Read the following PowerPoint presentation. Make sure to take notes in your INB and to answer all questions contained in this PowerPoint. You will need to write and question along with answering the question.

How are tariffs, quotas, and embargos barriers to trade?

SS6E2b, SS6E6a, SS6E9c

Compare and contrast different types of trade barriers such as tariffs, quotas, and embargos

Sometimes countries set up Trade Barriers to restrict trade because they want to sell and produce their own goods.

Trade Barriers include:

- **Tariff**
- **Quota**
- **Embargo**

Trade Barrier: Tariff

Tariffs are taxes placed on imported goods.

Tariffs cause the consumer to pay a higher price for an imported item, increasing the demand for a lower-priced item produced domestically.

Trade Barriers: Tariffs

American Revolution







Its all about the tax, stupid.

Trade Barrier: Quotas

Quotas are limits on the amount of a good that can be imported into a country.

Quotas can cause shortages that cause prices to rise.

Trade Barrier: Embargos

Embargoes forbid trade with another country.

The United States had a trade embargo with South Africa during apartheid.

Trade Barriers: Embargos

Embargoes usually happen for political reasons. Because the United States does not want to support countries that may support terrorism, it has used embargos against Iran, Iraq, and Syria.

Trade Barrier Identification Activity

Summarizing

1. In your INB write the following scenario and answer it.

The Canadian Pear Growers Association is concerned about increased competition from imported pears that are larger than those grown within Canada's borders.

The Association wants to lobby for a trade barrier. Some members think a tariff or quota would be most beneficial. Others disagree and suggest an embargo would be best.

Which Trade Barrier Would you Recommend? Why?

Summarizing Strategy

Answer the following questions in your INB

2. Identify something in your life in which you would be willing to pay a tariff. Explain why.

3. Identify something in your life in which your parent or teacher might place a quota. Explain why.

4. Identify something in your life in which your parent or teacher might place an embargo. Explain why.