

DESPITE THIS INCREASINGLY CLEAR AND DAUNTING PROSPECT THE U.S. HAD BEEN UNABLE TO LAUNCH A NEW GATT ROUND AFTER FOUR YEARS OF STRENUOUS EFFORT. OVER THIS TIME THE AMERICAN POSITION WAS VISIBLY TRANSFORMED FROM LEADER TO DEMANDEUR WHICH AFFECTED THE OUTCOME OF PUNTA AND MAY WELL INFLUENCE THE RESULTS OF THE ROUND ITSELF.

ONE EFFECT OF THE LONG DELAY IN LAUNCHING THE ROUND WAS, AS I HAVE NOTED, TO ALLOW A DANGEROUS BUILD-UP OF PROTECTIONIST FURY IN THE U.S. ALSO, BECAUSE OF THE LONG DELAY, IT WAS AMPLY EVIDENT TO ALL BY MID-SEPT. 1986, THAT UNLESS THERE WAS SOME SUSTAINED PROGRESS IN IMPROVING INTERNATIONAL COOPERATION IN MACRO ECONOMIC POLICY A ROUND WAS HARDLY LIKELY TO BE COMPLETED. THUS, THERE WAS A REMARKABLE DEGREE OF AGREEMENT AT PUNTA THAT THERE HAD TO BE PARALLEL PROGRESS ON BOTH FRONTS -- A TALL ORDER, BUT A REALISTIC ONE.

THERE ARE TWO WAYS OF EVALUATING THE IMPACT OF THIS GLOOMY BACKDROP ON THE OUTCOME OF PUNTA AND PROSPECTS FOR THE ROUND. ONE COULD ARGUE THAT CETERIS PARIBUS THE LATER THE LAUNCH OF THE ROUND THE GREATER THE RISK OF FAILURE BECAUSE OF THE BUILD UP OF PROTECTIONIST PRESSURES