Rules Across Borders

Analyze how trade rules reflect competing national and group interests.

12.E4d "Trade policies and agreements (tariffs, quotas, embargoes) set the rules for trade between the United States and other nations. Agreeing on such rules is very difficult because each nation has different interests..."

NAME ______________________ DATE ______________

1 READ AND MARK

Read it twice

YOUR JOB Circle trade-policy tools. Underline competing interests. Mark a possible cost or benefit.

Why Trade Deals Are Hard

1 Trade rules affect prices, jobs, and supply chains. A tariff taxes imports; a quota limits their quantity; an embargo prohibits specified trade. U.S. importers pay applicable duties, but costs may be shared through higher buyer prices or lower supplier margins. Governments may seek domestic protection or foreign-policy goals. Effects differ across consumers, workers, exporters, and importers.

2 In a fictional U.S.–Coastland negotiation over bicycle parts, U.S. parts manufacturers want a tariff to limit cheaper competing imports. U.S. assemblers and retailers want lower tariffs to reduce input costs. Coastland wants access to U.S. buyers. U.S. soybean exporters seek easier entry into Coastland in exchange. Even within one country, industries have different interests, so no deal automatically benefits everyone.

3 Industry associations, unions, farm organizations, and consumer advocates may lobby officials, publish analyses, or testify. These arguments can inform decisions but reflect particular interests. A sugar quota could benefit domestic growers while raising costs for food producers and shoppers. An embargo might serve a foreign-policy goal while disrupting businesses. Negotiators weigh trade-offs and wider consequences, including views beyond the most influential groups.

2 ANSWER WITH EVIDENCE

Use the passage

1. According to paragraph 1, how does a tariff differ from a quota?

2. Why do U.S. parts manufacturers and U.S. bicycle assemblers disagree about the tariff?

3. What does Coastland want, and what do U.S. soybean exporters want in return?

4. Name two ways special interest groups may try to influence trade rules. Why must policy makers consider more than the loudest voices?

3 YOUR TURN

Your own words

In four sentences, invent a trade negotiation. Identify the countries and product, propose a tariff or quota, name a group influencing each side, and describe a compromise and its likely effect.

PART 1 · READ AND MARK

Circle trade-policy tools. Underline competing interests. Mark a possible cost or benefit. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	According to paragraph 1, how does a tariff differ from a quota?	**A tariff is a tax on imported goods that can raise their price. A quota limits the amount of a product that may enter.**
2	Why do U.S. parts manufacturers and U.S. bicycle assemblers disagree about the tariff?	**Parts manufacturers seek protection from cheaper competing parts. Assemblers use imported parts and want lower input costs.**
3	What does Coastland want, and what do U.S. soybean exporters want in return?	**Coastland wants greater access to U.S. buyers for its bicycle parts. U.S. soybean exporters want easier entry into Coastland's market.**
4	Name two ways special interest groups may try to influence trade rules. Why must policy makers consider more than the loudest voices?	**Groups may lobby officials, publish analyses, or testify. Policy makers must consider wider consequences because groups represent particular interests, while trade rules affect many consumers, workers, and businesses.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

In a fictional negotiation, U.S. growers seek a tariff on juice from Coastland. Coastland's exporters seek lower barriers while U.S. beverage firms also lobby for cheaper imports. Negotiators propose phasing down the tariff over three years. Growers gain time to adjust, while beverage firms and shoppers may eventually benefit from lower costs.

Accept equivalent explanations that accurately connect a policy choice to competing interests and consequences. For the open response, accept any plausible product, nation, policy, interest group, compromise, and effect that meet all parts of the prompt.