the shifts in the location of production of certain industrial products and the entry of new and substantial producers onto world markets. This has become identified as the problem of market disruption; in the MTN it is known as the "safeguard" question. For trade in textiles and apparel, these developments have given rise to an agreement under which significant portions of world trade in these products are regulated, not by tariffs alone, but also by a series of interlocked negotiated quantitative restrictions.

One understands that certain other industries are attracted by the prospect of dealing with import competition in their domestic markets by adopting some system of administering or regulating competition in quantitative terms, rather than by relying, in the main, on a system of negotiated tariff rates, but so far no government has proposed to extend the concepts of the multi-fibre agreement to other product areas.

With regard to the "safeguards" issue, in more general terms, that is, with regard to the possibility of revising or interpreting Article XIX of the GATT, which sets out the rules under which governments can deal with sudden and intolerable instances of import competition, it is the United States which has been pressing for new rules. The United States Delegation has now put forward a written proposal in Geneva which other delegations are examining.

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