Social Studies 10-1

Unit 3: Globalization and sustainable prosperity

Trade and investment in Alberta

Three Alberta cases

- Energy projects in Alberta have drawn capital from Canadian firms and from firms based in other countries.
- Wheat, canola, and beef from Alberta farms sell to buyers abroad when trade rules lower barriers.
- Accounting, software support, or engineering design for those sectors can be located in Alberta or in another country.



Opportunities and challenges

- Trade liberalization and foreign investment open markets and bring in capital, and each one also ties local work to distant rules.
- Economic growth and privatization can expand output and shift a public company to shareholders, and each one raises the question of who benefits.
- Outsourcing and the knowledge economy let design or support work sit in more than one country, which can bring files in and send files out.

Key terms

trade liberalization

Trade liberalization is the lowering of tariffs, quotas, and other barriers so goods and services cross borders more easily.

foreign investment

Foreign investment is capital from outside the country that builds or buys lasting assets such as a plant, a mine, or a firm.

outsourcing

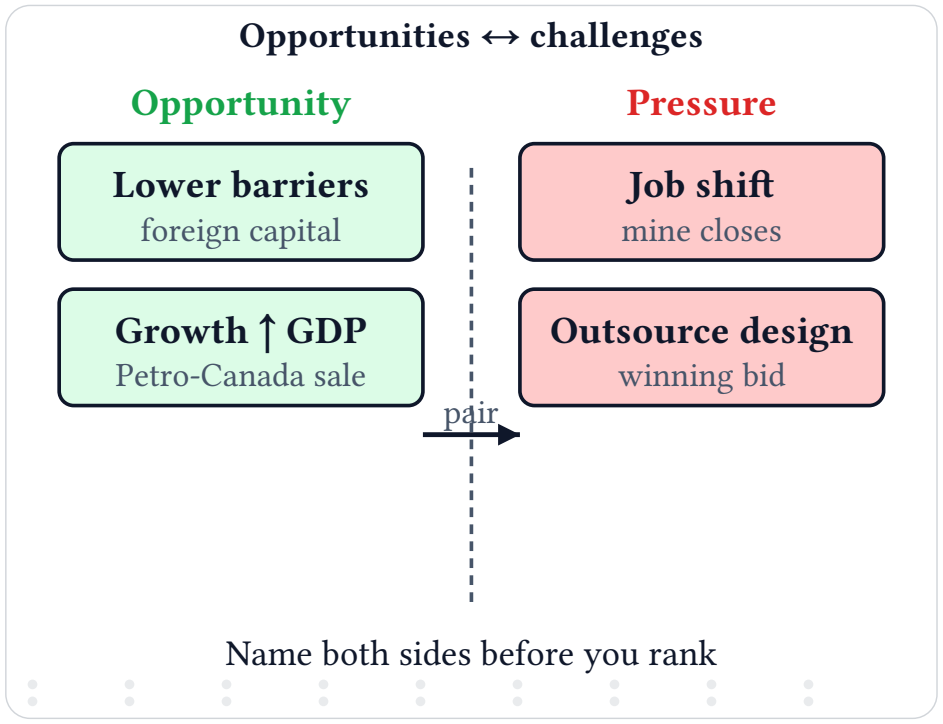
Outsourcing is moving a task to another firm, often in another place, in search of a lower cost or a special skill.

knowledge economy

The knowledge economy is the share of economic life in which research, design, software, and specialized services create much of the value.

Paired opportunities and challenges

- Trade liberalization lowers barriers, and foreign investment supplies capital for plants and mines that local savings might build more slowly.
- Economic growth is a rise in goods and services produced, and privatization, as with Petro-Canada between 1975 and 2004, moves a Crown firm to shareholders.
- Outsourcing and the knowledge economy relocate design, software, and professional tasks to the office that wins the work.



Comparison table

- Energy investment: foreign and domestic capital fund projects, with jobs and technology as the opportunity and distant control as the challenge.
- Farm exports: wheat, canola, and beef gain buyers under liberalized rules, and farmers meet prices and border decisions made far away.
- A movable professional job: design, software, or accounting can sit in Alberta or abroad, which is outsourcing inside the knowledge economy.



Outside capital and energy come in, crops go out, and a job can leave with a distant decision.

Source check of an announcement

- A classroom sample of a company news release announces an energy investment and promises local benefits.
- The speaker is the firm, and the purpose is to inform markets and attract support.
- The release can carry news of a plan, and community effects and current provincial totals need other sources.



Farm export note

- A farm organization’s note celebrates access for canola or beef under a trade agreement.
- The speaker is the organization, and the purpose is to inform members and argue for open markets.
- The note is strong on the opportunity and thin on households outside that commodity.

Review

- A firm posts a software or drafting role that may be filled in Calgary or in an overseas office.
- The posting is a source with a hiring purpose.
- A full answer links the posting to outsourcing and the knowledge economy and keeps numbers for Statistics Canada.

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