

actions had flared up, sapping the credibility of the GATT and thereby weakening the potential countervailing force of the negotiation. Thus the reasons for the delay in the launch are important to understand in assessing prospects for the Round itself.

The ostensible reason for delay was the opposition of the G-10, a small group of developing countries led by Brazil and India which, largely on legal grounds, opposed the inclusion of the so-called new issues of trade in services, intellectual property and investment. I shall discuss this shortly. But G-10 opposition could probably not have prevented a launch had the three major trading powers -- the U.S., Japan and the European Community -- been able to agree on timing. The apparent disagreement between the U.S. and the E.C. largely stemmed from the political and institutional complexity of the trade policy formulation process of the Community. The process is inevitably cautious and lengthy, especially when important policy differences exist among member states as they do in agriculture.

There is nothing new about the impact of domestic policy formulation processes on strategic aspects of international decision-making. The troubled birth of the