

greeted as new evidence of the improved international economic cooperation which had begun a year earlier at the Plaza Hotel. The Plaza meeting was followed by the Bank/Fund meetings in Seoul, with its unveiling of the Baker initiative on debt, and the blessing of multilateral surveillance at the Tokyo Summit in May. These welcome events improved the atmosphere for the Uruguay launch but it must be admitted that a powerful spur to action in Punta was fear. Coleridge's aphorism is apt; "Fear gives sudden instincts of skill." It was not only the steady, largely invisible, systemic erosion of the GATT that moved the assembled trade ministers to begin the negotiations. It was also the very visible and growing external imbalances, with the accompanying protectionist fury of the U.S. Congress, and nightmare visions of "hard landings", which concentrated minds early that morning.

A serious flaw in decisions inspired by crisis is that delay as the crisis builds may allow time for obstructions to a genuine solution. A multilateral trade negotiation has been a traditional remedy, by and large successful, for diverting or deferring protectionist claims in all countries. The U.S. had been trying to launch a new round since the end of 1982. As we have seen, over the ensuing years, protectionist pressures and