

SS7E2 The student will explain how voluntary trade benefits buyers and sellers in Africa.

- a. Explain how specialization encourages trade between countries.
- b. Compare and contrast different types of trade barriers, such as tariffs, quotas, and embargoes.
- c. Explain why international trade requires a system for exchanging currencies between nations.

Essential Question: How does specialization encourage trade between countries?

• ***A situation in which people produce a narrower range of goods and services than they consume.***

• ***Specialization increases productivity; it also requires trade and increases interdependence.***

Essential Question: How do trade barriers, such as tariffs, quotas, and embargoes compare and contrast?

	Definition	Effects
Tariffs		
Quotas		
Embargoes		

Essential Question: Why does international trade require a system for exchanging currency?

- Countries do not use the same currency.
- Countries need a **Foreign Exchange**.
- Exchange rate is how one country's currency is worth in terms of another country

SS7E3 The student will describe factors that influence economic growth and examine their presence or absence in Nigeria and South Africa.

- a. Explain the relationship between investment in human capital (education and training) and gross domestic product (GDP).
- b. Explain the relationship between investment in capital (factories, machinery, and technology) and gross domestic product (GDP).

Essential Questions:

- How does investment in human capital (education and training) relate to gross domestic product?
- How does investment in capital (factories, machinery, and technology) relate to gross domestic product?

Country	Human Capital	Capital
Nigeria	Spends very little on Human Capital leaving Nigeria without a trained workforce	<ul style="list-style-type: none"> • The oil money goes to a small group of wealthy people. • Nigeria has very little money to spend on capital improvements; • trying to improve roads and electricity • 70% live below poverty
South Africa	Spends heavily on education and training; this has helped to raise the GDP of South Africa.	Investing in <ul style="list-style-type: none"> • Electricity • Rail System to improve transportation of Goods • ½ of South Africans still live below the poverty line

c. Explain how the distribution of diamonds, gold, uranium, and oil affects the economic development of Africa.

Essential Question: How does the distribution of diamonds, gold, uranium, and oil affect the economic development of Africa?

Diamonds	<ul style="list-style-type: none"> • South Africa and Botswana have prospered from Diamonds • Rebels steal diamonds in D.R. Congo and Sierra Leone
Gold	<ul style="list-style-type: none"> • South Africa owns ½ the world's supply • Ghana has gold but still needs foreign aid • Mali still very poor country
Uranium	<ul style="list-style-type: none"> • Zambia, Namibia, South Africa have Uranium • Careless mining has caused much pollution
Oil	<ul style="list-style-type: none"> • Nigeria the 6th leading world producer • China has bought much of Nigeria's oil but most workers in the oil fields come from China costing Nigerian jobs

d. Describe the role of entrepreneurship.

Essential Question: What is the role of an entrepreneur?

- Create New Ideas, products, and jobs
- Take risk to invest in business