TRADING FOR LIBERTY! The Civic and Economic Power of Free Trade

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In this lesson, students will understand how England's mercantilist system and trade restrictions limited the colonists' ability to prosper, created frustration, and fueled rebellion. Students will analyze primary sources from Enlightenment Thinkers and Founding Leaders in order to consider how economic freedom and political freedom are deeply connected. They will discover that the struggle for free trade revealed how ordinary people's desire to buy, sell, and prosper on their own terms became a powerful engine of liberty that shaped the nation's founding principles and continues to influence ideas of freedom today.

Learning Objectives

By the end of this lesson students will be able to:

- Define and explain key economic and civic vocabulary such as mercantilism, free trade, salutary neglect, and popular sovereignty.
- Analyze excerpts from Enlightenment Thinkers and the Founding Fathers on the importance of free trade and economic liberty.
- Connect colonial struggles for free trade to broader concepts of liberty and selfgovernment.
- Explain why economic independence was seen as essential to political independence.

Core Principles

- Liberty
- Pursuit of Happiness

Core Grievance

Free Trade

Primary Source Documents

- The Navigation Act of 1660
- Declaration of Independence (1776)
- Wealth of Nations (Adam Smith, 1776)

Essential Questions

- Why was free trade such an important part of colonial life and liberty?
- How did British restrictions like mercantilism and tariffs affect colonial choices and freedoms?
- How does the idea of free trade connect to America's founding principles?
- In what ways did Enlightenment Thinkers connect economic freedom with political freedom?

Material

- TRADING FOR LIBERTY! Vocabulary
- Barter Buzzle Activity Materials

Background Knowledge

Mercantilism was the idea that colonies existed to enrich the mother country. This meant colonies supplied raw materials and bought finished goods, keeping wealth flowing back to England. Prior to the French and Indian War (7 Years War), England had a period of salutary neglect in which they loosely enforced its laws and colonial merchants often traded with multiple nations. However, after the war, Britain was in debt and needed to find ways to increase its money supply. Increased enforcement of mercantile policies (or trade laws)—such as the enactment of the Navigation Acts—required colonists to ship goods on English ships, mandated that exports go to England first, and restricted imports to only English goods.

Colonists protested through boycotts, petitions, and sometimes smuggling. Trade disputes were central in protests like the Boston Tea Party (1773) and individuals such as Adam Smith (*The Wealth of Nations*, 1776) argued against mercantilism and in favor of free trade. Founders such as Benjamin Franklin and Thomas Jefferson argued that trade restrictions denied colonists both prosperity and liberty.

Introduction to Lesson (15-20 Minutes)

OPENING PROMPT - "CLASSROOM TRADE RULE"

STEP 1

The teacher should prepare 4-10 bags of random items that students could trade with each other. It might be candy, pencils, or another classroom supply.

• Note: The teacher should choose an even number of students to participate in the first round and then another even number of students for the second round (based on how many bags were prepared).

STEP 2

Say

"Imagine that you all have different things you can trade. Some of you have pencils, others have candy, and others have additional classroom supplies. Normally, you'd be able to trade freely with each other and assign the value to the trade that you think is fair for both people. We are going to allow the first group 2 minutes to trade with each other without any restrictions."

STEP 3

The teacher should allow students the opportunity to trade without restrictions for 2 minutes. Then, have them sit down.

Say

"But starting now, there are some new rules. First, you can only trade through me and cannot trade with anyone else from the first group. Second, in order for you to trade with me, you must walk along an approved pathway and any time you step off that path, you will be fined and have to give up some of your tradeable items; these will be determined by me. Lastly, I will decide how much your trade is worth and of course I will keep some of them for myself. The second group of students now has 2 minutes to trade under these rules."

Note: The teacher should allow students the opportunity to trade but have a
predetermined path that they have to take from their seat to them (make it lengthy and
not a direct line). Fine them if they do not travel the correct route. Have some extra items
for trade and tell the students what you will trade for which item. Tell them they do not
get a choice of how much will be traded or what the trade will be worth.

STEP 4

Once both groups have traded, discuss the following questions:

- Which group felt like they gained the most from the trades? Why?
- What emotions did the second group feel that the first group probably didn't experience? Why?
- What do you think the second group might start doing if the teacher left the classroom for a few minutes?

PRIMARY DOCUMENTS ANALYSIS

STEP 1

Read the following quotes.

• From the The Navigation Act of 1660

"...no goods or commodities whatsoever shall be imported into or exported out of any lands, islands, plantations, or territories [belonging] to his Majesty..., in Asia, Africa, or America, in any other ship or ships, vessel or vessels whatsoever, but in such ships or vessels as do truly and without fraud belong only to the people of England or Ireland, [or] Wales,... or are of the built of and belonging to any the said lands, islands, plantations, or territories, as the proprietors and right owners thereof, and whereof the master and three-fourths of the mariners at least are English."

- From the Declaration of Independence (1776). "For cutting off our Trade with all parts of the world"
- From the Wealth of Nations (Adam Smith, 1776).

"In every country it always is and must be the interest of the great body of the people to buy whatever they want of those who sell it cheapest."

Discuss

Have students consider the following questions.

- Civic Considerations:
 - How did it feel when you weren't allowed to decide who to trade with or what your items were worth? Why might colonists have seen that as a loss of freedom?
 - What does it mean for a government to control people's everyday decisions in things such as trade? How is that different from people making their own rules?
 - If these unfair trade rules continued, what might students (or colonists) eventually do to resist them? Why?
- Economic Considerations:

- How did extra taxes, rules, or "fines" change the outcome of the second group's trades? How might similar trade restrictions have hurt colonial businesses and families?
- Why do people usually want the freedom to buy and sell at the best price? How does Adam Smith's idea about buying from the cheapest seller connect to the colonists' frustrations?

Student Activity (25-35 minutes)

Introduce students to the Barter Puzzle Activity. The purpose of activity is to help students understand how free trade is established and how it is based on mutually beneficial relationships. Additionally, students will be able to identify how restrictive policies can hinder the ability of self-governing entities to meet agreed upon goals.

To facilitate this activity, use the instructions and materials in the "TRADING FOR LIBERTY! Barter Puzzle Activity" document.

• Note: This activity does take a little bit of preparation for the first time, but if the activity pieces are laminated and stored, they can be used for multiple classrooms.

Closing (5-10 minutes)

The teacher should state the following: "Today you experienced why trade mattered so much to the colonists. It wasn't just about money, it was about freedom. When England controlled their trade, colonists felt their liberty was being stolen. That's why free trade became a powerful engine for independence, and it's why the fight for economic freedom went together with the fight for political freedom."

EXIT TICKET

The teacher should have students complete an exit ticket with answers to the following questions:

- In your own words, why was free trade so important to the colonists?
- How did British trade restrictions (like mercantilism or tariffs) affect the colonists' choices and freedoms?
- What is one connection between free trade and liberty that we saw in today's activity or in the Founders' ideas?

Teacher Considerations

- Trade can be a difficult concept to understand but it was a central grievance to the colonists. Simplify ideas without watering them down: You don't need every economic detail of mercantilism, but emphasize the key tension, i.e., colonies enriching the mother country vs. colonists wanting freedom to prosper.
- Highlight that economic freedom wasn't just about money. It was about having a voice in how people lived, worked, and prospered.
- Modern parallels can often help students understand. For example, being able to discuss
 everyday consumer choice limitations, higher prices, and global supply chain issues due
 to trading restrictions such as tariffs can be a way to help students make current
 connections to the conversations that are happening at home as well.

Resources for Further Study

- The (Updated) Case for Free Trade Cato Institute
- The Trade Balance and Winning at Trade Cato Institute
- Changing the Trade and Development Consensus Cato Institute