Teacher Answer Key

Case Study

1. Producers gained higher output and rehiring; consumers and downstream firms faced higher input costs and delayed wages.

2. Retaliatory tariffs hurt U.S. exporters, deepening job losses in agriculture and manufacturing, and escalating tensions.

Multiple Choice

1. C

2. B

3. D

Matching

1-E, 2-A, 3-D, 4-B, 5-C

Fill-in-the-Blank

1) price, 2) trade, 3) intellectual

Short Answer (Sample Responses)

Q1: Downstream firms pay more for inputs, reducing competitiveness and possibly cutting jobs.

Q2: Targeted R&D grants, workforce retraining, or export credits can boost industries without raising consumer prices.

Q3: By providing dispute-settlement mechanisms, enforcing agreed rules, and offering forums for negotiation.