

VISUAL 39.1

RANKINGS OF SATISFACTION AFTER TRADE: A SUMMARY

| | Total Points |
|---------|--------------|
| Round 1 | |
| Round 2 | |
| Round 3 | |

VISUAL 39.2

SPECIALIZATION AND INTERNATIONAL TRADE

Since World War II, specialization has increased.

- Specialization is a situation in which people produce a narrower range of goods and services than they consume.
- Specialization increases productivity and overall production, thus improving people's standard of living.
- Specialization requires trade and interdependence.

Since World War II, international trade has increased due to:

- Reduced transportation costs.
- Improved communications technology.
- A general decline in tariffs resulting from free-trade agreements.