

Questions for PubPol/Econ 541
Oct 14

Intermission

Optional to Read:

Scott, Linda, “It’s time to end the male monopoly in international trade,” *Financial Times*, September 20, 2020.

- What evidence does she present that international trade is a “male monopoly”?
<a: **“99 per cent of trade and 99 per cent of procurement contracts, whether from governments or companies, are controlled by men. >**
- What are some of the “myriad constraints” that block participation in trade by women? <a: **She lists many, most dating back to male domination of pretty much everything: capital, finance, property, even leaving home. And when women are out, they are vulnerable to violence, bullying, and corruption.>**
- How much of this is specific to international trade, rather than applying economic activity more generally? <a: **It looks pretty general to me, though a few things, such as customs officers requiring sexual favors, are specific to trade.>**
- Is the fix for this to insist that trade institutions be “gender neutral”? <a: **No, that’s not enough. She says that reforms need to “explicitly address the gender restrictions,” but I’m not sure she doesn’t want something even stronger.>**

Economist, “Making Trade Greener: When environmental protection turns into trade protection,” *The Economist*, October 9, 2021.

- Does the WTO Director General believe that the WTO can be part of the solution to climate change? Does USTR Tai think so? <a: **Yes for WTO’s Ngozi Okonjo-Iweala. But Tai notes that “many” see WTO as part of the problem.>**
- What are some of the things that need to be fixed in the overlap between trade and environment? <a: **High fossil fuel subsidies. Lower tariffs on carbon-intensive goods than others. CO2 emissions associated with trade itself. Trade that happens as producers try to escape from environmental regulations. The WTO prohibits trade restrictions based on how products are made.>**
- Have there been any policy actions in trade that are responsive to environmental needs? <a: **Yes, several are mentioned. New EU trade agreements are conditional on them. An EU deal with Indonesia lowers tariffs for some palm-oil exporters who behave well. APEC launched talks to do this. China banned import of plastic waste.>**
- What is a carbon border adjustment, and who looks like they might initiate one? <a: **It’s a tax on imports that are carbon intensive into countries that have**

carbon taxes or their equivalent. The EU is certainly moving towards one, and others have suggested that they might be: Canada, Biden, UK.>

Telling, Oliver, "China Urges Developing Countries to Oppose ‘Unrealistic’ Shipping Levy," *Financial Times*, July 2, 2023.

- What organization was meeting at which this shipping levy was to be discussed? **<a: The UN’s International Maritime Union.>**
- What is the purpose of the proposed shipping levy? **<a: To help fight climate change by making shipping, which is a major contributor to carbon emissions, bear a larger cost.>**
- Who does China say this will hurt? **<a: Developing countries.>**
- Would China be hurt? Why? **<a: Yes, as it is the world’s largest exporter and has large state-owned shipping companies.>**
- Would developed countries benefit from the levy? **<a: China says yes, as it would improve their competitiveness.>**

Economist, "The Urge to Protect: How Trade Restrictions Are Being Used as a Tool to Protect Human Rights," *The Economist*, October 9, 2021.

- What are the three parts to the move to protect human rights (e.g., labor rights) with trade policy? **<a: Adding provisions to trade agreements, like the USMCA and ones that the EU does; making GSP tariff preferences conditional on labor rights; and banning products from places with poor labor rights, most obviously Xinjiang.>**
- Is the motive for these trade restrictions to protect workers and businesses in the developed countries? **<a: Not according to this. It is to “establish moral grounds to block goods made in terrible conditions.”>**
- Do these policies change behavior? **<a: Evidence from the trade agreements and preferences is weak, suggesting some changes in official policies but less change in enforcement. For bans there are examples of changes made, but they may not have been lasting.>**

Swanson, Ana, "Foreign Trade Competition Has Hurt Black and Disadvantaged Workers Most, Report Says," *New York Times*, November 15, 2022.

- Who produced the report cited here? Who asked for it **<a: The USITC, at the request of USTR Tai.>**
- Which political party is now skeptical of the benefits of free trade? **<a: Both.>**
- What are some reasons why people of color are more likely to be hurt by trade and globalization? **<a: They are less educated, and US exports are skill-intensive; there is discrimination; there is “disparate access to transportation” that would help them adjust to shocks; foreign factories reduce bargaining power and hurt US workers.>**
- What US government program is supposed to help trade-impacted workers, and how well does it work? **<a: TAA, and as of this writing it had lapsed due to Congress’s failure to fund it.>**