

# ECONOMICS IN THE REAL WORLD

## TEACHER RESOURCES

A-LEVEL



ADAM SMITH  
INSTITUTE

### Pros and cons of trade

#### **Class introduction**

- Ask the students how many countries are involved in the production of a pencil
- The pencils are put together, need wood, rubber, metal, and graphite. But what is used to cut the wood, ship the wood, harvest the graphite etc etc.

#### **From here show the class activity one:**

- 3 different sources talking about international trade and ask them to come up with a list of the pros-and cons of trade from the resources (15 minutes)
- Collate the class's answers and add in answers which may have been missed. (10 minutes)

#### **In the same groups from earlier present activity 2:**

- Give them different scenarios where they are a nation and they are looking at the prospect of free trade - give them time to decide whether they would like to participate in free trade, be slightly protectionist, or heavily protectionist. And then have them explain the situation, their decision and the reasoning for their decision.

**Finally have the class write a conclusion as to whether they would support free trade in one of the countries previously provided**