

A Trip around the World through Exports

Lesson Author

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Grade Level

9–12

Concepts

Comparative advantage Exports Globalization International trade

Objectives

Students will be able to:

- Define the terms exports, comparative advantage, and globalization.
- Recognize the influence of comparative advantage in determining world trading patterns.
- Identify world export leaders in a number of categories of resources and goods.
- Identify top export products for the United States and top US trading partners for those goods.

Time required

Quick Pick: Steps 1 through 2 (15 minutes) Power Up: Steps 1 through 5 (25 minutes) Deep Dive: Steps 1 through 6 (35 minutes)

Materials

Visual 1: "Definitions" Activity 1: "Exported Goods" Activity 1: "Country Wall Signs" Activity 1: "Specialization and Trade List of Exports and Countries" Activity 1: "Specialization and Trade List of Exports and Countries (Answer Key)" Handout 1: "What Does the United States Export?" Handout 1: "What Does the United States Export? (Answer Key)"

Preparation

- 1. Prior to the start of class, copy Activity 1: "Exported Goods" and cut into individual slips.
- Using Activity 1: "Country Wall Signs," cut apart the country names. Tape them to the walls around the classroom, grouping the countries by geography: Group 1: North America/Caribbean (United States, Barbados), Group 2: Australia, Group 3: Europe (Germany, Switzerland, Italy, United Kingdom, France, the Netherlands),

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Group 4: Asia (India, China, Hong Kong), **Group 5: Pacific Island nations** (Japan, Indonesia), **Group 6: Russia, Group 7: South and Central America** (Chile, Brazil, Ecuador), and **Group 8: Africa** (Cote d'Ivoire [Ivory Coast] and South Africa)

Procedures

- Give each student a slip of paper from Activity 1: "Exported Goods." Tell students that each of the countries around the room is the world's leading exporter for a good on the slips they are holding. Ask students to move around the room and stop in front of the sign of the country they think is the world's leading exporter of the good on their slip. Let them know all countries will be used at least once and some countries may be the leading exporter for more than one good.
- 2. Allow students time to move into place. Using the Answer Key for Activity 1, move from one country grouping to the next to check answers. If a student is in the wrong place, direct the person to the right grouping and ask him or her to make another guess. If students are still not sure, you may give them clues to help them get the right answer. (Note: The source of the export data is from the <u>International Trade Centre website</u> [https://bit.ly/statistics-exports]; 2019 figures were used.)
- 3. Ask students if any of the answers seemed obvious. (Answers will vary, but they may include coffee and Brazil, Russia and oil, sausages and Germany, clocks and watches and Switzerland, pasta and Italy, and silk and tea for China.) Ask the students if any of the answers were a surprise. (Answers will vary, but they may include pianos and Japan, horses and Hong Kong, chocolate and Germany, and diamonds and India.)
- 4. Using Visual 1, review each definition with students. (You may need to clarify opportunity cost if this term has not yet been introduced.) Ask students if they think comparative advantage explains any of the trade patterns seen in the activity. (Answers will vary, but may include countries that have natural resources such as Russia and oil and wheat, or countries that have climates that make certain products easier to grow, such as Ecuador and bananas, Brazil and cane sugar and coffee, and Indonesia and cloves.) Ask students why they think China leads the world in the exporting of toys and shoes. (Answers may vary, but these are labor-intensive products to produce and China has a large population.)
- 5. Tell students that we often associate countries with certain products and that this association is a reflection of skills and knowledge that result in a comparative advantage. Give some examples from the list (Switzer-land and watches, cut flowers and the Netherlands, and France and makeup).
- 6. Assign Handout 1: "What Does the United States Export?" for students to research international trading patterns for the United States.

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Visual 1: Definitions

	Goods and services that are
Exports	produced domestically and sold abroad

Comparative advantage

The ability to produce a good or service at a lower opportunity cost than another producer

Globalization

The development of an increasingly integrated and interdependent worldwide economy

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Activity 1: Exported Goods

Air- and spacecraft	Raw silk
Printed books	Footwear
Copper ore	Wool
Paintings	Теа
Cloves	Wheat
Coffee	Horses
Bananas	Sausages
Cut flowers	Pasta
Cocoa beans	Cotton (combed)
Chocolate	Ice cream
Beauty and makeup preparations	T-shirts
Cane sugar	Diamonds
Clocks and watches	Cars
Dolls	Pianos
Chromium ore	Toys
Petroleum oil	Nuclear reactors

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Activity 1: Country Wall Signs



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Cote d'Ivoire (Ivory Coast) Russia South Africa

Japan

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Activity 1: Specialization and Trade List of Exports and Countries

Goods	Country
1. Air- and spacecraft	A. Australia
2. Printed books	B. China
3. Copper ore	C. France
4. Paintings	D. Netherlands
5. Cloves	E. Indonesia
6. Coffee	F. Italy
7. Bananas	G. United States
8. Cut flowers	H. Hong Kong (China)
9. Cocoa beans	I. India
10. Chocolate	J. Switzerland
11. Beauty and makeup preparations	K. Barbados
12. Cane sugar	L. Germany
13. Clocks and watches	M. Chile
14. Dolls	N. United Kingdom
15. Chromium ore	O. Brazil
16. Petroleum oil	P. Ecuador
17. Raw silk	Q. Cote d'Ivoire (Ivory Coast)
18. Footwear	R. Russia
19. Wool	S. South Africa
20. Tea	T. Japan
21. Wheat	
22. Horses	
23. Sausages	
24. Pasta	
25. Cotton (combed)	
26. Ice cream	
27. T-shirts	
28. Diamonds	
29. Cars	
30. Pianos	
31. Toys	
32. Nuclear reactors	

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Activity 1: Specialization and Trade List of Exports and Countries (Answer Key)

Goods	Country
G 1. Air- and spacecraft	A. Australia
N 2. Printed books	B. China
M 3. Copper ore	C. France
G 4. Paintings	D. Netherlands
E 5. Cloves	E. Indonesia
0 6. Coffee	F. Italy
P 7. Bananas	G. United States
D 8. Cut flowers	H. Hong Kong (China)
Q 9. Cocoa beans	I. India
L 10. Chocolate	J. Switzerland
C 11. Beauty and makeup preparations	K. Barbados
0 12. Cane sugar	L. Germany
J 13. Clocks and watches	M. Chile
K 14. Dolls	N. United Kingdom
S 15. Chromium ore	O. Brazil
R 16. Petroleum oil	P. Ecuador
B 17. Raw silk	Q. Cote d'Ivoire (Ivory Coast)
B 18. Footwear	R. Russia
A 19. Wool	S. South Africa
B 20. Tea	T. Japan
R 21. Wheat	
H 22. Horses	
L 23. Sausages	
F 24. Pasta	
G 25. Cotton (combed)	
C 26. Ice cream	
B 27. T-shirts	
I 28. Diamonds	
L 29. Cars	
T 30. Pianos	
B 31. Toys	
R 32. Nuclear reactors	

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Handout 1: What Does the United States Export?

Your study of global trade patterns has shown you that many goods and services you use every day are imported from other countries. What does the United States export? Go to <u>https://bit.ly/international-trade-goods</u> and click on the United States of America.

1. What were the United States' top five export groups in terms of value in 2019?

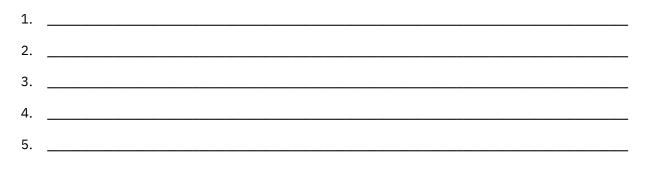
1.	
3.	
4.	
5.	

2. Click on the number to the right of each of the top 5 product groups; this will tell you which country is the number one market for US exports of these products. Which countries are the top destinations for these products? (Keep the link above open in a tab for easier navigation back to the home page.)

1.	
3.	
4.	
5.	

Are any countries listed more than once? Can you think of any reasons why this country is one of our largest trading partners?

3. Go to <u>https://bit.ly/international-trade-goods</u> and click on the number code (for example, 84, 85, 88) for each of the United States' top product groups. Is the United States the top exporter in the world for any of these products? Where does it rank for the other categories? List each category below and the world's top exporter for that product.



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Handout 1: What Does the United States Export? (Answer Key)

Your study of global trade patterns has shown you that many goods and services you use every day are imported from other countries. What does the United States export? Go to <u>https://bit.ly/international-trade-goods</u> and click on the United States of America.

- 1. What were the United States' top five export groups in terms of value in 2019?
 - 1. Machinery, mechanical appliances, nuclear reactors, boilers
 - 2. Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral
 - 3. Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders
 - 4. Aircraft, spacecraft, and parts thereof
 - 5. Vehicles other than railway or tramway rolling stock, and parts and accessories thereof
- 2. Click on the number to the right of each of the top 5 product groups; this will tell you which country is the number one market for US exports of these products. Which countries are the top destinations for these products? (Keep the link above open in a tab for easier navigation back to the home page.)
 - 1. Mexico
 - 2. Mexico
 - 3. Mexico
 - 4. France
 - 5. Canada

Are any countries listed more than once? Yes, Mexico. Can you think of any reasons why this country is one of our largest trading partners? It is one of our closest trading partners because of its close proximity to the United States and the effects of the United States-Mexico-Canada Agreement (USMCA), which significantly lowers trade barriers between Mexico and the United States, as well as Canada.

- 3. Go to <u>https://bit.ly/international-trade-goods</u> and click on the number code (for example, 84, 85, 88) for each of the United States' top product groups. Is the United States the top exporter in the world for any of these products? Where does it rank for the other categories? List each category below and the world's top exporter for that product.
 - 1. Machinery, mechanical appliances, nuclear reactors, boilers: China
 - 2. Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral: Russia
 - 3. Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders: *Chinα*

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- 4. Aircraft, spacecraft, and parts thereof: United States
- 5. Vehicles other than railway or tramway rolling stock, and parts and accessories thereof: *Germany*