

abuse on behalf of special interests. Still others (e.g., direct payments to producers) have been recommended as being easily susceptible of public surveillance. Most judgments as to the merits of alternative categories of action have been found to have numerous exceptions, and some of the judgments have been at least tacitly reversed. A more relevant kind of distinction among categories is based on adverse "side effects"—consequences not sought by the government acting. Thus, trade barriers incident to agricultural income supports are judged partly according to whether they discourage consumption by raising market prices. These and other similar considerations can be valuable in reaching intergovernmental agreement on the appropriate kind of intervention for a purpose considered necessary in the public interest, but they offer no guide to a satisfactory formula or automatic technique for deciding whether or not a given act of trade intervention is in the public interest. There probably is no such technique to be found. Extending the economic governing process internationally must be done by people who govern—not by rule and doctrine.

GROUPING FOR CATEGORIES, GOVERNMENTS HAVE FOUND THE ELEMENTS OF A MECHANISM FOR DISTINGUISHING

However, whether or not the motive was escape, the effort to name good and bad categories made a very constructive contribution. It pioneered ways of working together toward agreement on specific trade affecting actions which had to be maintained. Thus, discussing whether particular quotas were bad per se led to discussion of their purpose, how small they had to be, and whether other measures might substitute for them eventually. From the traditional viewpoint of our announced trade barrier reduction policy, these actions are referred to as "exceptions" and are generally deplored. It is sometimes said that the GATT rules (meaning the formal rules of the GATT text into which we wrote our long-run free trade principles—and aspirations) have so many exceptions that they are practically meaningless. There shall be no quotas, except; export subsidies must be avoided, except; there shall be no preferences, except; etc. There are exceptions for the protectionist use of internal taxes and regulations, for discrimination in applying quotas, and for all sorts of other proscribed categories of action. Then there are certain general exceptions to all rules—a whole list of them in a separate GATT article. And then there is provision for waiving any obligation of the GATT "in *exceptional* circumstances not elsewhere provided for." It is true that almost all of the exceptions provisions have some temporary, self-terminating quality written into them; the idea was thus to force gradual change so that, in the end, there would be no need to use the exceptions. But, on the whole, it has not worked out that way. In fact, there is little protest nowadays when an official says, whether in disgust or in an effort to persuade, "You can do anything you want to under the GATT!" But, with equal validity (and perhaps more significance for the future) one can say the opposite—"You can't get away with anything important without its coming up in the GATT!" Most of the exceptions are made on condition that the governments acting under them report what they do and why. Moreover, there is a general requirement that governments shall consult