

contemporaneous economic and political developments in shaping events in the world of trade policy.

Prior to the round, extensive preparatory work had created what Michael Hart has described as "a solid intellectual foundation for negotiations reaching well beyond the traditional issue of lowering tariff barriers."²⁸ This included work done within the GATT work program itself, by the Rey Group in the OECD context, and in the United States by the Williams Commission, a blue ribbon panel appointed by President Nixon in 1970 (the report of this Commission is often described as providing the intellectual and public policy basis for U.S. leadership in the new round of GATT negotiations²⁹).

However, the arguments for further liberalization were in the first instance entirely ignored—at least in the United States where the next major step taken by the Administration was the enactment in 1971 of the trade-restrictive Nixon Measures.

Moreover, whereas preparations for the round had centred on U.S.-European Community (EC) issues, including the important Article XXIV issues raised by EC expansion and agriculture,³⁰ the major outcomes and frictions of the Tokyo

²⁸ See Michael M. Hart, *50 Years of Canadian Tradecraft*, op. cit. p. 125.

²⁹ As it turned out, the United States did not, as had been customary, lead but rather followed others into the Tokyo Round. The negotiations were formally launched in the Tokyo Declaration of 1973. It was not until the end of 1974 that the Trade Expansion Act, which authorized U.S. participation in another round of GATT negotiations, was passed.

³⁰ Specifically, the preparations for the round within the GATT context had focused in good measure on the trade diversion that would be generated by the internal liberalization of trade within the EC and by the entry of new members, who then also became associated with the European aid and trade agreements with developing countries (the Lomé Convention). Michael Hart describes the preparations as follows: "Preparations for the round had made it clear that it would be dominated by the United States and the EC, with Japan still not ready to become an equal partner.... the Tokyo Round would be a bilateral negotiation masquerading as a multilateral negotiation." See Michael M. Hart, *50 Years of Canadian Tradecraft*, op. cit. p. 126. The 1973 Economic Report of the President provides a tidy summary of the issues from the perspective of the United States.