

Practice and Revision - Trade

Chapter 9: Trade · Topic 2

Key Concept

Domestic trade occurs within a country's borders, while international trade involves the exchange of goods and services between different countries.

Trade allows regions to specialise in producing goods they can make efficiently, then trade for goods produced elsewhere.

Balance of trade refers to the difference between a country's exports and imports, being positive (surplus) or negative (deficit).

International trade organisations and agreements help facilitate smoother trade relationships and resolve trade disputes between countries.

Quick Revision Notes

- Domestic trade: within a country.
- International trade: between countries.
- Trade allows regional specialisation.
- Regions trade for goods produced elsewhere.
- Balance of trade: exports minus imports.
- Positive: surplus. Negative: deficit.
- Trade organisations facilitate relationships.
- They also help resolve trade disputes.

Practice Questions

- 1 Discuss the difference between domestic and international trade.
- 2 Research a good your country exports.
- 3 Research a good your country imports.
- 4 Discuss whether your country has a trade surplus or deficit.
- 5 Research a trade organisation like the WTO.
- 6 Explain trade's importance in your own words.