Changes in International Trade

1. Globalisation

Operate around the world
Coca-Cola, Toyota, McDonald's
World is one market

Buy raw materials from Irish Business (g)
Provide competition for Irish businesses (b)

2. Improved ICT

Ecommerce
Cheaper than bricks and mortar operations
Access to worldwide market
Advertise on social media

3. Increased Number of Trading Blocs

Countries are joining/want to join
Formal agreement to trade freely
Tariffs on outsiders

EU - 28 members
NAFTA - North Atlantic Trade Association
Canada, USA, Mexico

4. New Markets

BRIC (Brazil,India,Russia,China)
Fast growing, increasingly important
Lucrative for exporters

5. Competition from Low Wage economies

Eastern European -Poland, Czech Republic, Slovakia
Paid less, make goods cheaper
Difficult to compete
Irish become knowledge based instead

Deregulation

Removal of rules and regulations
World Trade Organisation - 150 countries
Negotiate to remove barriers
Help sort trade problems between countries