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# I U.S. Trade Policy since World War II

## **Introduction**

The essay in this section provides a historical perspective for the consideration of the various U.S. trade policy issues analyzed in the other parts of the volume.

As Baldwin notes, although liberalization has been the key feature of U.S. trade policy over the last fifty years, especially with regard to tariffs, there have been significant shifts in political attitudes toward this liberalization, as well as both in the relationships established between Congress and the president for the purpose of implementing trade policy and in the composition of the political and economic groups supporting an open trading system. During the period of ascendancy of the United States as a hegemonic power, U.S. leadership helped to promote the country's international political goals and the economic interests of most domestic groups by establishing an open world trading system. The Democratic party, with strong support from organized labor, and a growing proportion of Republicans, who were backed by internationally oriented business interests, favored substantial trade liberalization. In agreeing to this policy, Congress gave the president considerable discretion in implementing it. However, as the economic power of the United States slipped relative to such countries as the members of the European Economic Community and Japan, trade policy came to be viewed in the United States in more national economic terms, and the doctrinaire support for liberalization by Democrats and economic groups such as organized labor eroded. One manifestation of the increased concern for the economic interests of the United States has been the greater use of selective nontariff measures to deal with particular issues of import competition and export promotion. Furthermore, Congress began to

exert much more control over the implementation of trade policy, partly in response to this more self-centered outlook and partly to reclaim some of the powers it had delegated to the president during the economic and military emergencies of the 1930s and 1940s.