

\_\_\_ **Task 1 – Complete label search activity**

**Step 1:** Search the room for clothing and other items that were produced in other countries. Identify ‘**10 different**’ items.

| <b>Search</b>                       | <b>Results</b>                |
|-------------------------------------|-------------------------------|
| <b>Clothing or Item Description</b> | <b>Country where Produced</b> |
| 1.                                  |                               |
| 2.                                  |                               |
| 3.                                  |                               |
| 4.                                  |                               |
| 5.                                  |                               |
| 6.                                  |                               |
| 7.                                  |                               |
| 8.                                  |                               |
| 9.                                  |                               |
| 10.                                 |                               |

**Step 2:** Respond to the following questions:

- a. Analyze your list carefully. What are some specific reasons why these countries specialize in the production of these items?
  
  
  
  
  
  
  
  
  
  
- b. What patterns do you notice in where the items were produced?
  
  
  
  
  
  
  
  
  
  
- c. When you or someone else buys the clothing or items produced in a foreign country, who benefits? Explain your answer.
  
  
  
  
  
  
  
  
  
  
- d. Do you think trade makes our country more or less dependent on other countries for the things we want? Explain.
  
  
  
  
  
  
  
  
  
  
- e. Do you think it is good or bad to be dependent on other countries for the things we buy? Explain.

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- f. Respond to the statement. “To save textile jobs in my country, the government should limit the number of foreign clothes that are imported into our country.”

**Task 2 – Complete globalization discussion**

**Step 1 – Research the question – Globalization: Do the benefits outweigh the costs?**

Complete the following chart below as part of preparing your response. At least 5 – 6 arguments should be created. Topics to consider: a) trade, b) standard of living, c) income levels, d) jobs, e) corporations (impact on businesses), etc.

Use *Chapter 2 section 2 of class textbook* is a resource (*specifically pages 46 – 50*)

| <b>Benefits</b>                                      | <b>Costs</b>  |
|--|---|
| Ex. Trading expansion = more consumers = more profit | Ex. Trading expansion = more products = less regulation = more potential for “bad” products |

**Step 2 – Your response to the question – Do the benefits outweigh the costs?** – cite examples from your chart / research (free – write)

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**Task 3 – Complete trade questions**

Why do countries trade? What purpose does it fulfill?

**Step 1:** Complete the following questions using *chapter 15 of the class textbook*.

Why do people in different countries trade with each other?

Why is a nation with abundant resources better off trading than being self-sufficient?

Define exports

Define imports

Explain balance of trade

Explain absolute advantage

|           | T Shirts | Shorts |
|-----------|----------|--------|
| Country A | 8        | 3      |
| Country B | 3        | 6      |

Which country has the absolute advantage in making T-shirts?

Which country has the absolute advantage in making Shorts?

Define specialization

Define comparative advantage

Define opportunity cost

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|           | T Shirts | Shorts |
|-----------|----------|--------|
| Country A | 8        | 4      |
| Country B | 3        | 6      |

What is the opportunity cost for Country A to produce T-shirts? \_\_\_\_\_

What is the opportunity cost for Country A to produce Shorts? \_\_\_\_\_

What is the opportunity cost for Country B to produce T-shirts? \_\_\_\_\_

What is the opportunity cost for Country B to produce Shorts? \_\_\_\_\_

Using the concept of **Comparative Advantage**, what should Country A produce?

What should country B produce?

Suppose a nation has a great deal of human capital but few natural resources. What kind of products might the country 'specialize' in?

Explain outsourcing

Explain a trade barrier/restriction

List a couple examples of trade barriers

Explain why prices increase with trade barriers.

Explain NAFTA. What is the purpose of the agreement?

Suppose you were in charge of trade policy in the United States. Overall, would you recommend that the United States increase or decrease trade barriers? Explain your answer.