

## Overview

Model Diplomacy is a free classroom simulation of either the U.S. National Security Council (NSC) or the UN Security Council that takes place both online and in the classroom in a blended learning environment. It presents hypothetical situations based on real issues of the past and present. It has several cases that include a trade and investment angle.

## Materials

[The Model Diplomacy website](#)

## Instructional Plan

Model Diplomacy cases that include a trade and investment angle include:

- **Cyber Clash With China**  
Cyberspace is a new domain of conflict that has few accepted standards of behavior. In recent years, China has exerted authority over areas of the South China Sea also claimed by other Asian countries, leading to tension with the United States. A few days ago, following several incidents in both cyberspace and the South China Sea itself, the Nasdaq stock market was hacked, which significantly harmed the U.S. economy. U.S. intelligence agencies believe some in the Chinese government knew about the attack, for which a Chinese hacker collective claimed credit. National Security Council members need to advise the president on the merits of a cyber response, economic sanctions, or military measures.
- **Economic Crisis in Europe**  
One of France's largest banks needs a bailout that its government likely cannot provide, roiling global markets. The National Security Council meets to recommend to the president how the United States should respond to this evolving European financial crisis, which threatens to infect U.S. banks. With Europe expected to enter an economic downturn, and the unity of the European Union (EU) and the eurozone challenged by the rise of extremist political parties in many countries, the crisis jeopardizes Europe's ability to act as a strong partner to the United States in confronting global challenges.
- **Collapse in Venezuela**  
After an economic collapse sparks popular protests, the president of Venezuela flees the country. Two members of the ruling party claim

# Model Diplomacy Simulations: Trade

the presidency, but neither is able to stabilize the economy or establish full control. Meanwhile, protests continue, factions of the military abandon the government, violence escalates, and drug trafficking and paramilitary activity increase. The National Security Council (NSC) meets to weigh the situation, which both poses threats to the United States and offers the chance to improve relations with an influential regional power and major oil exporter. To recommend a course of action, NSC members must consider how to prioritize and pursue the U.S. interests at stake, including economic stabilization, regional security, a stable flow of oil, protection of human rights, and restoration of democratic governance and the rule of law.

- Unrest in Bahrain

In the small island country of Bahrain, government and security forces have clashed with protestors seeking democratic reform. The ruling al-Khalifa family has responded to these protests with force and mass arrests. There is a history of Sunni-Shia tension in Bahrain, but sectarianism is only one dimension of broader societal stresses related to disenfranchisement and limited economic opportunity for the country's majority. The instability in Bahrain, which hosts the U.S. Navy's Fifth Fleet, has far-reaching implications for the United States as it considers how to promote both its interests and its values.