**RWS13: Trade and Protectionism**

**Due for: First lesson – w/b 02nd October 2017**

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| **GENERAL INSTRUCTIONS:***Please complete a revision worksheet summarizing the work from the last two to three weeks. The work should be taking you* ***up to 2 hours*** *to complete and should consist of a 1 A4 double paged summary based on the questions below. Please print out a double sided version to be handed in and marked on the date above (emails will not be accepted so make sure you are printing off your sheet before the lesson).**Remember to use all of the space over your two sides of A4 and make sure the ‘margins’ in Word are put as ‘narrow’. Feel free to reduce the size of the font if you are running out of space but nothing less than size 10. A better way to reduce would be to reread what you have written and try to be more succinct; it must fit onto two sides of A4 only!**You should be reading and using all the compulsory resources below (remember you will have already read an awful lot of these for homework and in class but there are a few extras I want you to read.**This revision worksheet should be taking you 2.25 to 3 hours…I suggest you spend 45 minutes writing up all your notes from class into a rough draft. Then, spend the next 45m-1.5hrs reading the compulsory resources and any extra information or clarifying concepts if you do not understand them. Then use the final 30-45 minutes to edit the work, make it look pretty and print it off.**When you hand in these revision worksheets, they are not speculative attempts to see if you understand the material; I am expecting you to have spent the time in and out of the classroom learning it. Thereforeo make use of the extra support available to you: (1) emails to Olly to seek clarification on specific points (2) Economics lunchtime workshop drop ins on Mondays, Wednesdays and Fridays in room 206 (3) 1-2-1 15 minute slot outside of lessons.**REMEMBER THAT IF YOU DO NOT HAVE A PRINTER AT HOME YOU MUST FIND TIME BEFORE THE LESSON TO PRINT IT OFF AT COLLEGE**ALSO MAKE SURE THAT AS WELL AS STORING A COPY ON A MEMORY STICK, YOU ALSO EMAIL YOURSELF SO THERE CAN BE NO COMPUTER ISSUES WHEN IT COMES TO PRINTING OFF YOUR WORK* |
| **SOURCES****Compulsory (YOU MUST MAKE SURE YOU HAVE USED THESE SOURCES)**1. **TEXTBOOK (see GOL Library Page to download for free or buy online - £20-25):** pp 305 to 322 (half of this you have already read for PREP homework)
2. **NOTES:** Class and PREP homework notes (in your bag!) including department worksheets issued in class (available on GOL). Remember to include the PREP work as well! This is important for context and case studies.
3. **POWERPOINT:** See the powerpoint slides on GOL for access to my notes.
4. **ARTICLES on GOL:**
	* *Economics Integration and Trade Blocs (new reading)*
	* *ISI and Changs Theory (new reading)*
	* EU Transition (already read for PREP homework)
	* Tariff Escalation and Dumping – (already read for PREP homework)

**EXTENSION (IF YOU HAVE TIME, TRY TO ACCESS THESE ARTICLES)**1. Recommended Websites:
	1. Economics Help Website
	2. Tutor2U Website
2. Other specific resources:
	1. ARTICLE – BREXIT and African Trade
	2. ARTICLE – EU Overview

**ALL OF THESE RESOURCES CAN BE FOUND ON GODALMING ONLINE – ANY ISSUES, EMAIL OLLY on** **ods@godalming.ac.uk** |

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| **SPECIFIC INSTRUCTIONS:****TITLE: RWS13 – Trade and Protectionism (EU Case Study)**1. **Introduction to Trade and Protectionism *(1/4 side of A4)***
	* Provide a basic definition of trade – what has happened to the volume of trade over the past 20-30 years?
	* What is protectionism (provide examples of the different methods of protecting your domestic economy from cheaper imports) – e.g. tariffs, quotas (including embargos) and subsidies
2. **Advantages of Trade *(1/2 side of A4)***
	* Absolute advantage & Comparative advantage theory – explain, using examples what these two theories state
	* Trade Creation – define this term and use an example (say cars in the EU) to illustrate why the UK has benefitted from being part of the EU’s single market and customs union).
	* Why could you argue that trade has lessened global inequality between LEDC’s and MEDC’s perhaps using China or countries in South-East Asia as an example?
3. **The European Union Case Study *(1/4 side of A4)***
	* Provide a brief history and overview of the EU.
	* What is the difference between the EU’s ‘Custom Union’ and ‘Single Market’? Use examples to illustrate your answer and identify the key features of both key terms.
	* What are some of the advantages and disadvantages for the UK economy of being part of the EU?
	* Provide a brief overview of the current BREXIT news story – when is the UK going to leave the EU? What is a ‘transition period’? What are the current positions of the two main political parties?
4. **DISADVANTAGES of Protectionism: It leads to a loss of Welfare *(3/4 side of A4)***
	* INTERNAL PROBLEMS:
		+ Draw the ‘Tariff Diagram’ and explain what happens when there is no trade, free trade and protectionism in terms of economic welfare (HINT: you might want to draw separate diagrams to make your analysis easier? Why does implementing tariffs (like the EU’s common external tariff) lead to an overall loss of Welfare (make sure you highlight this on the diagram and explain it). Also, highlight on the protectionist diagram, how much Government revenue is earned as a result of implementing a tariff.
		+ Trade diversion – define this term and use an example (say cars in the EU) to illustrate why the UK has been disadvantaged from being part of the EU’s single market and customs union).
	* EXTERNAL PROBLEMS: Problems of the ‘Common External Tariff’ on exporting countries
		+ Tariff escalation – using a case study, explain why this can be damaging to the development of LEDC’s
		+ Subsidies and ‘Dumping’ – using a case study, explain why this can be damaging to the development of LEDC’s
5. **DISADVANTAGES OF TRADE AND ADVANTAGES OF PROTECTIONISM *(1/4 side of A4)***
	* Protectionism – What is Chang’s theory of ‘import substitution industrialisation’ and why is it an argument for adopting protectionist measures? Provide detail, explanation and case studies.
	* Trade - Why could you argue that trade has led to greater global inequality? (Talk about ‘Dutch Disease’, ‘Forced Specialisation’ and perhaps a failure of the WTO?)
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