

GUIDED READING Activity 17-2

For use with textbook pages 472–479

BARRIERS TO INTERNATIONAL TRADE

OUTLINING

Directions: Locate the following headings in your textbook. Then use the information under the headings to help you write each answer. Use another sheet of paper if necessary.

I. Restricting International Trade

A. Tariffs—What is a protective tariff? A revenue tariff? _____

B. Quotas—How are quotas typically used? _____

II. Arguments for Protection

A. Introduction

1. What do protectionists want? _____

2. What do free traders want? _____

B. National Defense

1. How do protectionists use national defense as an argument to support trade barriers?

2. What is the free traders' argument in response?

C. Promoting Infant Industries—What is the infant industry argument?

D. Protecting Domestic Jobs

1. How could tariffs and quotas protect domestic jobs?

2. What do free traders say would happen if inefficient industries are protected?

E. Keeping the Money at Home

1. What is the response of free traders to this argument?

2. What industries can be hurt by this type of protectionism?

F. Helping the Balance of Payments—What is the balance of payments?
