

usually of lesser trade importance. In this situation, the technique is beginning to show the weaknesses of age.

One weakness showing up in the bargaining process is a loss of flexibility. Many of the ploys, developed by negotiators trying to persuade or otherwise overcome their opposite numbers from other governments, have become formalized over the years and thereby given the status of limiting concepts and even principles. Thus, the idea of reciprocity in negotiations was originally a general one. In the first GATT negotiations in 1947, each country was to lower all of the obstructions to each other country's trade that it could, using as a guide regarding nontariff barriers the rules of good trade conduct in what then became the general provisions of the GATT. Our negotiating arguments ran primarily to whether all participants had satisfied that requirement on a reciprocal basis—had shown fairness to one another in judging what they could and could not do. To that end, the probable effects of individual concessions were debated in as realistic a way as possible. However, in the efforts at persuasion, there came to be brought in various aggregative measures by which to compare tariff concessions: The average percentage reduction of tariffs offered, the amounts of trade in a base year covered by the offers, the weighted average percentages of reduction, and so forth. Eventually there developed a sort of pseudomathematical game in which reciprocity came to mean a balance between figures representing the offers made by the two countries in a negotiation; much negotiating effort went into disputes as to which figures were meaningful; the arguments became public and there was resort to new terms (*écritement*, disparity, etc.) with abstruse statistical meanings but little if any known meaning in terms of the probable effects of concessions. These developments tended to limit the effectiveness of the bargaining technique in reducing barriers, since the negotiators with most to offer had to hold some of it back in order to report that they had obtained "reciprocity."

Another weakness, to which tariff bargaining, as opposed to negotiation of nontariff trade barriers, is particularly vulnerable, is loss of power. We have seen that the process was strongest during the prosperous postwar years when the excesses of the war and depression could be bargained away. Now, however, the tariffs that we are able to lower have been taken down to relatively low levels. When the Kennedy Round reductions take effect, most of these tariffs will have been reduced by a total of over 85 percent.

A third weakness arises from the practice of evasion. As tariffs became more or less frozen by the bargains made under the program, Government concern with foreign competition led to a search for other methods of trade control, some of which were more effective than tariffs. These nontariff barriers, of ever-increasing variety, are difficult to treat in a bargaining process directed to firm agreement to reduce specified trade barriers. They are often directed to some domestic intervention purpose with which they vary, regardless of the effect on trade. Agreements to reduce them or bind them, though they can be formulated and sometimes are made, tend to become unstuck.

A final weakness in this list is the tendency to be resigned to permanent compromise on the objective of getting rid of trade barriers entirely. Perhaps it is partly a result of the mathematical-balancing game. There comes to be a measure of agreement, as a byproduct of