

agreement i.e. non discrimination and use of the price mechanism or tariff, no country had a strong incentive to expose its trade-related domestic or border policies to regular scrutiny and discussion. This reluctance may have been increased by the legal nature of the GATT and the difficulty of ensuring that frank policy discussions did not result in invoking the legal obligations of the Contracting Party.

The components of an effective policy-based surveillance mechanism would have to include an enhanced analytic capacity in the Secretariat; a designated policy forum at both the official and Ministerial levels; a link with the rules-based surveillance of the dispute settlement procedure and, desirably, improved transparency of domestic trade policy-making procedures in member countries.

The issue of structural change and structural adjustment should be the theme of the reviews in their analytic and policy evaluative content. I need hardly remind you of the contentiousness of this approach in, for example, defining the policy scope to be surveyed.