Day 1   Hour 3
Trends in International Trade 2018 – Some English Exercises

Trend #1: CPTPP (see Wikipedia on CPTPP if necessary)

1. The CPTPP is the Comprehensive and Progressive Agreement for Trans-Pacific Partnership and as of 2018 involves _____ **(11,12,13)** countries?

2. An international trade agreement like the CPTPP must be **(tested, announced, signed)** and then **(signed, amalgamated, ratified)** by each member country.

3. Canada originally refused to sign the CPTPP because of disputes on domestic content of _____ **(automobiles, agricultural products, medical instruments)** and cultural issues.

4. The US **(is, is not)** a member of TPP, but **(is, is not)** not a member of CPTPP.

5. The CPTPP, if signed and ratified, would **(raise, reorder, eliminate)** approximately 95% of tariffs on trade between these countries, who have a (combined trade, combined GDP, combined consumption) of over $10 trillion USD.

6. These countries are eager to gain **(preferential, unimpeded, completely open)** access to the Japanese market, in particular.

7. In the CPTPP, **(Latin America, Asia, Europe)** is represented by Mexico, Peru, and Chile.

8. There have been **(1,2,3)** countries that have already ratified the CPTPP.

9. Ratification is important because it harmonizes **(domestic law, prices, tariffs)** with the international law of CPTTP.

10. These regional agreements like CPTPP are important because they **(completely eliminate tariffs, force products to be the same, eliminate some non-tariff barriers)**.

Trend #2: Brexit

1. Brexit refers to Britain's exit from **(the Euro Area, the Common Market, the EU)**.

2. The deadline for Brexit to occur without forced ouster is **(Dec 31, 2018, March 29, 2019, December 31, 2019)**

3. Brexit is being strongly supported by the **(Labor Party, Conservative Party, UKIP Party)**.

4. People who do not believe that the EU is a good idea are called **(Euro-Federalists, Euro-Emancipators, Eurosceptic)**.

5. The EU is **(larger, smaller, the same)** as the Euro Area.

6. An important question to Brexit is how to handle **(British elections, standardization of goods and services, the relations between the UK, Ireland, and Northern Ireland)**.

7. The current prime minister of the UK is **(Tony Blair, David Cameron, Theresa May)**.

jobs   medium   illegal   bones   security   annual   sovereignty   place

The main _____ of contention for Brexit involve (i) Britain's _____ contributions to the EU, (ii) excessive regulations by the EU on small and _____ sized business in the UK, (iii) loss of _____ and democracy, (iv) excessive and_____ immigration, (v) getting _____ to return to Britain, (vi) Britain's _____ in the world, and (vii) _____ concerns.

Trend #3: Cyber threats and IP risks

denial-of-service   intellectual ingrained attacks cyber breach frequency access

As technology gets more sophisticated and _____ in our work and personal lives, so too does the threat of _____ security breaches, which in turn compromises our _____property. Sixty-four percent of companies surveyed reported some experience of web-based _____in the past year. Companies of all sizes are targeted and face the risk of cyber threats from simply being connected to the internet. And the costs are large – the average cost of a data _____in Canada is a jaw-dropping $6.03M. So what types of threats are growing in 2018? Phishing, social engineering attacks, malicious code, botnets, _____attacks and ransomware are all on the rise. Ransomware is growing in_____, attacks rose an alarming 50% in 2016. Demonstrative of the damage a ransomware attack can cause was the aftermath of the WannaCry attack in May 2017. Hundreds of thousands of individuals lost _____to their data, compromising intellectual property, private customer information, and disrupting commercial processes. As a business, it has never been more crucial to include cybersecurity programs directly in your strategy, as well as engage IT professionals to help cover all aspects of your web-based properties.

Trend #4: Adoption of futuristic supply chain technology

Machine learning, automation and robotics, self-driving vehicles, new tracking technology – all of these futuristic supply chain tools will see major developments and implementation in 2018. The past year was a big one for **self-driving vehicles**, culminating with the reveal of Tesla's new fully electric truck, gaining pre-orders from big players such as PepsiCo, UPS and Walmart. Companies invested over $1 billion into self-driving and other trucking technologies in 2017.

Speaking of investing in supply chain technology, over $4 billion was invested in AI by U.S. venture capitalists in the past year. One application that has seen immediate return for companies adopting machine learning capable AI is **Multi-Echelon Inventory Optimization** (MEIO), which has been shown to reduce inventories by 30% while maintaining or improving customer fill rates. Robots will also continue to play more of a role in warehouses in 2018. While some are increasingly capable of working independently, replacing human workers on the floor, others are working alongside humans, or being controlled by humans using **VR applications**.

There's no doubt that the demand for the skills needed to work with robotics will continue to rise in the year ahead.

(i) What is the main idea being discussed in this short reading?
(ii) According to the reading, how is AI being used in industry?
(iii) How might robots be used?

Looking ahead to tomorrow morning

Do you support free trade, or do you support protection? Why did Adam Smith argue for free trade 230 years ago? Are there any circumstances where a country might want to raise its tariffs?