

6.1 Specialisation and free trade

Name: _____ Class: _____ Date: _____

Total: 18 marks

KEY WORDS trade 贸易 • free trade 自由贸易 • exports 出口 • living standards 生活水平
• imports 进口

Objective

Build the skills to answer exam questions on **specialisation and free trade** 专业化与自由贸易 — national **specialisation** 专业化, **exports and imports** 出口与进口, and the benefits and costs of **free trade** 自由贸易.

You must be able to:

- explain national specialisation, exports and imports
- state the benefits and disadvantages of free trade
- analyse the effect of free trade on consumers and firms

1 Worked examples

■ Why countries trade

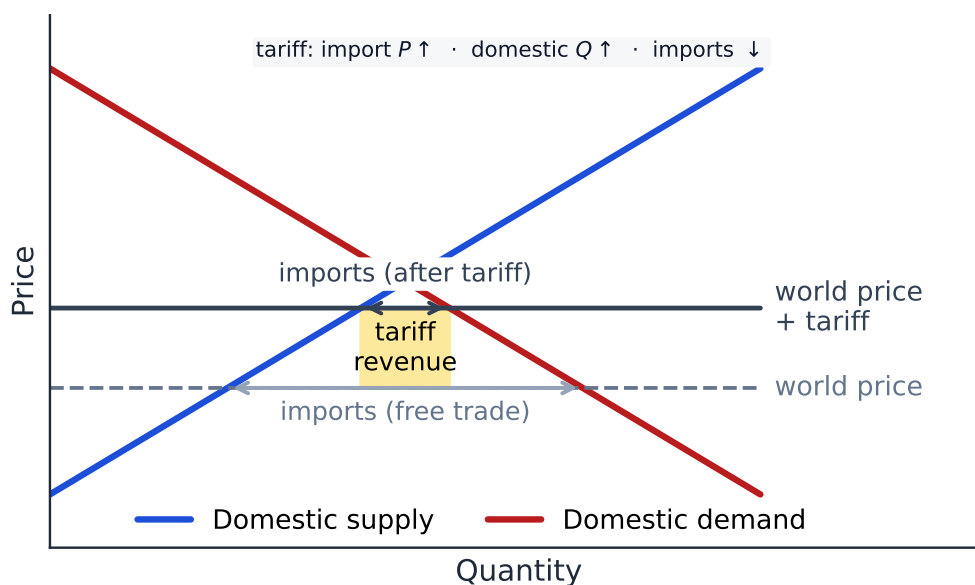


A country focuses on what it makes best, then trades for the rest

- **Specialisation** 专业化: a country makes the goods it is best at → **exports** 出口 them and **imports** 进口 others.
- **Free trade** 自由贸易: trade with no barriers. **Benefits:** cheaper goods, more

choice, economies of scale, more competition → higher **living standards** 生活水平.

- **Costs:** domestic firms may not compete (job losses); over-**dependence** 依赖; **infant industries** 幼稚产业 may never grow.



Free trade removes barriers like the tariff shown here — lowering price and raising the quantity traded

Answer shapes: K + App + An + Ev (a justified judgement, for discuss questions).

2 Practice

2.1 Define the term *free trade*. [2]

2.2 State the difference between *exports* and *imports*. [2]

2.3 State one benefit of free trade to consumers. [1]

3 Exam-style questions

3.1 A benefit of free trade to consumers is: [1]

A	B
C	D

A higher prices

B a wider choice of cheaper goods

C more domestic job losses

D less competition

3.2 Explain two benefits to a country of specialising and trading with others. [4]

3.3 Discuss whether free trade is always good for a country. [8]
