Worksheet 21.2

A call for Protectionism

Cambridge economics professor Ha-Joon Chang argues the case for protectionism by America in this time of economic turmoil. Read from paragraph three to the end of this article.

Questions:

1. What is the difference between the protectionism America needs today and the protectionism it used in the late 19th and early 20th centuries?

2. How could protectionism be used responsibly by developing countries to promote economic growth and development?

3. Professor Chang argues that responsible protectionism should allow industries with no future to be phased out ‘through orderly liquidation and redundancy’. What does he mean by this and why is such a policy so hard to accomplish politically?

4. Discuss the view that protectionism is justified if practiced by a country with an underdeveloped industrial sector.