

PAUL WONNACOTT

Professor of Economics Emeritus

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Ph.D. (Economics), 1959, Princeton University

B.A. (Honours History), 1955, University of Western Ontario

MAJOR POSITIONS

Alan R. Holmes Professor, Middlebury College, 1994-2000

Member, Council of Economic Advisers, 1991-Jan. 1993

Economic Adviser to Under Secretary of State, Department of State, 1990-91

Department of Economics, University of Maryland, College Park, Md. 20742. Professor Emeritus since 1992; Professor, 1967-92; Associate Professor, 1962-67

Senior Staff Economist, Council of Economic Advisers, 1968-70

Ford Foundation Fellow, 1963-64

Instructor and Assistant Professor of Economics, Columbia University, 1958-62

Brookings Fellow, 1957-58

BOOKS

1. *THE LAST GOOD WAR: A Novel*, 2007. Details at: lastgoodwar.com.

2. *THE UNITED STATES AND CANADA: The Quest for Free Trade* (with an Appendix by John Williamson). Institute for International Economics, Policy Analyses in International Economics, #16, 1987.

3. *ECONOMICS* (with R.J. Wonnacott). McGraw–Hill, 1979; 2nd ed., 1982; 3rd ed., 1986; John Wiley, 4th ed., 1990. Canadian ed. (with R.J. Wonnacott and Ake Blomqvist), 1983; 2nd ed., 1987; 3rd ed., 1990. Spanish edition (with R.J. Wonnacott), 1981; 2nd ed., 1984. Portuguese edition (with R.J. Wonnacott, Y.R. Crusius and C.A. Crusius), 1982; 2nd ed., 1985. Lithuanian edition, 1995.

4. *MACROECONOMICS* (intermediate). Richard D. Irwin, 1974; 2nd ed., 1978; 3rd ed., 1984.

5. *HARMONIZATION OF NATIONAL ECONOMIC POLICIES UNCEER FREE TRADE* (with Harry G. Johnson and Hirofumi Shibata). University of Toronto Press, 1968.

6. *FREE TRADE BETWEEN THE UNITED STATES AND CANADA: The Potential Economic Effects* (with R.J. Wonnacott). Harvard University Press, Harvard Economic Studies, #129, 1967.

7. *THE CANADIAN DOLLAR*. University of Toronto Press, 1960; 2nd. ed., 1965.

SHORTER PUBLICATIONS

1. "Exchange Stabilization in Canada, 1950-54: A Comment," *Canadian Journal of Economics and Political Science*, May 1958, pp. 262-65.
2. "Neutral Money in Patinkin's Money, Interest and Prices," *Review of Economic Studies*, 1958, pp. 70-71.
3. "Employment, Growth and Price Levels," *Political Science Quarterly*, 75 (4), December 1960, pp. 560-71.
4. "Disguised and Overt Unemployment in Less Developed Economies," *Quarterly Journal of Economics*, 76 (2), May 1962, pp. 279-97.
5. *The Height, Structure, and Significance of Interest Rates*. Study for the Canadian Royal Commission on Banking and Finance, 1962.
6. "A Suggestion for the Revaluation of Gold," *Journal of Finance*, 18 (1), Mar. 1963, pp. 49-55.
7. "Canadian Automotive Protection: Content Provisions, the Bladen Plan, and Recent Changes," *Canadian Journal of Economics and Political Science*, 31 (1), February 1965, pp. 98-116.
8. "The Automotive Agreement of 1965" (with R.J. Wonnacott), *Canadian Journal of Economics and Political Science*, 33 (2), May 1967, pp. 269-84.
9. "The Similarity of Quantity Theory and Keynesian Policy Prescriptions in Recent Years," in George Horwich, ed., *Monetary Process and Policy*. Richard D. Irwin, 1967.
10. *U.S.-Canadian Free Trade: The Potential Impact on the Canadian Economy* (with R.J. Wonnacott). National Planning Association, 1968.
11. "Monetary and Fiscal Policy for an Economy with Fixed Exchange Rates: A Comment," *Journal of Political Economy*, July 1968, II, pp. 944-46.
12. *The Wage Parity Question* (with R.J. Wonnacott). Study for the Canadian Task Force on Labour Relations, July 1968.
13. "Tax Adjustments on Internationally-Trade Goods," in United States International Economic Policy in an Interdependent World. Papers of the U.S. Commission on International Trade and Investment Policy (the Williams Commission), I, July 1971.
14. "U.S. Investment in the Canadian Economy," *International Journal* (Toronto), 27 (2), Spring 1972, pp. 276-86.
15. *The Floating Canadian Dollar: Exchange Flexibility and Monetary Independence*. Foreign Affairs Study, American Enterprise Institute, May 1972.
16. *Reassessing North-South Economic Relations* (participant). Tripartite Report by Thirteen Experts, Brookings Institution, December 1972.

17. "Exchange Flexibility and Monetary Independence: The Puzzle of Recent History." In Carl Stem et al., *Eurocurrencies and the International Monetary System*. American Enterprise Institute, 1976.
18. "Problems that Trade Barriers and Foreign Ownership Raise for Canada" (with R. J. Wonnacott). In Ontario Economic Council, *Developments Abroad and the Domestic Economy*, II, 1980, pp. 43-70.
19. "The Marginal Utility of Income Does Not Increase: Borrowing, Lending, and Friedman-Savage Gambles" (with Martin Bailey and Mancur Olson), *American Economic Review*, 70 (2), June 1980, pp. 372-79.
20. "Is Unilateral Tariff Reduction Preferable to a Customs Union? The Curious Case of the Missing Foreign Tariffs" (with R.J. Wonnacott), *American Economic Review*, 71 (4), Sept. 1981, pp. 704-14. To be reprinted in forthcoming volume on Free Trade Areas by the World Bank.
21. "Free Trade Between the United States and Canada: Fifteen Years Later" (with R.J. Wonnacott), *Canadian Public Policy*, October 1982.
22. *U.S. Intervention in the Market for DM*. Princeton Studies in International Finance, #51, 1982.
23. "U.S.-Japanese Economic Relations" (with Charles Morrison and Sueo Sekiguchi). In *Report of Sixth Shimoda Conference*, Japan Society, 1983, pp. 17-32.
24. "Industrial Allocation in the Andean Pact." In Jose Nunez del Arco et al., eds, *The Economic Integration Process of Latin America in the 1980s*. Inter-American Development Bank, 1984, pp. 103-14.
25. "How General Is the Case for Unilateral Tariff Reduction?" (with R.J. Wonnacott), *American Economic Review*, June 1984, p. 491.
26. "Toward Free Trade Between Canada and the United States" (with R.J. Wonnacott), *Canadian Business Review*, Autumn 1985.
27. "The Nominal Deficit Really Matters," *Challenge*, September 1986, pp. 48-51. Reprinted in Thomas R. Swartz and Frank J. Bonello, eds., *Taking Sides: Clashing Views on Controversial Economic Issues*, 4th ed., Duskin 1988.
28. *U.S. and Canadian Auto Policies in a Changing World Environment*. Canadian-American Committee, C.D. Howe Institute and National Planning Association, August 1987.
29. "The Automotive Sector in the US-Canadian Free Trade Agreement," in Murray G. Smith and Frank Stone, eds., *Assessing the Canada-U.S. Free Trade Agreement*. Ottawa: Institute for Research on Public Policy, December 1987, pp. 73-77.
30. Western Economic Association Roundtable on Free Trade Between the United States and Canada (Herbert Grubel, Anne Hughes, Alan Nymark, Paul Wonnacott), *Contemporary Policy Issues*, January 1988, pp. 1-27.
31. "Canada: Rich by Nature, Poor by Policy?" *Journal of Economic and Monetary Affairs*, Winter 1988, pp. 87-89.

32. The Free Trade Agreement and the Auto Pact. Issue #2 of *Trade Monitor*. Toronto: CD Howe Institute, March 1988.
33. "The Auto Sector," in Jeffrey J. Schott and Murray G. Smith, eds., *The Canada-United States Free Trade Agreement: The Global Impact*. Washington and Ottawa: Institute for International Economics and Institute for Research on Public Policy, 1988, pp. 101-16.
34. "The U.S.-Canadian Free Trade Agreement: What's at Stake?" Statement and Testimony Before the Committee on Governmental Affairs, U.S. Senate, Washington, D.C., May 9, 1988. Printed in *United States-Canada Free Trade Agreement, Hearing Before the Committee on Governmental Affairs, U.S. Senate, Washington, D.C., May 9, 1988*, pp. 32-38, 147-72.
35. "Autos and the Free Trade Agreement: The Auto Pact, Plus or Minus?" In John Crispo, ed., *Free Trade: The Real Story*. Toronto, Gage, 1988, pp. 54-65.
36. "Autos and the Free Trade Agreement: Toward a More Secure Trading Relationship," in Marc Gold and David Leyton-Brown, eds., *Trade-Offs on Free Trade: The Canada-U.S. Free Trade Agreement*. Toronto: Carswell, 1988, pp. 269-75.
37. "International Trade," *Encyclopaedia Britannica, Macropaedia*, Vol. 21, pp. 824-54. [Incorporates passages by Bela Balassa and others from earlier editions.]
38. "Is There a Case for More Free Trade Areas?" (with Mark Lutz). In Jeff Schott, ed., *Free Trade Areas and U.S. Trade Policy*. Washington: Institute for International Economics, 1989, pp. 59-89. Reprinted in abridged form in *Economic Impact*, U.S. Information Agency, 4, 1989, pp. 26-32. To be reprinted in forthcoming volume on Free Trade Areas by the World Bank.
39. "Canadian-U.S. Free Trade: Retrospect and Prospect" (with R.J. Wonnacott), *North American Review of Economics and Finance*, Spring 1991, pp. 95-101.
40. "The Customs Union Issue Reopened" (with R.J. Wonnacott), *Manchester School*, June 1992, LX, #2, pp. 119-35.
41. "NAFTA Scorecard" *The Wall Street Journal*, Sept. 30, 1993.
42. "Natural Free Trade Areas," in *AFTA after NAFTA*, Joint Korea-US Academic Symposium (Princeton, Sept. 1993), pp.177-180.
43. "Merchandise Trade in the APEC Region: Is there Scope for Liberalization on an MFN Basis?" *The World Economy*, Special Issue on Global Trade Policy, 1995, pp. 33-51.
44. "Liberalization in the Western Hemisphere: New Challenges in the Design of a Free-Trade Agreement," (with R.J. Wonnacott), *North American Journal of Economics and Finance*, 1995, vol. 6, #1, pp. 107-119.
45. "The Automotive Industry in Southeast Asia: Can Protection Be Made Less Costly?" *The World Economy*, Jan. 1996, pp. 89-112.
46. Book Review: Russian Reform/International Money, by Yegor Gaidar and Karl Otto Pohl, *Economics of Planning*, 29, 1996, pp. 67-70.

47. "Beyond NAFTA -- The Design of a Free Trade Agreement of the Americas." In Jagdish Bhagwati and Arvind Panagariya, ed. *The Economics of Preferential Trade Agreements*. Washington: AEI Press, 1996, pp. 79-107.
48. "Comments on the Role of History in Bilateral Trade Flows." In Jeffrey A. Frenkel, ed., *The Regionalization of the World Economy*, Chicago: University of Chicago Press for the National Bureau of Economic Research, 1997, pp. 59-62.
49. "The Issue of Assured Access," in Mordechai Kreinin, *Building a Partnership: The U.S.-Canadian Free-Trade Agreement*, East Lansing: Michigan State University Press, 2000, pp. 65-79.
50. "What's the Point of Reciprocal Trade Negotiations? Exports, Imports, and Gains from Trade," (with R.J. Wonnacott), *The World Economy*, Jan. 2005, pp. 1-20.

Participation in Conferences and Testimony since 1987

"U.S. and Canadian Auto Policies in a Changing World Environment," paper presented to the Canadian-American Committee (C.D. Howe Institute and National Planning Association). Chicago, March 20, 1987.

Panelist on "Canadian-U.S. Trade," General Session, Western Economic Association. Vancouver, July 9, 1987.

"Issues in U.S.-Canadian Free Trade Negotiations," paper presented to Canada-U.S. Legislative Project (Canadian Provincial Legislators and National Conference of State Legislators). Opening Session, Vancouver, Canada, July 17, 1987.

"The Automotive Sector in the U.S.-Canadian Free Trade Agreement," paper presented to Conference of Institute for Research on Public Policy. Toronto, October 28, 1987.

"The U.S.-Canadian Free Trade Agreement: A U.S. Viewpoint," paper presented to Conference on "Challenges of the 1990's," Institute for Policy Analysis, University of Toronto, December 11, 1987. (Reproduced as PEAP Policy Study #88-2.)

"The Auto Sector," paper presented to Conference on the United States-Canada Free Trade Agreement, Institute for International Economics and Institute for Research on Public Policy, January 11, 1988.

"Toward a More Secure Trading Relationship: The Auto Provisions of the Free Trade Agreement," paper presented to the National Conference on the Free Trade Agreement, Centre for Research on Public Law and Public Policy, Osgoode Hall Law School, March 18, 1988.

Informal discussion on US-Canadian Free Trade Agreement with Finance Committee, Province of Ontario, Canada, March 28, 1988.

"The U.S.-Canadian Free Trade Agreement: What's at Stake?" Statement before the Committee on Governmental Affairs, United States Senate, Washington, D.C., May 9, 1988.

"More Free Trade Associations?" Lead-off paper at Conference on "More Free Trade Associations?" Institute for International Economics, Washington, DC, with Mark Lutz, October 31-November 1, 1988.

"Response," (with Ronald Wonnacott), at Joint Session of American Economic Association and North American Economics and Finance Association on Canada-U.S. Free Trade Agreement: The Wonnacotts After 20 Years, Atlanta, December 28, 1989.

Participant, Roundtable on Free Trade Areas and Common Markets: Improvement or Not on GATT? North American Economics and Finance Association, Atlanta, December 29, 1989.

Participant, with John Taylor (President's Council of Economic Advisers) and Joseph Minaryk (Staff, Joint Economic Committee), Roundtable on Current Economic Issues, Southern Economic Association Annual Meetings, New Orleans, 1990.

Confirmation Hearing before Senate Committee on Banking, Housing, and Urban Affairs, Washington, D.C., October 25, 1991.

Testimony on "Structural Impediments Initiative" before International Trade Subcommittee, Senate Finance Committee, Washington, D.C., March 13, 1992.

"The US-Canadian Free Trade Agreement: Is It a Model for Free Trade in the Americas?" Paper presented at the 40th Annual Management Conference, Graduate School of Business, University of Chicago, April 23, 1992.

"Global Issues and Hemispheric Integration," Panel Discussion at Inter-American Development Bank/ECLAC Conference on Hemispheric Trade Liberalization, Santiago, Chile, May 24, 1993.

"Models of Economic Integration for East Asia," Panel Discussion at Fourth U.S.-Korea Academic Symposium, Princeton University, Sept. 3, 1993.
Roundtable on NAFTA, Claremont Colleges, Nov. 11, 1993.

"U.S.-Chinese Economic Relations," Paper presented to conference on U.S.-Chinese Relations, sponsored by Asia Foundation and Chinese People's Institute of Foreign Affairs, Beijing, April 1, 1994.

"NAFTA and a Changing European Union: How to Incorporate Poorer Countries into Regional Economies." Paper presented to 11th Annual Congress-Bundestag Seminar, Duck, North Carolina, April 6, 1994.

"A Free-Trade Area in the Americas," panel participant, Conference on Trade in the Americas, Sponsored by Institute of Americas, Washington, D.C., Oct. 6, 1994.
Participant, Advisory Committee on APEC, Institute for International Economics, Washington, Jan. 31, 1995.

Chairman and Organizer, "International Trade and the Environment," Seventeenth Annual Middlebury Conference on Economic Issues, April 8, 1995.

"Beyond NAFTA: The Design of a Free-Trade Agreement of the Americas," Paper presented to Conference on Capital Flows and Regionalism sponsored by Center for International Economics, University of Maryland and American Enterprise Institute, Washington, June 13, 1995.

"World Trade Challenges," Paper presented to Conference on International Developments and the Economic Outlook sponsored by Institute of Policy Analysis, University of Toronto, Toronto, June 15, 1995.

"Budget Deficits and Trade Deficits: Twins, Kissin' Cousins, or Casual Acquaintances?" Testimony before Subcommittee on International Economic Policy, Export and Trade Promotion, Senate Committee on Foreign Relations, March 20, 1996.

"Recent Developments in the US Economy: Roses and Vinegar," Middlebury College Symposium, March 7, 1997.

"Monetary and Budgetary Policies: Where Do We Go from Here?" At Symposium sponsored by the Federal Reserve Bank of Atlanta and Oglethorpe University, April 7, 1998. (Other participants were current or past Members of the Council of Economic Advisers or the Federal Reserve Board: Lyle Gramley, Robert Heller, John Taylor, Nancy Teeters, and Janet Yellen.)

"Improving Market Access," Address to Conference of New England Governors and Eastern Canadian Premiers' Conference, Northeastern Business Forum, Montreal, April 24, 1998.

"The Assured Access Issue," Paper presented at 10th Anniversary Conference, US-Canada Free-trade Agreement, Sept. 12, 1998, Michigan State University.

"The Domestic and International Outlook for 1999," presented to Northern Economic Consulting Conference, Burlington, Jan. 8, 1999.

"Financial Institutions and the Market," presented at Salzburg Seminar, May 11, 1999.

Participation in Panel on "Free Trade: The Record," at McGill University Seminar, "Free Trade at 10 and NAFTA at 5," June 5, 1999.