

Virginia and the United States pursue international trade in order to increase wealth.

Global Economy

Worldwide markets in which the buying and selling of goods and services by all nations takes place

Reasons that states and nations trade

To obtain goods and services they cannot produce or produce efficiently themselves

To buy goods and services at a lower cost or a lower opportunity cost

To sell goods and services to other countries

To create jobs

Impact of technological innovations

Innovations in technology (e.g., the internet) contribute to the global flow of information, capital, goods, and services.

The use of such technology also lowers the cost of production.

Virginia and the United States specialize in the production of certain goods and services which promotes efficiency and growth.

The student will demonstrate knowledge of the structure and operation of the United States economy by:
d) examining the relationship of Virginia and the United States to the global economy with emphasis on the impact of technological innovations.