Is the Trade Deficit Bad for America?

Students in group (up to 2): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Many people argue about whether the trade deficit is harmful, including the current president. You will be investigating this question in the following project. This mini-project is DUE on Thursday, April 19 at the same time as the debate evidence. The debate evidence is worth 30 points and the rest of this packet is worth 20 points, for a total of **50 points in the major grades category** (same as tests). However, Friday April 13 is the only class time that you will be given to complete the project. You are free to work from the Word file and complete your project digitally, if you do not want to write on paper.

## Part 1: Vocabulary (4 points)

Write at least one strong sentence relating each of the following four vocabulary terms to trade deficits.

Balance of Payments Protectionism

Current Account Mercantilism

## Part 2: Gathering Evidence – use the debate evidence submission process on mrsmithsclass.info (30 points)

For this debate, each member of your group must find quotations from economists (not journalists or bloggers or randos, **economists**) that trade deficits are either bad (negative side of the topic) or not bad (affirmative side of the topic). In addition to a fact and a definition, each person in your group must find TWO opinion quotations on EACH side of the topic, meaning that each person will be submitting six total quotations for this debate. Debate research is its own grade, and this time it will be worth 30 points (separate from the grade for the rest of this project). Remember that the topic is specifically about tariffs, so some of the evidence you gather should probably refer to those too in order to be judged useful to the debate.

*Macro Debate 2: The federal government should immediately lift all tariffs on imports of goods and services into the United States, and only use non-tariff mechanisms in future trade policies with other nations.*

## Part 3: Graphs and Tables (4 points)

Find at least two graphs or tables that you will use to support a conclusion. These can be FRED graphs, or tables of numbers. Include a source URL with each graph or table. You are going to have to use these to support an argument why the trade deficit is either bad or not bad.

|  |  |  |  |
| --- | --- | --- | --- |
| Graph or Table |  | Graph or Table |  |
| URL |  | URL |  |

## Part 4: Conclusion (6 points)

Summarize your position on why the trade deficit is either bad or not bad in the space below. Include at least one of your quotations from the side you chose, as well as references to the graphs/tables that you found. Your conclusion should be at least two strong paragraphs.

## Part 5: Trump (6 points)

President Trump has already instituted several tariff increases on imported products and his administration has signaled a willingness to engage in bilateral trade wars with countries such as China, partly because of his stance against trade deficits. Write a letter to Donald Trump (at least two paragraphs) about his tariff policy.

Dear President Trump,

Sincerely,