge and distinguish the claim(s) from alternate or opposing claims, and organize the reasons and evidence logically.

b. Support claim(s) with logical reasoning and relevant, accurate data and evidence that demonstrate an understanding of the topic or text, using credible sources.

c. Use words, phrases, and clauses to create cohesion and clarify the relationships among claim(s), counterclaims, reasons, and evidence.

d. Establish and maintain a formal style.

e. Provide a concluding statement or section that follows from and supports the argument presented.

Required Reading from ***EcEdWeb, University of Nebraska, Omaha***:

**Trade Restrictions and Their Effects**

When nations specialize and trade, total world output is increased. Companies produce for foreign markets as well as domestic markets (markets in the home country). Exports are the goods and services sold in foreign markets. Imports are goods or services bought from foreign producers.

In spite of the benefits of international trade, many nations put limits on trade for various reasons. The main types of trade restrictions are tariffs, quotas, embargoes, licensing requirements, standards, and subsidies.

A **tariff** is a tax put on goods imported from abroad. The effect of a tariff is to raise the price of the imported product. It helps domestic producers of similar products to sell them at higher prices. The money received from the tariff is collected by the domestic government.

A **quota**is a limit on the amount of goods that can be imported. Putting a quota on a good creates a shortage, which causes the price of the good to rise and allows domestic producers to raise their prices and to expand their production. A quota on shoes, for example, might limit foreign-made shoes to 10,000,000 pairs a year. If Americans buy 200,000,000 pairs of shoes each year, this would leave most of the market to American producers.

An **embargo** stops exports or imports of a product or group of products to or from another country. Sometimes all trade with a country is stopped, usually for political reasons.

Some countries require import or export **licenses**. When domestic importers of foreign goods are required to get licenses, imports can be restricted by not issuing many licenses. Export licenses have been used to restrict trade with certain countries or to keep domestic prices on agricultural products from rising.

**Standards** are laws or regulations that nations use to restrict imports. Sometimes nations establish health and safety standards for imported goods that are higher than those for goods produced domestically. These have become a major form of trade restriction and are used in different amounts by many countries.

**Subsidies** can be thought of as tariffs in reverse. Instead of taxing the foreign import, the government gives grants of money to domestic producers to encourage exports. Those who receive such subsidies can use them to pay production costs and can charge less for their goods than foreign producers. A tariff is paid for by the buyers of the foreign goods and the buyers of domestic goods who pay higher prices. But subsidies are paid for by taxpayers who may or may not use the good.

**What are the effects of these trade restrictions?**

They all limit world trade, which means a reduction in the total number of goods and services produced. They shift production from more effective exporting producers to less effective domestic producers.

When production is lowered, there are fewer workers earning income. Trade restrictions also raise prices, which is usually their main purpose.

Trade limits in one country, moreover, usually lead to limits being imposed in other countries. If the United States places a high tariff on cars made in Japan, for example, Japan may then put tariffs on American goods sold in Japan.

In spite of these disadvantages, countries are tempted to use trade restrictions to protect their own industries. Countries that are just getting started use tariffs, quota, and subsidies to protect their industries until they can compete without government help. The difficulty with this infant industry argument in support of trade restrictions is that it is not always possible to predict which industries will succeed. Protection frequently lasts long after the industry has matured.

Governments are eager to protect what are called strategic industries. These have included industries, such as steel, cars, chemicals, and munitions that are imported during a war. Today, they are more often the high tech, high wage industries like commercial aircraft production. One way of insuring that they remain strong is to protect them from foreign competition. Agriculture is another area that many governments try to protect. Tariffs and subsidies help make sure that domestic farmers can earn enough profits to continue farming.

The decision to use trade restrictions like tariffs is an important one. Tariffs help some domestic industries, but they mean higher prices for buyers. They help the owners and workers in the protected industries. They hurt the people who have to pay higher prices for the goods those industries make. Reducing imports reduces the income of foreigners. They will reduce their foreign purchases, hurting exporting industries and workers in the nation that put the tariff on the imports. Without much competition, companies may also use less efficient production methods. This can lead to poorer quality as well.

It is in the best interest of the world economy for each nation to trade freely with all other nations. However, this practice does not always benefit every nation. For example, exporters who control a large part of the world's supply of a product can use trade restrictions to change the terms of trade, reducing the amount of their goods and services they must give up to obtain imports. This was done by the Organizations of Petroleum Exporting Countries (OPEC) when they restricted their output of oil in the 1970s. By driving up the price of oil they were able to get more imports for less oil.

Most arguments for trade restriction benefit protected industries and their workers. They also create much greater losses for a nation's economy. In the long run, a nation must import to export.

<http://ecedweb.unomaha.edu/lessons/feoga.htm>

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**Feedback**

**T R A D E R E S T R I C T I O N S**

Thank you for taking a moment to share your feedback regarding the **College and Career** **CONNECTION, Trade Restrictions**. We appreciate your time! Please send the completed form to Dawne.Spangler@nau.edu

Participant: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

District: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ School: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

What grade(s) and subject(s) do you teach? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Please share your thoughts: Was this **CONNECTION**

**Relevant**? Yes Somewhat No

Comments

**Interesting to students**? Yes Somewhat No

Comments

**Practical**? Yes Somewhat No

Comments

What suggestions do you have to improve this **CONNECTION**?

What requests or suggestions do you have for new **CONNECTIONS**?