

Name _____



The Importance of Trade

1. What does it mean for an individual or country to **specialize** in the production of goods or services?

2. Give an **example** of a **country** specializing in the production of a good or service.

3. Give two reasons why **individuals** specialize in the production of certain goods and services.
 - a. _____
 - b. _____
4. Give two reasons why **countries** specialize in the production of certain goods and services.
 - a. _____
 - b. _____
5. Because specialization allows a country or person to concentrate on making fewer kinds of products, they become _____, meaning they waste less time, energy, and resources when producing their goods and services.
6. What does it mean to be **interdependent**? Give an **example**.

7. What does **specialization** and **interdependence** cause countries to do with each other? **Why**?

8. What are three positive **results** of **specialization, interdependence, and trade**?
 - a. _____
 - b. _____
 - c. _____

9. a. What type of work would you like to specialize in after you are finished with high school or college?

b. Why? _____

c. What education and skills will you need? _____

10. Give three examples of **how** a country could limit trade.

a. _____

b. _____

c. _____

11. **Why** would countries enact trade barriers?

a. _____

b. _____

12. Do you think trade barriers are a good thing or a bad thing? Why? _____
