

1: America has imposed Countervailing Duties against Brazilian coffee beans of five dollars per kilogram. There are no duties applied by the United States against Israeli coffee beans or powder or coffee drinks ready made. The “Arcafe” buys Brazilian coffee beans and roasts, grinds and mixes them with milk, sugar and water, making “Holy Land Coffee Drink”, which it then intends to sell in large containers to the United States where it will be bottled and sold.

In order to come into America duty free, the importers will have to show, among other things, that:

- a. They have an import license for the Brazilian coffee beans
 - b. That the Brazilian beans have undergone substantial transformation
 - c. The Brazilian beans will fall under the U.S. Quota
 - d. Israel qualifies for the Generalized System of Preferences
- 2.** Which of the following can NOT operate as an exception to GATT 1994’s MFN:
- a. Regional Trade Agreements
 - b. National Security
 - c. Preferences for Developing Countries
 - d. Human Rights
- 3.** Which of the following is conceptually considered to be the least harmful trade distortion:
- a. Tariffs
 - b. Quotas
 - c. Subsidies
 - d. Technical Specifications
- 4.** The WTO Agreement on Agriculture required:
- a. the elimination of agricultural export subsidies on products by 2013.
 - b. Tarrification of non-tariff barriers
 - c. Elimination of the European CAP
 - d. Sugar import quotas be eliminated
- 5.** The theory of Comparative Advantage concerns:
- a. Unfair pricing in dumping and CVD cases
 - b. The rationale behind the use of Safeguards
 - c. The negotiating mechansim for GATT, and now WTO, negotiations
 - d. The mechanism through which nations trade

6. What are the three legs of today's Bretton Woods System:
- IMF, World Bank and the WTO
 - IMF, World Bank and the ITO
 - UN, WHO and the WTO
 - World Bank, WTO, and WHO
 - WTO, GATT, and the GATS
7. Which of the following is NOT a reason for Tariffs being considered by free trade supporters the most "acceptable" form of protection:
- They are more transparent
 - They do not form an ultimate barrier to a foreign efficiently produced product
 - They can be negotiated separately with each WTO member
 - They are easy to administer at the border
 - They do not require large expenditures by the government.
8. Which of the following responses to "Fair Trade" would be illegal under the WTO:
- Safeguards
 - Adjustment Assistance
 - Voluntary Restraint Agreements
 - Article XXVIII renegotiations
 - Article XXV waivers
9. All but one the following is a benefit of Article XIX, which one is NOT a benefit?
- Restores the prices of imported goods to a fair value
 - Helps governments make concessions during trade negotiations
 - Helps industries adjust to imports
 - Stops states acting unilaterally when trade deals produce harms
 - Provides industries with time to become more competitive
10. The GATT was created with institutional structure (budget, secretariat, etc).
- True
 - False