Give examples of how voluntary trade benefits buyers and sellers in Lati

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Name: _____ Date: _____

OBJECTIVE

Give examples of how voluntary trade benefits buyers and sellers in Latin America.

What this standard covers	Your notes
Explain how specialization encourages trade between countries.	
Compare and contrast different types of trade barriers, such as tariffs, quotas, and embargoes.	
Explain why international trade requires a system for exchanging currencies between nations.	
Explain the functions of the United States-Mexico-Canada Agreement (USMCA).	

IN PLAIN WORDS

Countries specialize in what they do best and trade for the rest. Tariffs (taxes), quotas (limits), and embargoes (bans) block trade; USMCA reduces barriers between the U.S., Mexico, and Canada.

Trade tool	What it does
Tariff	A tax on an imported good.
Quota	A limit on how much of a good can be imported.
Embargo	A total ban on trade with a country.

Latin America specializes in certain goods and trades for the rest. Name one thing you think Latin America might specialize in, and explain why specializing, instead of making everything itself, can make both trading partners better off.