

NIC's). In absolute terms, however, non-tariff barriers are significantly more prevalent on imports from developing countries. This is mainly because of the importance of agricultural products and textiles and clothing in the exports of the developing countries.

The new protectionist measures have a number of characteristics which make them particularly threatening to the system. They create a political constituency for their maintenance in both the importing and exporting countries through the generation of scarcity "rents". By fostering trade diversion, both geographic and product-oriented, they build in a dynamic for extension. Often designed to provide a breathing-space for adjustment, they are seldom successful.

The effects on the system are even more damaging. Precisely because they are less transparent and less easily comprehended than are tariffs they evoke little public reaction as the system is slowly transformed. But the new protectionism, by violating the basic principles of the GATT, weakens external counterpressure to domestic protectionist demands. GATT itself loses authority. In sum, there is little in the history or analytics of managed trade which promises