

Preface

1. At their Melbourne meeting in October 1981, Commonwealth Heads of Government requested the Secretary-General to commission a group of independent high-level experts:

“to investigate the impact of protection on developing country trade and report in time to assist governments in their preparations for the proposed GATT Ministerial Meeting. They agreed the group would examine the effects of protection on developing countries, including the impact of tariff and non-tariff barriers on industrial and agricultural products. In this respect the group should consider, inter alia, the question of emergency safeguards, and non-conventional measures which, among other things, include such matters as voluntary export restraints and orderly marketing arrangements; structural adjustment; the escalation of tariffs and trade barriers that constrain the expansion of trade in processed commodities; and the adequacy of existing arrangements for the settlement of disputes”¹

2. The list of members of the Group is at Appendix 4.

3. The Group held three meetings in London in February, April and June/July 1982 and submitted its Report to the Commonwealth Secretary-General on 2 July 1982.

4. The immediate purposes of this Report are to contribute to the deliberations of the ministerial meeting of the GATT Contracting Parties which is to be held in November 1982 and to assist governments in their preparations for that meeting. In preparing their Report, the Group was aware of the relevance of their Terms of Reference to other negotiations such as those in UNCTAD VI and the prospective Global Round of Negotiations, at both of which discussions on protectionism will no doubt feature strongly. The Report may also be timely in making available to the

public an up-to-date assessment of the more tangible effects of protection in its different forms on the trade of the developing countries.

5. We review in Chapter 1 the recent economic developments that form the background to the rising tide of protectionism and draw attention to the dangers confronting the developing countries. Chapter 2 deals with the new forms of protection and the disorder they introduce into the world's trading system, while Chapter 3 examines the extent and form of protection against different groups of products of particular interest to developing countries. In Chapters 4 and 5 we go on to analyse the cost of protection to developing and developed countries and the ways in which the objectives of the second group could be pursued with least harm to the first. In Chapter 6 we discuss the various preferential arrangements that have been introduced in favour of developing countries and other trade measures of which they have taken advantage. In Chapter 7 we consider the weaknesses of the existing international machinery for regulating the trading system, including the GATT, and discuss how it might be improved and how an orderly trading system might be re-built. A brief summary of our main conclusions and recommendations is presented in Chapter 8.

6. The Group wishes to acknowledge the invaluable advice and assistance it received from a number of persons during the course of its work. Among these are Ambassadors Donald McPhail of Canada and Anthony Hill of Jamaica, Chairman and a Vice-Chairman respectively of the GATT Contracting Parties; Messrs. Reinaldo Figueredo, Colin Greenhill and Gary Sampson of the UNCTAD Secretariat; Messrs. Jan Tumlrir and Nicolas Marian of the GATT Secretariat; Dr. Vincent Cable of the Overseas Development Institute; Mr. Rodney de C. Grey, Special Adviser, Government of Ontario; and Messrs. Carl Wright and Allan Cave of the Commonwealth Trade Union Council.

1. Commonwealth Heads of Government: The Melbourne Communiqué, paragraph 59 (Commonwealth Secretariat, London, 1981).