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A Short History of U.S. Agricultural Trade Negotiations

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A SHORT HISTORY OF U.S. AGRICULTURAL TRADE NEGOTIATIONS. By Jane M. Porter and Douglas E. Bowers. Agriculture and Rural Economy Division, Economic Research Service, U.S. Department of Agriculture. Staff Report No. AGES 89-23.

Abstract

The U.S. proposal to eliminate domestic farm subsidies worldwide, presented to the Uruguay Round of the General Agreement on Tariffs and Trade negotiations in 1987, is a significant break with past policies. Trade liberalization has been a U.S. goal since the Reciprocal Trade Agreements Act of 1934, but, until recently, the United States and many other nations have acted to preserve their own farm subsidies. In the 1980's, slower growth in international farm trade, the threat of trade wars, and higher subsidy costs have led to a reassessment of domestic as well as export subsidies and have created a climate favorable to eliminating subsidies.

Keywords: GATT, trade liberalization, foreign trade, farm subsidies.

Acknowledgments

The authors wish to thank Tom Hady for his careful review of this manuscript and Juanita Holder for preparing the camera copy.

1301 New York Avenue, NW
Washington, DC 20005-4788

August 1989

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