

Fears over USA - China trade war

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The world is waiting to see if a trade war breaks out between the USA and China. Stock markets in Asia did badly in Friday's trading because investors are worried about U.S. President Donald Trump's plans to hit

Chinese companies with trade tariffs. A tariff is a tax a country puts on goods and services coming in from other countries. President Trump has warned China he will issue tariffs on up to \$60 billion of Chinese imports. China said it would issue its own tariffs in reply to Mr Trump. Tokyo's Nikkei share index fell by more than 4 per cent on Friday, Shanghai's market was down more than 3 per cent, and stocks and shares in Seoul fell by 3 per cent. There was also a fall on New York's Wall Street stock exchange.

Experts on world trade are worried that the import tariffs could be the start of a global trade war. Trade researcher Robert Carnell said: "If the tariffs go ahead as planned, then we believe China will retaliate. It is impossible to imagine that they cannot. And then we expect the U.S. to retaliate further. This can turn ugly on a global scale very quickly." President Trump says he wants to protect U.S. workers and companies. Mr Trump is not happy with the trade imbalance between the USA and China. Experts believe that the USA buys \$385 billion more goods from China than China buys from the USA. Trump wants to try and reduce this imbalance by at least \$100 billion with his tariffs.

Sources: washingtonpost.com / yahoo.com / bbc.com

Writing

No one will win if there is a trade war. Discuss.

Chat

Talk about these words from the article.

waiting / trade / war / tariffs / goods / services / imports / shares / stock exchange / experts / researcher / planned / retaliate / ugly / global / imbalance / China / USA

True / False

- a) Asian stock markets recovered well on Friday. T / F
- b) The article said investors are worried about China's actions. T / F
- c) A tariff is a tax a country puts on goods from other countries. T / F
- d) Shanghai's stock market fell by over 4% on Friday. T / F
- e) An expert on world trade said China would not retaliate against the US. T / F
- f) The expert said a trade war could quickly get ugly. T / F
- g) Donald Trump is unhappy that the US imports so much from China. T / F
- h) Mr Trump wants to cut the trade imbalance with China by \$100bn. T / F

Synonym Match

(The words in **bold** are from the news article.)

- | | |
|----------------------|------------------|
| 1. breaks out | a. response |
| 2. did | b. safeguard |
| 3. worried | c. beginning |
| 4. reply | d. performed |
| 5. fell | e. not less than |
| 6. start | f. dropped |
| 7. retaliate | g. starts |
| 8. protect | h. rapidly |
| 9. quickly | i. concerned |
| 10. at least | j. fight back |

Discussion – Student A

- a) What do you think about what you read?
- b) Why do countries have trade wars?
- c) How do trade wars start?
- d) How ugly could this trade war be?
- e) Is President Trump right to protect U.S. workers?
- f) Who would win a trade war between the USA and China?
- g) Should China buy more from the USA?
- h) What questions would you like to ask the leaders?

Breaking News English - The Mini Lesson

Phrase Match

- | | |
|---|------------------------|
| 1. waiting to see if a trade war breaks | a. in Seoul fell by 3% |
| 2. plans to hit Chinese companies | b. ugly |
| 3. issue tariffs on up to \$60 billion | c. exchange |
| 4. stocks and shares | d. further |
| 5. New York's Wall Street stock | e. the USA and China |
| 6. we believe China will | f. with trade tariffs |
| 7. And then we expect the U.S. to retaliate | g. least \$100 billion |
| 8. This can turn | h. out |
| 9. the trade imbalance between | i. retaliate |
| 10. reduce this imbalance by at | j. of Chinese imports |

Discussion – Student B

- What do you know about trade wars?
- How serious would a trade war between the USA and China be?
- How would a trade war affect you?
- How good is your country at global trade?
- What are your country's biggest exports?
- What imported goods do you buy?
- Why do countries want to put tariffs on goods?
- What happens when stock market values fall?

Spelling

- nvsioters are worried
- A ratiff is a tax
- Chinese piromts
- China said it would siuse its own
- Tokyo's Nikkei share niedx
- New York's Wall Street stock hceaxngne
- perexts on world trade
- the start of a lbogal trade war
- we believe China will eiatalter
- ptcetor U.S. workers
- not happy with the trade aicamelnb
- the USA buys \$385 bniolil more goods

Answers – Synonym Match

1. g	2. d	3. i	4. a	5. f
6. c	7. j	8. b	9. h	10. e

Role Play

Role A – Tea Sets

You think tea sets are the best things China makes. Tell the others three reasons why. Tell them what is wrong with their things. Also, tell the others which is the worst of these (and why): fans, silk dresses or electronics.

Role B – Fans

You think fans are the best things China makes. Tell the others three reasons why. Tell them what is wrong with their things. Also, tell the others which is the worst of these (and why): tea sets, silk dresses or electronics.

Role C – Silk Dresses

You think silk dresses are the best things China makes. Tell the others three reasons why. Tell them what is wrong with their things. Also, tell the others which is the worst of these (and why): fans, tea sets or electronics.

Role D – Electronics

You think electronics are the best things China makes. Tell the others three reasons why. Tell them what is wrong with their things. Also, tell the others which is the worst of these (and why): fans, silk dresses or tea sets.

Speaking – Chinese Goods

Rank these with your partner. Put the best Chinese goods at the top. Change partners often and share your rankings.

- | | |
|--------------|---------------|
| • Chopsticks | • Tea sets |
| • Silk | • Ceramics |
| • Jade | • Fans |
| • Dresses | • Electronics |

Answers – True False

a	F	b	F	c	T	d	F	e	F	f	T	g	T	h	T
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Answers to Phrase Match and Spelling are in the text.