

PUAF 700: U. S. Trade: Policy and Politics
Midterm Examination
November 17, 2004

GENERAL INSTRUCTIONS:

Please identify yourself by your *student ID number*, NOT your name.
Use a blue book for Part A and a book of another color for Part B.
You have a total of two (2) hours to complete the exam.

PART A (60 Points): Identify ten of the following, discussing in a short paragraph the significance of each for international trade and/or US policy.

Appellate Body	renminbi
C. Fred Bergsten	$S - I = X - M$
Cancun Ministerial	TAA
dumping	tariffs
“executive broker”	twin deficits
food safety	Uruguay Round
FTAs	wage insurance
quota rents	Robert Zoellick

PART B (40 Points): Respond to one of the following.

1. On or before March 1, 2005, President George W. Bush must notify Congress of his desire for extension of Trade Promotion Authority (TPA, aka “fast track”) through June 2007.

Write an essay explaining: (a) why TPA is important to US trade policy and (b) the impediments to its receiving a stronger endorsement than the 215-214 House vote of December 2001 (or the 215-212 vote approving the Conference Report in July 2002). Conclude with suggestions of steps the administration might take to broaden House support.

2. On January 1, 2005, the Multi-Fiber Arrangement will no longer be in force. For the first time since the early 1960s, world trade in textiles will be largely free of quota restrictions.

Discuss the implications of this change for: (a) the US textile industry and its strategy of “managed liberalization”; (b) China; (c) developing-country exporters generally; and (d) U.S. trade policy.