**United States and the World**

What is a trade deficit?

What economic problem is solved by trade?

Why do nations trade?

What is it called when countries can produce goods at a lower cost?

What are two positives of comparative advantage?

What is a tariff?

What is the goal?

What is a quota?

What is free trade?

What are regional trade agreements?

What is an example of a regional trade agreement?

What is a positive aspect of NAFTA?

What is a negative impact of NAFTA?

What is the World Trade Organization?

What is a criticism of the WTO?

What is the exchange rate?

What is an effect of the exchange rate?

What does a weak currency mean for exports?

What does a strong currency mean for imports?

What is a trade deficit?

What is a trade surplus?

What is a market economy?

Who owns the factors of production?

What is a command economy?

Who owns the factors of production?

What is the difference between communism and socialism?

What is a mixed economy?

How does government play a role in dealing with externalities?

What else does the government provide?

What are public goods?

Why are many countries switching from command to market based economies?

What type of economic transition is occurring in China?

What caused this?

How has this transition affected some Chinese citizens?

Where are most of the economies in transition found across the world?

**Characteristics of developing countries**

|  |  |
| --- | --- |
| Economic |  |
| Social  |  |
| Geographic |  |

How did colonial legacies affect the development of these countries?

How has corruption in the government affected development?

What causes debt problems in many developing countries?

What two organizations provide money to help with development?

Why is the IMF seen as a last resort for many developing countries?

What is foreign direct investment?

What is the most common form of foreign direct investment?