

6 Trade and specialisation – Part 1

Name: _____ Class: _____ Date: _____

Vocabulary

Write each word three times.

English	Write it 3 times (English)
exports	_____
imports	_____
specialisation	_____
trade protection	_____
tariff	_____

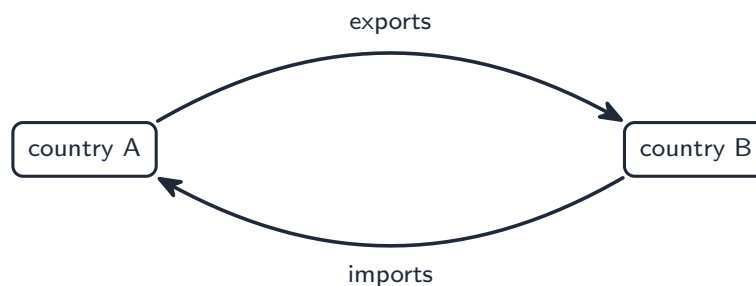
Recall

Countries trade with each other. They sell **exports** and buy **imports** .

New ideas

Read these first, then do the Practice.

■ 1 International trade



- **exports** are goods a country sells abroad;
- **imports** are goods a country buys from abroad.

■ 2 Specialisation

With **specialisation**, each country makes what it is best at, then trades – so everyone gets more:



Some governments use **trade protection** – like a **tariff** (a tax on imports) – to protect their own industries.

Watch out: **exports** are sold *abroad* (money in); **imports** are bought *from abroad* (money out) – don't swap them. With **specialisation** each country makes what it is best at and trades, so total output and choice rise. A **tariff** is a *tax on imports*.

Practice

Try these in order.

6.1 What are *exports*? [1]

6.2 What are *imports*? [1]

6.3 What is *specialisation*?

[1]

6.4 Give one benefit of countries specialising and trading.

[1]

6.5 What is a *tariff*?

[1]

6.6 Challenge. Explain one benefit and one drawback of a government putting a tariff on imported cars.

[2]