

ECON 44115 INTERNATIONAL TRADE

NON-COMPULSORY ASSIGNMENT 2017

Topic

Brexit - consequences for trade and income distribution

In June 2016 a majority of the British population voted to leave the EU. Write an essay about what you consider important consequences for UK production, international trade, welfare, and income distribution if exiting the EU drawing on international trade theory.

Imagine and discuss

- one scenario in which the UK introduces immigration restrictions, but keeps preferential access to the EU market (i.e. tariffs are zero between the UK and the EU);
- one scenario in which UK leaves the EU without a new trade deal, and trades under World Trade Organization (WTO) rules (i.e. the UK must grant the same MFN tariffs to all WTO members, and UK exports are subject to importing countries MFN tariffs).

In your analysis and discussion so you want to highlight

- characteristics of current UK trade and migration with respect to the relative importance of partner countries and industries;
- if, and how, trade and migration patterns are likely to change;
- what groups that are likely to gain/lose from an exit.

Practicalities

The term paper should be 3-5 pages long.

It should be handed in as a pdf file.

It must be handed in on Fronter (in assigned folder) on October 25 before 15:00.

Students should follow the "General guide"

(<http://www.uio.no/english/studies/admin/compulsory-activities/sv-econ-compulsory.html>) regarding how to upload and save the assignment on fronter. Please convert the assignments to a pdf-document, and name it as follows: surname.first name.pdf.

Students must have the following information as a "Header" on all the pages:

- surname.first name
- Course number

The assignments will be handed back on the seminar November 15, where some time will be allocated towards discussing the assignments.

Students will be given handouts of their individual term papers as support material on their exam on November 27.

Note: Students must show their ID to the invigilator (eksamensvakt) when they pick up their assignment. "On the day of examination, make sure to arrive well before the exam starts and contact the invigilator to get your term paper distributed." Please remember that you may not add your volunteer assignment paper to the exam answer paper hand in. The exam correction is anonymous and cannot contain the students name.