**STATIONS: Trade & the World Economy (7.6) *Use the stations to complete the activity.***

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| **Footloose Industries** | Why are call centers and microchip industries good examples of footloose industries? | | | |
| **Complementarity and Comparative Advantage** | Complementary trade | | | |
| Comparative advantage | | | |
| Japan & US example | | | |
| International trade can… | | | |
| Using the TV & scooter example explain why it’s best for both countries if Canada just focuses on making TVs and the UK on making scooters. | | | |
| Using the principle of comparative advantage, why did U.S. companies relocate factories from the Northeast and Midwest to the South and Mexico? | | | |
| **Neoliberal policies & Free Trade** | Free Trade (neoliberal policy) | | | Fair Trade |
|  | | |  |
| **NAFTA** | NAFTA and EU | | | |
| NAFTA prompted… | | | |
| NAFTA Advantages | | NAFTA disadvantages | |
| How would NAFTA give Mexico a comparative advantage over places like China? | | | |
| **European Union** | What are some of the economic advantages of membership in the EU? | | | |
| **World Trade Organization (WTO)** | PROS | | | CONS |
| **Mercosur** | What is it? | | | |
| Where is it? | | | |
| What other supranational organization is it compared to, economically? | | | |
| **OPEC** | What do the members have in common? | | | |
| What is its purpose? | | | |
| **Government Initiatives** | Give **three** international effects (positive or negative) of recent U.S. trade policy (esp. tariffs). | | | |
| **Interdependence of Economies** | Based on the resources provided, how did the 2008 financial crisis exemplify the **interdependence** of the global economy? | | | |
| International Monetary Fund | | | |
| World Bank | | | |
| Problems for LDCs (Foreign Debt) | | | |
| **Microlending** | What is it? | | |
| Advantages | | |
| Benefits for women | | |