



Barter Trade

Instruction 1



- ❖ You will be divided into 10 groups.**
- ❖ Each group owns one kind of goods.**
- ❖ You have to use your good to trade for certain targeted goods within 10 minutes.**

The traded items

❖ rice

❖ egg

❖ carrot

❖ cow

❖ pig

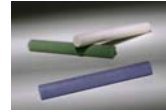
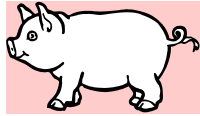
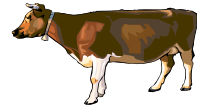
❖ color pen

❖ chalk

❖ newspaper

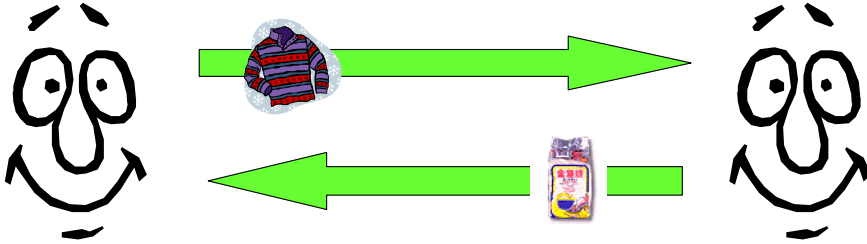
❖ T-shirt

❖ chair













Rules for Barter Trade Game

❖ **Fair Trade;**








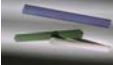
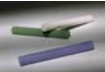



❖ **Trade at the market price.**

Market Price 1

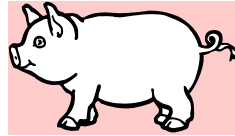
❖ 1		=	2	
❖ 1		=	1.25	
❖ 1		=	1/15	
❖ 1		=	5	
❖ 1		=	2.4	

Market Price 1

❖ 1		=	0.125	
❖ 1		=	1.6	
❖ 1		=	1.2	
❖ 1		=	10	
❖ 1		=	0.2	

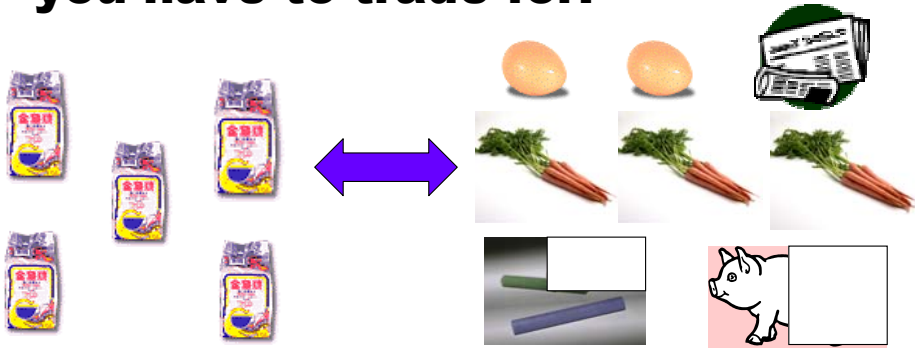
Winning Criteria

- ❖ **Get all the targeted goods within the limited time.**



Instruction 2

❖ Now, each group will be given an instruction, you will be noticed what your group owns and what you have to trade for.



The 1st Round Starts!



•Now, you will be given 10 minutes to trade.



After 10 minutes...

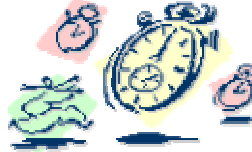
❖ **What did your group gets after barter trade?**

❖ **Please complete “Case Studies I”**



Case Studies I

- ❖ **Can your group exchange all the targeted goods within the time limit?**



- ❖ **Can you find another group who would exchange voluntarily with you? Why?**

❖ Can your group set the market price for each good? Why?



❖ What happened to the goods that you were holding in the game? Were there any difficulties that your group has faced? Please explain.

❖ Describe the difficulties you can observe from barter trade.



❖ Do you think time costs and the other costs of a successful exchange in a barter economy are high or low?



❖ You have come across so many difficulties in the barter trade. Let's change the exchange mode.

❖ This time you will use toothpicks as money to facilitate trade.



❖ Please return all the traded goods from Round One. You will be given what you had at the beginning. Also, you will be given 30 toothpicks.

❖ You have to trade through toothpicks.

Market Price 2

- ❖  = 10 **toothpicks**
- ❖  = 5 **toothpicks**
- ❖  = 4 **toothpicks**
- ❖  = 60 **toothpicks**
- ❖  = 12 **toothpicks**

Market Price 2

- ❖  = 5 **toothpicks**
- ❖  = 40 **toothpicks**
- ❖  = 25 **toothpicks**
- ❖  = 20 **toothpicks**
- ❖  = 2 **toothpicks**

The 2nd Round Starts!





After 12 minutes...

❖ **Please complete the Case Studies II.**



Case Studies II



- ❖ **Can your group exchange all the targeted goods with the time limit?**
- ❖ **When compared with barter trade, do you think money helps trade?**
- ❖ **Do you think the time costs and the other costs of an economy that uses money to trade are high or low?**



❖ Did your group's targeted goods include toothpicks in fact?

❖ Were the toothpicks become goods that could satisfy your group's want or as a medium of exchange?

Definition of Barter Trade

❖ **The direct exchange of one good or service for another.**



Definition of Money

- ❖ **Serve as the means of payment and the medium of exchange.**

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Function of Money

❖ **A medium of exchange or a means of payment**



❖ **A unit of account**



❖ **A store of value**



❖ **A standard for deferred payment**

Properties of Money



- ❖ **Stability**
- ❖ **Scarcity**
- ❖ **Durability**
- ❖ **Portability**
- ❖ **Homogeneity**
- ❖ **Divisibility**

