Why Trade Together?

Three groups, three ways to work across borders

7.C.8.5 "Explain why countries enter into global trade agreements (e.g., Organization of Petroleum Exporting Countries [OPEC], the Association of Southeast Asian Nations [ASEAN] and the African Continental Free Trade Area [AfCFTA])."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline one reason countries join each group, and circle an action the group takes to pursue that reason.

What Countries Gain by Working Together

1. A cargo ship needs fuel before it can carry goods across an ocean. Many countries buy oil from other countries, so changes in oil supply can affect their costs. Some oil-producing countries belong to OPEC, the Organization of the Petroleum Exporting Countries. Its members coordinate policies about how much oil they produce. By acting together, they hope to support stable oil markets and protect income they earn from selling oil. OPEC does not set the price of every barrel. Buyers, other producers, and world events also affect prices.

2. Now picture a factory in Thailand that needs parts made in a neighboring country. Thailand is part of ASEAN, the Association of Southeast Asian Nations. ASEAN members work together on trade and other regional issues. Through trade agreements, members have lowered many tariffs, which are taxes on goods crossing borders. Lower tariffs can make parts less costly for the factory to buy. A factory may then be able to sell its finished products to more customers in nearby countries. Countries cooperate because easier trade can help businesses grow and create jobs.

3. A market seller in Kenya might want to buy fabric from another African country and sell clothing across a border. The African Continental Free Trade Area, or AfCFTA, brings African countries together to make trade within the continent easier. Its members aim to reduce tariffs and other obstacles, such as complicated border rules. If trade becomes simpler, sellers may reach more customers and buyers may find more choices. Putting changes into practice takes time. Countries join because shared rules can offer opportunities that are hard to create alone.

2 ANSWER WITH EVIDENCE

Use the passage

1. Why do some oil-producing countries join OPEC, and what do its members coordinate to pursue that goal?

2. Why might Thailand benefit from an ASEAN trade agreement that lowers tariffs?

3. Why might a country join AfCFTA? Explain how reducing a trade obstacle could help a seller.

4. How do the actions of OPEC and AfCFTA differ, and why would their members choose those different actions?

3 YOUR TURN

Your own words

Imagine three island countries form a trade group. One grows fruit, one makes jars, and one packs fruit for sale. In four sentences, explain one trade barrier they could reduce, how each country might benefit, and one problem they would still need to solve.

ANSWER KEY

Why Trade Together?

GRADE 7 · 7.C.8.5

PART 1 · READ AND MARK

Underline one reason countries join each group, and circle an action the group takes to pursue that reason. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Why do some oil-producing countries join OPEC, and what do its members coordinate to pursue that goal?	**They hope to support stable oil markets and protect oil income by coordinating policies about how much oil they produce.**
2	Why might Thailand benefit from an ASEAN trade agreement that lowers tariffs?	**Lower tariffs can make imported factory parts less costly and help businesses sell finished products to nearby customers.**
3	Why might a country join AfCFTA? Explain how reducing a trade obstacle could help a seller.	**It may join to make trade with other African countries easier. Fewer tariffs or simpler border rules could help a seller reach more customers.**
4	How do the actions of OPEC and AfCFTA differ, and why would their members choose those different actions?	**OPEC members coordinate oil-production policies to support stable oil markets and protect oil income. AfCFTA members work to reduce trade barriers so buying and selling across African borders becomes easier.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

The countries could use one shared border form instead of three different forms. The fruit-growing country could sell more fruit, and the jar-making country could gain customers. The packing country could get supplies more easily and sell more finished food. The countries would still need to agree on food safety rules.

For the marking task, accept any passage-supported goal paired with a relevant action for each group. For Your Turn, accept a workable barrier reduction, a benefit for each of the three countries, and a plausible remaining problem.