

UNIVERSITY OF FORT HARE
NELSON R MANDELA SCHOOL OF LAW
(East London Campus)

INTERNATIONAL TRADE LAW
LMT 422E

DEGREE EXAMINATIONS

OCTOBER/NOVEMBER 2019

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Time: 3 hours

Subject: International Trade Law (LMT 422E)

Marks: 100

This paper consists of THREE pages including the
cover page

Internal Examiner

Dr T Shumba
Prof PC Osode

External Examiner

Mrs P Letuka

INSTRUCTIONS

1. Answer ALL FOUR questions.
2. Do not separate subsections of questions.
3. Refer to treaty provisions, case law, and/or any relevant authority, where applicable.
4. Pay careful attention to the marks allocated.
5. WRITE LEGIBLY. If in doubt as to whether your hand writing is easy to read, consider writing some of your words or points in large caps.

QUESTION ONE

The Islamic Republic of Afghanistan is currently going through the processes of obtaining membership of the World Trade Organization (WTO) by accession. However, many amongst the country's citizens are extremely sceptical about the potential benefits and gains of joining the WTO. The President has, therefore, decided to deliver a speech to the Parliament and the people in which he will defend the decision of his Cabinet to pursue WTO membership and the free trade policies that such membership will require.

Assuming you are a Trade Law expert who has been hired to assist in the preparation of the Afghanistan President's speech. Write a detailed essay on which that speech can be based, explaining and presenting (a) the economic theories and rationales of free trade regimes; (b) the evidence of development resulting from free trade policies; and (c) the foreign policy rationales for such policies. [25 marks]

QUESTION TWO

Fruit producers in the Western Cape in South Africa are aggrieved at the increasing market share fruit producers from Israel are obtaining on the South African market. Some Western Cape fruit producers have suffered a significant loss in business since Israeli fruit has been imported to South Africa since 2003. Israeli fruit sells for less on the South African market than does fruit that has been produced locally. The South African producers believe that Israeli producers are able to sell their fruit more cheaply because the Israeli fruit industry is subsidised by the Israeli government. The South African fruit producers hear that you are an academic involved in teaching international economic law, and approach you for what they hope will be 'cheap' legal advice. They want to know whether there is any way in which the importation of fruit from Israel can be halted or the prices charged by Israeli exporters can be brought up to par with the prices charged by their South African counterparts.

Advise the producers of the possible legal avenues open to them. Would you recommend that the producers pursue any of the avenues you have identified? If not, why not? If yes, which would you recommend and why? [25 marks]

QUESTION THREE

The governance and decision-making structures and processes of the World Trade Organisation (WTO) have been described as 'undemocratic' by some commentators and as 'medieval' by others. What is the reason that they have been described as such, and do you agree with either or both views? [25 marks]

QUESTION FOUR

In an article on the remedies available to a member state under the WTO's dispute settlement system, the writer expresses the view that "their current design means that they undercompensate and serve poorly as punishment." Why does the writer hold this view, and do you agree with his opinion? The writer made his observation in a general discussion on the effectiveness of remedies for all WTO members, but do you think his opinion, if correct, has particular significance for developing countries? [25 marks]

=====**END**=====