

## GLOSSARY OF TRADE AND RELATED TERMS

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Trade Agreements Act of 1979	Legislation, adopted under the fast-track procedures, which approved and implemented the trade agreements negotiated during the Tokyo Round. It made U.S. law consistent with the MTN agreements, while at the same time rewriting the countervailing duty and anti-dumping laws, extending the President's authority to negotiate NTB agreements, and requiring the President to reorganize executive branch trade functions.
Trade Expansion Act of 1962	U.S. Legislation authorizing U.S. participation in the Kennedy Round of trade negotiations, which also amended U.S. escape-clause procedures and established the Trade Adjustment Assistance (TAA) program.
Trade Diversion	A shift in the source of imports which occurs as a result of altering a country's import policies or practices, without regard for any increase in importation of the item or items involved. For example, the establishment of a customs union will cause countries participating in the new economic unit to import goods from other countries in the union that previously were imported from countries outside the union. According to some trade theorists, if the "trade creation" resulting from the customs union that is, the new trade taking place that would not have taken place otherwise exceeds the trade diversion, the customs union will raise welfare, because it will entail a more efficient allocation of resources.
Trade Liberalization	A general term used to denote the gradual process of removing tariff and non-tariff barriers. Seven rounds of negotiations under GATT, since 1947, have resulted in a large measure of trade liberalization among industrialized countries.
Trade and Tariff Act of 1984	An omnibus trade bill whose provisions included extension of the President's authority to grant trade preferences, authorization for negotiating a free-trade agreement with Israel, and authority to enforce export restraint agreements on steel.
Transfer of Technology	The movement of modern or scientific methods of production or distribution from one enterprise, institution or country to another, as through foreign investment, international trade licensing of patent rights, technical assistance or training.