SECTION B. QUANTITATIVE TRADE CONTROLS OF THE WESTERN COMMUNITY

GENERAL NOTE

Quantitative controls on trade in the industrialized countries of the West, Australia, New Zealand, and Japan are of a seemingly endless variety and, no doubt, present varying degrees of restrictiveness.

In some instances, the restrictive machinery is designed to afford domestic producers protected markets for specific commodities. In other instances, restrictions are directed at particular countries. In others, the restriction is intended only as a currency control—thus some countries suffering a shortage of foreign exchange and in need of capital equipment may place restrictions on the importation of consumer "luxury" goods while placing no restrictions on imports of capital equipment.

Other countries permit imports—and exports—only after the issuance of a specific license. In such cases, the mere existence of the licensing requirement provides little clue as to how restrictive the requirement is at a given time, if at all. Indeed, licensing procedures are sometimes maintained only as a "standby" procedure, in the event that a need should arise for restricting imports or exports.

Thirteen countries of the 17 Western countries use quantitative measures to discriminate against Japanese goods; 5 of the countries do the same against dollar area goods. The justification for such discrimination also varies from country to country. Some of the countries are granted a special GATT waiver to keep out exports from certain countries; other countries discriminate, as has been suggested, because of balance-of-payments difficulties. Japan, however, seems a special case. Eight of the Western countries do not recognize Japan as a member of GATT. Moreover, Japan maintains restrictive controls on a nondiscriminatory basis against many of the export items of the West.

Subject to the qualifications already noted, the following ranking of countries is made on the basis merely of the number of different commodities under quantitative control, without respect to any question of how restrictive these controls may be.

Countries with the largest number of items subject to control:

Austria	Japan
New Zealand	France

Countries that have a moderate number of items subject to control:

Norway	United Kingdom
Germany	Denmark
Italy	