

# GUIDED READING Activity 16-2

For use with textbook pages 447–454

## 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—What is the difference between what protectionists and free traders want?

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##### B. Aiding National Defense

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

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

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

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D. Protecting Domestic Jobs—How could tariffs and quotas protect domestic jobs?

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##### E. Keeping the Money at Home

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

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

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

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#### III. The Free Trade Movement

A. The World Trade Organization—What is the role of the World Trade Organization?

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B. NAFTA—How has trade changed between the U.S., Canada, and Mexico since NAFTA was created?

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