# US Trade Policy Towards the Least Developed Countries: Are these Countries' Interests Congruent or in Conflict?

**Craig VanGrasstek**

*John F. Kennedy School of Government, Harvard University*

## Introduction

Trade relations between the United States and the least developed countries (LDCs) are problematic. Even more than the developing countries as a group, the LDCs are widely thought to need preferential access to industrialized countries' markets. And while the United States and the rest of the world have agreed to extend duty-free, quota-free (DFQF) access to imports from these poorest countries, that promise has yet to be fulfilled in its entirety. Ironically, one of the barriers to the fulfillment of that pledge is a dispute within the LDC group: Those countries that already enjoy DFQF treatment, or at least something approximating it, see the extension of similar treatment to the other LDCs as a threat to their own interests. Those concerns, which are expressed principally by the LDCs in sub-Saharan Africa as well as Haiti, are shared by some policymakers in the United States.

The LDCs are the poorest of the world's poor countries. Taken as a group, the 49 LDCs comprise roughly 11% of the world's population, but account for barely one percent of the world's GDP. These countries are granted special recognition in the systems of both the United Nations (UN) and the World Trade Organization (WTO). The LDCs are so designated by the UN on the basis of objective criteria.[1] The circles of African countries and LDCs overlap significantly. Thirty-three of the 49 LDCs are located in Africa. This means that Africa accounts for just over two-thirds of the world's LDCs, and that just over-two-thirds of the 47 independent countries in sub-Saharan Africa are LDCs. Haiti is the only LDC in the Western Hemisphere, with all of the other countries in this category being located in Asia and the Pacific.

Although the LDCs share many common concerns, they are often divided over issues affecting access to the US market. Those divisions are rooted in three facts: (1) apparel products dominate the exports of many LDCs to the United States, (2) Haiti and most of the African LDCs currently enjoy preferential access to the US market for these products under special preference programs, and (3) those LDCs that already enjoy preferential access to the US market fear that any reductions of their margins of preference, whether through erosion (i.e., multilateral liberalization in the Doha Round) or dilution (i.e., through the extension of preferential treatment to other countries) will come at their expense. From their perspective, LDCs such as

1 While the benchmarks have evolved over the decades, these criteria are based on three tests: a low income, as measured by the gross domestic product per capita; weak human resources, as measured by a composite index of indicators; and a low level of economic diversification, as measure by another composite index. The criteria are periodically examined to adjust the list. For more information see http://www.unohrlls.org/en/ldc/25/.

Bangladesh and Cambodia pose the same sort of threat as China, Vietnam, and other apparel-exporting powerhouses in Asia. By contrast, the Asian LDCs that do not currently enjoy preferential access to the US market would like either to obtain treatment that is comparable to that enjoyed by Haiti and African LDCs or, failing that, multilateral reduction in the US tariffs.

This paper advances two arguments regarding the interests of the African LDCs. The first is that while it is in the interests of these countries to maintain and seek improvements in the preferential access that they enjoy to the US market, the competitive threat that they face from the Asian LDCs is vastly exaggerated. While it is true that access to the US apparel market tends to be seen in zero-sum terms, and that any benefit extended to one country might come at the expense of others, the actual value of apparel imported from the Asian LDCs is far below that of other countries with which all of the apparel-exporting LDCs must compete. Simply stated, the Asian LDCs comprise an almost negligible share of the threat posed to the other LDCs.

The second point is that the LDCs as a whole, including those from Africa and other regions, have allowed this dispute to undercut their effectiveness in multilateral trade negotiations by producing an unneeded rift within the group. It is in the interests of all LDCs for these countries to cooperate effectively, and they would all benefit from healing that rift. It would serve their collective interests if the LDCs were to encourage the United States to take three steps to enhance the effectiveness of preferential trade programs for developing countries in general, and for the LDCs in particular. The first is the renewal of the Generalized System of Preferences, which is currently scheduled to expire at the end of 2010. Second, the United States should also enact of a new trade program that would extend enhanced preferences to those Asian LDCs that do not currently benefit from the regional programs now in place for LDCs in Africa and the Americas. Third, the renewal and expansion of these preferential programs offers an opportunity to reform of the rules of origin for the preferential trade programs in order to make them more user-friendly for the beneficiary countries and their partners in the United States. These reforms would help to fulfill a commitment made by the United States and other industrialized countries, and benefit not only the LDCs but also the producers and consumers in the United States.

## The commitment to extend duty-free, quota-free treatment to LDCs

The United States and the rest of the world community have made a commitment to extend DFQF treatment to imports of products from the LDCs. While that commitment has largely been met with respect to imports from most LDCs located in Africa or the Americas, there remain many imports from Asian LDCs that are still subject to very high average tariffs.

The DFQF initiative was originally made in the 1996 WTO Singapore Declaration[2]

2 See paragraph 14 of the Declaration, in which the ministers agreed to a Plan of Action that includes "provision for taking positive measures, for example duty-free access, on an autonomous basis, aimed at improving their overall capacity to respond to the opportunities offered by the trading system"

and reiterated as a commitment in 2000 at the United Nations Millennium Summit. In the Summit's Millennium Declaration, world leaders agreed to a set of measurable goals and targets for combating poverty, hunger, disease, illiteracy, environmental degradation, and discrimination against women. Among these Millennium Development Goals was one that "call[ed] on the industrialized countries … [t]o adopt, preferably by the time of [the Third United Nations Conference on the Least Developed Countries to be held in May 2001], a policy of duty- and quota-free access for essentially all exports from the least developed countries." That deadline was not met, but the commitment was reiterated when the Doha Development Agenda (also known as the Doha Round) was launched in 2001. In paragraph 42 of the Doha Ministerial Declaration of 2001, the ministers "recognize[d] that the integration of the LDCs into the multilateral trading system requires meaningful market access, support for the diversification of their production and export base, and trade-related technical assistance and capacity building." In that same paragraph, the ministers stated that they "commit[ted them]selves to the objective of duty-free, quota-free market access for products originating from LDCs."

There are two reasons why the Doha Round *per se* is not likely to produce a deal that will fulfill the DFQF pledge. The first is that the outcome of the round itself is uncertain: A series of deadlines have been missed, the talks have repeatedly broken down, and no one can say whether or when the round will ever be concluded. The second is that the deals now on the table for LDCs fall far short of true, comprehensive DFQF treatment.

At the Hong Kong (2005) ministerial meeting of the WTO the ministers agreed that "developed-country Members shall … [p]rovide duty-free and quota-free market access on a lasting basis, for all products originating from all LDCs by 2008 or no later than the start of the implementation period in a manner that ensures stability, security and predictability." That commitment was nevertheless restricted by a further proviso allowing countries to limit provision of DFQF to "at least 97 per cent of products originating from LDCs, defined at the tariff line level." This is a potentially crippling restriction. The 97% figure may appear at first glance to require substantial coverage, but it is significant that this proportion is to be counted by tariff lines and not on a trade-weighted basis. Depending on how the exclusions are selected, they could ensure that the DFQF initiative represents little change from the status quo.[3]

Because the Doha Development Agenda negotiations are not likely to produce commitments that fulfill the DFQF commitment, the United States should instead follow the precedent set by other industrialized countries that have enacted special programs that extend DFQF treatment to the LDCs on an autonomous basis. Australia offers completely DFQF treatment by both tariff lines and actual imports, and all imports from the LDCs are covered in Canada, New Zealand, Singapore and the EU (with the exception of arms). The United States is among the countries that offers DFQF access for most, but not all, imports from the LDCs.

3 In 2008 the United States imported goods from the LDCs under 4479 separate eight-digit lines in the Harmonized Tariff Schedule. If one were to exclude the maximum 3% of those lines from the DFQF initiative, that would come to some 134 lines. Excluding that number of tariff lines could easily mean something approaching a 100% exclusion for the apparel sector.

## Treatment of imports from LDCs under current US preference programs

The United States has extended preferential access to developing countries ever since the Generalized System of Preferences (GSP) entered into effect in 1976. The scope of GSP benefits was expanded in 1997 for the LDCs, including duty-free access for petroleum. Other programs that offer preferential access to the LDCs, as well as other developing countries, include the Caribbean Basin Initiative (CBI), which was first extended under the Caribbean Basin Economic Recovery Act (CBERA) in 1983 and then expanded under the Caribbean Basin Trade Partnership Act (CBTPA) of 2000; the African Growth and Opportunity Act (AGOA), which came into effect in 2001; and the Haitian Hemispheric Opportunity through Partnership Encouragement Act (HOPE), which came into effect in 2007.

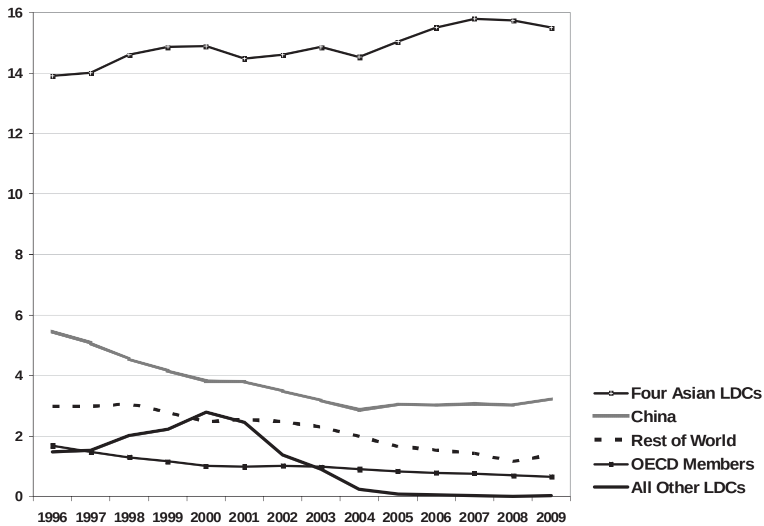
Under these programs the United States does extend close approximation of DFQF treatment to several LDCs. As can be seen in Table 1, nineteen of the 49 LDCs receive comprehensive preferences under either the CBI or AGOA. Another seven African LDCs, none of which are major textile and apparel exporters, receive free access for the vast majority of their exports. The DFQF access to the US market is much more important to the countries that depend upon apparel exports (which would otherwise face very high tariffs) than it is to those countries that export oil (which would otherwise face very low tariffs).

**Table 1** Designations of LDCs under US preferential programs
(Status as of 1 May 2010; countries listed according to highest preferences received)

| | Apparel-dependent | All other LDCs | Oil-dependent |
|---|---|---|---|
| Comprehensive preferences | Haiti, Lesotho, Madagascar, Malawi | Benin, Burkina Faso, Dem. Rep. of the Congo, Ethiopia, Gambia, Mali, Mozambique, Niger, Rwanda, Senegal, Sierra Leone, Tanzania, Uganda, Zambia | Chad |
| Partial AGOA preferences | – | Burundi, Djibouti, Guinea, Central African Republic,* East Timor, Kiribati, Liberia,* Samoa, Solomon Islands, Somalia,* Togo,* Tuvalu, Vanuatu | Angola, Equatorial Guinea |
| Regular GSP preferences | – | Eritrea* | – |
| No preferences | Laos | Maldives, Myanmar, SUdan* | – |

*Notes*: * = The country is potentially eligible for the African Growth and Opportunity Act but has not been designated. Comprehensive Preferences = Full AGOA benefits for Africa, or CBI, CBTPA, and HOPE for Haiti. The apparel- and oil-dependent countries are those for which these commodities account for at least 20% of their exports to the United States.

**Figure 1** Average tariffs on US imports from selected partners, 1996-2009 (calculated duties as a percentage of the value of goods)




*Source*: Calculated from US International Trade Commission data.

This still leaves many countries that receive only GSP preferences, which cover only a limited range of products,[4] or no preferences at all. The problem is greatest for the countries that are in regions outside the scope of the African and Caribbean programs. All of the other LDCs have at least a path to DFQF-like treatment. These programs, together with the phase-in of the results of multilateral liberalization in the Uruguay Round, produced a substantial expansion in the share of imports from LDCs that enter on a duty-free basis. At the start of this decade about half of the goods imported from LDCs entered the United States on a dutiable basis. That share fell steadily as a result of new, preferential programs.

As can be appreciated from the data illustrated in Figure 1, the differing treatment extended to distinct LDCs has produced a real irony: LDCs are subject to either the lowest or the highest average tariff rates, depending on the group. Four apparel-dependent LDCs in Asia are denied preferential treatment for their most important exports, and are subject to tariffs that average 15-16%. Those average have in fact increased since the Uruguay Round results began to take effect in the mid-1990s, even though average tariffs on most other countries have decreased curing that period. The decrease has been especially notable for all other LDCs. Those countries had faced somewhat higher than average tariffs prior to 2000, when new preferences were enacted, but since then they have dropped to almost nothing.

4 The range of goods that are eligible for duty-free treatment under the GSP is wider for the LDCs than it is for other developing countries, but the law does not specify the standards by which the LDCs are to be determined. Forty-four of the LDCs are designated for GSP-LDC treatment. Four LDCs are denied basic GSP treatment, and hence are excluded from the GSP-LDC program as well, and one LDC benefits only from the regular GSP program.

**Table 2** Treatment of US imports from LDCs, 2009
(Imports for consumption, customs value, thousands of dollars and percentages)

| | All LDCs | Share | 4 Asian LDCs | Share | All other LDCs | Share |
|---|---|---|---|---|---|---|
| MFN Dutiable | 6,499,444 | 30.2% | 5,500,854 | 96.2% | 998,590 | 6.3% |
| MFN Duty-Free | 2,048,479 | 9.5% | 183,906 | 3.2% | 1,864,573 | 11.8% |
| AGOA | 5,987,667 | 27.8% | 0 | 0.0% | 5,987,667 | 37.8% |
| GSP | 6,620,530 | 30.7% | 34,951 | 0.6% | 6,585,579 | 41.6% |
| Eligible for GSP-LDCs | 6,515,171 | 30.2% | 11,227 | 0.2% | 6,503,944 | 41.1% |
| Eligible for regular GSP | 105,359 | 0.5% | 23,724 | 0.4% | 81,635 | 0.5% |
| Caribbean Basin Initiative | 388,845 | 1.8% | 0 | 0.0% | 388,845 | 2.5% |
| Eligible for CBTPA | 373,967 | 1.7% | 0 | 0.0% | 373,967 | 2.4% |
| Eligible for CBERA | 14,878 | 0.1% | 0 | 0.0% | 14,878 | 0.1% |
| **Total** | **21,544,965** | **100.0%** | **5,719,711** | **100.0%** | **15,825,254** | **100.0%** |

*Note*: The "4 Asian LDCs" are Bangladesh, Cambodia, Laos, and Nepal.
*Source*: Calculated from US International Trade Commission data.

The differences in the tariff treatment extended to the Asian and other LDCs is further shown by the data in Table 3. The vast majority of the imports from the four Asian LDCs were subject to duties in 2009, compared to just 6.3% of the imports from other LDCs. Just over one-tenth of the imports from Haiti and sub-Saharan African countries were duty-free on a most-favored-nation (MFN) basis, and the rest received preferential treatment under various programs.

As can be seen from the data in Table 2, Bangladesh, Cambodia, Laos, and Nepal were dutiable on a normal trade relations (NTR) basis. The only preferences that these countries receive come under the GSP (to which Laos is not yet designated); that program accounted for only one-half of one percent of US imports from these countries. By contrast, all but 3.16% of the imports from the other 44 LDCs entered on a duty-free basis, primarily under AGOA and the GSP.

The LDCs face not only higher average tariffs, but also higher average shipping costs. Those higher shipping costs offer a rough estimate of the actual dollar costs that are imposed on LDCs by some of their structural disadvantages, including some that are immutable (i.e. distance from the US market) and others of which can be changed only slowly and with great effort (e.g. costly and inefficient port facilities and transportation networks). On average, it costs $3.93 to ship $100 worth of goods from an LDC to the United States in 2008. When this is added to the average tariff of $2.90, that comes to total costs of $6.57.[5] That is almost two and a half times more than the costs that one would need to pay in order to import $100 worth of goods from the average industrialized country ($2.64). Put another way, even if all the tariffs on the LDCs were to be removed, and all of the tariffs on industrialized countries were to remain in place, it would still cost substantially more to import goods from an LDC than it does to import goods from an industrialized country.

## The need for a new preferential program

The data presented above demonstrate that while the DFQF pledge has largely been fulfilled for the LDCs in Africa and the Americas, the United States falls far short of

5 Author's calculations, based on US International Trade Commission data.

meeting that goal for the apparel-exporters among the Asian LDCs. That inequity could be resolved by enacting a new preferential program that would extend treatment to these countries that is comparable to that now enjoyed by LDCs in other regions.

Those who oppose such a program often raise the objection that any benefits extended to the Asian LDCs will necessarily come at the expense of the AGOA beneficiaries and Haiti. These fears, however, are not borne out by trade data. While it is true that the apparel-exporting LDCs do compete with one another in the US market, it would be a vast exaggeration to suggest that the Asian suppliers among them have taken significant shares from Haiti and the African countries. To the contrary, all of the apparel-exporting LDCs – whether or not they currently receive preferential access to the US market – are instead in competition with middle-income countries in Asia.

This point is clear from the data reported in Table 3, which shows countries' shares of the US apparel-import market from 2000 through 2009. The most significant event for apparel trade that occurred during this period was the end of the import-quota system that had been established under the MultiFibre Arrangement (MFA). The expiration of the final MFA quotas in 2005 meant that most imports from large, Asian developing countries such as China and Vietnam were no longer constrained. These countries had already been increasing their shares of the US apparel-import market in the years before that watershed, but that process accelerated rapidly after the quotas disappeared. In 2009 six Asian developing countries (i.e. China, Vietnam, Indonesia, India, Pakistan, and Sri Lanka) supplied 60.82% of US apparel imports, which is a 27.90 percentage point increase since the end of the MFA quotas. That is nearly ten times greater than the increase in imports from Bangladesh, Cambodia, Laos, and Nepal during the same period (2.99 percentage points). Moreover, imports from the other LDCs have fared better than many expected would be the case: The share of US apparel imports originating in Haiti and the African LDCs in 2009 (1.53%) was only 0.23 percentage points lower than it was in 2004 (1.76%).

The bottom line is simple: The LDCs in Africa and the Americas have fared much better in the post-MFA period than many had expected, and to the limited extent that they have lost market share it can be attributed much more to middle-income Asian countries than to the poorest Asian countries. Granting preferential treatment to apparel imported from Asian LDCs will not come at the expense of LDCs in other parts of the world.

## The need for reform

The effectiveness of the LDC group as a negotiating instrument in Geneva has been greatly undercut by disputes between those LDCs that receive DFQF access to the US market and those who hope to get it. One consequence of that dispute is that it has degraded the ability of these countries to work together on issues of common interest.

While differences over their trade relations with the United States have been an important source of discord within the LDC group, the current debate in Washington over reform of US preference programs offer these countries an opportunity to work

**Table 3** Shares of the US import market for apparel, 2000-2009
(Percentage shares of total US imports of NAIC category 315;
change calculated in percentage-point shifts; 2009 data are January-September)

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Change 2000-04 | Change 2004-09 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Least developed** | **6.55** | **6.96** | **6.59** | **6.72** | **6.72** | **7.08** | **8.07** | **8.52** | **9.09** | **9.48** | **0.17** | **2.76** |
| Four Asian LDCs | 4.93 | 5.12 | 4.87 | 4.85 | 4.96 | 5.57 | 6.63 | 7.05 | 7.71 | 7.95 | 0.03 | 2.99 |
| Bangladesh | 3.36 | 3.37 | 3.03 | 2.78 | 2.80 | 3.19 | 3.78 | 3.93 | 4.52 | 5.10 | -0.56 | 2.30 |
| Cambodia | 1.28 | 1.50 | 1.67 | 1.86 | 2.02 | 2.30 | 2.77 | 3.07 | 3.12 | 2.80 | 0.74 | 0.78 |
| Laos | 0.01 | 0.01 | 0.00 | 0.01 | 0.00 | 0.00 | 0.01 | 0.01 | 0.04 | 0.03 | -0.01 | 0.03 |
| Nepal | 0.28 | 0.24 | 0.17 | 0.20 | 0.14 | 0.08 | 0.07 | 0.04 | 0.03 | 0.02 | -0.14 | -0.12 |
| Other LDCs | 1.62 | 1.84 | 1.72 | 1.87 | 1.76 | 1.51 | 1.44 | 1.47 | 1.38 | 1.53 | 0.14 | -0.23 |
| Haiti | 0.41 | 0.37 | 0.35 | 0.44 | 0.47 | 0.55 | 0.58 | 0.57 | 0.54 | 0.77 | 0.06 | 0.30 |
| Lesotho | 0.22 | 0.35 | 0.52 | 0.59 | 0.65 | 0.52 | 0.50 | 0.49 | 0.45 | 0.42 | 0.43 | -0.23 |
| Madagascar | 0.17 | 0.29 | 0.14 | 0.30 | 0.46 | 0.37 | 0.31 | 0.37 | 0.37 | 0.32 | 0.29 | -0.14 |
| All other LDCs | 0.82 | 0.83 | 0.71 | 0.54 | 0.18 | 0.07 | 0.05 | 0.04 | 0.02 | 0.02 | -0.64 | -0.16 |
| **All other partners** | **93.45** | **93.04** | **93.41** | **93.28** | **93.28** | **92.92** | **91.93** | **91.48** | **90.91** | **90.52** | **-0.17** | **-2.76** |
| Asian non-preferential | 23.82 | 24.67 | 26.82 | 30.47 | 32.92 | 41.71 | 46.52 | 52.15 | 54.73 | 60.82 | 9.10 | 27.90 |
| China | 13.20 | 13.77 | 14.84 | 16.54 | 18.58 | 25.91 | 29.09 | 33.37 | 34.33 | 39.12 | 5.38 | 20.54 |
| Vietnam | 0.07 | 0.08 | 1.44 | 3.57 | 3.64 | 3.67 | 4.19 | 5.54 | 6.87 | 7.60 | 3.57 | 3.96 |
| Indonesia | 3.39 | 3.66 | 3.37 | 3.27 | 3.41 | 3.86 | 4.77 | 5.05 | 5.29 | 5.79 | 0.02 | 2.38 |
| India | 3.20 | 3.11 | 3.31 | 3.26 | 3.36 | 4.24 | 4.32 | 4.18 | 4.20 | 4.41 | 0.16 | 1.05 |
| Pakistan | 1.61 | 1.63 | 1.58 | 1.66 | 1.72 | 1.80 | 1.95 | 2.00 | 2.08 | 2.07 | 0.11 | 0.35 |
| Sri Lanka | 2.35 | 2.42 | 2.28 | 2.17 | 2.21 | 2.23 | 2.20 | 2.01 | 1.96 | 1.83 | -0.14 | -0.38 |
| Latin preferential | 29.63 | 28.82 | 28.33 | 26.28 | 25.28 | 22.68 | 19.99 | 17.60 | 17.12 | 15.90 | -4.35 | -9.38 |
| CAFTA-DR | 14.50 | 14.64 | 14.75 | 13.95 | 13.62 | 12.33 | 11.05 | 10.12 | 10.09 | 9.35 | -0.88 | -4.27 |
| ATPA | 1.30 | 1.19 | 1.19 | 1.54 | 1.83 | 1.88 | 1.78 | 1.54 | 1.52 | 1.25 | 0.53 | -0.58 |
| Mexico | 13.83 | 12.99 | 12.39 | 10.79 | 9.83 | 8.47 | 7.16 | 5.94 | 5.51 | 5.30 | -4.00 | -4.53 |
| Rest of world | 40.00 | 39.55 | 38.26 | 36.53 | 35.08 | 28.53 | 25.42 | 21.73 | 19.06 | 13.80 | -4.92 | -21.28 |
| **World** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | **100.00** | – | – |

*Note*: "Rest of World" consists solely of non-LDCs, including some developing and some developed countries, and some that receive preferential access to the US market as well as others that do not..
*Source*: Calculated from US International Trade Commission data.

together. With the authorization for the GSP and another preferential trade program[6] due to expire at the end of 2010, Congress has taken preliminary steps towards wider reforms in the preference programs.[7] There are three steps that the LDCs could urge Washington to take.

The first is the renewal of the GSP, including the expanded list of goods that are eligible for duty-free treatment when imported from LDCs. As was shown in Table 2, close to one-third of US imports from the LDCs enter duty-free under this program. It will disappear, however, unless Congress acts to renew it before the end of 2010.

A second step would be to create a new program that extends AGOA-like treatment to imports from the Asian LDCs that do not currently enjoy duty-free access to the US market. That would fulfil the promise that the United States and the rest of the world made to extend DFQF treatment to imports from LDCs, and also establish parity in the treatment of the different countries in this group.

A third step would be to reform the rules of origin (ROOs) of all of the existing and potential preferential programs. ROOs are one of the more problematic aspects of preferential trade programs in both the United States and other industrialized countries, as is especially true in the case of apparel. As part of the Hong Kong Ministerial Decision, the ministers agreed that developed countries shall "[e]nsure that preferential rules of origin applicable to imports from LDCs are transparent and simple, and contribute to facilitating market access." This commitment to reform of unilateral preferential ROOs is a matter of high priority for the LDCs, as expressed in a joint submission that they made to the WTO in mid-2006. In its own analysis of the matter, the US International Trade Commission concluded that tariffs and quotas are less trade-distorting than stringent ROOs.[8] Any initiative to complete the process of extending DFQF treatment should thus be accompanied by reform of ROOs in the existing programs. Both the programs that are now in place, as well as new benefits that may be created, should meet the Hong Kong Ministerial Decision's standard of being "transparent and simple, and contribut[ing] to facilitating market access" for the LDCs.

Many members of Congress and other policymakers in Washington have often expressed their eagerness to promote the trade and development interests of the African LDCs. That is one reason why the proposals made in recent years for the creation of a new, preferential trade program for the Asian LDCs have gone nowhere: Pro-African policymakers in the United States have shared the mistaken belief that increased imports from the Asian LDCs come at the expense of the Africans. For reasons discussed in the preceding pages, the LDCs as a whole would benefit if they were to put these differences behind them, renew their earlier calls for DFQF for all LDCs, and make these views known to those US policymakers who hope to promote these countries' development through trade.

6 The Andean Trade Preferences Act, which is due to expire at the end of 2010, does not cover any LDCs.

7 Congress already acted in May, 2010 to reauthorize for ten years the Haitian Hemispheric Opportunity through Partnership Encouragement Act and the Caribbean Basin Trade Partnership Act, both of which were due to expire this year.

8 US International Trade Commission, The Economic Effects of Significant US Import Restraints: Fifth Update 2007 USITC Publication 3906 (February, 2007), page 80.

## About the author

**Craig VanGrasstek** teaches courses on the political economy of trade policy in both the executive education and degree programs of the John F. Kennedy School of Government, Harvard University. He is also on the faculty of Georgetown University, where he teaches an innovative course on literature and foreign policy. His firm, Washington Trade Reports, specializes in monitoring and analyzing current issues in trade policy. Dr. VanGrasstek has worked as a consultant for the World Trade Organization, the Organization for Economic Cooperation and Development, the United Nations Conference on Trade and Development, the World Bank, and other international organizations, as well as government agencies and private firms. Dr. VanGrasstek received his doctorate in Politics from Princeton University in 1997. He also holds the degree of Master of Science in Foreign Service from Georgetown University (1983), and received a bachelor's degree in International Relations from the University of Minnesota (1981). In addition to numerous reports to international organizations, book chapters, and journal articles, Dr. VanGrasstek's publications include (with Stephen Lande) *The Trade and Tariff Act of 1984: Trade Policy in the Reagan Administration* (Lexington, Massachusetts: Lexington Books, 1986).