In summary, these appear to be the three principal reasons why Article XIX has been ignored: the dramatic changes in the location of industry, not foreseen by the GATT draftsmen; the unwillingness of domestic producers to pay compensation; and the pervasiveness of the view that it was entirely appropriate to discriminate against Japan.

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What, in summary, has been the effect of the operation of these three factors, or influences? In operational terms, the most important result has been the putting in place of a highly detailed, highly structured, system of "surrogate" measures — that is, surrogates or substitutes for Article XIX measures. This structure of surrogate measures — essentially "voluntary export agreements", "orderly marketing agreements" and "industry-to-industry understandings" — developed slowly. That countries signatory to the GATT would insist on "surrogate" measures, in many cases, rather than invoking Article XIX rights, and accepting Article XIX obligations, became evident only after the "Review Session" of the GATT in 1955, and the negotiations at that time for the accession of Japan to the GATT. Prior to that period, many GATT signatories claimed justification for various import restrictions on the basis of their balance-of-payments difficulties (as contemplated in GATT Article XII). Indeed, the Contracting Parties devoted considerable time and energy to working out a set of transitional measures under which a country no longer able to shelter its restrictions under the balance of payment provisions could nonetheless maintain restrictions temporarily, subject to certain conditions. These transitional arrangements were designed to take account of the fact that vested interests are created by a restriction on a particular category of imports, and accordingly, governments may face political difficulties, often at constituency or electoral district level, in removing such a restriction.[10] It was only as these residual restrictions had to be abandoned that Article XIX became of practical importance.

The first area of trade which was taken out of the GATT Article XIX discipline was, of course, agriculture. Countries restricting imports of agricultural products either invoked paragraph 2(c) of GATT, which permitted restrictions on imports of agricultural products necessary to the operation of domestic agricultural programs; or, as in the case of Switzerland[11], chose not to accept GATT obligations with respect to agriculture; or, as in the case of the United States,[12] secured a waiver of their GATT obligations with respect to a range of agricultural products; or merely ignored their GATT obligations when some particular problem of import competition arose. (There were, of course, some occasions when countries did invoke Article XIX in regard to imports of agricultural products.)[13] The early breakdown of the GATT system, or its non-operation or ineffectiveness, with regard to this key sector of trade must have substantially reduced the legitimacy of the GATT system in the minds of ministers, of their bureaucratic advisors, and of the producer groups demanding protection. It is tempting to argue that the decisive action was the request by the United States for a waiver of its GATT obligations not to apply import quotas on a wide range of agricultural products; the U.S. was the main advocate of the GATT system, and had used considerable diplomatic bargaining power to launch the GATT (for example, Article VII of the U.S.-U.K. lend-lease Agreement). The decision, in effect, to withdraw the U.S. import regime with respect to agriculture from the GATT rules can be seen as a decision which