

How are tariffs, quotas, and embargos barriers to trade?

SS6E2b, SS6E6a, SS6E9c

Compare and contrast different types of trade barriers such as tariffs, quotas, and embargos

Sometimes countries set up Trade Barriers to restrict trade because they want to sell and produce their own goods.

Trade Barriers include:

- **Tariff**
- **Quota**
- **Embargo**

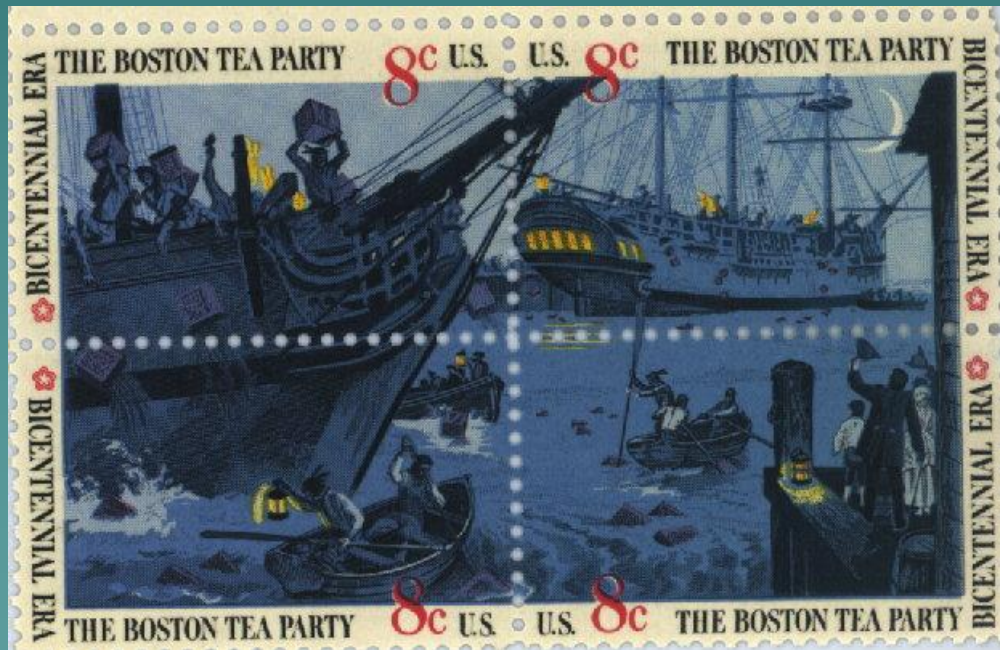
Trade Barrier: Tariff

Tariffs are taxes placed on imported goods.

Tariffs cause the consumer to pay a higher price for an imported item, increasing the demand for a lower-priced item produced domestically.

Trade Barriers: Tariffs

American Revolution



Its all about
the tax, stupid.

Trade Barrier: Quotas

Quotas are limits on the amount of a good that can be imported into a country.

Quotas can cause shortages that cause prices to rise.

Trade Barrier: Embargos

**Embargoes forbid trade
with another country.**

**The United States had a trade
embargo with South Africa
during apartheid.**

Trade Barriers: Embargos

Embargoes usually happen for political reasons. Because the United States does not want to support countries that may support terrorism, it has used embargos against Iran, Iraq, and Syria.