



KELLEY
SCHOOL OF BUSINESS
Institute for International Business



CIBER Focus Interview Series

Lesson Plan

Lesson Title: The Transition from NAFTA to USMCA

Grade: 11 or 12

Estimated length of Lesson: 45 minutes

Indiana Standard(s) covered:

Global Economics

- GE-4.1 Demonstrate how all countries are interdependent
- GE-4.2 Explain how specialization promotes international trade and how international trade increases total world output
- GE-4.3 Explain how governments and cartels/syndicates influence world trade
- GE-4.4 Differentiate absolute advantage versus comparative advantage
- GE-4.5 Discuss the components that make up the balance of payments and balance of trade among nations
- GE-4.6 Evaluate the effects of trade agreements among nations and barriers to trade
- GE-7.1 Analyze U.S. and foreign economies to forecast how trade may affect job opportunities and income potential

Economics

- E.8.1 Explain that most trade occurs because producers have a comparative advantage (rather than an absolute advantage) in the production of a good or service.
- E.8.2 Explain the benefits of trade among households and countries.
- E.8.3 Explain the difference between the balance of trade and balance of payments.
- E.8.5 Evaluate the arguments for and against free trade.

Inquiry: (What essential question are students answering, what problem are they solving, or what decisions are they making?)

- Is the USMCA a better agreement than NAFTA - why or why not?
 - Should USMCA be ratified by the United States?

Objectives: (What content and skills do you expect students to learn from this lesson?)

- Students will be able to...
 - Evaluate arguments for and against free trade.
 - Analyze current events and current free trade agreement policy.
 - Explain the effects of trade agreements and how they can impact employment rates and other economic factors in a country.

Materials: (What primary sources or local resources are the basis for this lesson?)

- [NAFTA: Challenges and Opportunities of Negotiation](#) with Dr. P. Roberto Garcia
- USMCA information from US Trade Representative
 - <https://ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-can-ada-agreement>
 - <https://ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-can-ada-agreement/fact-sheets/modernizing>
- <https://www.thebalance.com/nafta-pros-and-cons-3970481>
- <https://aflcio.org/issues/trade>

Activities: (What will you and your students do during the lesson to promote learning?)

1. Students will conduct research on both NAFTA and USMCA to determine the background and facts about each.
 - a. NAFTA
 - i. What was its purpose?
 - ii. What did proponents say? What did the critics say?
 - iii. Was it successful?
 - iv. What was the GDP amongst the NAFTA countries?
 - v. What events made it difficult to determine the success of NAFTA?
 - vi. Do you think it needed changed?
 - b. USMCA
 - i. What is its purpose?
 - ii. What do proponents say? What are the critics saying?
 - iii. Do you think these changes are needed?
2. Students will hold a mock congressional hearing to determine whether they would ratify the changes of USMCA to NAFTA.
 - a. Divide students up and put them into a group to come up with at least 3 reasons that support their positions for, or against, USMCA.
3. At the end of the class students will be asked to look at the facts that were presented and vote on the ratification to USMCA. They don't have to vote for the side they argued.

Assessment: How will you assess what students learned during this lesson?

- Students will submit an argument summary that explains how they voted and an explanation of why they chose to vote the way they did with at least three arguments to support their opinion. Summary should be written up as if they were a US legislator defending their opinion.