

The Trading Game



By Todd Stanley

Lesson

Supply and demand

- Supply and demand is what sets prices for goods.
 - Supply is what the manufacturer produces and is available to the buyers.
 - Demands are the buyer/consumer needs.
 - The two work like a scale. When the demand is equal to the supply, prices stay the same.
 - When the supply is higher than the demand, you have extra goods or surplus and thus the price is lower because the manufacturer wants to get rid of it.
 - When the demand is higher than the supply, the price can be driven up because there isn't enough to go around and thus people are willing to pay more to get it.
 - This is the reason why gasoline is never the same price week in and week out. It depends on the supply and demand of it. During the Gulf War when Saddam Hussein was burning his oil fields and thus there was less supply and more demand so gas prices were very high.
 - Clearance at the stores. The demand for those is obviously low and thus they are trying to get rid of their supply so they're not stuck with them so they lower the price.
- Scarcity: limited quantities of resources that are never enough to satisfy human wants.
 - The more scarce an item, the most demand there is. The more demand there is, the higher the price is going to become.
- We are going to do some international trading today involving the concepts of surplus and supply & demand.
 - Each group is going to represent a different country.
 - 1) United States
 - 2) Britain
 - 3) France
 - 4) Spain
 - 5) China
 - 6) Brazil
 - You'll get an envelope with the goods you already have.
 - There are ten total goods as well as currency in the form of Copper, Silver, and Gold.

- 1) Cow
- 2) Corn
- 3) Wheat
- 4) Wool
- 5) Fish
- 6) Coffee
- 7) Tobacco
- 8) Silk
- 9) Rice
- 10) Chocolate

- Everyone will be in need of some goods
- The object of the game is to sell your surplus or extra goods and then buy the items you need to survive.
- At the end of all the trading, there is going to be a couple of countries that will not get everything they need and fall into economic depression.

Here is what you need to succeed;

- 2 Cow
- 2 Corn
- 2 Wheat
- 2 Wool
- 2 Fish
- 1 Coffee
- 1 Tobacco
- 1 Silk
- 1 Rice
- 1 Chocolate

Rules of game

- Can only sell good card for money card.
- Can only buy good card with money card.
- Trading must take place at the trading center (center of the room).
- Will complete three rounds of trading in which you have to get all the items you need.
 - A different person must be used for each round of trading.

- First thing you should do when you get your packet of cards is see what you have an excess of and thus can trade, and see what you need to get in order to succeed.
- Need to develop a strategy on how to get the high demand items and sell your goods for profit.
- Each time you go up for a trade, have in mind what you want to buy or sell and how much you're willing to buy or sell the item for.
- Given that there are only 10 cards of each item and there are five other countries who may need it, you might have a low demand item but you have a majority of it, meaning you can create a high demand for it.
 - For example, if you have 7 chocolate cards, you know at best three other countries have the chocolate they need. That leaves two other countries who do not have it but need it. You can drive up the price because you have a majority of the item.

United States

6 Corn
 7 Tobacco
 1 Cow
 1 Chocolate
 1 Fish
 1 Wheat
 2 Silver
 1 Gold

Britain

5 Wool
 7 Silk
 1 Wheat
 1 Coffee
 1 Cow
 2 Fish
 2 Copper
 3 Silver
 3 Gold

France

4 Cow
 6 Chocolate
 2 Wool
 1 Corn
 1 Silk
 1 Rice
 1 Wheat
 3 Copper

China

5 Fish
 8 Rice
 2 Corn
 1 Coffee
 1 Cow
 1 Silk
 1 Silver
 2 Gold

Brazil

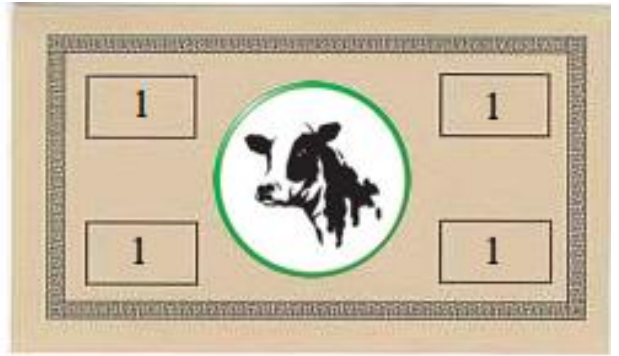
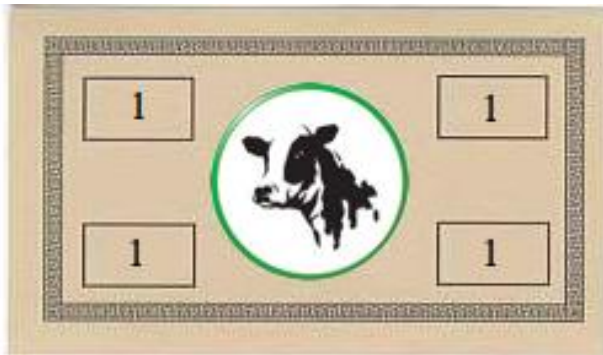
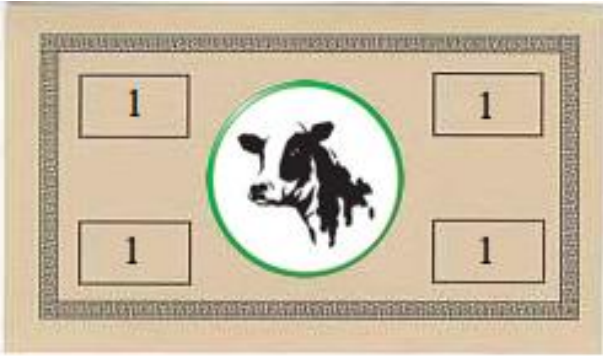
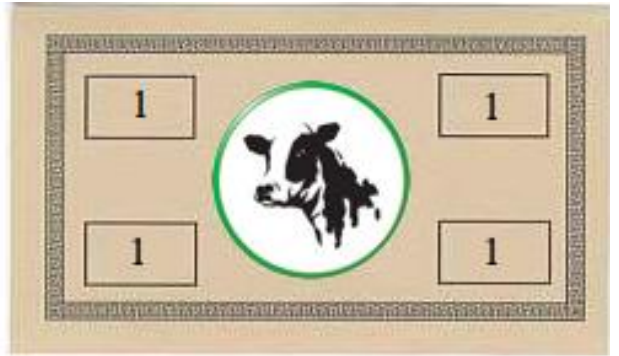
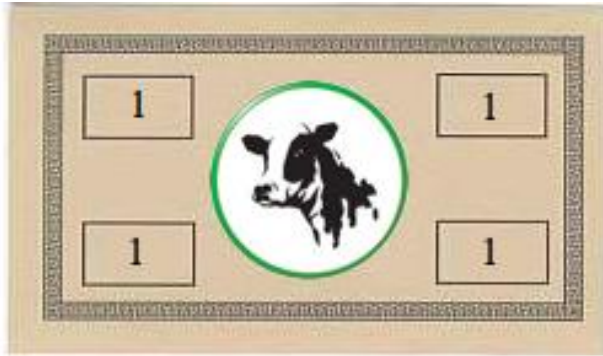
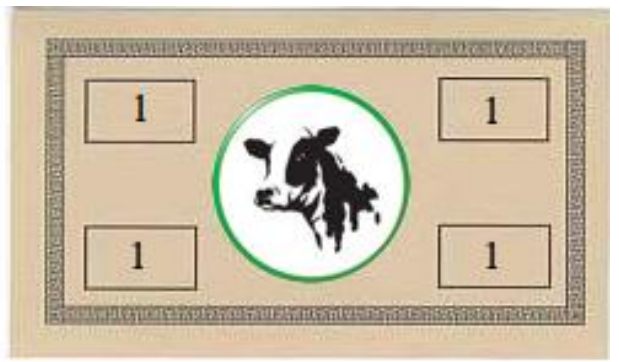
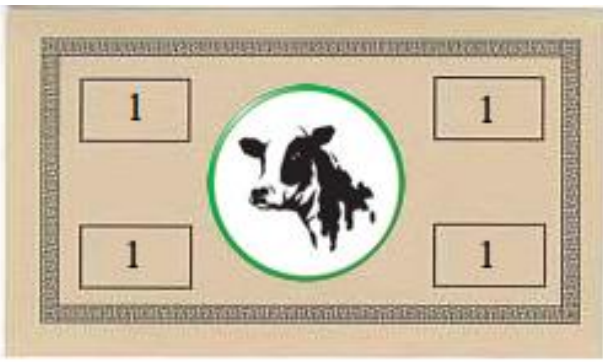
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3 Tobacco
3 Chocolate
2 Cow
1 Wool
1 Corn
1 Silk
3 Copper
2 Silver
2 Gold

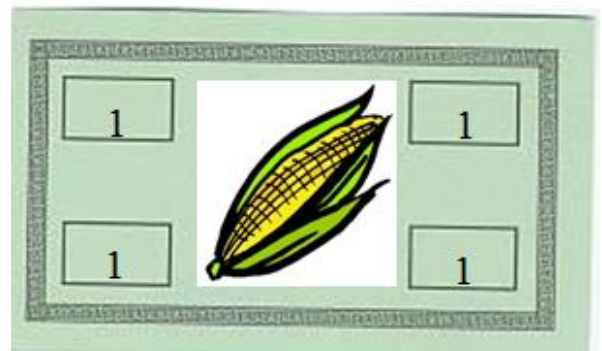
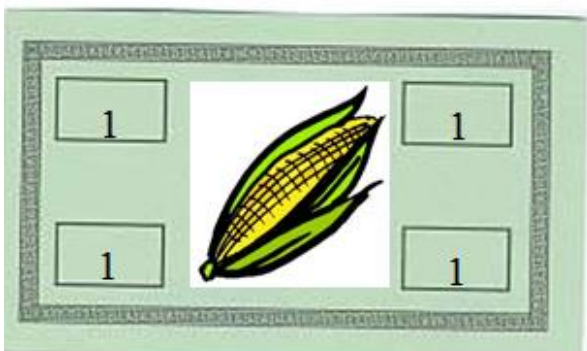
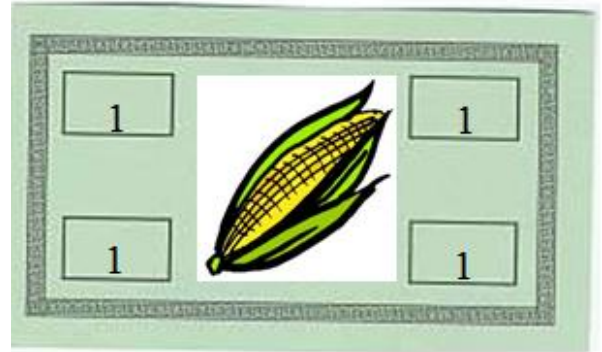
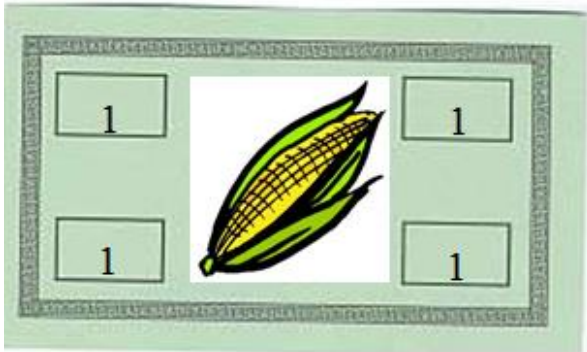
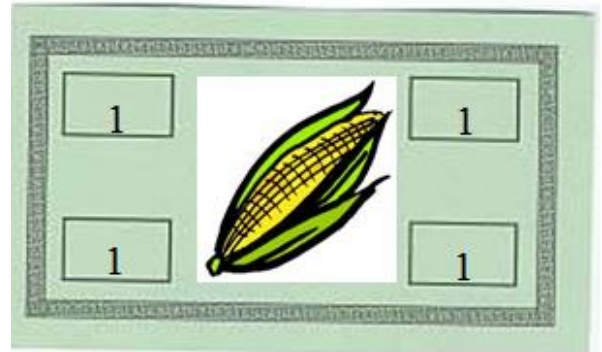
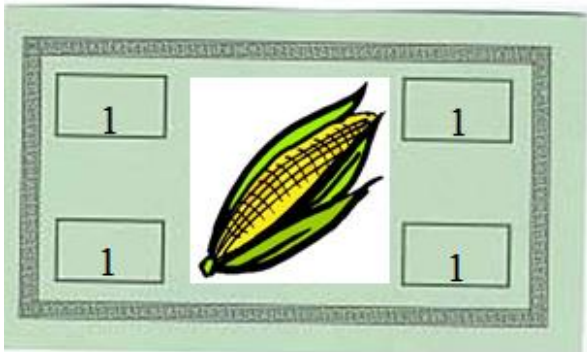
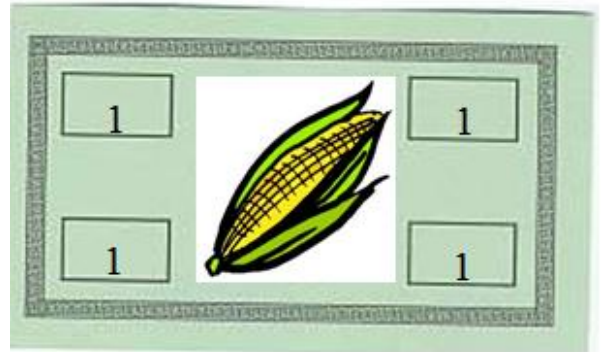
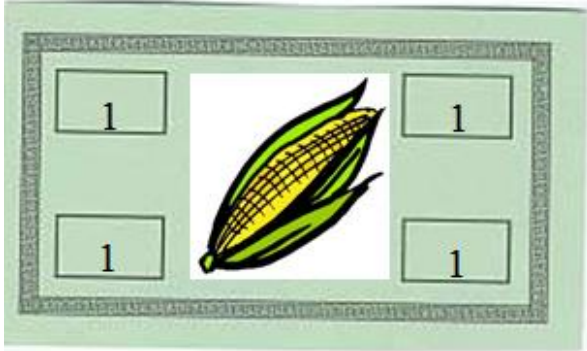
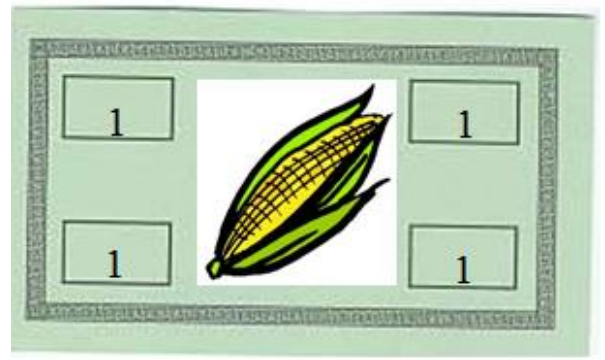
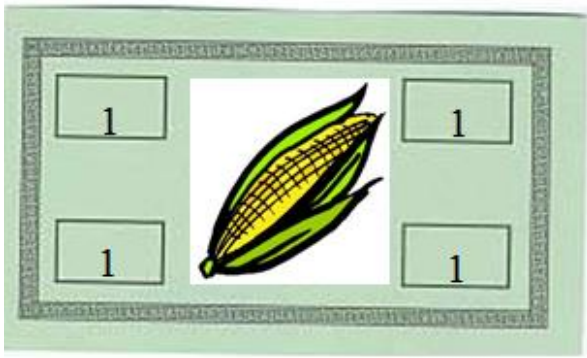
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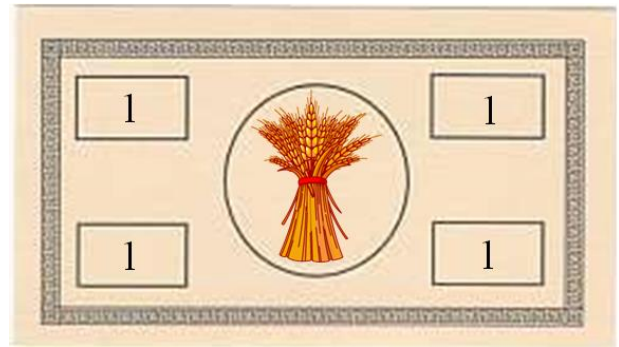
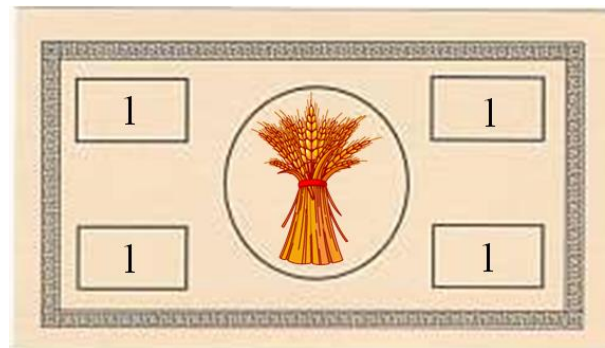
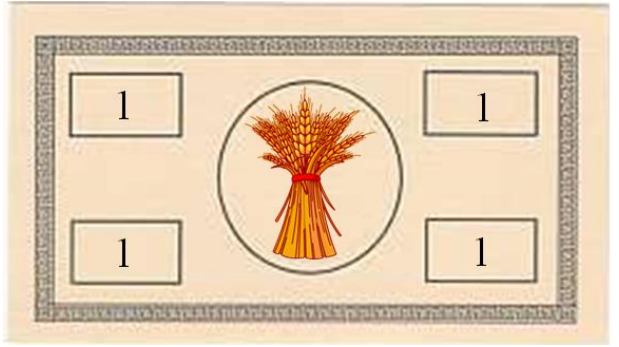
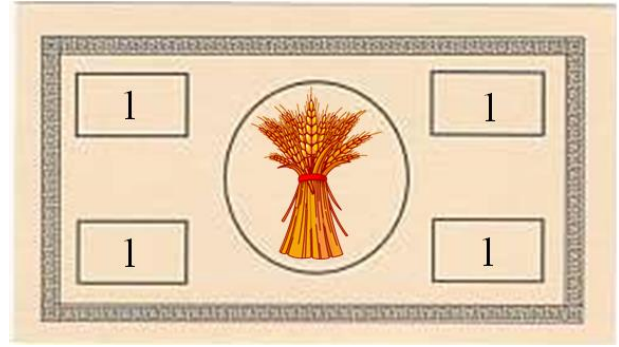
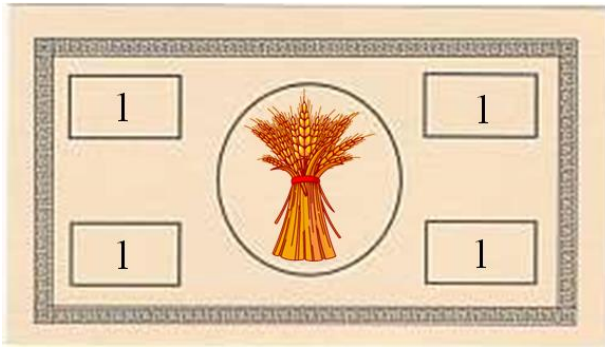
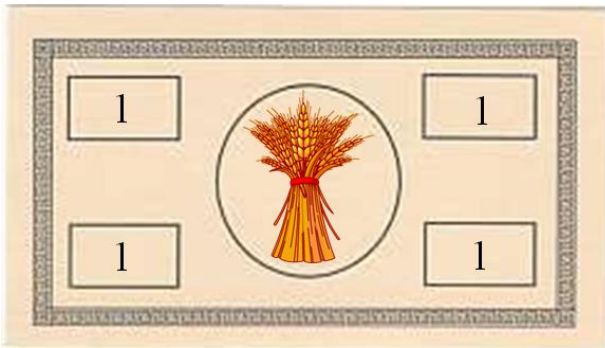
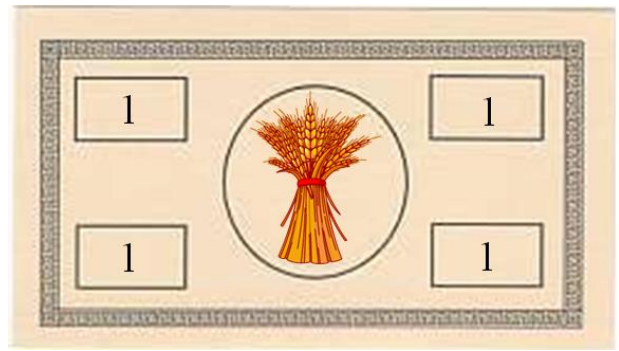
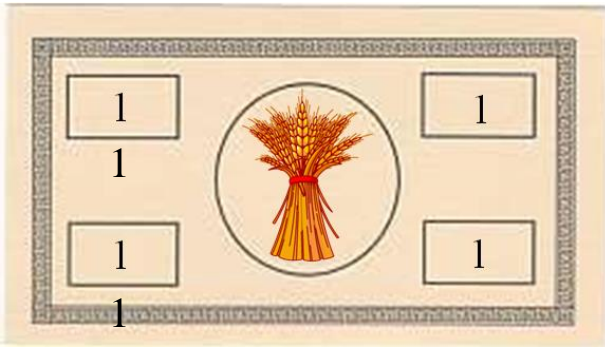
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2 Wool
2 Fish
1 Cow
1 Rice
2 Copper
2 Silver
2 Gold

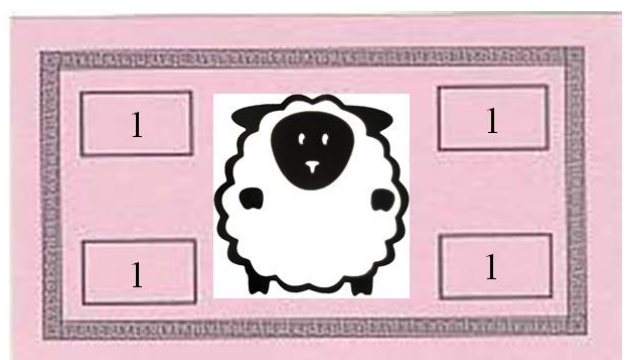
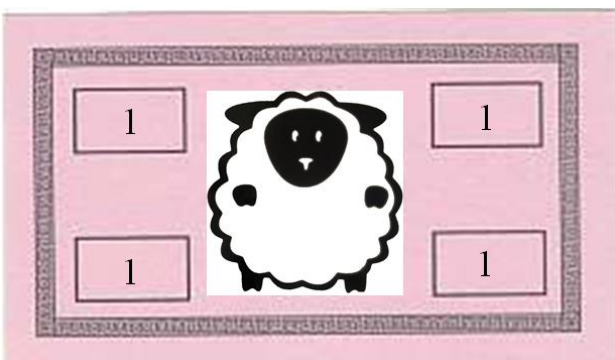
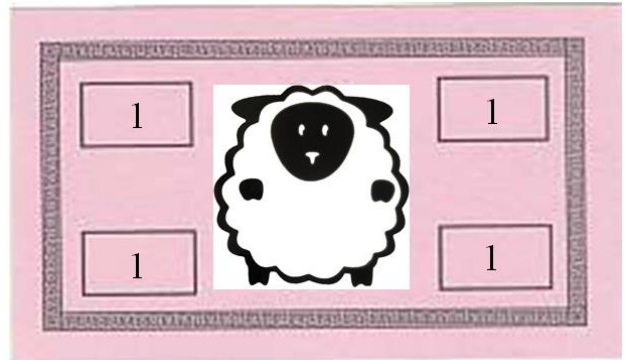
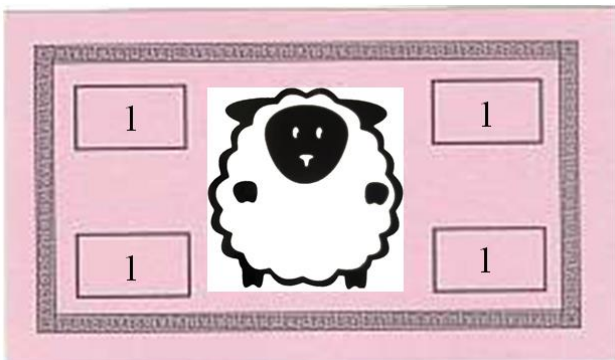
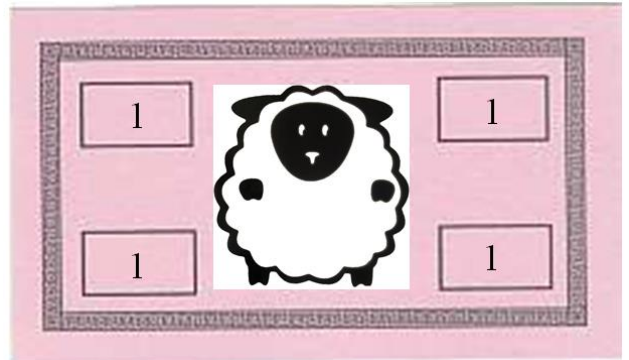
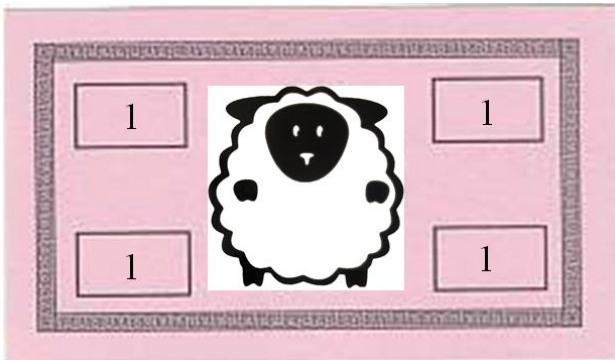
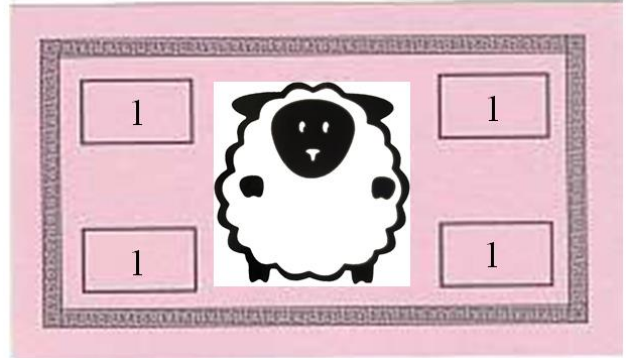
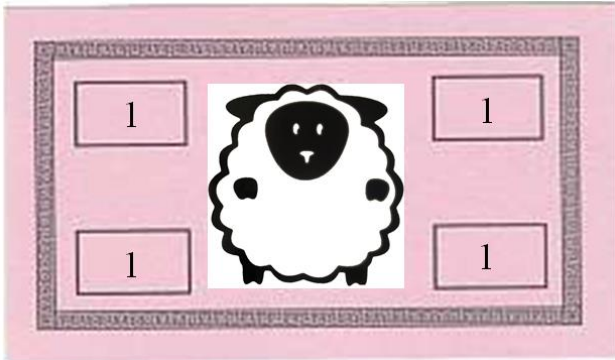
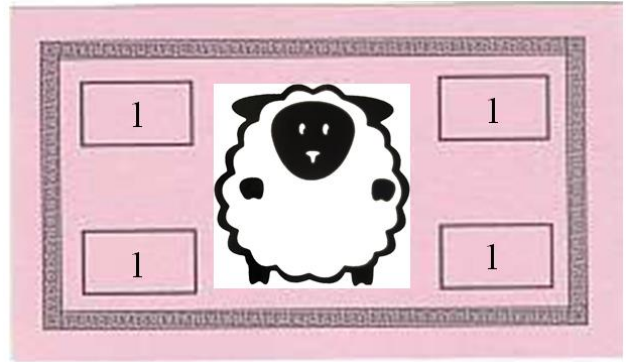
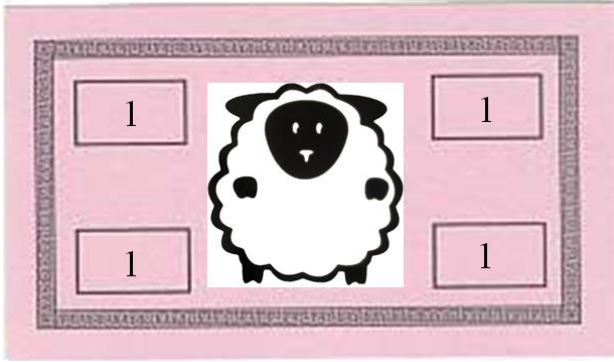
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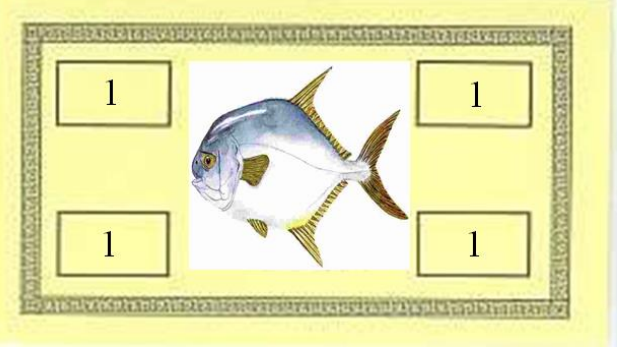
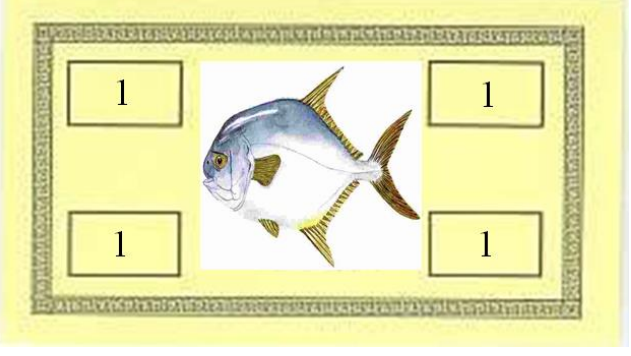
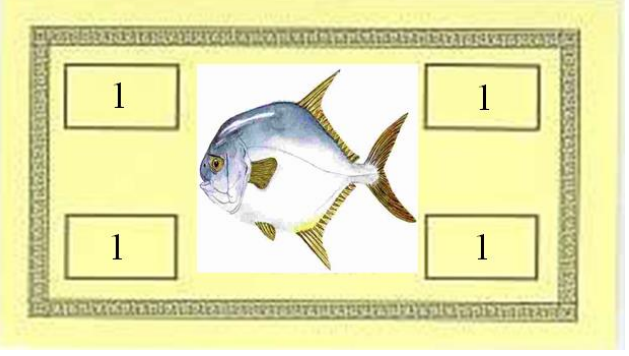
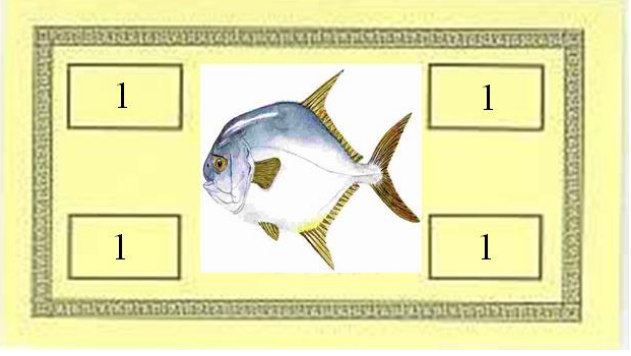
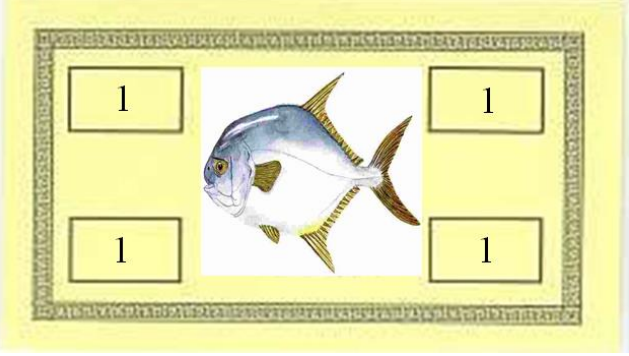
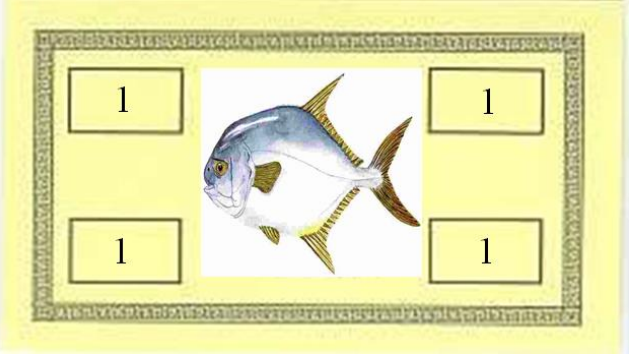
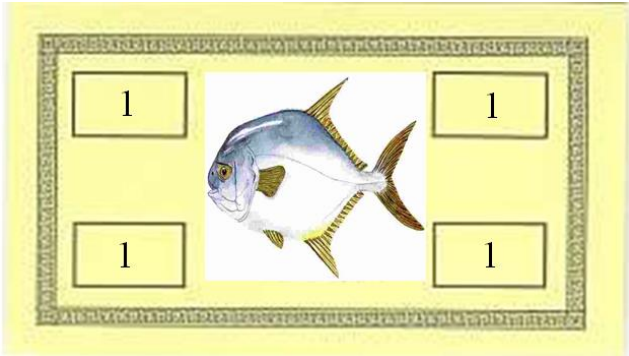
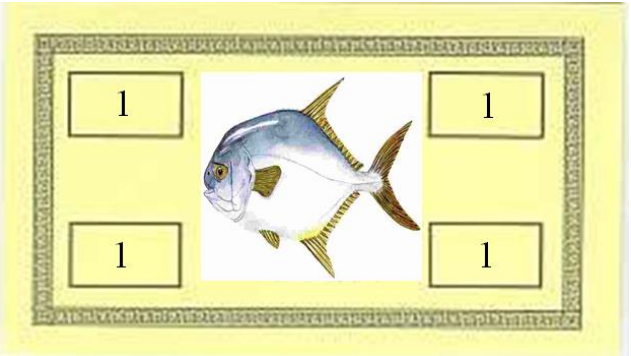
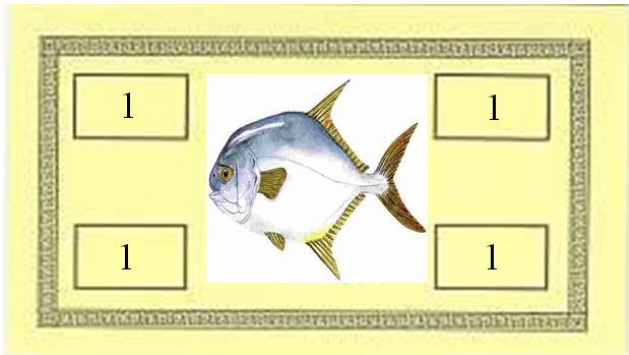
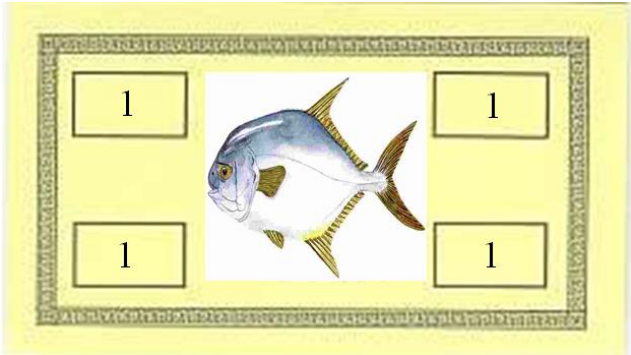
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- 2 Corn
- 2 Wheat
- 2 Wool
- 2 Fish
- 1 Coffee
- 1 Tobacco
- 1 Silk
- 1 Rice
- 1 Chocolate

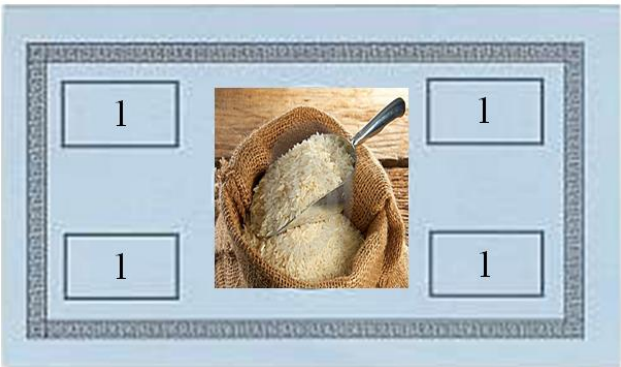
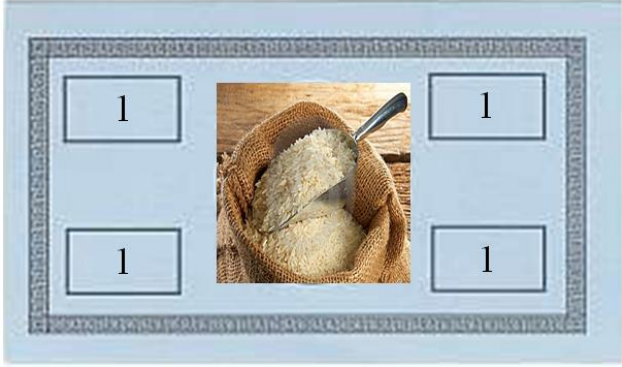
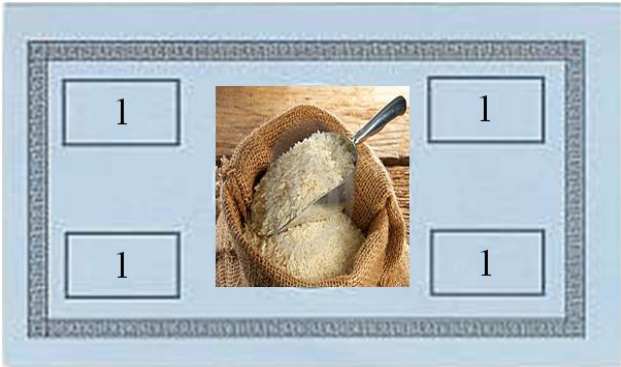
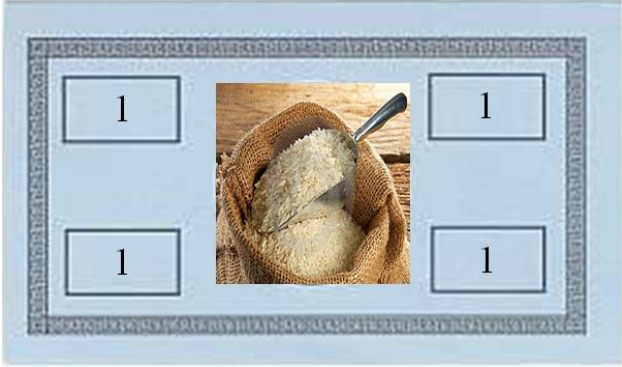
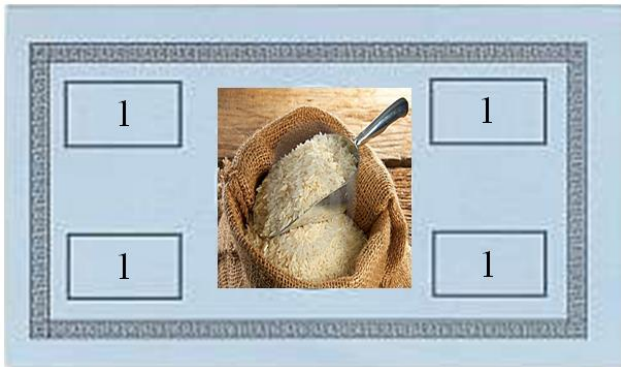
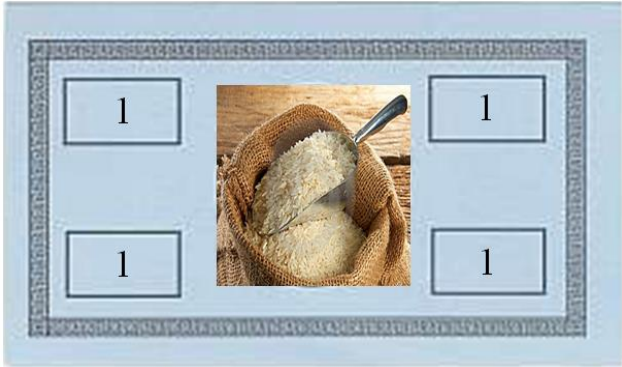
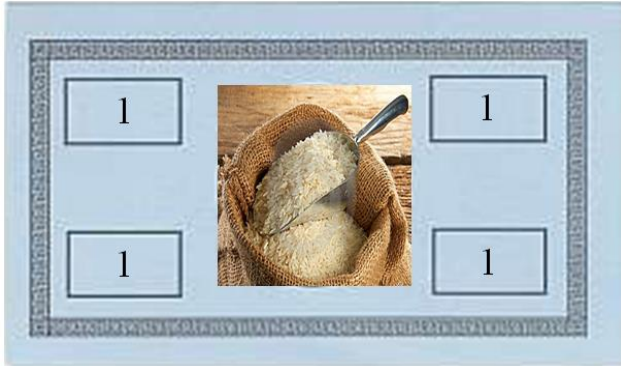
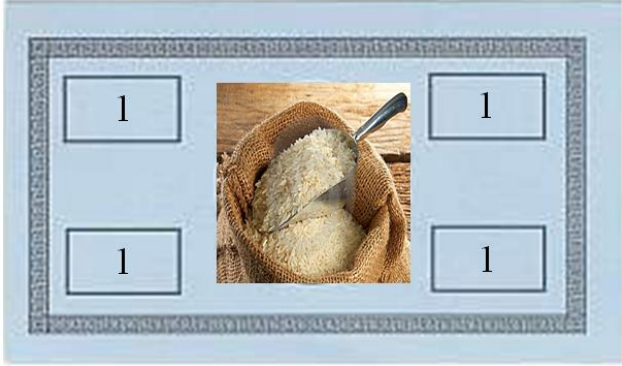
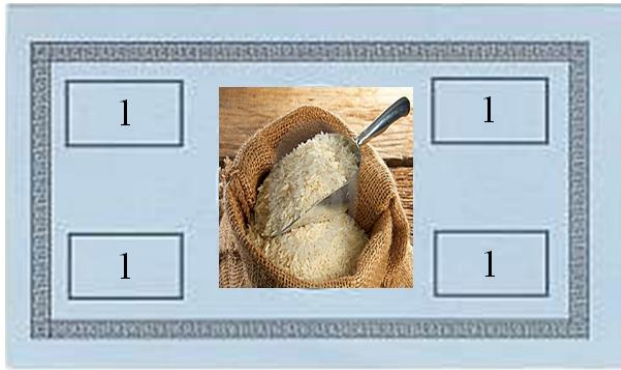
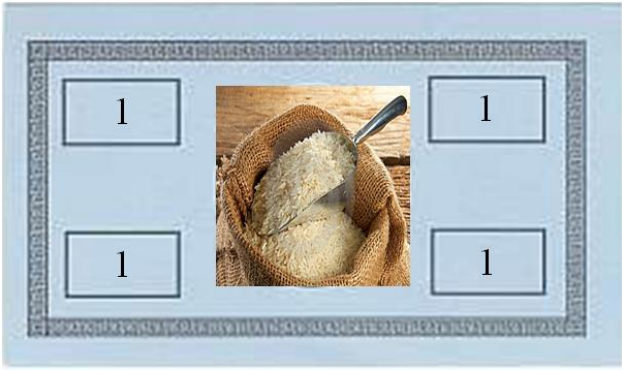


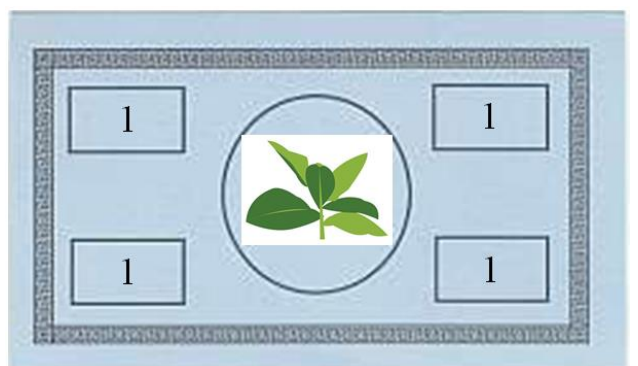
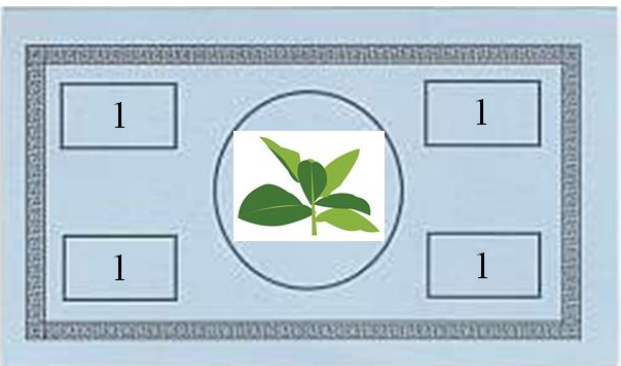
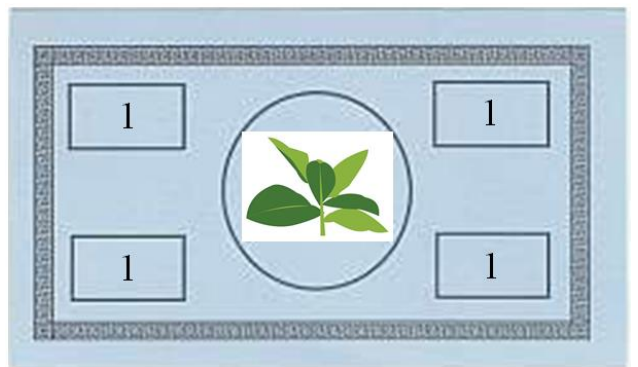
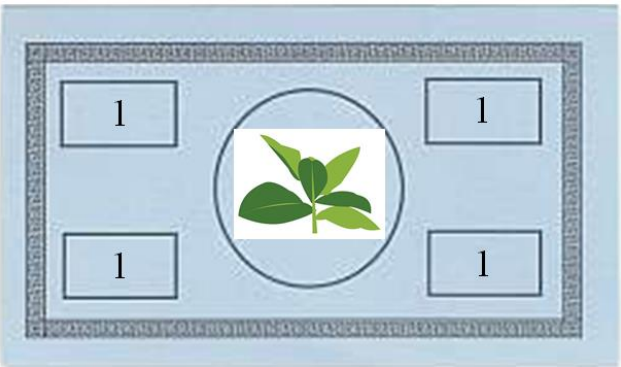
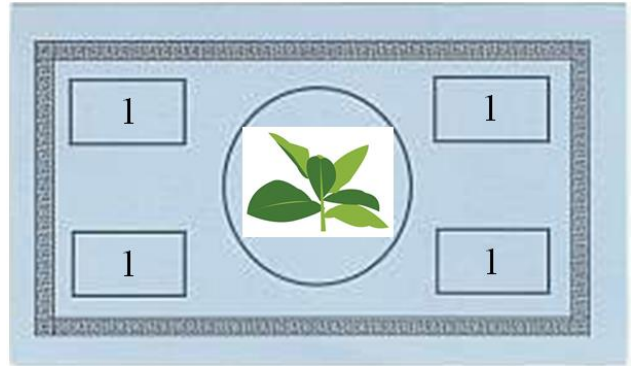
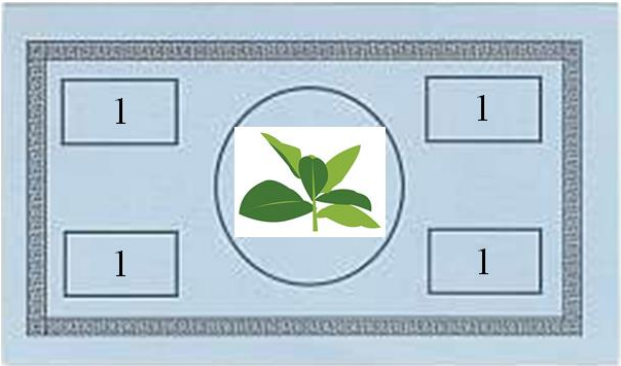
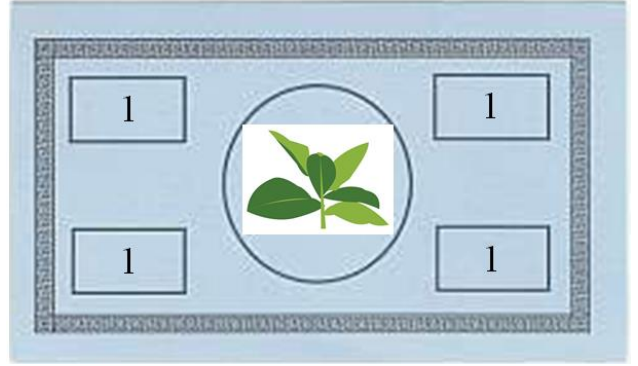
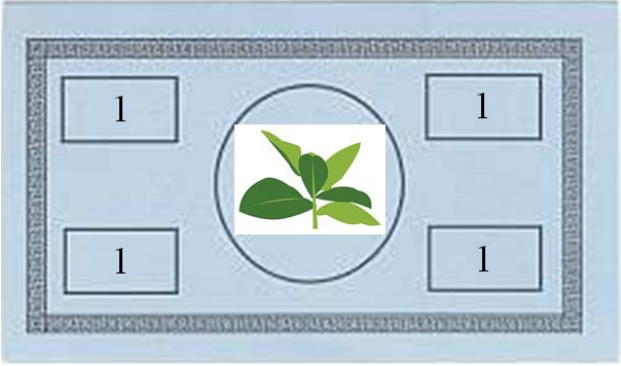
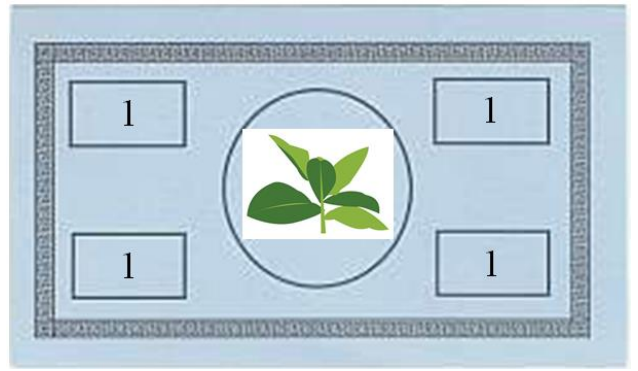
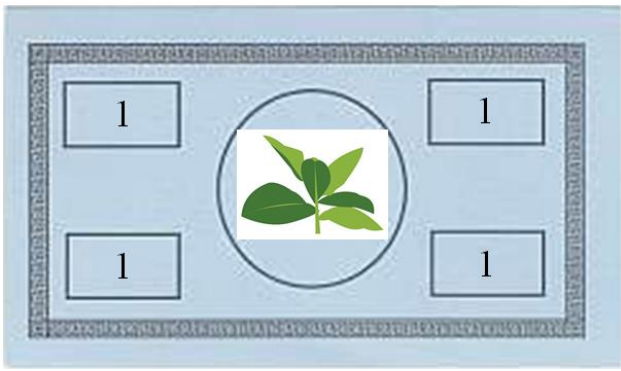


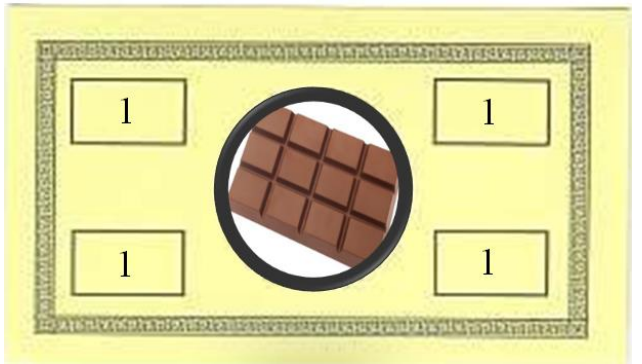
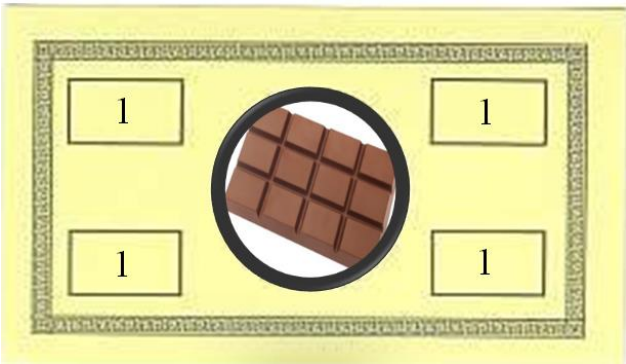
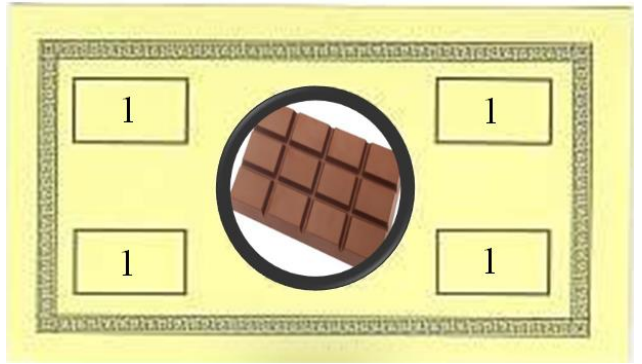
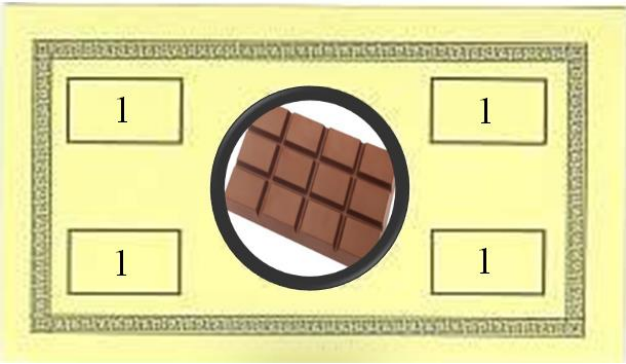
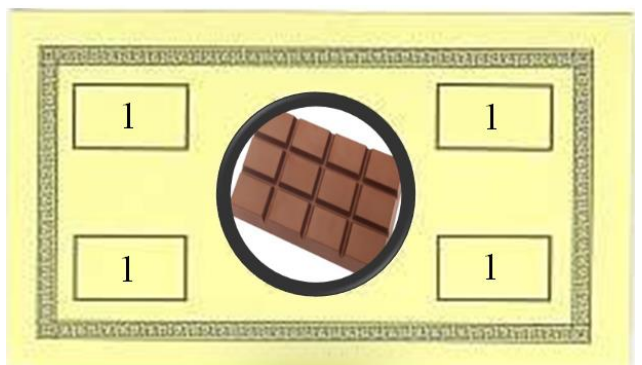
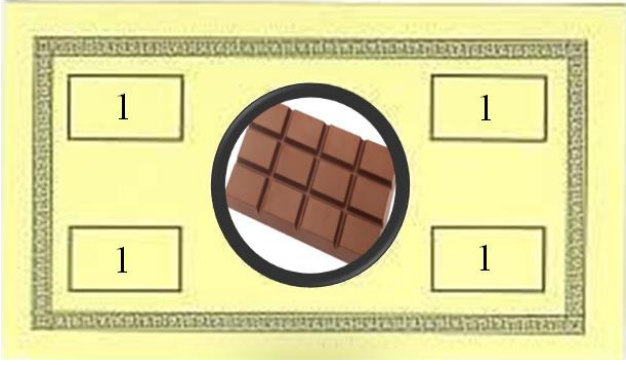
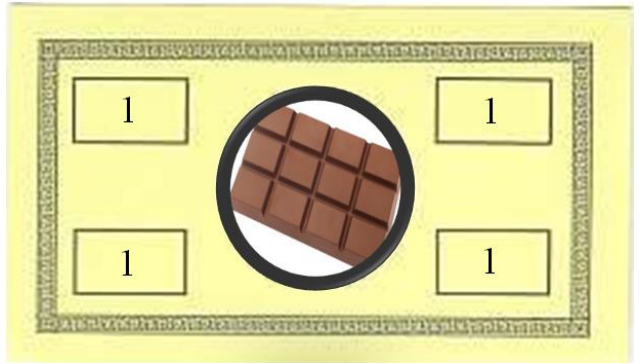
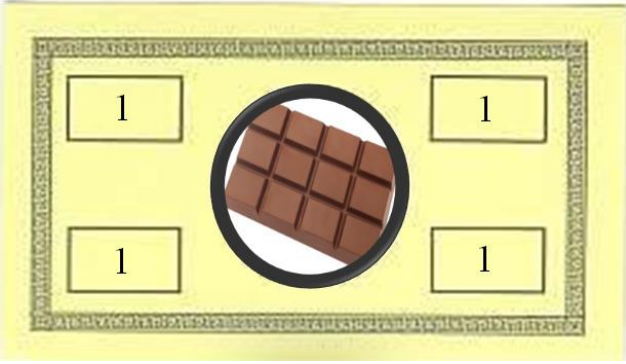
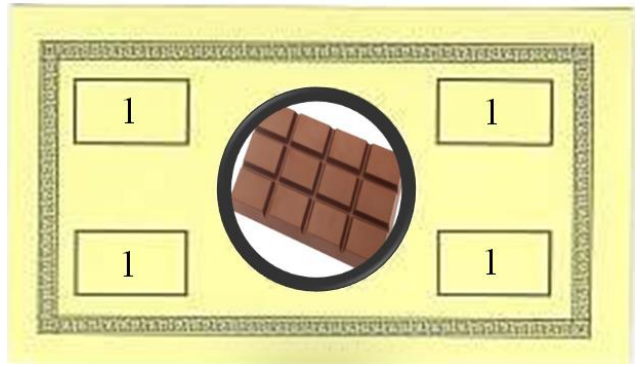
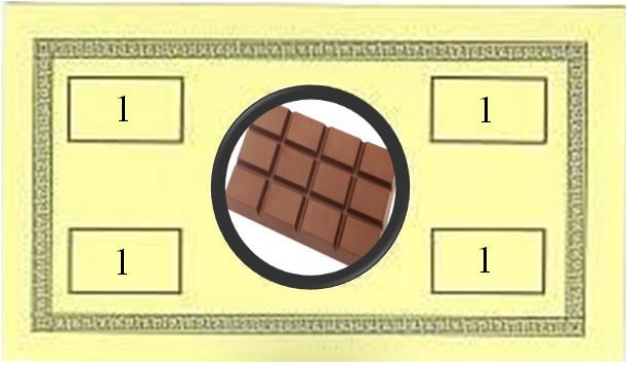


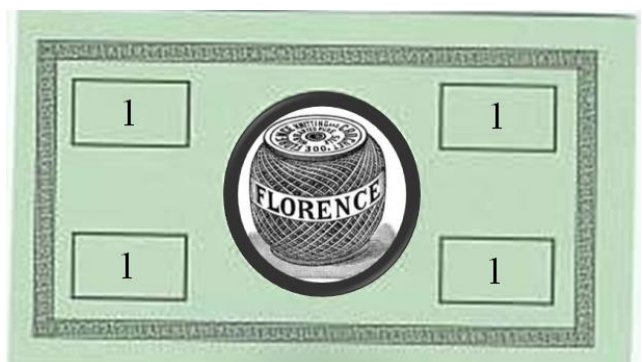
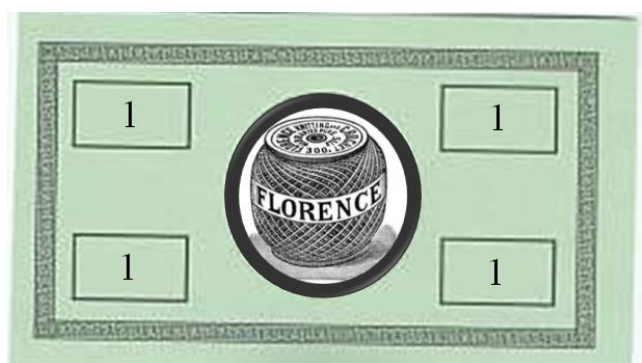


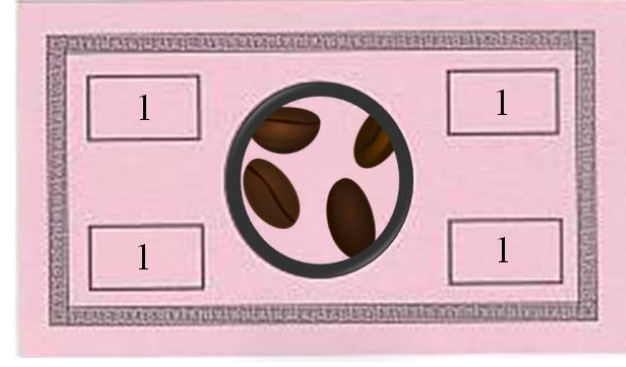
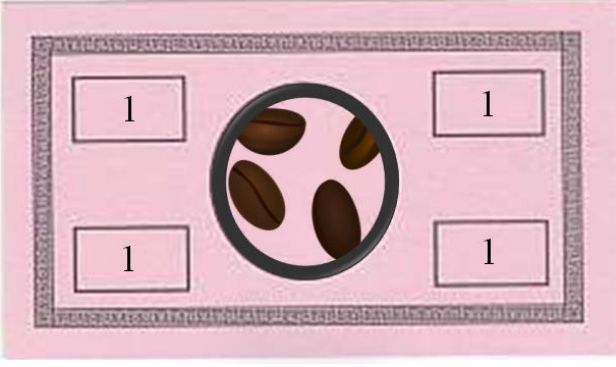
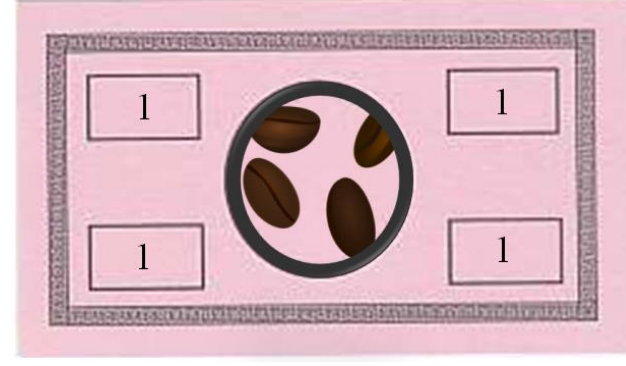
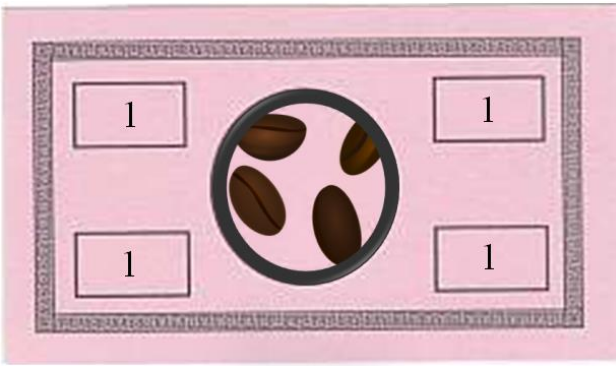
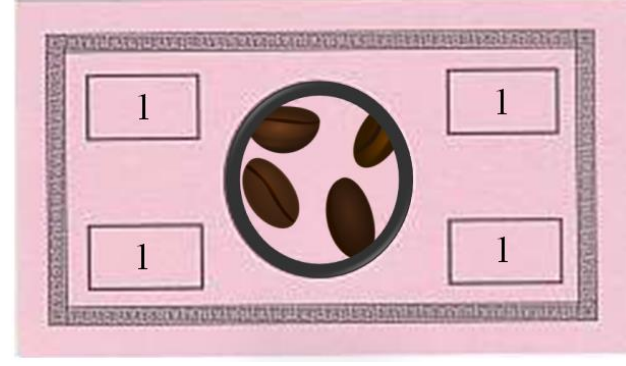
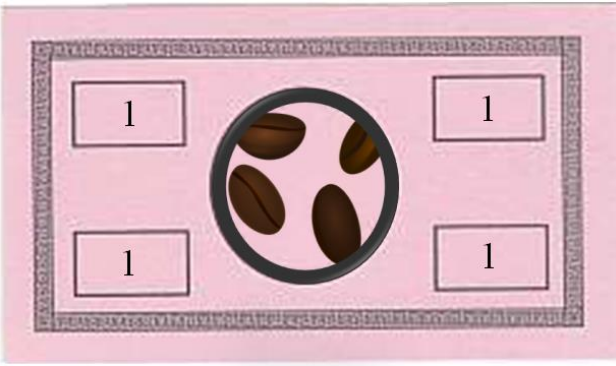
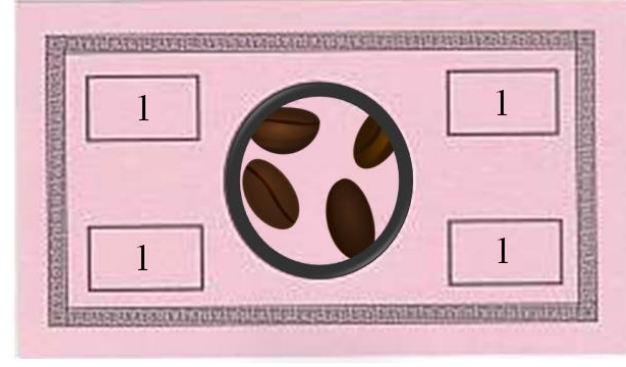
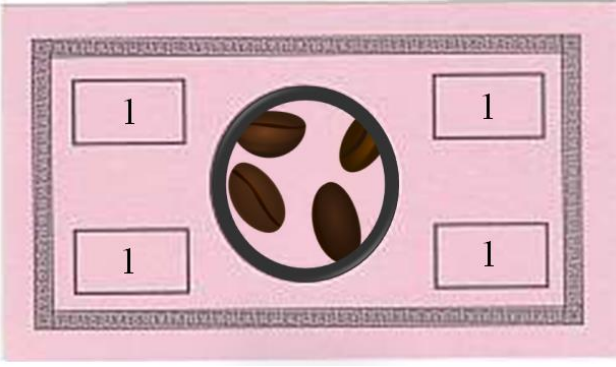
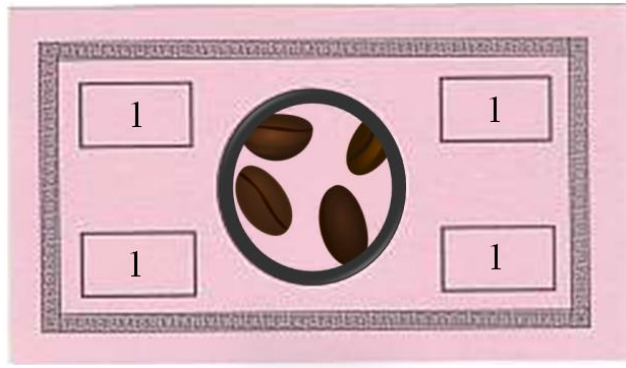
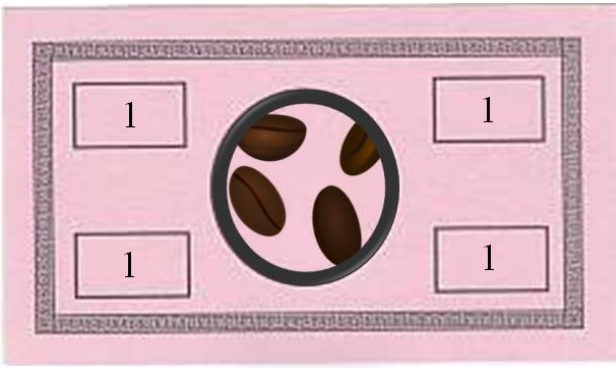


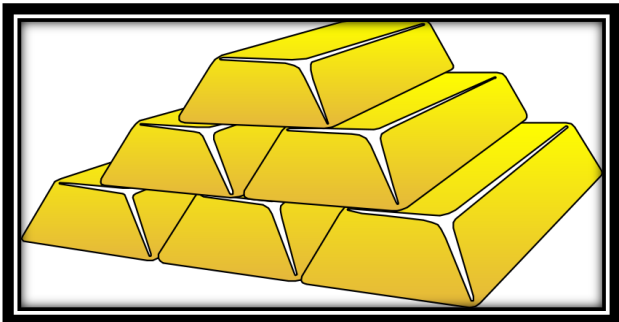
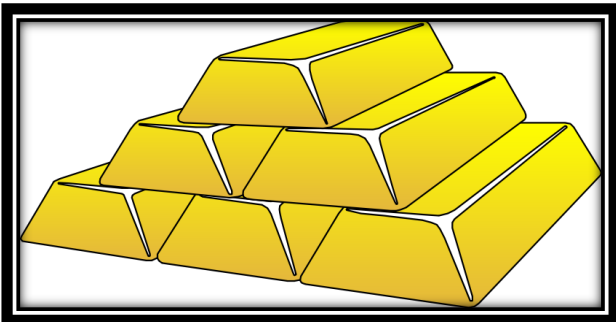
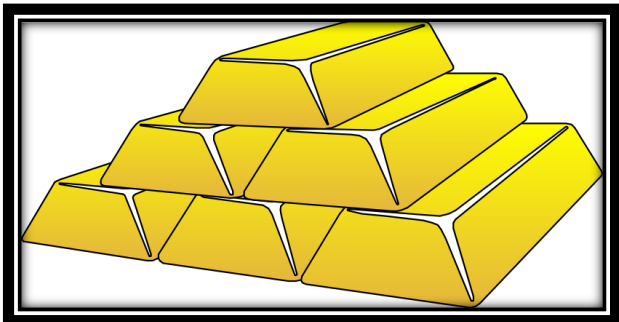
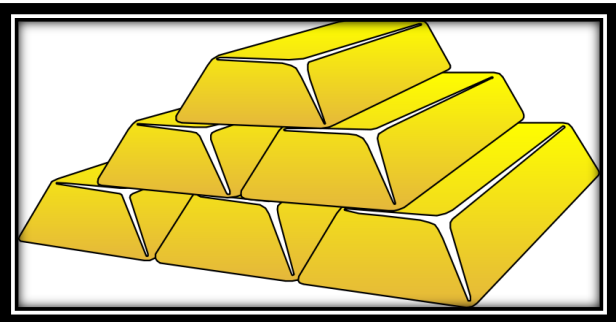
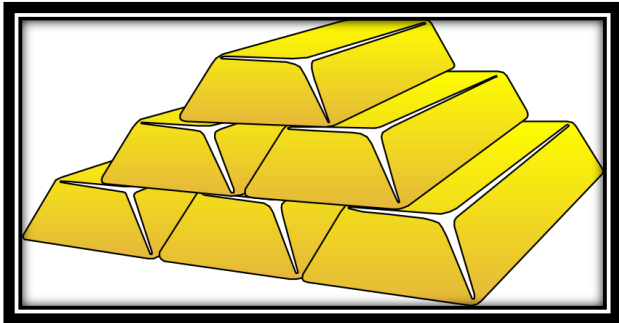
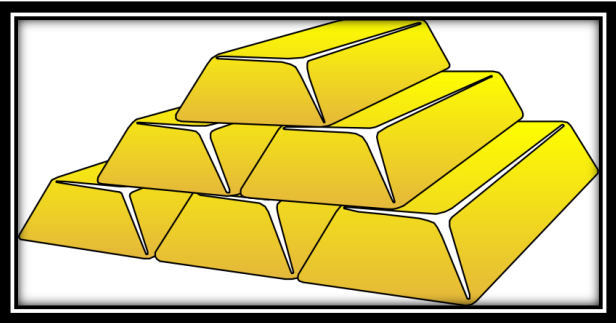
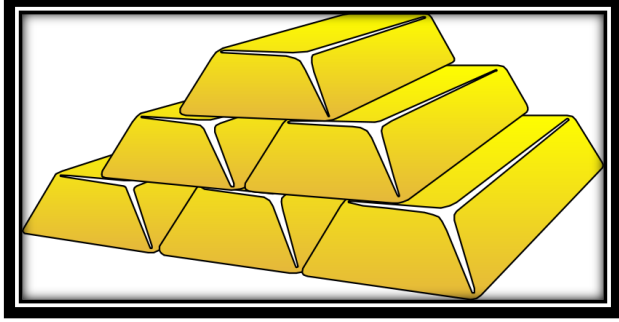
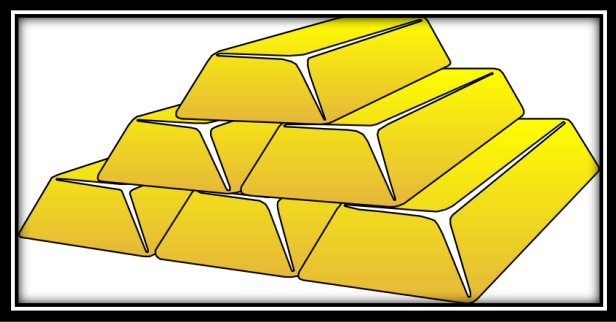
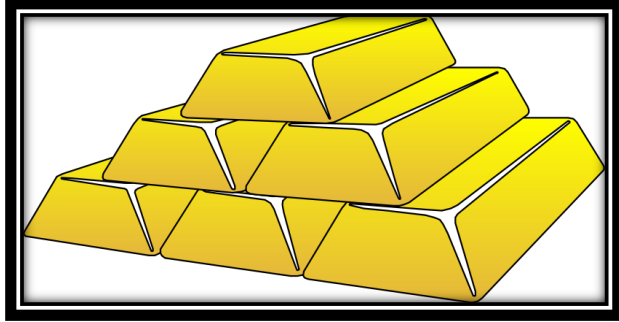
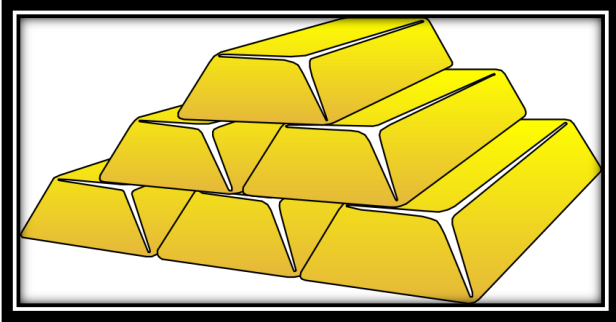




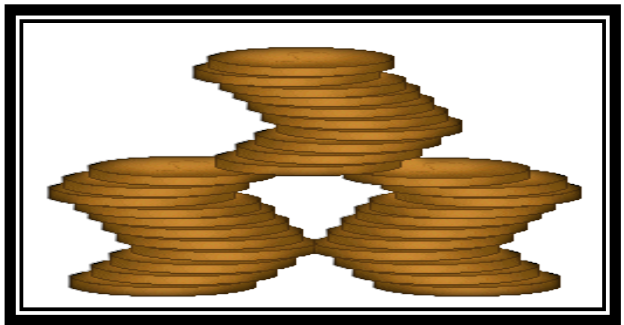
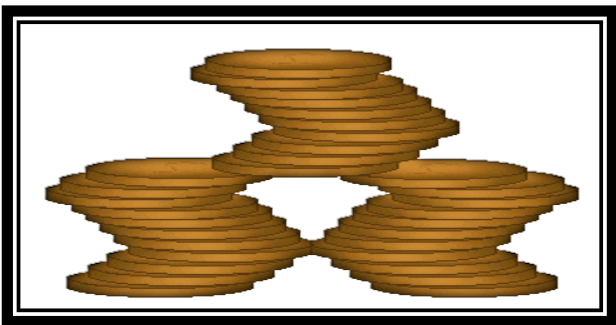
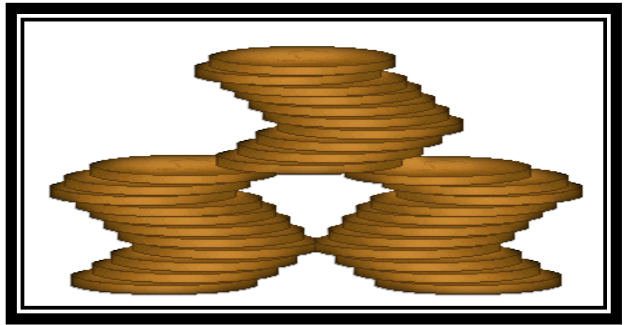
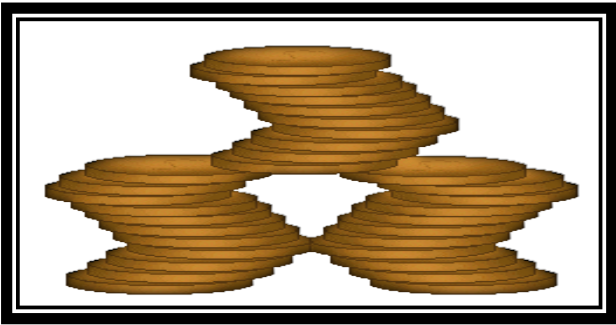
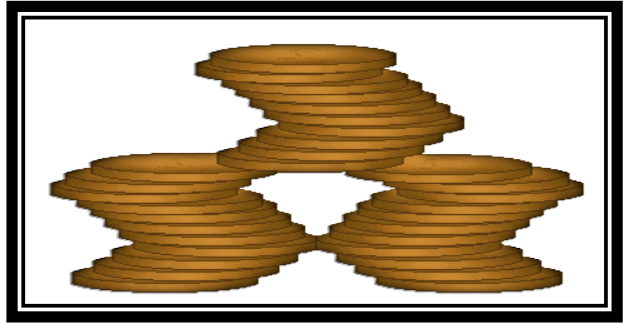
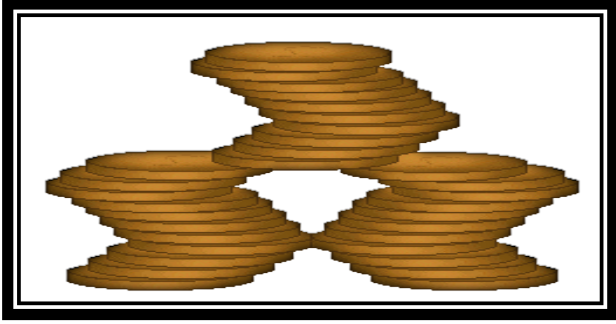
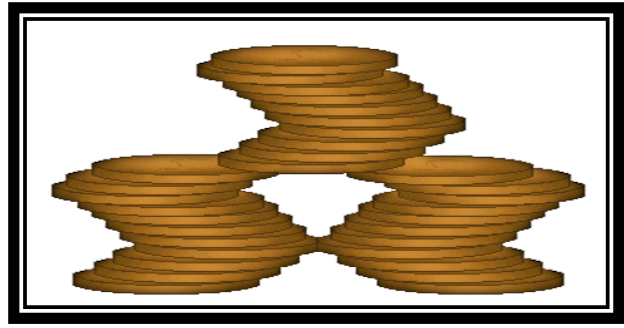
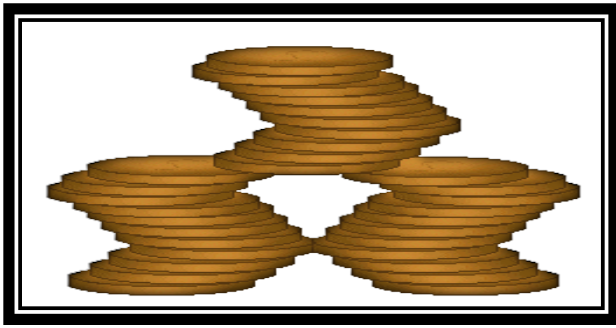












United States

- 6 Corn
- 7 Tobacco
- 1 Cow
- 1 Chocolate
- 1 Fish
- 1 Wheat
- 2 Silver
- 1 Gold



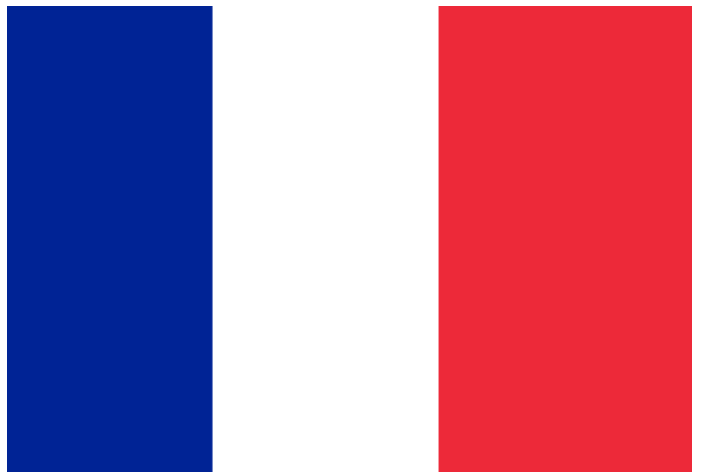
Britain

- 5 Wool
- 7 Silk
- 1 Wheat
- 1 Coffee
- 1 Cow
- 2 Fish
- 2 Copper
- 3 Silver



France

- 4 Cow
- 6 Chocolate
- 2 Wool
- 1 Corn
- 1 Silk
- 1 Rice
- 1 Wheat
- 3 Copper



China

5 Fish
8 Rice
2 Corn
1 Coffee
1 Cow
1 Silk
1 Silver
2 Gold



Brazil

8 Coffee
3 Tobacco
3 Chocolate
2 Cow
1 Wool
1 Corn
1 Silk
3 Copper
2 Silver
2 Gold



Spain

7 Wheat
2 Wool
2 Fish
1 Cow
1 Rice
2 Copper
2 Silver
2 Gold



Debriefing

- After the trading has been completed will go through a debriefing process.
 - In their groups students will answer the following questions.
 - 1) What things went wrong/right in your trading experience?
 - 2) Is there a different strategy you might use in retrospect?
 - 3) If there was anything you could change about this experience, what would it be?
 - Then will discuss the questions as a class.