

# Free Trade



\_\_\_\_\_ : International trade left to its natural course without tariffs, quotas, or other restrictions

## There are Three Rules to Trade Club:

- 1.
- 2.
- 3.



## Why Do Countries Trade?

1. \_\_\_\_\_ : Materials found in nature that is used to make a good or service.
2. \_\_\_\_\_ : Knowledge of making the good/ providing the service.
3. \_\_\_\_\_ : Objects used to produce the good or service.
4. \_\_\_\_\_ : Producing, exchanging, consuming, saving, & investing.
5. \_\_\_\_\_ : Knowledge of making the good/ providing the service.
6. \_\_\_\_\_ : Objects used to produce the good or service.

## How Does Trade Help Countries?

1. Trade moves goods from people who value them less to those who value them more.
2. Trade allows us to \_\_\_\_\_ in what we do best.
3. Trade lowers per unit cost because of mass production methods that lower \_\_\_\_\_.

## The United States and Trade

- The U.S. has a \_\_\_\_\_ resulting in a negative trade balance (Japan and China).
- The U.S. is the largest \_\_\_\_\_. China is the largest \_\_\_\_\_ in the world.
- \_\_\_\_\_ : *EU* is largest single \_\_\_\_\_ with the United States.
  - 25 Countries
- \_\_\_\_\_ : Use of trade barriers to protect U.S. goods from foreign competition.
- \_\_\_\_\_ : Restrictions or limits to free trade.

## Quick Write -

*Does free trade benefit the poor?*

