

Course: International Trade and Policy

Week 15: Applied Policy Debates and Workshops: Digital Trade, Agricultural Subsidies, National Security & Trade Controls

Instructions: Please select the best answer for each of the following ten questions. Each question has only one correct answer.

Question 1

What is a central tension in digital trade governance according to the slides?

- A) Tariffs on agricultural goods versus industrial goods
- B) Cross-border data flows versus data localization requirements
- C) Labor standards versus environmental protection
- D) Currency exchange rates versus capital controls

Question 2

Under WTO agricultural subsidy rules, which category is considered minimally trade-distorting and includes subsidies for R&D and environmental programs?

- A) Amber Box
- B) Blue Box
- C) Green Box
- D) Red Box

Question 3

The US Section 301 investigation launched in 2017 ultimately led to which major trade action?

- A) The creation of the WTO
- B) Tariffs on \$250 billion of Chinese goods, initiating the US-China trade war
- C) The elimination of all US agricultural subsidies
- D) The signing of the CPTPP agreement

Question 4

What is the purpose of the WTO e-commerce moratorium mentioned in the slides?

- A) To ban all e-commerce worldwide
- B) To prohibit countries from imposing customs duties on electronic transmissions
- C) To require all digital products to be physically delivered
- D) To eliminate all privacy protections for online shopping

Question 5

According to the slides, why are semiconductors a central focus of national security trade controls?

- A) They are only used in consumer electronics
- B) They are the foundation of AI, 5G, and defense systems, with 80% of advanced chips made in Taiwan
- C) They have no military applications
- D) They are easily produced in every country

Question 6

What was the key outcome of the Schrems II ruling regarding EU-US data transfers?

- A) It strengthened the Privacy Shield agreement
- B) It invalidated the Privacy Shield, leading to a new EU-US Data Privacy Framework
- C) It eliminated all EU data protection rules
- D) It allowed unrestricted data flows without any safeguards

Question 7

In the cotton subsidies debate, what is the main argument against developed country subsidies?

- A) They increase global cotton prices too much
- B) West African farmers lose an estimated \$250 million+ annually due to US and China subsidies
- C) They have no effect on developing countries
- D) They benefit only European farmers

Question 8

What does the CHIPS Act (US) and EU Chips Act represent in terms of trade policy?

- A) A move toward unilateral disarmament of industrial policy
- B) Large government subsidies (52BUS,52BUS,43B EU) to boost domestic semiconductor production
- C) A ban on all semiconductor imports
- D) An agreement to eliminate all semiconductor tariffs

Question 9

According to the slides, what policy tool does the US use to restrict advanced chip exports to China?

- A) Voluntary export restraints
- B) The Foreign Direct Product Rule and Entity List
- C) Carbon border adjustment mechanisms
- D) Agricultural price supports

Question 10

What is one of the three short-term policy recommendations proposed at the end of the slides?

- A) Eliminate all WTO dispute settlement mechanisms
- B) Extend the WTO e-commerce moratorium for 2 years with a development review
- C) Ban all cross-border data flows permanently
- D) Remove all agricultural subsidies immediately without transition

Answer Key

- 1. B
- 2. C
- 3. B
- 4. B
- 5. B
- 6. B
- 7. B
- 8. B
- 9. B
- 10. B