

**American University Washington College of Law
LAW 817-002: International Trade Policy, Theory & Practice
Aluisio Lima-Campos and Sheridan S. McKinney
Spring 2015**

Class meets on Mondays, 6:30-9:10pm, Room 313

Course Description:

This course offers an examination of the trade policies of major players, a discussion of trade policy instruments and their impacts on international trade law and negotiations. Students will develop an analytical view of the U.S. trade policy system in comparison with systems of the European Union, Brazil, China, and other developing countries.

Taught by a foreign government official and a U.S. attorney-lobbyist, this course offers the unique opportunity for students to learn about complex international trade issues from the perspective of foreign governments and foreign practitioners. The course is recommended for students who want to develop a critical view of international trade negotiations and understand the motivations behind the policies and actions of governments regarding international trade issues.

Required Text:

Policy Development and Negotiations in International Trade: A Practical Guide to Effective Commercial Diplomacy, Geza Feketekuty, ed. (2012). Best price available is on Amazon.

Grading:

- Class participation (30%)
- Final exam, closed-book, essay questions (70%)

Class Participation and Attendance:

Students are expected to read the assigned texts before class and be prepared for discussion. Students are encouraged to volunteer to answer questions and present their opinions during class, but the professors may also call on students at random. Class discussion will focus on the topics listed in the syllabus. Attendance is mandatory. As part of the participation, each student will prepare a 10-minute presentation for one of the classes during the semester. The topic will be assigned during the first class. **NOTE: It is WCL policy that students may not receive credit for the course if they have more than three absences during the semester.**

Contact information:

Sheridan S. McKinney
(305) 898-2839

Aluisio Lima-Campos
(202) 238-2767

Sheridan.mckinney@gmail.com

acampos@wcl.american.edu

Class Schedule:

Part 1:
Classes 1 to 5: Trade Policy

Class 1: January 12, 2015

Course introduction (includes class structure and grading methodology)

Introduction to trade policy systems

Reading:

1. Marcos Sawaya Jank & Simão Davi Silber, *Comparative Trade Policies*, Editora Singular (2007). **Note:** this book is not available for sale in the United States. Selected chapters used in this course are posted on Blackboard and available for free download. For class 1 read pp. 11-70.
2. Trebilcock, Michael J. and Howse, Robert, *Regulation of International Trade*, Routledge (2005). For class 1 read pp. 1-38.
3. Feketekuty, G. For class 1 read Section I, pp. 1-14.
4. Read through *Understanding the WTO*. Concentrate on *Basics* and *Agreements*, peruse the rest: http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact5_e.htm
5. Vienna Convention on the Law of Treaties, 22 May 1969. Read Articles 31-33: http://www.eisil.org/index.php?sid=4ails&id=125&t=link_details&cat=789

No Class Monday January 19, 2015 – Martin Luther King Jr. Observance Day

Class 2: January 26, 2015

The U.S. trade policy system

How to influence policy

The U.S. perspective on trade issues and negotiations

Reading:

1. *Comparative Trade Policies*, pp. 327-373
2. Parts II, III and IV of the WTO Trade Policy Review for the United States: available online for free download at http://www.wto.org/english/tratop_e/tpr_e/tpr_e.htm

Class 3: February 2, 2015

The European trade policy system and comparison with other systems

How to influence policy

The European perspective on trade issues and negotiations

Reading:

1. *Comparative Trade Policies*, pp. 375-434
2. Parts II, III and IV of the 2013 WTO Trade Policy Review for the European Communities: available online for free download at: http://www.wto.org/english/tratop_e/tpr_e/tp384_e.htm
3. Kelly, Dominic and Grant, Wyn, *The Politics of International Trade in the Twenty- First Century*, Palgrave (2005). For class 3 read pp. 234-251.

Class 4: February 9, 2015

BRICs Part 1: the Brazilian and Chinese trade policy systems

How to influence policy

The Brazilian perspective on trade issues and negotiations

The Chinese perspective on trade issues and negotiations

Reading:

1. Trade Policy-Making Process in Brazil, article by Mario Marconini (available in your Blackboard “documents” section listed as Marconini article)

2. The Politics of Trade in Brazil, article by Pedro da Motta Veiga in *The Politics of International Trade in the Twenty-First Century*, pp. 221-233.

3. Parts II, III and IV of the WTO Trade Policy Review – Brazil

http://www.wto.org/english/tratop_e/tpr_e/tpr_e.htm – use as reference

4. China: read accession agreement:

http://www.wto.org/english/thewto_e/countries_e/china_e.htm

5. China’s Trade Policy, article by Shaun Breslin in *The Politics of International Trade in the Twenty-First Century*, pp. 346- 366.

Class 5: February 16, 2015

BRICs Part 2:

Trade policy systems of other developing countries (Russia and India)

How to influence policy

Developing countries’ perspective on trade issues and negotiations

Reading:

1. Relevant parts of the WTO Trade Policy Review for India and Russia, accessible through the WTO website at: http://www.wto.org/english/tratop_e/tpr_e/tpr_e.htm

2. Russia: read relevant sections of materials available at <http://lcweb2.loc.gov/frd/cs/rutoc.html>

3. Russia: read accession agreement:

http://www.wto.org/english/thewto_e/countries_e/russia_e.htm

Part 2:

Classes 6 to 14: Trade Policy Tools

Class 6: February 23, 2015

Trade remedies: theory and practice of safeguards

Readings:

1. WTO Agreement on Safeguards: http://www.wto.org/english/docs_e/legal_e/legal_e.htm

2. Finger, Michael, *Safeguards & Antidumping in Latin American Trade Liberalization*, pp. 30-36.

3. Trebilcock, Michael J. and Howse, Robert, *Regulation of International Trade*, Routledge (2005). For class 8 read pp. 300-396.

Class 7: March 2, 2015

Trade remedies: theory and practice of anti-dumping duty proceedings

Readings:

1. WTO Anti-dumping Agreement (Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994): http://www.wto.org/english/docs_e/legal_e/legal_e.htm
2. Aluisio Lima Campos & Adriana Vito, *Abuse and Discretion: the Impact of Antidumping and Countervailing Duty Proceedings on Brazilian Exports to the United States*, 38:2 JWT 37-68 (2004).
3. Brink Lindsey & Daniel J. Ikenson, *Antidumping 101: the Devilish Details of “Unfair Trade” Law*, Cato Institute Trade Policy Analysis No. 20 (2002).
4. Finger, Michael, *Safeguards & Antidumping in Latin American Trade Liberalization*. For class 6 read: Introduction and Overview, pp. 1-43.
5. *Journal of World Trade*, Vol. 39, N° 01, February 2005, the 10 Major Problems with the Anti-Dumping Instrument: an attempt at synthesis.
6. Trebilcock, Michael J. and Howse, Robert, *Regulation of International Trade*, Routledge (2005). For class 6 read pp. 232-261.
7. Aluisio Lima-Campos, *Nineteen Proposals to Curb Abuse in Anti-dumping and Countervailing Duty Proceedings*, 39:2 JWT 239-280 (2005).

No class on Monday March 9, 2015 (Spring break)

Class 8: March 16, 2015

Anti-dumping and countervailing measures (continued)
Trade remedies: theory and practice of countervailing duty proceedings

Readings:

1. WTO Subsidies Agreement (Agreement on Subsidies and Countervailing Measures): http://www.wto.org/english/docs_e/legal_e/legal_e.htm
2. Aluisio Lima-Campos & Juan Gaviria. “A Case for Misaligned Currencies as Countervailable Subsidies.” 46(5) *Journal of World Trade* 1017 (2012).
3. Anti-Subsidies Measures in Europe: <http://europa.eu/scadplus/leg/en/lvb/r11006.htm>
4. Anti-Subsidies Measures in the United States, please download the text of the U.S. International Trade Commission's Antidumping and Countervailing Duty Handbook at http://www.usitc.gov/trade_remedy/731_ad_701_cvd/documents/handbook.pdf. Please read: Part II and Part IV of the Handbook.
5. Trebilcock, Michael J. and Howse, Robert, *Regulation of International Trade*, Routledge (2005). For class 7 read pp. 262-299.
6. Aluisio Lima-Campos. “Predatory Currency Misalignments: A Credible Threat to the International Trade Order.” Available at: <http://www.piie.com/publications/papers/limos-campos20130402.pdf>

Class 9: March 23, 2015

Non-tariff trade policy tools: technical barriers to trade, sanitary and phytosanitary measures, internal taxation and others

Readings:

1. WTO Agreement on Technical Barriers to Trade and WTO Agreement on the Application of Sanitary and Phytosanitary Measures: http://www.wto.org/english/docs_e/legal_e/legal_e.htm
2. Trebilcock, Michael J. and Howse, Robert, *Regulation of International Trade*, Routledge (2005). For class 9 read pp. 202-231

Class 10: March 30, 2015

Dispute Settlement

Reading:

1. WTO Agreement on Rules of Origin and Understanding on Rules and Procedures Governing the Settlement of Disputes (Annex 2 of the WTO Agreement):

http://www.wto.org/english/docs_e/legal_e/legal_e.htm

2. Understanding the WTO. For class 10, read chapter 3, pp. 55-60

3. Representing Developing Countries in WTO Dispute Settlement Proceedings, article by Niall Meagher in Bermann, George A. and Mavroidis, Petros C., WTO Law and Developing Countries, Cambridge (2007), pp. 213-232.

Class 11: April 6, 2015

Rules of Origin

Preference Programs

International Trade Agreements (Bilateral, Regional and Multilateral Trade Agreements)

The “Spaghetti Bowl” Analogy

Reading:

1. The Pros and Cons of Pursuing Free-Trade Agreements, Congressional Budget Office (July 31, 2003).

2. Irwin, Douglas A., How Free is Free Trade?: Bhagwati’s ‘Termites in the Trading System’, The New York Sun (July 21, 2008).

3. Preferential Trade Agreements, article by Aluisio de Lima-Campos in Trade and International Negotiations for Journalists, CEBRI and Icone (2009), pp. 101-109.

4. OPTIONAL: “Preferential Trade Agreements: Policies for Development” World Bank Group 2011. A helpful resource available for free download at:

<http://wbi.worldbank.org/wbi/news/2011/07/11/preferential-trade-agreement-policies-development>

Class 12: April 13, 2015

Advanced analysis of international trade negotiations (DOHA, FTAA)

Reading:

1. Charan Devereaux, Robert Z. Lawrence & Michael D. Watkins, Case Studies in US Trade Negotiation. Vol. 1: Making the Rules, Institute for International Economics (2006)- pps 7-35.

Class 13: April 20, 2015

Simulation: trade policy decision-making process, part 1

The class will be divided in groups for this exercise.

Class 14: April 22, 2015 (last class before exam)

Simulation: trade policy decision-making process, part 2

The class will be divided in groups for this exercise.

Question and answer session in preparation for the final exam.

Final exam date: will be determined and announced by the Registrar’s Office.