

Question

Opportunities of international trade

Answer

Trade allows people to buy goods and services that are not produced in their countries. In addition, revenues from exports of goods and services help determine the amount that can be spent on imports, as well as the size of the foreign loan, which the country cannot afford. Trade can stimulate the development of the country and its economic growth. It helps to create new jobs, improve living standards and enables people to manage their lives. International trade without barriers, such as tariffs, quotas and government subsidies can benefit people in all countries, both developed and developing. As consumers, people have the opportunity to choose a wider range of products, higher quality and lower cost. As sellers people get opportunity to sell their products in more markets.

International trade can be a much more effective way of reducing poverty than providing aid through trade because the country can attain economic independence, instead of living off foreign aid. However, the current system of international trade is characterized by a variety of manifestations of inequality that adversely affect the interests of poor countries.