



Background:

Countries use trade to generate economic growth, which provides the resources societies need to function. However, governments can also leverage trade as a direct foreign policy tool to advance other national interests. In this hypothetical scenario, the United States needs to decide how to respond when a rivalry between growing trade partners threatens regional stability.

First, cover the fundamentals of this foreign policy tool with World101's lesson, [What Is Trade Policy?](#) Then, put these principles into practice with Model Diplomacy's hypothetical decision point below.

Decision Point (*Hypothetical*):

Over the past decade, Denburg and its neighbor Fredonia have both undergone economic transformations. Fueled by the region's natural resource wealth, both countries have become prominent suppliers of raw materials such as aluminum to the United States and ramped up purchases of U.S. industrial machinery to support their growth. However, relations between Denburg and Fredonia are far from harmonious. Denburg has had frequent diplomatic clashes with Fredonia over territorial disputes and has harshly rebuked U.S. criticisms of its repressive and undemocratic leadership. Fredonia, on the other hand, is developing a close partnership with the United States, participating in several U.S. security initiatives in the region. Although both countries continue to grow economically, their rivalry represents a threat to regional stability. Because of the United States' burgeoning economic ties with both countries, the president has convened the National Security Council (NSC) to discuss how best to manage trade in the region, both to support the U.S. economy and to promote stability in the region.

NSC members should consider the following policy options:

- *Negotiate a regional trade agreement that lowers or removes tariffs among Denburg, Fredonia, and the United States.* This option would be the most economically beneficial to all countries. It could also incentivize greater stability between Denburg and Fredonia, and even pressure Denburg toward greater democratization. However, a trade agreement cannot guarantee improved relations or reforms. If Denburg continues its destabilizing activities, closer economic relations could make taking punitive measures more economically painful for the United States.
- *Negotiate a bilateral trade agreement with Fredonia.* Fredonia would be a more reliable trading partner and lowering barriers to trade with Fredonia could strengthen the country, allowing it to better manage its rivalry with Denburg. However, this option would be less economically advantageous to the United States and offers no economic incentive for Denburg to maintain regional stability.
- *Use trade restrictions to punish Denburg's destabilizing behaviors.* These restrictions could include tariffs on Denburgese aluminum or sanctions restricting Denburg's access to U.S. heavy machinery. This could push Denburg to improve its relations with Fredonia and ease repression, but it would be harmful to U.S. businesses and consumers.

Additional Resources:

1. [How Trade Rules Are Written \(World101\)](#)
2. [Debate: Are Trade Agreements Good for Americans? \(New York Times\)](#)
3. [Regional Trade Agreements \(World Bank\)](#)

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Pop-Up Case Guidelines

Pop-up cases from Model Diplomacy are short case studies on current events that put students in the shoes of policymakers facing the most pressing issues in international relations. There are lots of ways to organize a discussion using a pop-up case. It is always helpful to think about your goals for the discussion and then to consider any time or participation constraints you could have. If you are teaching online and cannot discuss synchronously, consider a short writing assignment or using an online discussion board (see some excellent tips [here](#) and [here](#)). If you are teaching face-to-face or over videoconference and are looking for some inspiration, here are a few ideas:

Gauge reaction:

If you want to show what students are thinking before diving into the discussion, here are two easy ways to do it. In one, often called “four corners,” assign each policy option to a corner of the room, and then ask students to stand in the corner associated with the policy option they support. In the other, if you want your students to think along a spectrum instead (e.g., interventionist-isolationist, unilateral-multilateral, more urgent–less urgent), put the ends of your spectrum at either end of your blackboard and have students stand along the board to indicate where along the spectrum they fall. With both approaches, everyone will sit down again with a sense of where they stand regarding the case. Use this knowledge to shape discussion—eliciting less popular opinions, challenging more popular ones, encouraging like-minded students to further develop their ideas, or having students who disagree discuss in small groups.

Think-Pair-Share:

This exercise is particularly useful for groups where some students are hesitant. Ask everyone to spend a few minutes quietly gathering their thoughts and articulating them in a notebook (“think”), then have them turn to the person sitting next to them to compare notes (“pair”), and then have students report out to the whole group (“share”), knowing that everyone will have had time to think through something to say.

Whiparound:

Ask students to briefly share their position one after the other without responding to each other. Typically, everyone speaks in the order they are sitting. This can be a way to see where everyone stands before launching into a discussion. If you expect a topic to be particularly contentious, you could have students listen to each other and then reflect in writing.



Simple NSC simulation:

If you would like to simulate a simplified version of a more realistic policy debate, you can appoint yourself (or a randomly chosen student) president. Ask students to debate the policy options (or come up with new ones) and try to reach consensus on a recommendation to the president.

NSC simulation with assigned opinions:

While assigning individual roles for a brief case study is complicated, you could assign opinions. For example, assign one-third of the class to be isolationist, one-third to favor a military response, and one-third to favor a diplomatic response. Let the groups caucus for a few minutes, then present their policy options and debate them, leaving the final decision up to you (or a student) as president.

Note: In our experience, simulations are often most productive if students imagine they are advising a generic president rather than a specific one.

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