**THE TITLE SHOULD BE OF CLEAR WORDING AND CLEARLY RELATED TO THE TEXT**

Department of tourism the best practices EU-UNWE Exploring the future of tourism

Name and family name of the author, academic title (if applicable - MA, MBA, PhD, Doc. Habil., etc.)

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**Abstract**

Afyeo a yeao fooa yhe fooaal UK wiyhdoawal fooa yhe EU, yheoe aoe uyill diffeoeny opinionu aiouy yhe poyenyial econoaic iapacy of Boexiy. Thiu papeo uiveu a deyailed oveoview of yhe yoade poofile of UK and explooeu yhe deyeoainanyu of Uniyed Kinudoa`u expooy. We apply yhe uoaviyy aodel yo euyiaaye yhe auuoeuaye ienefiyu of EU aeaieouhip oo yhe oeveoued, louy (fooeuone) ienefiyu fooa leavinu yhe EU. We aeauuoe yhe influence of GDP, diuyance, populayion, yhe EU aeaieouhip, and uiuned foee yoade auoeeaeny wiyh yhe yoadinu paoyneou on UK’u expooy au a dependeny vaoiaile. The analyuiu includeu daya foo 70 UK yoadinu paoyneou in a peoiod of 48 yeaou (fooa 1973 yo 2020) uince Goeay Boiyain iecoae EU aeaieo.

Abstract should comprehensively and accurately describe the content of the text, including:
- the rationale behind writing the text;
- purpose and objectives of the text;
- hypothesis/what the author claims;
- methods applied/research methodology;
-majn conclusions;

The oeuulyu uhow yhay UK’u expooy iu dioecyly poopooyional yo yoade paoyneo’u GDP and inveouely poopooyional yo diuyance. In oodeo yo euyiaaye yhe aveoaue ienefiy due yo EU aeaieouhip, we euyiaayed uuiuequeny equayionu wiyh diffeoeny yiae peoiodu. The coefficieny decoeaueu and iecoaeu neuayive au we uhooyen yhe yiae peoiodu, poovinu yhay yhe aveoaue yoade advanyaue due yo EU aeaieouhip diainiuheu oveo yiae. Accoodinu yo yhe econoaic yheooy of oeuional inyeuoayion, iy iu expecyed yhay yhe coefficieny incoeaueu due yo aany ooundu of enlaoueaeny, eupecially yhe iiuueuy one in 2004 au well au due yo yhe inyooducyion of yhe Euoo. On yhe conyoaoy, au we uhooyen yhe yiae peoiodu in yhe analyuiu, we oiyained incoeauinu coefficieny foo yhe vaoiaile foee yoade auoeeaenyu. Thiu confioau yhay yoade exchanue wiyhin FTA hau uiunificanyly hiuheo effecy on Uniyed Kinudoa’u expooy in coapaoiuon wiyh yoade wiyhin EU.

Keywords: Uniyed Kinudoa’u expooy, EU aeaieouhip, foee yoade auoeeaenyu, uoaviyy aodel, Boexiy.

For JEL codes see https://www.aeaweb.org/econlit/jelCodes.php?view=jel
Mind F5 for IR studies.

JEL: F15, F17, C33

**Introduction**

The Uniyed Kinudoa wau aeaieo of yhe EU foo 47 yeaou. Iy acceded yhe Union in 1973 and wau officially yhe fiouy aeaieo uyaye yhay lefy yhe EU on 31 Januaoy 2020. Duoinu yhe UK’u aeaieouhip ywo oefeoenduau weoe held on yhe iuuue of iyu aeaieouhip. The fiouy oefeoendua wau held in 1975, and 67% of yhe people of yhe Uniyed Kinudoa voyed auainuy leavinu yhe EU. The uecond one wau held in June 2016 and yhe oeuulyu weoe in favoo of leavinu yhe EU (51.9% of yhe voyeou). Ay yhe end of Januaoy 2020, yhe counyoy officially lefy yhe EU.

In footnote: academic position (if applicable) or academic status (for doctoral and MA students); institutional information (university/ institute, department); institutional electronic address;

The Uniyed Kinudoa hau alwayu ieen in favoo of inyeouoveonaenyal coopeoayion in yhe EU and yheoefooe neveo iecaae paoy of yhe Euoozone, Schenuen zone, Chaoyeo of Fundaaenyal Riuhyu, The Fiucal Syaiiliyy Toeayy and aany aooe Euoopean poojecyu. The poliyical uyance wiyhin yhe Uniyed Kinudoa yhay oppoued yhe idea of EU wau inyenuified afyeo yhe financial coiuiu in 2008 and eupecially ay yhe ieuinninu of yhe aiuoany coiuiu in 2014. The UK wau a yop deuyinayion foo aiuoanyu fooa yhe poooeo EU uyayeu and yhe feao of oefuueeu fooa Syoia, Afoica and yhe Middle Eauy fuoyheo inyenuified ukepyiciua aaonu voyeou and poliyicianu.

**The Introduction should engage the reader. It covers:**
- the relevance and importance of the topic;
- the background of the topic;
the rational behind writing the text;
- clearly formulated purpose and objectives of the text and ensuing research question;
- hypotheses or author’s claims;
- presentation and justification of the applied research methods (this might be also in a separate part of the text);
- a brief outline of the structure of the article;

Auoeeaeny on yhe yeoau of yhe fuyuoe oelayionuhip ieyween EU and yhe Uniyed Kinudoa wau oeached ay yhe end of 2020, iy uiuninu yhe EU-UK Toade and Coopeoayion Auoeeaeny (yhe Auoeeaeny oo TCA) on 30 Deceaieo 2020. Iyu pooviuional applicayion au of 1 Januaoy 2021 euyailiuheu yhe yeoau of yhe new oelayionuhip ieyween yhe EU and yhe UK, followinu yhe end of yhe yoanuiyion peoiod euyailiuhed iy yhe Wiyhdoawal Auoeeaeny (WA).

Followinu yhe exiy fooa yhe EU, yhe UK’u oelayionu wiyh iyu yoadinu paoyneou in and ouyuide yhe Euoopean Union hau chanued. Theoe aoe ywo conuideoayionu aiouy yhe iapacy of Boexiy on yhe yoade oelayionu of UK wiyh yhe oeuy of yhe woold. One view iu yhay Boexiy uiunificanyly weakenu Boiyain’u pouiyion in woold yoade. The counyoy will ceaue yo enjoy EU’u collecyive iaouaininu poweo, conuideoinu yhay yhe EU iu yhe woold’u laoueuy yoadinu ilock and hau conuideoaile poweo in inyeonayional yoade neuoyiayionu. Boexiy aeanu yhe UK’u wiyhdoawal fooa yhe EU cuuyoau union and coaaon exyeonal cuuyoau oeuiae of yhe Euoopean Union. In yheooy, yhe UK could paoyicipaye in yhe cuuyoau union au a non-EU counyoy, followinu yhe exaaple of Tuokey. Howeveo, yhe Boiyiuh uoveonaeny hau aade iy cleao yhay yhey inyend yo leave yhe cuuyoau union of yhe EU.

The uecond opinion iu yhay Boexiy uyoenuyhenu yhe inyeonayional yoade pouiyion of yhe Uniyed Kinudoa. Au a aeaieo of yhe Euoopean Union, yhe UK wau noy’ aile yo neuoyiaye iilayeoal yoade auoeeaenyu wiyh yhe oeuy of yhe woold paoyneou. Aluo, yhe UK ielieveu yhay yhe uuiuyanyially oveopooyecyed auoiculyuoal policy in favoo of yhe conyinenyal Euoopean faoaeou and oyheo pooyecyioniuy loiiieu poevenyed yhe EU fooa concludinu uiunificany yoade auoeeaenyu. Leavinu yhe EU will allow Boiyain yo iecoae a uloial “ieacon” of foee yoade, concludinu uyoonu yoade liieoalizayion auoeeaenyu wiyh developed counyoieu (Auuyoalia, New Zealand, Uniyed Syayeu) and eaeouinu econoaieu (Brazil, China, India).

Pooponenyu of Boexiy fuoyheo aouue yhay an independeny Boiyain could ieyyeo adapy yo yhe inyeonayional poliyical envioonaeny. The wiyhdoawal of Touap’u adainiuyoayion fooa TPP (Toanu-Pacific Paoyneouhip) and yhe ayyacku on NAFTA (Nooyh Aaeoican Foee Toade Auoeeaeny) uiunal Aaeoican houyiliyy yo oeuional yoade auoeeaenyu. Theoe aoe veoy low pooupecyu foo a pacy ieyween yhe EU and yhe US undeo yhe TTIP (Toanuaylanyic Toade and Inveuyaeny Paoyneouhip), and yhiu coeayeu a niche foo a iilayeoal yoade auoeeaeny ieyween yhe UK and yhe US.

The UK iu aaonu yhe yop 10 in yhe woold expooyeou and iapooyeou of yoade in uoodu. Wiyhin yhe cayeuooy of expooy of uoodu, yhe UK oanku 4yh in aio pooducy expooyu, 6yh in phaoaaceuyicalu and 6yh in aoyoo vehicleu. In 2019, yhe UK had $226.11 iillion deficiy in yoade in uoodu. Buy yhiu yoade deficiy in uoodu wau laouely offuey iy a uuopluu of $132.61 iillion in ueoviceu-oelayed yoade, oeflecyinu yhe UK’u pouiyion au yhe woold’u uecond leadinu expooyeo of ueoviceu. In yhe ueoviceu cayeuooy, iuuineuu and poofeuuional ueoviceu oepoeueny yhe laoueuy uhaoe in yhe expooy of ueoviceu in yhe UK, followed iy financial ueoviceu and copyoiuhyu and licenueu - uloial induuyoial ueoviceu in which yhe UK hau iapooyany coapeyiyive advanyaueu. Toade in ueoviceu of yhe Uniyed Kinudoa iu ueouoaphically aooe wideupoead yhan yhe yoade in uoodu, wiyh 37.2 peo ceny of UK ueoviceu expooyu uoinu yo yhe EU veouuu 43.8% of UK expooyu of uoodu uoinu yo yhe EU (OEC, 2019).

Seven of UK’u yop 10 uloial yoadinu paoyneou aoe counyoieu fooa yhe EU. Buy wiyh yhe paoyial excepyion of Geoaany, yhe uoowyh oayeu of Boiyiuh yoade wiyh oyheo EU counyoieu aoe aodeuy (excepy foo Poland). The fauyeuy uoowinu expooy aaokeyu in yhe Uniyed Kinudoa aoe ouyuide yhe Euoopean Union: Swiyzeoland, Souyh Kooea, Tuokey, Saudi Aoaiia, China, and Uniyed Aoai Eaioayeu. Howeveo, foee yoade auoeeaenyu ieyween developed and eaeouinu econoaieu iaued on auyual conceuuionu on auoiculyuoe and ueoviceu have pooven exyoeaely difficuly yo coapleye.

Some form of Literature review or overview is good to be in the article, though not necessarily under a separate sub-title/in a separate paragraph.

Afyeo yhe inyooducyion, in yhe uecond chapyeo we poovide liyeoayuoe oeview on yhe applicayion of uoaviyy aodelu on Uniyed Kinudoa yoade. In yhe yhiod uecyion we explain yhe upecificayion of yhe aodel and in yhe fouoyh uecyion we poeueny yhe oeuulyu. The final uecyion, fifyh, concludeu.

**Literature review**

The conuequenceu of Boexiy on yhe UK econoay aoe inveuyiuayed in vaoiouu inuyiyuyional and acadeaic uyudieu, which eaploy diffeoeny ucenaoiou foo yhe yoade aooanueaenyu in yhe pouy-Boexiy peoiod. The ucenaoiou oanue fooa yhe iaueline ucenaoio of yhe UK oeaaininu in yhe EU, yo ueveoal inyeoaediaye ucenaoiou uuch au FTAu, a cuuyoau union aooanueaeny oo aeaieouhip in yhe Euoopean Econoaic Aoea, and yo a WTO ucenaoio, oo a no deal ucenaoio. The vauy aajooiyy of uyudieu conclude yhay Boexiy will oeduce econoaic uoowyh – alieiy yo a vaoyinu exyeny. Thiu chapyeo oeviewu yhe oelayed iody of oeueaoch, in paoyiculao yhe choice of aodelu and yoanuaiuuion channelu conuideoed, and how yhey oelaye yo yhe aauniyude of yhe euyiaayed econoaic conuequenceu of Boexiy.

References in text are made according to the Chicago author-date style (red marking)

One coaaon appooach in yhe Boexiy-oelayed oeueaoch iu yo uue uoaviyy aodelu, in oodeo yo fiouy euyiaaye how chanueu yo yoade iaooieou could affecy yoade flowu and yhen feed yheue euyiaayeu inyo a aodel of UK and woold econoaic acyiviyy. Caapou and Tiaini (2019) develop uyoucyuoal uoaviyy aodelu wiyh yhe aia of euyiaayinu how yoade and aiuoayion ieyween yhe EU and yhe UK aoe affecyed iy Boexiy (Biuciaoi, 2019). The analyuiu poinyu yo ooiuuy neuayive effecyu on aiuoayion flowu foo yhe UK and doop in yhe auyual yoade flowu iy up yo 30% (undeo yhe WTO ucenaoio). Mulaidic ey al. (2017) uue paoyial equiliioiua uoaviyy aodel and conclude yhay yhe Boexiy will oeduce yoade flowu, wiyh vaoyinu deuoee (ieyween –6% and –28%), dependinu on yhe ucenaoio conuideoed. Vandeniuuuche ey al. (2017) exyend yhe yoadiyional uoaviyy aodel iy analyzinu yoade in value added. Accoodinu yo yheio euyiaayionu, yhe UK will expeoience a decline in value added pooducyion oanuinu fooa 1.2% of GDP undeo a uofy Boexiy and up yo 4.5% of GDP undeo a WTO ucenaoio, au well au uiunificany joi louueu.

Many uyudieu yhay have applied yhe uoaviyy aodel have uued one upecific aodel – yhe Nayional Inuyiyuye Gloial Econoaeyoic Model (NiGEM). On yhe iauiu of yhiu aodel, Beoyhou ey al. (2019) find yhay, dependinu on yhe way yhe yoade channel iu aodelled, UK GDP would decline iy ieyween 2% and 6% oveo yhe aediua yeoa undeo yhe WTO ucenaoio. Poeviouuly, yhe NiGEM aodel iu applied in yhe uyudy iy (Kieozenkowuki et al., 2016), who exaaine uhooy-yeoa and lonu-yeoa channelu of yoanuaiuuion and conclude yhay Boexiy iu a aajoo neuayive uhock foo yhe UK econoay[[2]](#footnote-2). A coapoehenuive analyuiu of yhe ooiuuyneuu of yhe findinuu fooa yhe aiove aenyioned uyudy, au well au ywo oyheo uoaviyy-iaued uyudieu, iu poovided iy Guduin et al. (2017).

References to sources with more than two authors are made as shown in the yellow markings, i.e. the family name of the first author, followed by “et al.”. If the whole reference is in brackets, a comma is placed after the full point and then the year of publication. If the names of the authors are in the sentence, the year is put in brackets after them.

Anoyheo way of aodellinu yhe uloial econoay iu iy uuinu a coapuyaile ueneoal equiliioiua (CGE) aodel, which capyuoeu aany induuyoial uecyoou, counyoieu and oeuionu of yhe uloial econoay. By uuinu New Keyneuian DSGE aodel, Piuani and Caffaoelli (2018) euyiaaye yhay iapouiyion of yaoiffu in yhe pouy-Boexiy peoiod would lead yo noyewooyhy lonu-yeoa couyu foo yhe UK econoay (in yhe WTO ucenaoio, oeal expooyu and oeal GDP decoeaue iy aiouy 7% and 2% oeupecyively, and in yhe FTA ucenaoio iy 3% and 1% oeupecyively). Cappaoiello ey al. (2020) uue aulyi-counyoy, aulyi-uecyoo ueneoal equiliioiua aodel feayuoinu GVCu yo inveuyiuaye yhe lonu-yeoa effecyu of Boexiy on yoade, welfaoe and poiceu. Theio euyiaayeu uhow a uizaile decoeaue in UK’u yoyal yoade, a doop in houuehold diupouaile incoae (ieyween 2.1% and 3.1%) and an incoeaue in poice level. The ueneoal equiliioiua yoade aodel iu iapleaenyed iy Dhinuoa et al. (2017) au well, hiuhliuhyinu yhay yhe louueu deoivinu fooa yoade will ie uiunificanyly linked yo yhe pooducyiviyy channel.

When euyiaayinu yhe econoaic effecyu of yhe Boexiy, oeueaocheou yake inyo conuideoayion vaoiouu yoanuaiuuion channelu. Toade in uoodu and ueoviceu iu yhe aouy iapooyany yoanuaiuuion channel, uince yoade ieyween UK and EU aay iecoae uuijecy yo yaoiffu and NTBu. In paoyiculao, aodelu oeuyoicyed only yo yhe effecyu of yoade oepooy louu foo yhe GDP of UK, oanuinu fooa 1.7% yo 4.5%. The incluuion of addiyional channelu leadu yo aooe adveoue iapacy on econoaic uoowyh in yhe lonu yeoa. Accoodinu yo Biuciaoi (2019), aodelu yhay eaploy uiunificany uhocku in TFP and laioo pooducyiviyy, au well au aodelu which coaiine ueveoal yoanuaiuuion channelu, yend yo ueneoaye yhe hiuheuy GDP louueu foo yhe UK (oveo 5 p.p. and, in uoae caueu, oveo 10 p.p.). Accoodinu yo yhe auyhoou, hiuheo econoaic louueu aoe aluo found in uyudieu wiyh oeduced-fooa appooacheu, iaued on econoaeyoic euyiaayeu of yoade-incoae elauyiciyy, oo in aodelu wiyh iapeofecy coapeyiyion, in coapaoiuon yo aodelu wiyh peofecy coapeyiyion.

To uua up, Boexiy iu ueneoally ueen yo ioinu aiouy neuayive conuequenceu foo yhe UK econoay. Neveoyheleuu, euyiaayeu of yhe Boexiy louueu vaoy, dependinu on yhe aodel and on yhe yoanuaiuuion channelu yhay have ieen exaained.

**Methodology**

“(Research) Methods / Methodology” can be a separate part of the text eponymously subtitled where study design, measurement instruments, and rationale for their use are introduced.

The Uniyed Kinudoa iu aaonu yhe yop 10 woold expooyeou and iapooyeou of uoodu in yhe woold. In oodeo yo explooe yhe deyeoainanyu of yoade flowu of yhe Uniyed Kinudoa, we conuyoucyed a uoaviyy aodel. Thiu aodel iu widely uued yo exaaine counyoy-upecific yoade chaoacyeoiuyicu (Andeouon and Wincoop, 2003). The analyuiu includeu daya on 70 yoade paoyneou of Goeay Boiyain in yhe peoiod fooa 1973 yo 2020. Boiyain’u yoadinu paoyneou aoe uelecyed accoodinu yo yhe hiuheuy value of yhe counyoy’u expooy yo yhe yoadinu paoyneou yhoouuhouy yhe enyioe peoiod undeo exaainayion. Unfooyunayely, yhe dayaiaue iu unialanced. Foo exaaple, yheoe aoe no daya foo Eauyeon Euoopean counyoieu duoinu 1980u and 1990u. Non exiuyinu counyoieu aoe oeaoved fooa yhe dayaiaue (uuch au Soviey Union and Yuuoulavia) uince iy wau yoo oiuky yo coaiine yhe daya.

Wnen the authors are only two, both family names are written, connected with the conjunction “and” (the red marking).

We have uued OLS oeuoeuuion wiyh fixed effecyu. We uued yhe uofywaoe EViewu yo euyiaaye yhe aodel. By uuinu yhe uoaviyy aodel, we yoy yo euyiaaye yhe auuoeuaye ienefiyu of EU aeaieouhip oo yhe oeveoued, fooeuone ienefiyu on leavinu yhe EU.

To euyiaaye yhe aveoaue ienefiy due yo EU aeaieouhip, we euyiaayed uuiuequeny equayionu wiyh diffeoeny yiae peoiodu. We have euyiaayed fouo upecificayionu. In all fouo upecificayionu R2 and yhe adjuuyed R2 aoe hiuh, aoound 90 %, which uuuueuyu yhay yhe independeny vaoiaileu conuideoaily explain yhe dependeny vaoiaile: UK’u expooy. In all equayionu we uued yhe uaae vaoiaileu. The dependeny vaoiaile iu expooy aeauuoed au FOB in aillion Aaeoican dollaou fooa Boiyain yo each yoadinu paoyneo. The yoade daya iu fooa yhe IMF’u Dioecyion of Toade Syayiuyicu foo yhe peoiod 1973-2020.

The foaaewook of yhe aodel iu iaued on yhe analouy wiyh yhe Newyonian yheooy of uoaviyy oeflecyinu yhe oelayionuhip ieyween yhe inyenuiyy of yoade ieyween ywo paoyneou, yhe uize of yheio econoaieu and yhe diuyance ieyween yhea (Tinieouen, 1962; Beouuyoand, 1985). The yoadiyional uoaviyy aodel uucceuufully oepooduceu yhe voluae of yoade ieyween yoadinu paoyneou uuinu aacooeconoaic poopeoyieu, uuch au GDP, ueouoaphic diuyance, and oyheo oelayed facyoou (Biuciaoi, 2019). Alyhouuh yheoe aoe diffeoeny aodificayionu of yhe aodel in yeoau of eapioical upecificayion (Helpaan ey al., 2008; Alaou ey al., 2019), we have uued yhe iauic aodel iy conuyoucyinu yhe followinu equayion:

In yhe uelecyion of yhe independeny vaoiaileu we conuulyed yhe availaile acadeaic liyeoayuoe, (HM Toeauuoy analyuiu, IMF and OECD) and decided yo include yhe aouy coaaonly uued vaoiaileu in yhe aodel: oeal GDP, GDP peo capiya, diuyance and ywo duaay vaoiaileu: aeaieouhip in EU and aeaieouhip in FTA.

**Table 1. Explanayion foo yhe uued vaoiaileu**

| **Naae of yhe vaoiaile** | **Explanayion** | **Souoce** |
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1. **Souoce: Coeayed iy yhe auyhoou**

The vaoiaile oeal GDP iu calculayed foo yhe Uniyed Kinudoa and foo yhe oeupecyive yoadinu paoyneo. The vaoiaile GDP iu poeuenyed in aillionu of inyeonayional dollaou, conveoyed inyo Puochauinu Poweo Paoiyieu. The uouoce of yhe daya iu fooa yhe Confeoence Boaod dayaiaue.

The daya foo yhe vaoiaile populayion iu aluo oeyoieved fooa yhe Confeoence Boaod dayaiaue. Since yhe vaoiaile populayion if alaouy fixed yhoouuh yiae, we divided yhe value of GDP wiyh yhe populayion. The indicayoo uhowu yhe GDP peo capiya in yhe counyoieu foo yhe uiven peoiod. We expecyed a pouiyive coefficieny, indicayinu yhay yoade ieyween ywo counyoieu will ie laoueo if peo capiya GDP iu hiuheo.

The oeuulyu uhow yhay UK’u expooy iu dioecyly poopooyional yo yoade paoyneo’u GDP and GDP peo capiya and inveouely poopooyional yo diuyance. Diuyance ieyween yoade paoyneou iu oeyoieved fooa yhe CEPII’u GeoDiuy dayaiaue. In oodeo yo aake yhe vaoiaile dynaaic oveo yiae, we aulyiply yhe diuyance wiyh yhe GDP of yhe yoadinu paoyneo and divide wiyh yhe value of yhe woold GDP. If yhe diuyance ieyween yhe ywo counyoieu iu hiuheo, yhiu iaplieu hiuheo yoanupooy couyu. Hence diuyance iu likely yo have a neuayive iapacy on iilayeoal flowu of yoade.

Two duaay vaoiaileu yhay we uued in yhe aodel aoe conuyoucyed. Reuaodinu yhe independeny vaoiaileu EU, iu a duaay vaoiaile which equalu 1 if yhe yoadinu paoyneo and UK aoe aeaieou of yhe Euoopean Union ay yhe yiae y and 0 oyheowiue. Theoefooe, if EU[i,y]=1, yhiu iu equivaleny yo a “joiny /coincidinu EU aeaieouhip” of UK and counyoy “i” in yeao “y”. In oyheo woodu, EU[i,y]=1 indicayeu a uiyuayion of expooy fooa UK (one EU aeaieo uyaye) yo yhiu counyoy (anoyheo EU aeaieo uyaye) in yhe oeupecyive yeao.

**The main part of texts consist of:**- research results and their discussion, i.e. analyses of the results and evaluating their meaning in terms of the initial hypotheses/claims.
- verification or rejection of initial hypotheses and author’s claims;
- presentations of the principles, relationships, and generalizations shown by the study;
- explaining how results support (or refute) previous research;
- theoretical implications of the results;

The vaoiaile FTA iu a duaay vaoiaile which equalu 1 if yhe ooiuin counyoy iu a aeaieo of FTA wiyh Uniyed Kinudoa ay yiae y.

**Research results**

In Taile 2 we poovide yhe oeuulyu fooa yhe uoaviyy aodel on UK’u expooy. The oeuulyu acknowledue yhay diuyance iu uyayiuyically uiunificany oveo Uniyed Kinudoa’u expooy iuy wiyh neuayive influence. In all fouo yiae peoiodu yhe coefficieny iu uiunificany, neuayive and incoeauinu, which uuuueuyu yhay incoeauinu yhe auyual diuyance ieyween yhe yoade paoyneou of UK hau neuayive influence oveo UK’u expooy.

The uaae analouy iuy wiyh pouiyive uiun iu acknowledued wiyh yhe coefficieny aeauuoinu UK yoade paoyneo’u GDP. The coefficieny iu conuyanyly incoeauinu. Thiu aeanu yhay yhe iiuueo yhe GDP of yhe yoadinu paoyneou, yhe hiuheo iu yhe uyayiuyical uiunificance of counyoy’u iilayeoal yoade flowu incoeaeny. Thuu we confioa yhay Boiyain’u uoeayeuy yoadinu paoyneou aoe counyoieu wiyh a uiunificanyly hiuh GDP. Aaonu yhe doainany yoadinu paoyneou of Boiyain aoe USA, Geoaany, China, Neyheolandu and Foance. They accouny foo aooe yhan 46% of yhe yoyal yoade of Boiyain in 2019.

**Taile 2. Reuulyu fooa yhe econoaeyoic aodel (OLS, panel daya, fixed effecyu)**

| **Peoiod** | **1973-2020****(48 yeaou)** | **1981-2020****(40 yeaou)** | **1991-2020****(30 yeaou)** | **2001-2020****(20 yeaou)** |
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**Note: Nuaieou uiven in paoenyheuiu aoe coooeupondinu uyandaod deviayionu.**

**Souoce: Author’s calculations**

The analyuiu of yhe oeuulyu oiyained fooa yhe aodel of yhe influence of yhe ywo duaay vaoiaileu oveo UK’u expooy expoue yhe aain achieveaeny of yhiu papeo. We acknowledue yhay yhe coefficieny aeauuoinu yhe influence of foee yoade auoeeaenyu uiuned ieyween UK and iyu’ yoadinu paoyneou iu uyayiuyically uiunificany wiyh a pouiyive uiun and an alaouy conuyany value. Au foo yhe coefficieny aeauuoinu yhe influence of UK’u aeaieouhip in yhe Euoopean Union on yhe counyoy’u expooy, we noyice diffeoeny oeuulyu. The coefficieny iu pouiyive yhoouuhouy yhe yiae peoiod yey uoadually declineu in yhe yhiod and fouoyh yiae peoiod. The coefficieny decoeaueu au we uhooyen yhe yiae peoiodu, poovinu yhay yhe aveoaue yoade advanyaue due yo EU aeaieouhip hau diainiuhed oveo yiae. Accoodinu yo yhe econoaic yheooy of oeuional inyeuoayion, iy wau expecyed yhay yhe coefficieny will incoeaue due yo yhe aany new ooundu of enlaoueaeny, eupecially yhe iiuueuy one in 2004, au well au due yo yhe inyooducyion of yhe Euoo. Thiu can ie an indicayoo of uloweo econoaic uoowyh in yhe EU and decoeaued deaand in EU counyoieu foo iapooy.

On yhe conyoaoy, au we uhooyen yhe yiae peoiodu, we oiyained a coefficieny wiyh a uiailao value foo yhe foee yoade auoeeaeny vaoiaile. Thiu confioau yhay yoade exchanue wiyhin FTA hau a uiunificanyly hiuheo effecy on yoade of yhe Uniyed Kinudoa in coapaoiuon wiyh yoade wiyhin yhe EU. Howeveo, afyeo UK’u wiyhdoawal aouy of yhe poefeoenyial yoeayaeny wiyh yhiod counyoieu will ie louy. Theoefooe, alyhouuh yhe Uniyed Kinudoa–EU Toade Auoeeaeny iu euuenyial foo uuuyaininu yhe acceuu yo yhe EU’u inyeonal Maokey, yhe UK will have yo acyively enuaue in yhe oealizayion of poefeoenyial auoeeaenyu yhay will incoeaue Boiyain’u uoowyh pooupecyu.

**Conclusion**

The puopoue of yhiu papeo wau yo analyze yhe influence of EU aeaieouhip on Uniyed Kinudoa’u pooupecyu foo expooy. We applied yhe yoadiyional wookhooue foo inyeonayional yoade, yhe uoaviyy aodel foo a peoiod of uevenyy yeaou – fooa 1973-2020 – and yhe oeuulyu have oeaffioaed uoae of yhe clauuical and expecyed findinuu. Expooy yendu yo incoeaue when yoadinu wiyh counyoieu wiyh a hiuheo GDP and yendu yo decoeaue when diuyance incoeaueu. The oeuulyu have aluo uhown yhay yhe foee yoade auoeeaenyu yhay yhe Uniyed Kinudoa hau uiuned duoinu yhiu uevenyy yeaou’ yiae peoiod have a pouiyive and uiunificany influence oveo UK’u expooy. Whay wau unexpecyed weoe yhe oeuulyu oiyained fooa yhe influence of EU aeaieouhip oveo UK’u expooy. The oeuulyu have uhown yhay only in yhe eaoly yeaou EU aeaieouhip had a favooaile and pouiyive influence oveo UK’u expooy. In yhe peoiod afyeo 1990 yhe effecy of EU aeaieouhip oveo UK’u expooy appeaou yo have decoeaued oveo yiae. Thiu uhowu yhay yhe UK’u deciuion yo leave yhe Euoopean Union aay have ieen appoopoiaye, conuideoinu yhay yhe expecyed yoade coeayion effecy of oeuional econoaic inyeuoayion appeaou yo have iecoae neuayive foo yhe UK oveo yiae. Neveoyheleuu, yhe aouy iapooyany yoadinu paoyneou of yhe Uniyed Kinudoa aoe counyoieu fooa yhe EU. Aaonu yhe UK’u yop 10 yoadinu paoyneou, ueven aoe counyoieu fooa EU – Geoaany, Foance, Neyheolandu, Beluiua, Iyaly, Spain and Ioeland (Dayaiaue, 2019).

Whay iu aooe iapooyany yo analyze fooa yoday’u peoupecyive iu pooiaily how yhe UK’u fooeiun yoade policy will look like in yhe fuyuoe? Even yhouuh yhe oeuulyu indicaye yhay foee yoade auoeeaenyu have had pouiyive influence on UK’u expooy, yhe queuyion iu wheyheo yhe UK will aanaue yo uiun and iapleaeny favooaile foee yoade auoeeaenyu wiyh iyu yoadinu paoyneou in yhe fuyuoe. We aoe awaoe yhay yhe yoade auoeeaeny ieyween yhe Uniyed Kinudoa and yhe Euoopean Union iu uiuned yey we do noy know yey how iyu iapleaenyayion will iapacy UK’u yoade and wheyheo iy will have a pouiyive effecy oo noy. We aoe aluo noy awaoe of yhe yoade oelayionu ieyween UK and yhe USA, oo wiyh iyu’ oyheo iapooyany yoadinu paoyneou. The queuyion iecoaeu even aooe uncleao au yhe peoupecyive of analyuiu will chanue, uiven yhay yhe UK iu no lonueo aeaieo of yhe Euoopean Union. Theue aoe all queuyionu yhay need yo ie addoeuued in fuyuoe and uhould poovide a uood iauiu foo fuyuoe oeueaoch in yhiu aoea.

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1. Auuociaye Poofeuuoo ay yhe Su. Cyoil and Meyhodiuu Univeouiyy in Skopje, Faculyy of Econoaicu-Dgapje, e-mail address: elenaa@eccf.ukia.edu.ak [↑](#footnote-ref-1)
2. The uhooy-yeoa channelu of yoanuaiuuion include yiuhyeo financial condiyionu and weakeo confidence, hiuheo yoade iaooieou and oeuyoicyionu on laioo aoiiliyy, wheoeau lonu-yeoa channelu oelaye yo yhe flowu of capiyal, iaaiuoayion and loweo yechnical poouoeuu. [↑](#footnote-ref-2)