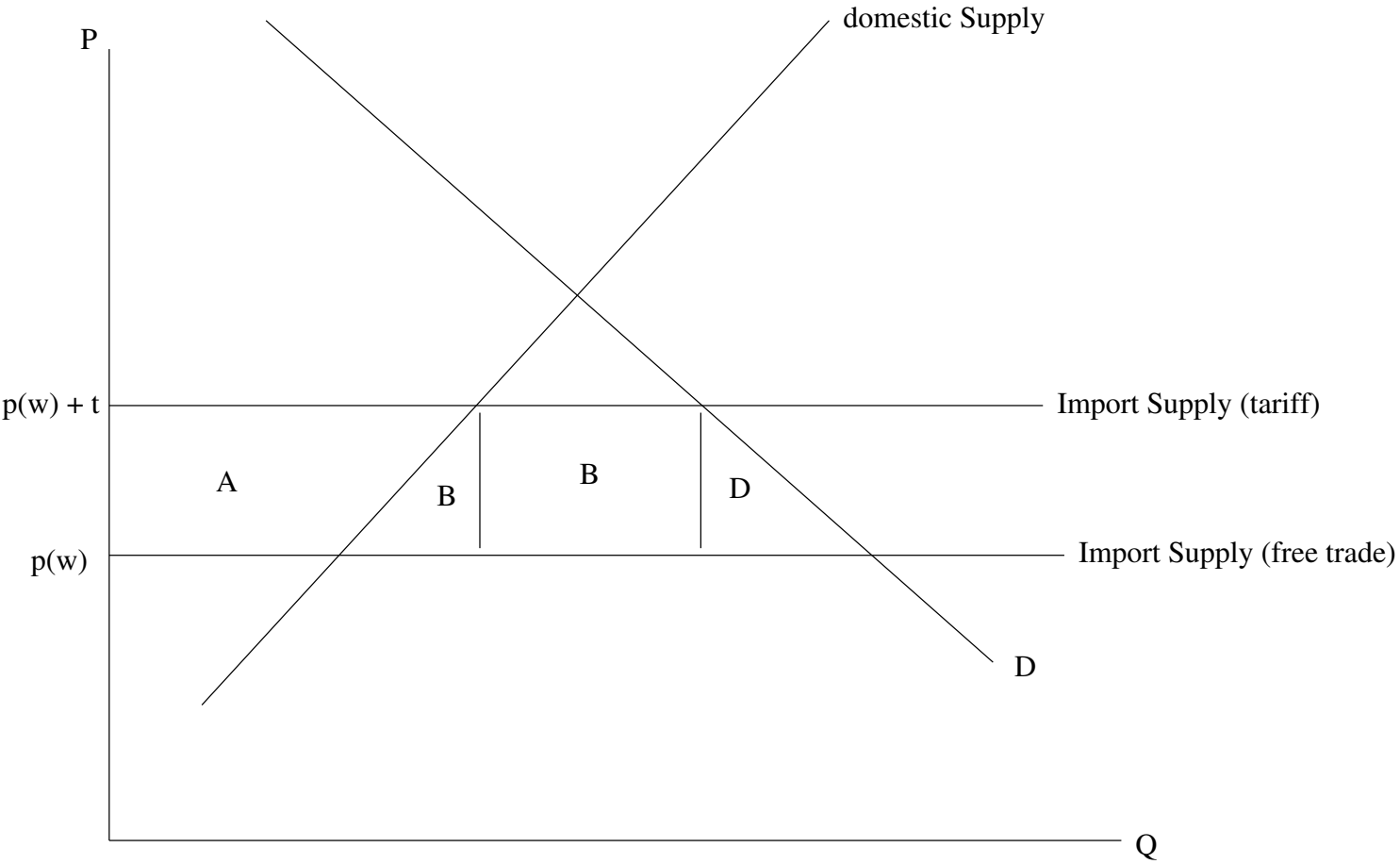


# Small Country



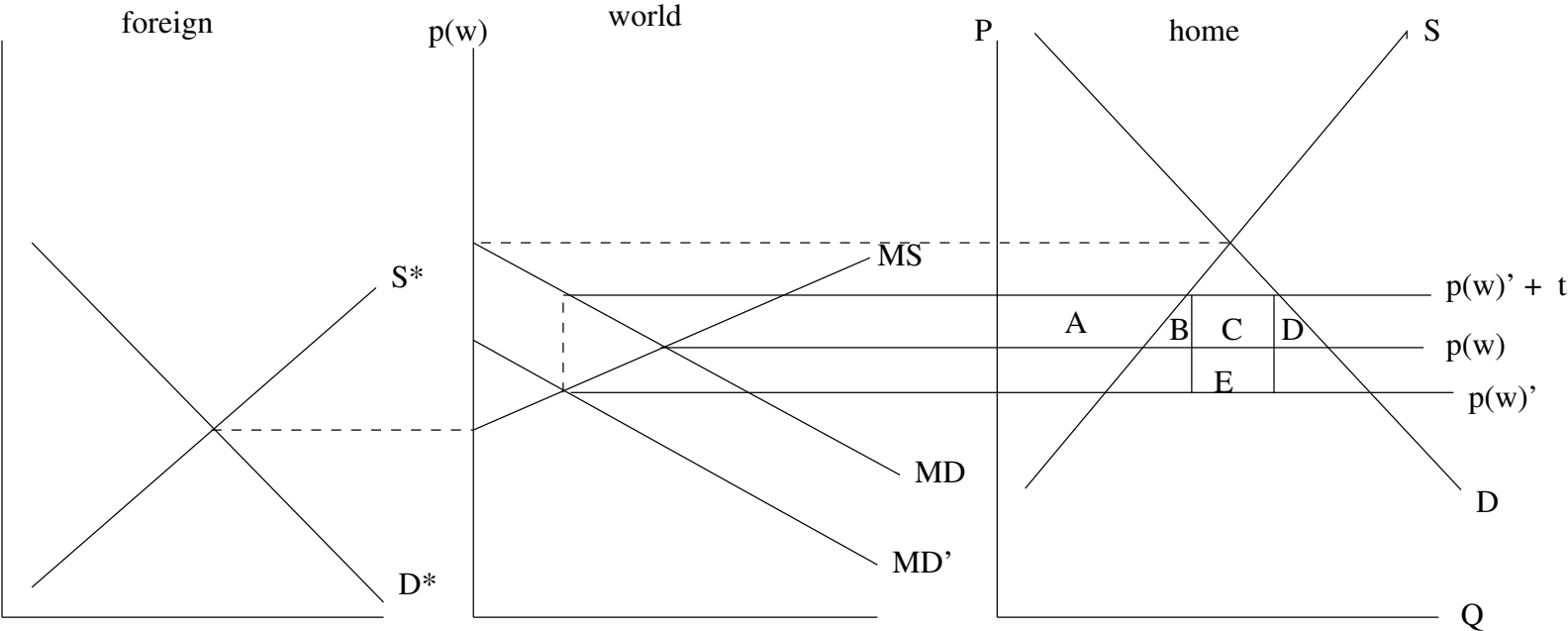
cons:  $-A-B-C-D$

prod:  $+A$

gov't:  $+C$

=====

net:  $-B -D$



cons:  $-A-B-C-D$

prod:  $+A$

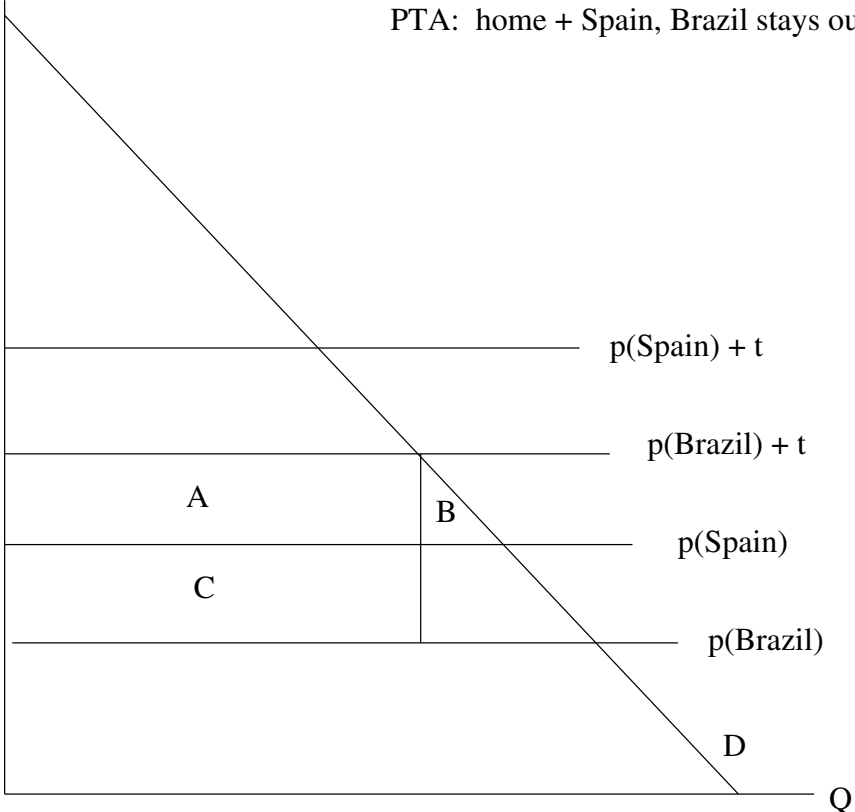
gov't:  $+C +E$

=====

net:  $-B -D +E$

P

PTA: home + Spain, Brazil stays out



cons:  $+A+B$

prod: n/a

gov't:  $-A-C$

=====

net:  $+B-C$

B: positive "trade creation"

C: negative "trade diversion"