

# *International Trade Study Guide*

Be able to define, identify, & apply information about each of the following:

- Specialization & interdependence
  - International trade
  - Absolute advantage
  - Comparative advantage
- Trade barriers
  - Tariffs
  - Embargoes
  - Exports
  - Imports
  - Unforeseen consequences of protective tariffs
  - Free trade
- Foreign exchange
  - How importing nations pay for goods
  - Exchange rate
  - Effect of changing exchange rates
- Balance of payments (B/P)
  - 3 sections B/P reported in
  - Current account
  - Capital account
  - Balance of trade – problems with it
- International aspects of growth & stability
  - Economic growth
  - What things led to international interdependence