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**PROTECTIONISM: REGIONAL
NEGOTIATION AND
DEFENCE STRATEGIES**

**CUADERNOS
DE LA CEPAL**



UNITED NATIONS





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DEFENCE STRATEGIES**



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PROTECTIONISM: REGIONAL NEGOTIATION AND DEFENCE STRATEGIES*

SUMMARY AND CONCLUSIONS

1. Contents of the document

The central concern of this document is to explore Latin America's options for countering the forms of managed trade which mark the growing protectionism of the developed market-economy countries.

The document consists of four chapters and their corresponding annexes. Chapter I summarizes the economic evolution of recent years and its impact upon the region, devoting particular attention to aspects relating to the system of international trade, to protectionism on the part of the developed countries and to the discrimination against Latin America in this respect. It also examines the negotiating significance and legal context of retaliatory trade measures as applied by the industrialized countries in the recent past. While such measures were formerly resorted to in international trade relations only in extreme cases, during the 1980s their use has intensified and has become much more widespread; in view of this trend it has been deemed worthwhile to analyse such measures in greater detail in this document.

Chapter II examines the options open the countries of Latin America in so far as their adoption of guidelines for their external negotiations within the framework of international economic relations as they are conducted in the 1980s. This examination is preceded by a brief historical recapitulation of the phases and forms of the region's economic growth within the limitations of its peripheral position; due consideration is also given, however, to the emergence of a new potential negotiating power

*This document was prepared by the International Trade and Development Division of ECLAC, with the collaboration of the Permanent Secretariat of SELA and the Secretariat of UNCTAD.

owing to the industrialization and integration processes which have been taking place in recent decades.

Chapter III explores methods of determining the purchasing power which Latin America could utilize on a concerted and joint basis in order to increase its bargaining power in the sphere of international trade, in the light of the protectionist policies and practices increasingly used by the industrialized countries. The approach adopted in this chapter also underscores the major role which the regional market must play in order to ensure that the region will be able to use its purchasing power not only with greater flexibility and efficiency at the international level, but also as a means of expanding the Latin American demand for goods produced within the region.

Chapter IV sets out a synthesis of the results of research into the decision-making and legislative process in the United States and the European Economic Community (EEC) in the field of trade policy, with special emphasis on protectionist measures.⁹ Time and resource limitations prevented a similar study from being prepared on Japan and other industrialized countries which represent major markets for Latin America, and this task should be completed as soon as possible. The research summarized in chapter IV meets two objectives: firstly, to identify the central features of the legislative and decision-making process in the developed countries, at least in so far as trade policy is concerned; and secondly, to contribute to joint international efforts on the part of Latin America aimed at altering an external environment which is extremely uncertain and unfavourable for its economic and social development.

To sum up, the document focuses on two fundamental questions:

The first of these is: What are the criteria and procedures underlying the present trade policy of the region's principal developed trading partners? The second is: What real possibility is there of Latin America's exercising some degree of influence over the decision-making mechanisms by which these criteria are defined? These are merely two of the aspects which could be taken into account in an integral regional strategy as regards trade negotiations. Consequently, they should not be regarded as the only aspects of importance, but rather as those which, by means of joint and co-ordinated action, could contribute in the short term towards improving the position of Latin America as a whole (at a low operational cost).

Ultimately, what the document endeavours to accomplish is to highlight the circumstances prevailing at the present time within the

⁹The main studies from which the synthesis given in this document was drawn will be published as separate monographs.

system of international trade; in particular, it deals with the sophisticated arsenal of protectionist measures which seriously restrict the opportunities for expanding Latin American exports and underscores the need for the region to organize new negotiating mechanisms at the international level, without which the structural asymmetry of its external insertion will become even more lopsided.

2. The recent background of the present world economic setting

The dynamic post-war economic setting of the developed nations—linked with the spread of certain forms of technology, the reconstruction that followed upon the ravages of war, the cheap and abundant supply of food and energy, and the flexible supply of manpower—first showed signs of becoming depleted and unbalanced at the beginning of the 1970s. During that decade and in the 1980s, to date a succession of upsets and maladjustments have been observed. These include, the surfeit of dollars which led to the breakdown of the monetary order, the oil crisis, "stagflation" in the central countries, major trade disequilibria, the increasing privatization of financial flows and the over-indebtedness of some of the relatively more advanced developing economies.

The sharp turnaround in economic policy made in the 1980s by the United States—which issues the world's main reserve currency—brought further recessionary pressures to bear during the first three years of the decade. The repercussions of these new policies, which deepened the indebtedness of the Latin American nations and restricted their possibilities of growth, are well known. The combined impact of the rise in real interest rates, the fall in commodity prices, mounting protectionist pressures in the centres and the shrinkage of external capital led, beginning in 1982, to the most severe regional economic crisis in the last fifty years.

This string of overlapping maladjustments and crises, together with the deterioration in the operativeness and efficiency of the institutions set up to promote international co-operation in the post-war period (GATT, IMF, IBRD, UNCTAD, etc.), is a deeply rooted phenomenon. The world is making a transition towards a new international order based on the structural changes in the central economies which are associated with the rise of new and revolutionary technologies and the predominance of tertiary activities within the context of a dynamic transnationalization of goods-producing and service activities. These transformations are bringing into being a new international division of labour whose consolidation is reinforced, at least during this transitional phase, by a "power-based" system of international relations which is moving away from the princi-

ples and practices of multilateralism and co-operation among sovereign States.*

Within the context of the present trends in managed trade, the industrial centres are taking the initiative in creating and applying norms which support the use—or the threat—of retaliatory measures as a main negotiating tool. These norms supplement—and differ from—those provided for in respect of retaliatory measures in GATT. In the United States of America, for example, the 1984 Trade and Tariff Act reforms previous regulations with the aim of strengthening the authority of the President to take retaliatory measures. The possible application of this type of measure is also facilitated by Council Regulation 2641/84 of the European Economic Community on the strengthening of mutual trade policy, which was adopted on 17 September 1984.

3. Protectionism viewed from the forums of international co-operation

The repercussions of the world economic crisis are also seen in the changes taking place in the system of international trade, whose original concepts and rules are increasingly being called into question. The role of trade, as the key to sustained growth, as the means of spreading technological change and as a stimulus to increased productivity is being eroded by a swelling tide of protectionism. This has been frequently and publicly acknowledged at the main international forums and in the documents issued by them.¹

There is thus a clear awareness of the nature and scope of protectionism at the present time, as well as of its impact upon the developing countries. As far as the interests of Latin America are concerned, it is no longer a case of drawing attention to the existence of protectionism in the increasingly managed forms taken by trade today, but rather of establishing appropriate negotiating mechanisms for reducing the serious damage being caused by it. This is the fundamental issue addressed by this document.

*The present forms of protectionism and "managed" trade are a clear manifestation of these trends. It is interesting to endeavour to measure their impact upon the developing countries. Nevertheless, any method of measurement must needs be arbitrary and partial, since it fails to identify non-quantifiable subjective phenomena such as the hesitancy of entrepreneurs to invest when the market is unstable and unpredictable, even in the extremely short term. Measurement of this impact on the basis of the volume and, value of trade flows in the past does not reflect the true damage done by the protectionist measures applied by the industrialized countries.

4. Towards the strengthening of regional bargaining power

As is pointed out in the main body of this document, bargaining power in the trade and financial sphere, at the international level, largely depends upon productive potential. The scale and degree of development of the productive structures of the nations or groups of nations negotiating in the international arena are the essential underpinnings of the bargaining power of each party. Emphasis must also be laid upon the fact that the peripheral status of the countries of Latin America compartmentalized their economies and inhibited their mutual relations during the first decades of the twentieth century. As from the 1930s, however, industrialization through import substitution stimulated the productive structures of each Latin American country and, since the 1960s, integration and co-operation have strengthened trade and complementarity. From a long-term angle, it may be asserted that the region now has a growing productive potential capable of backing up firmer and more solid negotiating positions both at the intra-regional level —within the framework of integration and co-operation agreements— and *vis-à-vis* the rest of the world, where joint and concerted action can be based on this economic interdependence.

During this stage of Latin American development, and in spite of the temporary setbacks experienced in its industrialization and intra-regional co-operation efforts, there appears to be a greater possibility now than in the past for fruitful interaction between these two processes. To sum up, the regions productive potential, taken as a whole, is capable of expanding not only through intensified industrialization within each country, but also through a parallel deepening of integration, co-operation and economic complementation among the countries. These desirable trends would also provide the basis for joint action in negotiating with the centres.

It is in the light of these broader considerations that the document points to the need for the region to consolidate, organize and exercise its bargaining power in its economic relations with the industrialized centres.

Viewed from one angle, negotiating involves a confrontation between the divergent interests and reciprocal dependence of the parties involved. If full use is to be made of the regions potential bargaining power in joint negotiations with the developed world, it must be remembered that specific sectors or interest groups in the centres are to some degree dependent upon the regional market and are therefore particularly sensitive to the changes taking place therein. The main part of this document describes each particular state of dependence —of a group of countries with similar interests, of a single country, of a region, of an

interest group, etc.— as deriving from the difficulty or impossibility of eschewing concrete negotiations—even partially— owing to the cost this would involve. More specifically, trade dependence takes the form of a limitation of the freedom to choose among markets as a result of political factors or of the very structure of the markets themselves.

Joint action must provide the basis for a new form of regional bargaining power which will overcome past inflexibility and inertia in expanding Latin America's external trade and achieve more concerted action, as well as greater flexibility and effectiveness, in the region's economic relations with the industrialized centres. It is not suggested that the countries of the region should adopt binding and legally institutionalized links, after the style of the joint trade policy of the EEC. What is being proposed is rather the continuation and reinforcement of the trend—already begun in the 1980s— towards common, flexible and pragmatic action to deal with concrete problems. This is the attitude which seems to have prevailed since the Quito Declaration and the Cartagena Consensus. In the sphere of multilateral trade negotiations—such as the possible fresh round of GATT which the industrialized countries are endeavouring to promote—"joint action" would not only involve agreement upon common stands to be taken. It would also involve the need to decompartmentalize the spheres of international economic negotiations and to link together trade, financial and even political instruments and considerations, whenever this proves necessary.

5. The international trade system. Its likely evolution and desirable scenarios

An examination of the future course of the international trade system, in terms of both its probable and its desirable evolution, from a Latin American perspective, is called for here. It is also worthwhile to explore the possibility of Latin America's exerting some degree of influence over this process.

To this end, it will be useful to review the principal orientations which are to be observed at present in the way trade relations are being handled at the international level.

In spite of the claims made by the majority of the governments of the industrialized countries that they are seeking an integrated world economy, untrammelled by barriers affecting trade and the movement of factors, they are in fact no longer relying solely on tariff barriers to protect their productive activities and promote their exports. Their policies for defending and promoting those sectors which are exposed to international competition are based upon increasingly complex and

diverse measures. It is also a fact that the domestic policies of the developed countries now have a greater impact on the international sphere than in the past. The international origin and destination of financial flows, fluctuations in exchange parities, fiscal and trade imbalances, incentives for saving and investment, production subsidies, variations in interest rates, etc., all constitute factors which, springing from considerations of national interest on the part of the developed countries, fundamentally determine the present characteristics of international trade.

In the more specific sphere of protectionism, a fundamental background feature to these changes in institutions and policies is the emergence of new and revolutionary technologies, without any offsetting shift of technologically lagging industries to the periphery. The central countries do not seem to have discounted the possibility of regaining their comparative advantages in these latter activities by making use of new high technologies (microelectronics, biotechnology, etc.). Meanwhile, one form of protectionism has arisen precisely to defend these backward industries.

In view of the above, there are grounds for asking the following questions: Towards what type of institutional framework is international trade heading? What would be the desirable form of organization from a Latin American viewpoint? and finally, What can the region do to actively further its interests in this field?

In order to answer the first question, it is necessary to answer another, broader question concerning the structure towards which the international economy as a whole is moving. It is clear that the roots of many of the imbalances and maladjustments characterizing the present trade structure lie in the breakdown of the international monetary system which took place in the early 1970s and in the increasing transnationalization of the world financial system which was seen throughout the same decade. The Latin American crisis of the 1980s perhaps provides the clearest illustration of these links. Among its causes are, on the one hand, the sharp fluctuations in the value of the dollar and of interest rates and, on the other hand, the shrinkage in the availability of fresh financing.

The need to generate a growing trade surplus has led to a spectacular compression of Latin America's imports and a determined effort to increase the region's exports. One of the consequences of this situation is the international glut of commodities, which partly accounts for the downward trends in their prices. Consequently, it is necessary to examine the factors involved in the trade crisis in the light of their monetary and financial connections.

Given the existing international circumstances, if an open trade system is to be maintained and to flourish, a high degree of co-ordination

among the domestic policies —fiscal, financial, monetary, trade, etc.— of the main industrial centres is required. Thus, for example, imbalances in the country which acts as the main centre for the issuance of reserve currency may produce maladjustments in the whole world economy. The manner in which the present macroeconomic disequilibria of the principal developed economies are corrected is of vital importance for the countries of Latin America, as it will affect their exports, which respond to the overall dynamism —and protectionism— observed in the central economies.

While the organization of international trade in the future appears to be a particularly fluid and unpredictable process, there seems to be little likelihood of a return to the full application of the original GATT guidelines. In the past, these depended, *inter alia*, on stable rates of exchange among the principal reserve currencies as well as on an external trade policy which was essentially regulated by means of tariffs. At that time, the domestic economic policies of the main developed countries did not have such powerful repercussions as they do today upon the rest of the world economy, nor had the present forms of managed trade yet developed. What, then, would be a desirable form of organization from a Latin American viewpoint? Broadly speaking, although it is far from easy to anticipate what specific and concrete form this will take, it would be an international economic order of a multilateral and intergovernmental nature which would stabilize the relationship among the exchange rates of the principal currencies, facilitate an orderly transition towards a monetary system which would not be vulnerable to the unilateral influence of any given industrial power, and promote the establishment of an international financial order geared to meeting co-operative aims —an order which, in sum, would direct the process of private transnationalization in such a way as to serve the higher interests of the international community. These characteristics are all, of course, desirable objectives for those who continue to support the ideals which led to the founding of the United Nations.

What can the region do in concrete terms in order to promote its interests in this field? In order to avoid falling into the trap of voluntarism, it is necessary to bear in mind that it will not be the interests of Latin America and the Caribbean which will shape a new system of international trade, but rather those which carry greater economic weight and political power in the community of nations. In this respect, it is to be hoped that the new trade order will be shaped by negotiations rather than through the use of force and open conflict. It would not be possible for the region to see its aims met in full even in such a desirable setting, but if it were to negotiate efficiently and jointly, it might nevertheless manage to defend its most vital interests.

To this end, it would be helpful to do away with the false dilemmas which influenced the debate and economic policies of the 1970s, such as protectionism versus free trade, or export promotion versus import substitution. Such dichotomies, presented as theoretical abstracts, generally refer to an ideal setting which bears little relation to today's changing world, and even less of one to the terms on which Latin America must cope with the international crisis at this stage in the 1980s.

The option between protectionism and free trade, for example, was more relevant in the post-war context. At that time, tariffs represented the main instrument of external trade and the process of transnationalization in the spheres of trade and finance was as yet incipient. However, such dichotomies become meaningless, in terms of policy options for the region, in a world of managed trade, of growing bilateralism, of extensive transnationalization in commerce and finance and of heavy regional indebtedness.

Nowadays, it is not a question of whether or not the countries of Latin America wish to liberalize their trade with the developed countries. It is the industrial centres, the guiding forces of the world economic order, which are immersed in an intense process of technological and institutional readaptation in which the interests of each Latin American country carry little weight, except in so far as they relate to a possible flare-up or explosion of the debt problem.

How is it possible to promote exports in an increasingly protectionist world? By increasing their exports of commodities in an attempt to earn the trade surplus which would allow them to service the interest on their debt, many Latin American countries have helped to generate an excess of supply which, in view of the elasticities involved, has depressed the already low prices of these products even further. The agricultural policy of certain industrial centres has also contributed to the crises of over-supply which now afflicts commodity's markets. Similarly, protectionism in respect to those manufactures in which the peripheral countries possess comparative advantages (steel, textiles, footwear, prepared foods, etc.) militates against the possibility of increasing exports.

How is it possible to reconcile these export constraints with the externally imposed obligation to earn a trade surplus in order to pay the interest on the debt? The impact of the recessionary adjustment carried out during the first half of the 1980s is well known. Over and above the political and social limits inherent in a strategy of this kind, it seems obvious that —to take an extreme hypothesis— a stagnant Latin America represents a lost market for its developed trading partners and an insolvent debtor for its creditors. Under such conditions even if it wished to do so, the region would be unable to contribute to the expansion of free trade.

If there is no significant change in this situation, it is likely that import substitution on a regional scale —based on a strong revitalization of the processes of integration and co-operation— will come about, not as the result of a doctrinal preference, but as an unavoidable consequence of historical circumstances. The expansion of intra-regional trade would facilitate greater self-sufficiency in respect of the inputs needed to revive depressed industries. It would also allow a greater volume of commodity sales in the region itself, thus giving a boost to those export activities which cannot find a market in the developed North.

The other alternative in respect of the form of insertion of the region in an increasingly untrammelled and integrated system of world trade does not depend upon the region's own efforts, but rather on the actual evolution towards a new international economic order whose most desirable characteristics have already been described.

There are perhaps two desirable alternatives: one is to seek more interdependent and self-reliant development at the regional level, until the confused signals being put out by the world economic conjuncture become clearer, while the other is to create a clear awareness that while the countries of Latin America are not able to define this future order, they are indeed capable of negotiating effectively in order defend their most vital interests.

6. The use of purchasing power. An initial proposal

One of the alternatives open to Latin America in order to confront the growing protectionism of the developed countries lies in the organization and exercise of joint bargaining power. If this is to be done, at least to some extent, it is necessary to specify the mechanisms and instruments on which it could be based. One of these instruments is the joint purchasing power of the countries of Latin America. This possibility is examined here in terms of a measure which the countries of Latin America and the Caribbean could themselves analyse, study and perfect.

Purchasing power possesses the virtue of linking action taken in regard to trade inside the region with action taken by the region in respect of the industrialized countries. Viewed from this angle, this inter-linkage bears witness to the fact that any intra-Latin American action which promotes greater inward-oriented cohesiveness will also increase the region's autonomy in its outward-oriented relations.

It might at first sight appear strange to talk of the dependence of some of the developed countries' exports on the Latin American market, when it is in fact the contrary which is far more striking, since the figures

on external trade indicate that Latin America's export dependence on the industrial centres is far greater than the latter's dependence on the region.

However, it is important to bear in mind that Latin America's capacity to divert trade to the region itself is greater in respect of certain products, than that of the centres as regards their own markets. Levels of dependence in trade do not depend upon the levels attained by any quantitative indicator, but rather on the greater or lesser capacity to replace one contractor or trading partner with another. In the case of a great many primary and manufactured products, the dependence of Latin American exports on the markets of the industrialized countries could be significantly reduced. This is because the region is both an exporter and an importer of a wide range of goods which are identical or can reasonably be substituted for one another. Moreover, the export dependence of at least some of the industrial centres is far greater—in certain sectors or activities—in respect of the Latin American market than it is in the world as a whole. In both of these areas—the intra-regional diversion of trade or the generation of competition among different developed suppliers—regional purchasing power appears well worth examining.

It should be clearly understood that there is no intention of introducing a conflictive bias into the trade relations of Latin America and the Caribbean by calling for concerted retaliatory policies. What is being suggested is that the region's bargaining power should be reinforced by making available the possibility of increasing the relative weight of each of the countries, taken individually.

Negotiating initiatives which are buttressed by purchasing power acquire real significance in so far as the region is capable of acting in a joint, concerted manner. Generally speaking, negotiations by single countries lack sufficient weight, except in the case of certain large countries and particular products. Precisely because of their greater weight, the large countries might well assume the leadership of concerted trade action *vis-à-vis* third parties. Ultimately, it is a question of enhancing the significance of the region's purchasing power at the negotiating table and lessening the trade vulnerability of the countries of Latin America which is so apparent when they act in isolation.

In connection with this issue, the statistical data on which the above proposals are based are provided in four sets of tables included in the statistical appendix.

The data considered provide initial background information illustrating the possibility of developing global negotiating techniques.

The region's response capacity in respect of each developed country is concentrated in a limited set of products—between 3 and 78 at the four-digit ISCI level—which, nevertheless, represent more than 50% of the main industrialized countries' total trade flow to Latin America and

between 1% and 10% of their total world trade. Clearly, in order to determine the extent of such joint purchasing power, a more detailed breakdown of the information given in the main document would be necessary. It does, however, provide clear orientations for future statistical analyses of a more concrete and operational nature, which will be essential if the countries of Latin America decide to make use of this option in their international trade negotiations. The aim of this document is merely to put forward an initial proposal for analysis by the governments concerned.

7. The centres' decision-making mechanisms. An initial investigation

In the present world circumstances, the trade policy of the industrialized countries is increasingly influenced by their domestic economic and social pressures. In view of this growing "domesticity" of trade policy, the organized economic groups and institutionalized decision-making mechanisms which play a role in formulating trade policy and in adopting protectionist measures need to be examined, and an attempt must be made to influence them in advance.

The analysis of the decision-making processes of the centres in regard to trade policy and protectionism seeks to provide firmer foundations for the negotiating possibilities of Latin America and the Caribbean in the field of trade. It thus provides a frame of reference for the joint action considered desirable.

It should be mentioned in passing that such research presupposes a real determination to negotiate. This represents an implicit acceptance of the idea that negotiations are the normal and essential means of restoring and consolidating the mechanisms of co-operation which should regulate the international community. It also implies that resorting to reprisals, as a routine mechanism in trade relations, constitutes an attitude which goes beyond the bounds and significance of what trade negotiations should be.

All the foregoing means that the competent authorities in the region must have an adequate knowledge of the kindred interests of the actors in the industrialized countries which suffer as a result of the trade measures adopted. These potential allies might be agents, sectors or regions in a developed country, or even several countries in an integration bloc, such as the EEC. This potential preventive action requires an ongoing examination of the domestic political and economic trends in the area of trade within the most advanced countries.

By way of example, in the case of the United States trade policy measures are the outcome of a three-way interplay involving State

institutions —Congress and the Executive branch— and private interest groups. This document examines the United States' trade policy decision-making mechanisms with particular attention to the adoption of safeguard clauses, countervailing duties and anti-dumping measures.

In the case of the European Economic Community, both the legal and legislative framework and the procedures and mechanisms relating to trade policy decisions are considerably less transparent than in the United States. According to the Treaty of Rome, the main actors in the case of the Community are the Commission and the Council. Other Community actors of some importance are the European Parliament —whose weight is growing and which is quite sensitive to political influences— and the Economic and Social Committee.

This document describes the EEC's legislative and decision-making processes regarding safeguard clauses, countervailing duties and anti-dumping measures. This examination reveals a profusion of relatively untransparent and unpredictable procedures which are heavily influenced at all levels by considerations of a political nature.

The study of these processes within the Community —apart from its intrinsic interest as regards the exercise of regional bargaining power— illustrates the community spirit which this group of countries has managed to uphold, over and above specific differences in their interests. It represents an inspirational example of "joint action" for the countries of Latin America in their efforts to achieve inwardly-directed integration and concerted outwardly-directed bargaining power.

Chapter I

PROTECTIONISM AND LATIN AMERICA IN THE 1980s

A. INTRODUCTION

This chapter sets out the features and characteristics of present-day protectionism in the industrialized countries.

First of all, the most recent forms of protectionism are placed within their historical context, in the light of the exhaustion of the dynamic expansionary cycle of production and trade which began after the war and the outbreak of successive crises and imbalances in the 1970s and 1980s.

Secondly, a number of particular features of present-day protectionist practices are highlighted, together with the new concepts and approaches which are guiding such practices in an increasingly institutionalized manner.

Thirdly, the chapter provides illustrations of concrete actions in the sphere of managed trade and protectionism which have recently tended to intensify and reinforce these practices.

The chapter then goes on to deal with the issue of retaliatory measures within the regulatory framework of GATT and in relation to the new legal instruments and specific activities observed in the developed countries.

A number of preliminary estimates as to the scale of protectionism in the centres are then presented. This discussion underscores the considerable difficulty encountered in making estimates in view of the less and less transparent forms taken by present-day protectionism, as well as the unreliability of the methodologies available for preparing such estimates. Nevertheless, an attempt is made to provide a quantitative idea of the levels which such protectionism has recently reached, especially in its non-tariff forms.

Finally, some indications are given of the discriminatory nature (against Latin America) of protectionism in the centres and an attempt is made to provide some quantitative estimates of this trend.

By approaching the issue of protectionism from various angles, an effort is made to provide different types of evidence —historical, factual, statistical, etc.— of the growing strength of this phenomenon in the context of “managed” trade.

B. THE EVOLUTION OF INTERNATIONAL TRADE RELATIONS. AN OVERVIEW

Although it might seem obvious, it is worth recalling that the expression “international trade” designates a relationship among countries, i.e., among national societies possessing political, economic and social unity, which are organized as sovereign States. Ultimately, it is in the field of international relations that the underlying sovereignty of Nation-States is seen. The possible scenarios for international trade vary according to the intensity and form of the States’ participation therein.

During the period between the two world wars, particularly between the crisis of the 1930s and the Second World War, international trade was essentially dominated by the presence of States rather than that of the private actors conducting trade. Relations were founded upon the concept of reciprocity and were either bilateral or were conducted within trading blocs based upon the currency of a major power. This was the era of the large-scale and aggressive nationalist movements which led to the Second World War. During the whole of this period, the international flow of goods was administered by States on the basis of unilateral, bilateral and even multilateral actions which were, nonetheless, deeply marked by a biased and narrow concept of reciprocity.

States imposed differentiated tariffs, manipulated exchange rates and used all types of non-tariff barriers when they saw fit to do so. Then, as now, the countries possessed extremely dissimilar productive, trading, *financial and monetary powers*. The structure of the international market was not only fragmented, but also dominated by the huge scale of the supply and demand which some countries —in particular the major colonial powers and the United States— were capable of deploying.

After the end of the Second World War, this “neo-mercantilism” —founded upon a type of international relations based on power— was replaced, as part of a vast process of decolonization, by a new order which might be described as “neo-liberalism with co-operation”. This combination was the outcome of a compromise between the interests of the capitalist industrial powers, which wanted to rebuild their relations on the basis of untrammelled reciprocal trade, and the poor and underdeveloped regions of the planet, both those which had recently gained independence as a result of decolonization and those which had become sovereign nations much earlier.

Institutions were established to promote the unhindered action of private market forces, thereby limiting government interference in free trade and making such intervention easier to control. GATT was an agreement under which tariffs were to be used as the main instrument of trade policy with a view to achieving a progressive reduction of tariff barriers, on the basis of an overall approach free from discrimination and special preferences. Under GATT rules, the institution of non-tariff barriers was regarded as an extreme, exceptional and temporary measure.

The monetary order, associated with what might be called the dollar-gold standard, sought to ensure stable exchange rates and entrusted the IMF with maintaining them. The adjustment of exchange parities was also considered to be an exceptional measure for correcting major balance-of-payments disequilibria. All in all, the aim was to establish an institutional framework within which the market forces could act freely, taking as the ideal an economic world-view closely resembling the liberal paradigm. The main actors were to be private entrepreneurs interacting in the market. In practice, however, this role was increasingly taken over by the great transnational corporations operating in the productive, commercial and financial spheres.

Nonetheless, other interpretations began to emerge even during the immediate post-war period. According to these, the main actors in the international order were national societies, set apart by extremely dissimilar levels of development and connected by trade links which depended on their respective positions in the international division of labour. According to this view, the major industrial powers were the centre of an international economic order which included a vast periphery of non-industrialized countries. The former exchanged manufactured goods for the commodities provided by the latter.

Within the sphere of trade, according to this new view, it was assumed that if given over to its spontaneous forces, the system would engender increasing disequilibria in the balance of payments and even in the economic and social structures of the nations of the periphery. In short, in both the centre and the periphery the demand for manufactured goods would rise faster than world demand for commodities. This conclusion was based on the respective price and income elasticities of these two kinds of products. Consequently, as the periphery, imported manufactured goods and exported commodities, it would show a propensity to deficits and indebtedness in its external accounts. It was therefore held that international co-operation in the sphere of trade and development was required as a means of overcoming this structural external disequilibrium by stimulating the development of the peripheral countries.

The concept of co-operation for development took shape within the United Nations and found its economic bases in the ideas of ECLAC. The

uneasy coexistence of this concept with the diehard "free market" view was reflected in, for example, the new functions assigned to the World Bank, which was transformed into a financial agency geared to promoting the development of the countries of the Third World, while the task of dealing with the reconstruction of Europe was mainly taken over by the Marshall Plan.

The evolution of the institutions designed to promote co-operation for development culminated with the creation of the United Nations Conference on Trade and Development (UNCTAD), which helped to put into effect the concepts of ECLAC in the sphere of trade.² The Generalized System of Trade Preferences (GSTP) is another example of the compromise made between neo-liberalism and co-operation for development. For a number of reasons this compromise began to erode during the 1970s, and it is worthwhile to briefly review a few of these factors.

Beginning in the 1970s, protectionism became an increasingly important phenomenon within the industrialized countries themselves. At the same time, intergovernmental financial co-operation for development began to give way to the transnationalization of resource flows and culminated, in the 1980s, in the heavy indebtedness of the developing countries in general and Latin America in particular. In the sphere of trade, the escalation of protectionism is at present manifested not only in the alterations being made in legal instruments, but also in the deterioration of the institutional foundations of both neo-liberalism and co-operation and even the gradual erosion of their underlying principles.

The present forms taken by protectionism in the centres are, to a considerable extent, a consequence of the slowdown, instability and imbalances which appeared in the international economy during the 1970s. So-called "stagflation" was a central feature of these processes, which were closely linked with the monetary and energy crisis of the period. The slower rate of growth of the economies of the United States and the EEC, together with increasing competition from Japan, South East Asia and other developing regions, intensified protectionist pressures in those Western centres and gave rise to the application of scaled tariffs on manufactured goods and the appearance of new non-tariff protectionist measures. Thus, in the developed countries protection for technologically backward industries prevailed over efforts to bring about a structural adjustment and an industrial redeployment.

On the other hand, from a broader viewpoint protectionism in the 1980s is manifested much more clearly in the structural and institutional crisis of the present international order. If a longer-term view is taken, it may be seen as a crisis of transition towards a new phase. This structural transformation is linked with the emergence of new and revolutionary technologies which have already begun to alter the international division of labour and pre-existing comparative advantages. The major industrial

powers are moving towards a productive structure in which tertiary activities predominate and are consequently acquiring comparative advantages in the international trade in services. This explains their interest in liberalizing this sphere of world trade and in opening up the way for direct investment in high technology.

Moreover, during the 1980s the monetary policy of the United States Federal Reserve Bank, as is well known, has led to a rise in interest rates and the overvaluation of the dollar. However, the very strength of the dollar—which has started to wane since the end of 1985—also contributed during the first half of this decade to the acute trade deficit from which the United States suffers today. This is largely a by-product of the monetary and fiscal policies adopted by the United States rather than evidence of any trade liberalization. Consequently, it constitutes one of the causes of the growing number of protectionist measures implemented by that country as part of an ever more blatantly managed trade policy.

The policy of managed trade, and high-level political negotiations of reciprocal concessions in general, have become an increasingly familiar and notable feature of relations between the developed market-economy countries.

While the United States has certainly played a part in generating its own overall trade deficit, this has been compounded by Japan's active trade policy—based upon its extremely competitive products—and the closed nature of its domestic market, which have allowed it to maintain surpluses not only with the United States, but also with the EEC.

Japanese protectionism is manifested not so much through specific tariff or non-tariff measures, as through the nature of its domestic economic and trade structure and its very particular social and cultural make-up. This type of protectionism is further proof of how difficult and ambiguous any quantitative measurement of this phenomenon may be.

European protectionism, for its part, is the most diverse in its use of tariff and non-tariff instruments. In particular, the policy of the EEC in this respect is far less transparent than that of the United States.

On the initiative of the United States, conversations are in progress with a view to holding a fresh round of trade negotiations in GATT. The United States is endeavouring to persuade Japan and the European Economic Community to open up their respective markets and to play a more active role as the driving force behind international growth. The recently adopted Trade Act, together with the statements made by a number of government officials, send out a warning that the United States will not stand by impassively in the face of the present explosive growth of its trade deficit.³

C. THE NATURE OF PRESENT-DAY PROTECTIONISM

The present types of protectionism seen in the developed countries reflect a change in the principles and practices regulating the international trade of these nations. The tenets of non-discrimination, multilateralism and free trade have been replaced by the imposition of reciprocity requirements and bilateral conditionalities, and by the use of numerous restrictive trade practices in both the private and governmental spheres.

The infrastructure of trade practices in use today bears less and less relation to GATT norms. One of the causes of this is the decline in the use of tariffs as a means of protection and their replacement by non-tariff measures, many of which do not even figure in the GATT rules. Concern about these trends has rapidly spread through international multilateral agencies. One such agency is the Secretariat of the Organization for Economic Co-operation and Development (OECD), which is completing a study on the issue undertaken at the behest of its Ministerial Council in 1982.⁴

Recently, Jan Pronk, the former Deputy Secretary-General of UNCTAD, described⁵ the characteristics of this new protectionism. "Voluntary restraints" on exports and "market regulation agreements" are two of the mechanisms used to control the volumes or to regulate the prices of imported goods. These types of agreements are usually applied in respect of textiles, clothing, steel, ship-building and other items of particular export interest to the developing countries.

It should be pointed out that not only are these practices generally outside the GATT norms, but their lack of transparency also makes it impossible to quantify their contribution to the overall levels of protectionism or their impact on world trade. Such is the case, for example, of anti-dumping claims or requests for countervailing duties, which are utilized as a means of persuasion to obtain "voluntary" restrictions on the volume, or increases in the prices, of imported goods. In order to avoid being the target of even more severe measures, exporters themselves agree to "voluntarily" apply these restrictions. As a result, the complaints are withdrawn and no official record remains of the protectionist action. The common denominator in all these practices is the setting of "acceptable levels of imports" by the industrialized countries. This concept was hitherto absent from both the legislation and practice of international trade.

Now, however, negotiations are openly taking place on such "acceptable levels of imports", based upon the imposition of bilateral reciprocities, both at the highest intergovernmental political levels and in a variety of forums in the centres. A substantial juridical and institutional foundation for this process has been provided, for example, by the new Trade and Tariffs Act adopted in 1984 by the United States Congress.

This new Act widens the scope of what is meant by "trade policy" to cover services, capital movements and even direct investment. Through a variety of mechanisms, it can make access to the United States market conditional on the obtaining of reciprocity in respect of investments, goods and services coming from the United States; it renders legislation on safeguard clauses, countervailing duties and anti-dumping measures more flexible and responsive; it establishes the criteria for "national treatment" and "right of establishment", which are designed to facilitate the penetration of United States direct investment into the rest of the world, and it sets up mechanisms for taking action against those trade practices which the United States considers to be unfair. If it proves impossible to come to an amicable agreement —through, for example, the implementation of "voluntary" restrictions or the reciprocal opening up of markets— the Act empowers the Executive to take unilateral retaliatory measures. This power can be used against third countries whose trade practices the Administration considers to be "unreasonable", "discriminatory", "unjustifiable" or "unfair". These terms and the sanctions associated with them might be applied to export and production subsidies, to the regulations governing the acceptance and presence of foreign investment, to the commercial behaviour of public enterprises, etc. Consequently, they could be used as a justification for a considerable degree of intervention in the domestic policies of the developing economies on the grounds of the principle of reciprocity.⁶

This reference to the United States Trade and Tariffs Act is made in order to place the issue of protectionism in context and to permit a more precise definition of its present scope and characteristics. This reference should not be construed as meaning, however, that the United States is more markedly protectionist in its attitude than the EEC or Japan.

For example, in September 1984 the Council of the European Economic Community adopted Council Regulation No. 2641/84, which relates to the strengthening of its joint trade policy, particularly in respect of protection against unlawful trade practices.

Article 10 of this regulation states that: "Where it is found as a result of the examination procedure that action is necessary in the interests of the Community in order to: a) respond to any illicit commercial practice with the aim of removing the injury resulting therefrom, or b) ensure full exercise of the Community's rights with regard to the commercial practices of third countries... any commercial policy measures may be taken which are compatible with existing international obligations and procedures, notably: a) suspension or withdrawal of any concession resulting from commercial policy negotiations, b) the raising of existing customs duties or the introduction of any other charge on imports, c) the introduction of quantitative restrictions or any other measures modifying import or export conditions or otherwise affecting trade with the third country concerned."

Thus, in the European Community as well, negotiating instruments and mechanisms compatible with the most recent forms of managed trade and trade reprisals have acquired a more precise legal form.

Following the ministerial meeting held in November 1982, a group of eminent individuals presented a memorandum containing suggestions to the Director-General of GATT. It is likely that the agenda of any future meeting of GATT will take into account some of the proposals put forward by this group, which are briefly set out below.

First of all, it is proposed that the most-favoured-nation principle be strictly applied, and a strong objection is made to any form of discrimination or preference,⁷ including those granted to developing countries. If this proposal were to be applied in its entirety, it would bring into question the present Generalized System of Trade Preferences. Secondly, in cases where trade restrictions are accepted for clearly-defined reasons, the group of experts proposes that they should be generally applied, eschewing any type of preference or discrimination. Thirdly, the experts recommend that clearer and more complete definitions be given of subsidies and other practices which could be described as protectionism. Fourthly, they indicate the desirability of increasing the transparency of trade restrictions by requiring governments to provide information relating to the costs and benefits expected from such measures. Fifthly, they propose that agriculture, textiles and services be covered by GATT rules. Finally, they suggest that regulations governing the establishment of customs unions and free-trade associations should be made stricter and more precise.⁸

It is not known what kind of reception these opinions will have, but they do indicate that the next round of GATT negotiations, should it take place, will of necessity be very different from previous ones. First of all, because tariff barriers are extremely low in nominal terms and no longer constitute a problem of any importance as regards present-day protectionism. Secondly, because no regulatory framework exists for negotiations in respect of non-tariff barriers and its establishment would require a quite far-reaching alteration to the present GATT regulations. Thirdly, because the stances recently taken by the industrialized countries suggest a "hardening" of their trade relations with the developing countries, and particularly those that have attained an intermediate level of development, which include many Latin American countries. This could affect the future form and even the very existence of the Generalized System of Trade Preferences. Fourthly, because the inclusion of services reflects major changes in the productive and commercial structure of the industrial centres. In short, the rules of the game with regard to the international system of trade —like those of the monetary order— have in a sense been "suspended", and it will be no easy task to bring them back into effect.

D. SOME RECENT MEASURES IN THE FIELD OF PROTECTIONISM AND MANAGED TRADE

Mention was made above, by way of example, of some recent measures in the area of trade —mostly adopted in 1984 and 1985— in respect of a number of products of special interest to the developing countries in general and to the Latin American nations in particular. They reveal the increasing trend towards managed trade on the part of the developed market-economy countries. It should be emphasized that these examples are merely given as illustrations of increasingly marked trends and orientations.

In this respect, one of the most recent reports by GATT, specifically connected with the issue, states: "Many of the factors which encouraged trade growth have unfortunately contributed also to reinforcing pressures for protection. The growth of the United States trade deficit has led in the United States to a preoccupation with bilateral trade imbalances and to widespread calls for trade restrictions, including proposals for a general surcharge on imports. While the rise in the dollar has stimulated United States imports, it —combined with the unpredictability of exchange rates— has also had effects on the terms of trade of developing countries and on their debt-servicing burdens. The failure of economic recovery to reduce unemployment significantly, although (as GATT/1371 argues) not in itself a persuasive justification for the introduction of trade restrictions, has undoubtedly contributed greatly to continued protectionist pressures, particularly in Western Europe.

"Over the past six months, the observance of a standstill in trade-restrictive measures has been at best inadequate, and there is only marginal evidence of any rollback of such measures. Some encouragement may be drawn from the fact that widespread advocacy of protectionist action in the United States has led to few concrete measures, and that the US administration did not seek renewal of Japanese restrictions on exports of automobiles to the United States. However, the drift towards increasing management of trade, especially through voluntary export restraints, has continued. Restrictive arrangements governing trade in steel have been extended substantially: the systems of export restraints covering the two most important steel markets (the United States and the European Community) now effectively establish a globally managed framework in steel which in some respects parallels that already in existence in textiles and clothing. In the agricultural sector, where concern over the use of subsidy measures has been particularly pronounced, further unfavourable developments have occurred, especially as regards trade in dairy products and in meat. The tendency to apply the Multifibre Arrangement more and more restrictively has

continued to cause concern. The present document also records a large number of other miscellaneous and generally restrictive measures, as well as what appears to be a distinct rise in the worldwide use of countertrade."⁹

Within this context, North-South co-operation has continued to become increasingly selective and restrictive, displaying an inclination towards gradualism which runs counter to the interests of middle-income developing countries, particularly those of Latin America. Nor has the region drawn any benefit from vertical co-operation along the North-South axis. For example, the Caribbean Basin Initiative has been held in check by the explicit or implicit political conditions it entails for the beneficiary countries. In contrast with such preferential action, there is the total trade embargo against Nicaragua which has been in effect since 7 May 1985.

Vertical co-operation between the European countries and their relatively less-developed former colonies has been more manifest and more enduring. For example, on 8 December 1984, the ten member countries of the European Economic Community and the 64 States of Africa, the Caribbean and the Pacific (ACP) signed a new Lomé Convention on trade and assistance which came into force for a period of five years as of 1 March 1985 upon the expiration of the former Convention.

In the case of the Generalized System of Trade Preferences, the positions currently taken by the developed countries are not favourable for Latin America. Now that the United States has lengthened the period in which its concessions will be in effect —it being the last country to do so— all the countries granting preferences have extended their respective systems. However, more restrictive guidelines are being applied concerning which countries are eligible to receive this treatment, and there is a clearer bias in favour of the less-developed countries.

In this connection, it should be mentioned that in May 1985 the United States Government reduced the level of the imports from Latin America covered by its system of trade preferences by US\$4.8 billion.¹⁰

The Community's system of preferences is virtually the only trade instrument which to some extent facilitates the entry of Latin American goods into its market. The Council of Ministers did not adopt the Commission's proposal that four new agricultural products should be included in the preferential system in 1985. As far as industrial products are concerned, the Latin American countries subject to quotas in accordance with the norms of the Community's Generalized System of Trade Preferences in 1985 were: Brazil (17 products), Argentina and Mexico (two products each), and Chile, Uruguay and Venezuela (one product each).

With regard to the new restrictions which have come into being in the field of agriculture, the United States introduced quotas on certain

items containing sugar for the period between January 1985 and September 1986. The quotas were established while a report on whether such an extraordinary measure was necessary or not was still underway. The United States also levied an import duty of US\$0.28 per pound on unrefined sugar for the first quarter of 1985. This product had not been affected by such measures since 1982.

In spite of the above, there are signs of a shift in the United States' domestic agricultural policy away from government support for agricultural prices and towards one in which the way is left open for market mechanisms. It is still too early, however, to assess the impact of this change upon the country's future external agricultural trade policy. What is clear is that agricultural trade disputes among the United States, the EEC and Japan have recently tended to be on the increase, particularly in respect of meat, cereals and dairy products.

In a step which heightened the existing difficulties concerning these products, in June 1985 the United States sharply raised its tariffs on imports of pasta from the EEC. The measure was a reprisal for the Community's refusal to put an end to its preferential treatment—to the detriment of United States interests—of citrus products from the Mediterranean region. The United States placed an *ad valorem* tariff of 40% on pasta without eggs and of 25% on pasta containing eggs. Most of the imports affected come from Italy. The choice of pasta from among so many possible products was designed not only to retaliate in the area of citrus production, but also to counter the subsidies given to European pasta producers. The EEC reacted immediately, warning that if the measures announced by the United States actually came into force as of July (as had been announced), it would raise its tariffs on imports of United States lemons and nuts from 8% to 20% and from 8% to 30%, respectively. At the time of writing, the final outcome of this episode is unknown, but the mere fact of its occurrence is an indication of the changed atmosphere surrounding trade negotiations among the centres.

The restrictive nature of the Community's trade policy in respect of agriculture is well known. In particular, selective internal taxes have affected countries which export tropical-zone products such as coffee, cocoa, bananas, etc. National oversight measures have also been utilized in this field. Similarly, for some time now the Community has applied a restrictive price policy on imported cereals in order to ensure the competitiveness of its own production. All of these procedures as well as others—such as quotas—have a considerable impact on Latin American agricultural exports.

The most recent measures taken by the Community include the maintenance of its restrictive price policy on cereals for the 1984/1985 harvest and an announcement that it is likely that it will apply GATT articles XI, XIX and XXVIII should it prove necessary to impose a "rapid

and effective" restriction on imports of cereal substitutes. In addition, a guarantee margin was introduced for hard wheat. Furthermore, the Community intends to begin negotiations within the framework of GATT under article XXVIII with a view to re-establishing a duty on imports of cereal substitutes in excess of a certain level. This proposition would involve a partial breakdown of the exemption from duties granted by the Community 20 years ago. In particular, information from GATT indicates that the Community requested that a limit be set on imports of maize gluten feed from Brazil. Moreover, along with eight other suppliers, Uruguay was obliged to accept an agreement involving self-imposed restraints on its exports of mutton and goat meat (1984). France and Ireland considered themselves to be "sensitive zones" with regard to these items, and consequently Uruguay will be required to "avoid any modification to the traditional export trade in products covered by the agreement on limitations".¹¹

As far as manufactured goods are concerned, the United States extended the operation of its surveillance system relating to footwear for the whole of 1985. The Finance Committee of the United States Senate ordered the International Trade Commission (ITC) to recommence its investigation into footwear imports, which had terminated in 1985 without finding any evidence of market disturbances. At the present time a number of bills are pending whose aim is to establish quotas for an eight-year period, with a view to reducing footwear imports to no more than half the United States market.

According to the most recent press reports (June 1985), the ITC voted by 4 to 1 to recommend that the Executive reduce imports of footwear by 35%. The President is to take a final decision in July. These measures would be particularly harmful to Taiwan, Korea, Brazil, Italy, Spain, Hong-Kong and the Philippines.

In respect of iron and steel, the number of investigations begun by the EEC and the United States between October 1984 and March 1985 with the purpose of introducing anti-dumping measures and countervailing duties rose from 1 to 12 and from 4 to 21, respectively. These studies frequently lead to "voluntary" arrangements with regard to prices and volumes. During the period in question, the European Economic Community reached 14 such agreements, including one with Brazil, while the United States signed seven, including one with Brazil and another with Mexico, which accepted quotas of 0.8% and 0.3% of the United States market, respectively.

In the steel industry, whose installed capacity is at least 15% greater than future world demand, competition remains keen. The steps taken to regulate this competition, are, in the view of GATT "increasingly equivalent to the establishment of an international steel cartel".¹² According to the same source, United States imports have been subject to ever-

increasing restrictions. Not only does the Trade and Tariff Act of 1984 increase the government's power to negotiate agreements on voluntary restrictions with suppliers, but a resolution adopted by the United States Congress also restricts imports to 20% of the country's market. Countries which have signed agreements for voluntary restrictions with the United States are required to reduce their exports to less than one-third of their 1984 levels for the rest of the decade.

With regard to the countries of the European Economic Community, the United States Government placed a total embargo on imports of steel piping which remained in force until November 1985. Following the introduction of this measure, on 9 January 1986 a "voluntary" restriction agreement was reached under which the Community's exports were limited to approximately 8% of United States consumption for the two-year period ending at the conclusion of 1986. This agreement was subject to final approval by United States steel producers.

With the aim of regulating the Community's steel market, the EEC has set up a surveillance system for imports and exports of steel. Under this system, the EEC will monitor all its suppliers, irrespective of whether they have reached prior trade agreements or not. Imported products will require import licenses, which will identify the contracting parties, the products involved and the conditions of purchase and transfer.

The above examples relating to the steel trade clearly illustrate the significant trends recently observed in managed trade which are characteristic of the present state of the international trade system.

Another sector of unquestioned importance for the countries of Latin America is textiles. In this respect, it may be of interest to cite a number of the observations made in a recent GATT document: "The Textile Surveillance Body's Review of the operation of the Arrangement (COM.TEX/WB/984), issued in October, includes observations which, although the review covers a much longer period than the present report, are relevant to the use of the Multifibre Arrangement in 1984. It notes that:

—"Restraints under the MFA have, since its inception, been applied almost exclusively to products from developing countries;

—"Under MFA III, restraints introduced pursuant to the arrangement have been more extensive and in many cases more restrictive. Most importing countries, in restraining imports under the MFA, had recourse to extensive invocation either of "exceptional circumstances" or of the need to maintain minimum viable production;

—"The brunt of such more severe application of the MFA's provisions has been borne by exporting countries which, in some cases, have had their production and marketing adversely affected, even though MFA explicitly recognizes the need for developing countries to receive special treatment;

—“While some progress may have been made during the life of MFA III with respect to the orderly development of world trade in textiles and to the increase in export earnings of developing countries, little or no headway has been made in the objectives of achieving the reduction of barriers and the progressive liberalization of world trade.”¹³

A further way in which the world trade system is moving away from the GATT principles of liberalization and multilateralism is the signature of bilateral trade agreements. During the period between October 1984 and March 1985, according to a GATT report cited earlier, there was a considerable increase in the number of such agreements in comparison with the same period of the previous year.

These facts provide considerable evidence as to the most recent forms taken by the escalation of protectionism within the context of the pronounced trend towards managed trade. They also illustrate the increasingly discretionary and diversified use of protectionist measures by the centres. An analysis of the situation from this standpoint provides a much broader picture of this new form of trade than can be obtained from mere quantitative estimates of the levels and forms of present-day protectionism.

E. THE SIGNIFICANCE OF RETALIATORY MEASURES FOR NEGOTIATIONS AND THEIR LEGAL CONTEXT

From the viewpoint of the developed countries, the application of retaliatory measures appears to fulfil two purposes. The first of these may be described as preventive or deterrent and the second as providing a response or ensuring symmetrical treatment.

In line with the current trends in managed trade, the industrial centres are taking the initiative in creating regulatory frameworks on which they base their use of retaliatory measures as a negotiating tool. The adoption of defensive legislation, at the regional or national level, renders such processes more transparent and foreseeable, and diminishes the responsibility of the executive branch.

The response function of retaliatory measures has three main objectives: to have the protectionist measure suspended, to obtain better negotiating terms and to discourage any future application of protectionist measures.

A brief analysis is made below of the legal bases for retaliatory measures, both those provided by GATT regulations and those which are being incorporated into the laws of a number of Latin America's principal trading partners.

a) *Retaliatory measures within the framework of GATT*

Within the framework of GATT, retaliatory measures may be examined in connection with two of its articles, article XIX and article XXIII.

Article XIX of the Agreement (see annex 2) deals with emergency action in the case of major market disruptions. Paragraph 1 acknowledges that such measures may be adopted in respect of specific imports in the event of a serious threat or injury to domestic producers of identical or similar goods. This measure becomes applicable when the injury is the result of events not covered by the obligations incurred under the Agreement.

However, paragraph 3 provides that the contracting party affected by such emergency action may adopt equivalent retaliatory measures against the contracting party which has taken emergency action if the latter has not provided what the former considers to be fair compensation.

Under this article, retaliatory measures must do no more than prevent or remedy the injury caused and are limited to the suspension of "substantially equivalent" concessions or other obligations provided for by the Agreement. Furthermore, this measure —which must thus be "substantially equivalent" to the action that prompted it— has to be approved by the other contracting parties.

Paragraph 3 of Article XIX of the General Agreement is of limited use as a retaliatory instrument. Firstly, it can only be applied when an injury has been suffered as the result of prior emergency measures. In other words, the injured party can only invoke paragraph 3 of Article XIX if the other contracting party has already had recourse to paragraph 1 of the same Article on the grounds that national producers have been harmed by an increase in imports (see annex 2).

The second limitation relates to the concept of equivalence. This is understood to mean that countermeasures must be substantially equivalent to the emergency measures taken in accordance with paragraph 1 of the Article.

The third limitation stems from the current practice of resorting to international trade agreements involving either voluntary restrictions or market regulation. These agreements allow the countries which take emergency action to avoid granting any compensation or being affected by any retaliatory measures, since the exporting countries which sign such agreements are clearly unable to make use of these prerogatives.

Article XXIII of the Agreement (see annex 3) provides that a contracting party which considers "that any benefit accruing to it directly or indirectly under this Agreement is being nullified or impaired or that the attainment of any objective of the Agreement is being impeded..."

may make "...written representations or proposals to the other contracting party or parties...", which must give "sympathetic consideration" thereto.

Paragraph 2 of the same Article allows for the matter to be referred to the contracting parties if no satisfactory adjustment has been agreed upon between the contracting parties concerned or whenever the nullification or impairment is the result of one of the difficulties described in paragraph 1 of the Article.

It is the duty of the contracting parties, for their part, to conduct consultations and, in those cases judged to be "serious enough", they may authorize an injured contracting party or parties to suspend the application of any concession or to cease to fulfil any other obligation provided for by the General Agreement when such actions are deemed to be justified.

The GATT procedures for the resolution of disputes are oriented towards finding practical solutions rather than "sanctioning" those who infringe the Agreement. Indeed, in only one case has the suspension of obligations been authorized under Article XXIII. This involved a complaint by Norway about United States restrictions on imports of dairy products. On that occasion, Norway was authorized to restrict its imports of wheat from the United States for a number of years. On other occasions when Article XXIII has been invoked, an agreement has been reached (i.e., either the measure was withdrawn or the parties involved made some sort of arrangement) or it has simply proved impossible to reach a decision, and the outcome is still being awaited.

A recent example of the invocation of Article XXIII concerns the imposition of a quota by the United States on sugar imports from Nicaragua. The Council of Contracting Parties appointed a task force which recommended that the United States should speedily allocate a sugar import quota to Nicaragua compatible with the criteria laid down in paragraph 2 of Article XII of the Agreement. Nevertheless, the United States took no such action.

The limitations of Article XXIII as a possible basis for retaliatory measures are quite clear. First of all, it represents an instrument whose "spirit" is to facilitate negotiation. Consequently, the adoption of retaliatory measures is held to be a last resort. Secondly, interpretations of this Article have established that the contracting parties may authorize retaliatory measures only if they consider that the circumstances are sufficiently serious to warrant them. In 1955, a Working Party which was reviewing these provisions defined such circumstances as "cases where endeavours to solve the problem through the withdrawal of the measures causing the damage, the substitution of other concessions, or some other appropriate action have not proved to be possible, and where there is considered to be a substantial justification for retaliatory action, as in

cases in which such authorization appears to be either the only means of preventing serious economic consequences to the country for which a benefit has been annulled or impaired, or the only means of restoring the original situation".¹⁴ Subsequently, in 1962, a panel formed to study complaints made by Uruguay suggested that retaliatory measures should only be authorized in those cases in which there had been "nullification or impairment".¹⁵

Non-member countries of GATT are in a peculiar position, inasmuch as they are affected by neither the obligations nor the advantages of the Agreement. Even those countries which are members of GATT but which have not signed specific agreements —such as the agreement on subsidies, for example— are subject to discriminatory protectionist measures; these countries are unable to make use of the provisions of the General Agreement and must consequently seek some type of compensatory measure outside the sphere of GATT.

In addition, the rules of the Agreement do not cover all sectors and practices of international trade. A sphere exists, commonly referred to as the "grey area", which is not subject to the regulations of the General Agreement.

b) *Retaliatory measures under national legislation*

Of the legal frameworks which allow the use of retaliatory measures, two are particularly noteworthy. By coincidence, these happen to be the bodies of law of Latin America's main trading partners. The first is that of the United States, and in particular section 301 of the Trade and Tariff Act.

The Tokyo Round of multilateral trade negotiations was held during the 1970s. The United States Congress passed the 1974 Trade Act with a view to providing the Administration with the legal instruments it needed for these negotiations. In order to incorporate the agreements reached at the Tokyo Round into the laws of the United States, the 1979 Trade Agreement Act was then adopted. In late 1984, the United States Congress passed the Trade and Tariff Act.

One of the fundamental aims of the 1974 Trade Act was to reduce or eliminate tariff and non-tariff barriers within the international system of trade. Section 301 of the Act provided the President with the power to take retaliatory action and authorized measures against "unjustified and unreasonable" restrictions, be they tariffs affecting imports of goods and services to the United States, or measures limiting or threatening free access by the United States to sources of raw materials. The Act also granted the power to undertake retaliatory measures in cases of dumping, subsidies and "other unfair practices".

Later, the 1979 Trade Agreement Act empowered the President to take steps in order to counter unreasonable foreign trade practices under

the agreements in force at the time and to begin consultations with the country in question. Should it prove impossible to resolve the issue through bilateral consultations, the Trade Representative could request that the procedures established under GATT for resolving disputes at the international level be set in motion. The Trade Representative had 12 months to put forward his recommendations to the President.

The 1984 Trade and Tariff Act underscores the authority of the President with regard to retaliation. The Act lays stress on the importance of services, advanced technology and trade-related investment within the spheres of competence of the United States Government, both with regard to negotiations and retaliatory measures. Furthermore, the Trade Representative is required by this law to prepare annual reports concerning the external barriers affecting United States goods, services and trade-related investments.

The studies required by section 301 are the responsibility of the Trade Representative, who is assisted by an inter-agency advisory committee.

The measures provided for under this section may be applied to all countries or be confined to the products and services of the country involved in the practices which are unacceptable to the United States.

The section provides for two ways in which such action may be undertaken. The first of these is at the initiative of the President himself. However, it is also possible for individuals or enterprises to present a petition in this respect to the Trade Representative setting forth the reasons why a protective action or measure should be taken.

The other legal framework of interest here is provided by the EEC regulation of 17 September 1984 aimed at strengthening joint trade policy, which lays particular stress on protection against unlawful trade practices. This regulation constitutes a new instrument for buttressing the Community's legislation; its aim is to provide the Community with a means of exerting pressure in order to bring about a speedier resolution of trade conflicts or, should this prove impossible, of retaliating rapidly and efficiently against practices which it considers to be unfair.

Once the infliction of injury has been proved, the legislation adopted by the Community authorizes it to suspend or withdraw concessions, to raise tariffs or levy import duties, to establish quotas or to take any other measure it deems appropriate in order to alter the conditions of trade with the party or parties concerned.

The Community's legislation provides that a written complaint may be submitted by any individual or corporation representing an industry within the Community which considers itself to have suffered an injury as a result of an unlawful trade practice. Similarly, any member State may call upon the EEC Commission to take measures based on this

regulation. In both cases, it is necessary to provide proof of the existence of unlawful trading practices and of the injury deriving therefrom.

In the light of these legal instruments, which are already in force in the United States and the EEC, it is apparent that the use or threat of retaliatory measures has tended to become both a *de facto* and *de jure* practice which is accepted and dealt with in legislation adopted by the world's principal trading nations; this represents a striking qualitative change in the system of international trade.

F. ATTEMPTS TO ARRIVE AT QUANTITATIVE ESTIMATES OF PROTECTIONISM IN THE CENTRES

This section of the document will examine, from a quantitative angle, the characteristics and forms of protectionism in the centres. After a very brief discussion of tariff protectionism and its recent trends, a look will be taken at some of the features, types and effects of non-tariff protectionism.

At this point, the reader should be warned as to the limitations and shortcomings of current methodologies for measuring the levels and forms of protectionism affecting Latin America today. In the best of cases such measurements may provide an idea of the scale of protectionism, but by no means a precise quantification. It is far more difficult still to measure the amount of exports which Latin America in particular—and the developing countries in general— have not sold to the developed countries as a result of protectionist policies and practices. No attempt will be made to provide such estimates here in view of the unavoidably subjective and debatable nature of the assumptions on which they would be based. This is an area in which any method of measurement is necessarily arbitrary and partial because it involves subjective features which are unquantifiable, such as the hesitancy of entrepreneurs to invest when the market is unstable and unpredictable, even in the very short term. Measurements of the impact of protectionism made on the basis of the volume and value of trade flows in the past do not reflect the real degree of injury caused, from a dynamic standpoint, by the protectionist measures applied by the industrialized countries.

In the following discussion quantitative references will be confined to attempts to measure the levels and forms of present-day protectionism in the centres.

In a number of previous studies by ECLAC on this topic,¹⁶ three basic categories of protectionist measures have been identified: tariffs as such, the intricate network of non-tariff restrictions, and what are euphemisti-

cally referred to as "voluntary" restrictions on trade values or volumes instituted by exporter countries.

These studies have brought out the fact that, in spite of the low average level of tariffs in the developed countries, they are differentiated in such a way that they have a greater impact on Latin America's export products. It has been found that the highest tariffs are applied, with particular stringency, to certain competitive agricultural products and labour-intensive manufactures in which there is a regional comparative advantage.

Moreover, it is well known that the real rates of protection which result from the nominal tariff structure have a particularly heavy impact on exports in which Latin America—and other developing areas—possess comparative advantages. Furthermore, an examination of the actual rates reveals a staggered tariff structure whose levels increase in direct proportion to the degree of processing of the products concerned.¹⁷

However, the distinguishing feature of present-day protectionism is the sharp increase in non-tariff measures, which have been systematically recorded by UNCTAD and classified by GATT in accordance with another system.

A recent UNCTAD report¹⁸ put forward the following categories. Firstly: para-tariff measures, which provide for higher tariffs and non-tariff charges upon imports of certain goods (tariff quotas, seasonal tariffs, prior import deposits, import levies in general). Secondly: price controls (minimum prices, price surveillance or investigation, variable levies, countervailing duties, anti-dumping duties, "voluntary" export price restraints). Thirdly: volume controls, either in the form of quantitative restrictions (prohibitions, quotas, "voluntary", restraints, discretionary or conditional authorization), or in the form of surveillance (automatic authorization, volume surveillance). Fourthly: requirements applying to specific imports (certification of compliance with health safety and quality standards, additional customs formalities, etc.).

This report also refers to a fifth category, which is described as "non-border" measures, such as those which regulate or affect the domestic circulation or price of imported products; measures to promote local production which competes with imports, such as subsidies, tax exemptions, preferential government purchasing, etc.

It is difficult to quantify the impact of these types of measures on the value of international trade.* A number of estimates of the impact of these measures on trade between the developed and developing countries will be examined below.¹⁹

*The data discussed below have been obtained from tables prepared by UNCTAD consultants as part of a co-operation agreement with ECLAC for the preparation of the above report. Particular thanks are due to J. de Castro, A. Yeats and P. Olechowsky.

Table 1 sets forth measurements of the progressive tariff structures in existence prior to and following the Tokyo Round with regard to exportable products of particular interest to the developing countries. The levels measured correspond to a market made up of 10 countries. The first column of the table lists certain types of products and assigns them numbers denoting successive degrees of processing. The products are then described and classified in the second and third columns. Columns four and five give the average non-weighted tariffs applied to the products concerned before and after the Tokyo Round, respectively. The sixth column shows the percentage reduction of tariffs resulting from the Tokyo Round, while the seventh breaks down the increases and decreases in the tariff differential by degree of processing. As regards the trend in the indicator of tariff progressively in relation to the degree of product processing, in more than 50% of the cases examined — 12 out of 21 — there was an increase in the percentage differential between the respective tariff levels. In 20% of the cases — 4 out of 21 — there was no change and in 24% of the items — 5 out of 21 — there were decreases. However, it should be noted that the variations shown in the table refer to the pre-Tokyo tariff structure, and what this table endeavours to estimate is the increase or intensification thereof.

Based on the UNCTAD classification of non-tariff measures, table 2 gives estimates of the proportion of imports by the major industrial centres affected by para-tariffs, price controls, or volume controls. The table shows that volume controls, which are on the increase, are the type of measure affecting the greatest proportion of imports. Much further behind, in terms of the proportion of imports affected, are price control measures and para-tariff measures, in that order. In all cases, however, there has been an increasing tendency to resort to these measures during the period 1981-1984. The table also shows that the percentage of imports affected by any one of these three types of measures is higher for agricultural than for industrial products.

An examination of table 3 indicates the existence of discrimination against developing regions (including the socialist countries), in that they are the most severely affected by these types of measures. This discrimination is manifested in the various types of volume controls, which are, to repeat, the measures affecting the highest percentage of imports. One interesting fact shown in table 4 is the very high percentages of imports of textiles and clothing (51%) and of iron and steel products (39%) from developing regions which are subject to non-tariff measures. This circumstance is noteworthy because it illustrates the fact that, although agricultural products are the items most severely affected, in terms of overall averages, by the protectionism of the industrialized countries, these measures also have an adverse effect on many industrial

Table 1

**PROGRESSIVE TARIFF RATES BEFORE AND AFTER THE TOKYO ROUND OF NEGOTIATIONS
ON PRODUCTS EXPORTED BY DEVELOPING COUNTRIES TO 10 INDUSTRIAL MARKETS^a**

Level of processing	Product description	NCCA	Mean tariff rate ^b		Percentage reduction in pre-Tokyo tariff	Levels compared	Direction of change in indicator of progressivity, percentage differential
			Before Tokyo	After Tokyo			
1.	Fish, crustacea and mollusks	0301-3	4.3	3.5	18.6		
2.	Prepared fish, crustacea and mollusks	1604-5	6.1	5.5	9.8	2 with 1	increase
1.	Fresh or dried legumes	0701, 0704-6	13.3	8.9	33.1		
2.	Prepared legumes	2001-2	18.8	12.4	34.0	2 with 1	no variation
1.	Fresh or dried fruit	0801-9, 0812	6.0	4.8	20.0		
2.	Temporarily conserved fruit	0801-11, 0813	14.5	12.2	15.9	2 with 1	increase
3.	Prepared fruit	2001, 2003-7	19.5	16.6	14.9	3 with 1	increase
1.	Coffee	0901	10.0	6.8	32.0		
2.	Milled coffee	2102 ex	13.3	9.4	29.3	2 with 1	increase
1.	Cocoa beans	1801	4.2	2.6	38.1		
2.	Processed cocoa	1803-5	6.7	4.3	35.8	2 with 1	no variation
3.	Chocolate products	1806	15.0	11.8	21.3	3 with 2	increase
1.	Oil-seeds and meal	1201-2	2.7	2.7	0.0		
2.	Fixed vegetable oils	1507	8.5	8.1	4.7	2 with 1	decrease
1.	Unprocessed tobacco	2401	56.1	55.8	0.5		
2.	Processed tobacco	2402	82.2	81.8	0.5	2 with 1	no variation
1.	Natural rubber	4001	2.8	2.3	17.9		
2.	Semi-manufactured (not vulcanized) rubber	4005-6	4.6	2.9	37.0	2 with 1	decrease
3.	Rubber articles	4011-14, 4016	7.9	6.7	15.2	3 with 1	increase

Table 1 (concluded)

Level of processing	Product description	NCCA	Mean tariff rate ^b		Percentage reduction in pre-Tokyo tariff	Levels compared	Direction of change in indicator of progressivity, percentage differential
			Before Tokyo	After Tokyo			
1.	Undressed hides and skins	4101	1.4	0.0	100.0		
2.	Semi-manufactured leather	4102-8, 4110, 4302	4.2	4.2	0.0	2 with 1	increase
3.	Travel articles, tote bags, etc.	4202	8.5	8.5	0.0	3 with 2	no variation
4.	Manufactured leather articles	4203-5	9.3	8.2	11.8	4 with 2	decrease
5.	Footwear	6401-5	11.6	10.9	6.0	5 with 2	decrease
1.	Yarn and thread of synthetic vegetable fibres (does not include hemp)	5706-7	4.0	2.9	27.5		
2.	Cord and cord articles, sack and bags	5904-6, 6203	5.6	4.7	16.1	2 with 1	increase
3.	Jute fabrics, woven	5710	9.1	8.3	8.8	3 with 1	increase
1.	Silk yarn and thread, not for retail sale	5004-6	2.6	2.6	0.0		
2.	Silk fabrics	5009	5.6	5.3	5.4	2 with 1	decrease
1.	Semi-manufactured lumber	4405-14, 16, 17, 19	2.6	1.8	30.8		
2.	Plywood	4415	10.8	9.2	14.8	2 with 1	increase
3.	Wood articles	4420-28	6.9	4.1	40.6	3 with 1	decrease
4.	Furniture	9401, 9403	8.1	6.6	18.5	4 with 1	increase

Source: Calculations by the UNCTAD Secretariat.

^a EEC, Japan, Australia, New Zealand, Canada, Austria, Switzerland, Finland, Norway and Sweden.

^b Unweighted average of tariffs actually applied to the products in question, whether on the basis of most-favoured-nation status or preferential treatment.

^c Two indicators were used to measure the general extent of the change in tariff progressivity: the difference, in absolute figures, between the tariffs at two successive levels of processing; and the relationship, expressed as a percentage, between the two mean tariffs.

Table 2

**IMPORTS AFFECTED BY SELECTED NON-TARIFF
MEASURES APPLIED IN SOME DEVELOPED
MARKET-ECONOMY COUNTRIES^a**

Type of non tariff measure	Products ^c	Percentage share in imports ^b			
		1981	1982	1983	1984 ^d
1. Para-tariff measures	Total	0.8	1.3	1.3	1.3
	Agricultural	1.8	6.0	6.2	6.2
	Industrial	0.2	1.0	1.0	0.9
2. Price controls	Total	2.2	3.0	2.9	2.6
	Agricultural	9.3	12.0	12.2	12.6
	Industrial	2.3	3.4	3.2	2.5
includes:					
a) Minimum prices and surveillance thereof	Total	1.7	2.4	2.3	1.8
	Agricultural	9.3	12.0	12.0	12.4
	Industrial	1.4	2.3	2.0	1.0
b) Setting of minimum prices	Total	1.4	1.7	1.9	1.9
	Agricultural	7.6	10.2	10.2	10.2
	Industrial	1.2	1.3	1.6	1.6
3. Volume controls	Total	23.0	23.3	23.5	23.9
	Agricultural	22.8	25.5	25.6	25.5
	Industrial	11.3	11.5	11.8	12.5
includes:					
a) Quantitative restrictions	Total	10.8	11.2	11.0	11.4
	Agricultural	19.5	22.2	22.4	22.3
	Industrial	8.5	8.8	8.4	9.1
b) Volume surveillance	Total	13.0	12.9	13.2	13.8
	Agricultural	3.6	3.6	3.6	3.7
	Industrial	4.4	4.1	4.7	5.8

Source: UNCTAD data base on trade measures.

^a Austria, Australia, EEC (10), United States, Finland, Japan, Norway and Switzerland.

^b All the figures given in respect of non-tariff measures were calculated using weighting coefficients based on import trade in 1981. The calculations were performed at the tariff-line level, and the results were then aggregated at the product-group level.

^c "Total" covers the products included in NCCA entries 0101 to 9999; "agricultural" corresponds to the products listed in entries 0101 to 2402; "industrial" refers to the products contained in entries 2801 to 9906.

^d Measures in effect during the first half of 1984.

Table 3

**IMPORTS AFFECTED BY SELECTED CATEGORIES OF
NON-TARIFF MEASURES IN THE MAIN DEVELOPED
MARKET-ECONOMY COUNTRIES, BY GROUPS
OF EXPORTERS^{abc}**

(First half of 1984)

Category of non-tariff measures	Percentage share in imports from:		
	Developed market-economy countries	Developing countries	Socialist countries of Eastern Europe and Asia
All measures ^d includes:	21.1	35.0	34.4
Para-tariff measures	1.4	1.0	1.6
Price controls	3.3	1.6	4.4
Volume controls	17.8	33.5	33.3

Source: UNCTAD data base on trade measures.

^aEEC, Japan, Australia, New Zealand, Canada, Austria, Switzerland, Finland, Norway and Sweden.

^bUnweighted average of tariffs actually applied to the products in question, whether on the basis of most-favoured-nation status or preferential treatment.

^cTwo indicators were used to measure the general extent of the change in tariff progressivity: the difference, in absolute figures, between the tariffs at two successive levels of processing; and the relationship, expressed as a percentage, between the two mean tariffs.

^dMore than one measure in the various subcategories may be applied to the same product. Consequently, the sum of the subcategories exceeds the total.

—and more specifically, agro-industrial— products from the developing countries. This can be seen in more detail in table 5.

The percentage of agricultural imports from developing countries covered by volume controls increases in proportion to their degree of industrial processing. Fourteen of the 17 agricultural products listed in the table (82%) reflect this trend.²⁰ The overall averages given in this table, however, conceal this fact. The three agricultural products—out of a total of 17— which do not reflect this progressivity have a sufficient weighting to reverse the trend shown by most of the products. An examination of the frequency with which cases of progressivity occur, however, clarifies and permits a better understanding of the statistical average. The opposite situation can be observed as regards the average for mineral goods owing to the heavy weighting of iron and steel products, which are clearly subject to progressively greater non-tariff volume controls as their degree of processing increases.

Another interesting point concerns the extent to which these measures are used by the major industrialized countries. The following observations refer only to the United States, the European Economic

Community and Japan and apply to imports from Latin America (see table 6).

In the case of the United States, "voluntary" restrictions were the type of measure affecting the highest percentage of industrial products (7.5%) and other quantitative restrictions were the most common (17.5%) in respect of agricultural goods. In the case of the European Economic Community, not only a more extensive but also a more diversified use is made of these different types of measures. The application of quantitative restrictions on agricultural products is particularly marked: with the exception of France, such restrictions affect more than 40% of the agricultural products from Latin America imported by the member countries of the Community. Variable charges or duties are also used to restrict imports of agricultural products from the region. In the industrial sector, the measures most frequently used by the Community against imports from Latin America are voluntary restrictions, surveillance systems and anti-dumping measures.

Consequently, the intensity and variety of protectionist measures applied by the Community are much greater than those used by the United States. The clearest example of this operational flexibility is the case of variable levies. Table 7 shows relational calculations of the tariff

Table 4

**IMPORTS AFFECTED BY SELECTED NON-TARIFF
MEASURES APPLYING TO SOME PRODUCT
SECTORS IN THE MAIN DEVELOPED
MARKET-ECONOMY COUNTRIES^{a,b,c}**
(First half of 1984)

Product groups	Percentage share in imports from:		
	Developed market-economy countries	Developing countries	Socialist countries of Eastern Europe and Asia
Agricultural	41.2	38.6	42.8
Textiles and clothing	23.9	51.0	50.4
Iron and steel	43.7	39.0	51.4
Footwear	3.2	8.0	25.0
Electrical machinery	12.4	14.1	18.6

Source: UNCTAD data base on trade measures.

^aEEC, Japan, Australia, New Zealand, Canada, Austria, Switzerland, Finland, Norway and Sweden.

^bUnweighted average of tariffs actually applied to the products in question, whether on the basis of most-favoured-nation status or preferential treatment.

^cTwo indicators were used to measure the general extent of the change in tariff progressivity: the difference, in absolute figures, between the tariffs at two successive levels of processing; and the relationship, expressed as a percentage, between the two mean tariffs.

Table 5

**MEASURES APPLIED IN DEVELOPED MARKET-ECONOMY
COUNTRIES AND DEVELOPING COUNTRIES TO LIMIT
THE VOLUME OF EXPORTS FROM DEVELOPING
COUNTRIES. INCIDENCE IN PRIMARY
AND PROCESSED PRODUCTS**

(Percentages)

Product	Level of processing	NCCA	Volume control measures used by developed market-economy countries
Agricultural products	Primary processed		25 26
Meat	fresh	0201-04,06	49
	processed	1601-03	43
Fish	fresh	0301-03	35
	processed	1604-05	31
Vegetables	fresh	0701-03,05,06,1204-06,08	39
	processed	0704,1103-06,1904,2001-02	48
Fruit	fresh	0801-09,0812	20
	processed	0810,11,13,2003-07	54
Coffee	green, roasted	0901	11
	extracts	2102	17
Oils	oil-seeds	1201	33
	oils	1507	56
Sugar	raw	1701	78
	refined	1701,03,04,05	56
Cocoa	cocoa beans	1801	-
	processed, chocolate	1803-06	14
Tobacco	unprocessed	2401	11
	processed	2402	22
Rubber	natural	4001	-
	processed	4005-09,15	6
	rubber articles	4010-14,16	14
Leather	undressed hides and skins	4101	-
	leather	4102-08,10	13
	leather articles	4201-05,6401-06	26
Wood	timber	4403-04	6
	simply worked	4405-07,13	9
	manufactured	4408-12,14-28	12

Table 5 (concluded)

Product	Level of processing	NCCA	Volume control measures used by developed market-economy countries
Paper	wood for pulp materials for manufacturing paper	4403	6
	paper products	4701-02 4801-21	- 8
Wool	raw	5301	-
	carded and combed yarn	5305 5306,07,10	44 57
	woolen fabrics	5311	72
Cotton	raw	5501	6
	carded and combed yarn and thread	5504 5505,06	44 61
	cotton fabrics	5507,09	57
Jute	raw	5703	-
	jute fabrics	5710	33
	saks	6203	44
Sisal	fibre	5704	-
	cord and rope	5904-06	56
Mineral product	Primary		8
	processed		12
Metallic minerals		2601	17
Iron steel	semi-processed	7301,02,04,05	10
	processed	7306-18	23
Copper	unwrought	7401-02	3
	worked	7403-08	3
Aluminium	unwrought	7601	39
	worked	7602-06	16
Lead	unwrought	7801	6
	worked	7802-05	6
Zinc	unwrought	7901	22
	worked	7902-04	9
Tin	unwrought	8001	-
	worked	8002-05	-
Phosphates	natural	2510	-
	phosphoric acids	2810	-
	superphosphates	3108	6

Source: UNCTAD data base on non-tariff measures.

Table 6

**NON-TARIFF TRADE BARRIERS APPLIED IN THE MAIN MARKETS OF DEVELOPED COUNTRIES
TO AGRICULTURAL (a) AND INDUSTRIAL (b) IMPORTS FROM LATIN AMERICA**

Importer	Type of non-tariff trade barrier															
	Voluntary restrictions		Tariff quotas		Surveillance systems		Quantitative restrictions		Variable levies		Anti-dumping duties		Other price control measures		Value in millions of dollars (1980)	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Austria	0.0	9.1	0.0	0.0	0.0	0.0	59.4	0.7	1.2	0.0	0.0	0.0	0.3	0.3	248	83
EEC (9):																
Belgium-Luxembourg	0.0	6.1	2.1	0.4	0.0	13.2	51.7	0.4	5.3	0.0	0.0	0.2	0.4	2.3	526	343
Denmark	0.0	15.8	0.0	0.1	0.1	19.7	43.7	0.4	5.2	0.0	0.0	13.8	0.3	4.5	395	52
France	0.0	5.4	1.4	0.1	5.8	33.6	4.6	1.5	1.1	0.0	0.0	0.6	1.3	1.1	1 467	751
Federal Republic of Germany	0.8	12.1	4.3	0.8	0.7	4.3	46.3	0.4	2.0	0.0	0.0	1.6	2.1	2.5	2 824	1 676
Ireland	0.0	13.0	3.1	4.4	0.0	3.3	48.5	0.0	6.7	0.0	0.0	2.1	0.1	0.6	56	37
United Kingdom	0.0	3.7	4.5	0.7	1.0	7.6	56.4	0.1	5.1	0.0	0.0	4.3	1.2	2.0	1 092	1 220
Netherlands	0.0	8.6	2.2	1.0	0.2	9.2	43.6	0.1	3.8	0.0	0.0	2.1	6.1	3.5	1 426	325
Italy	0.0	9.9	3.7	0.3	8.6	15.5	51.4	0.5	7.4	0.0	0.0	1.9	4.7	6.0	1 216	1 310
Japan	0.0	0.0	4.6	0.0	0.0	0.0	75.2	0.8	0.0	0.0	0.0	0.0	0.0	0.0	1 236	1 851
Norway	0.0	0.0	0.0	0.0	0.0	0.0	12.9	9.2	0.0	0.0	0.0	0.0	7.0	0.0	228	219
Sweden	0.0	4.4	0.0	0.0	0.0	1.4	78.3	8.9	6.6	0.0	0.0	0.0	0.0	0.0	470	203
Switzerland	0.0	0.0	0.0	0.0	59.8	2.0	15.1	0.9	0.0	0.0	0.0	0.0	0.0	0.0	349	393
United States	0.0	7.5	0.0	0.0	0.0	0.0	17.5	0.3	0.0	0.0	0.8	0.9	4.0	2.6	8 196	8 638

Source: UNCTAD data base on trade measures.

Table 7
**NOMINAL PROTECTION OF EEC AND SWEDISH AGRICULTURAL PRODUCTS PRIOR
 TO THE TOKYO ROUND OF NEGOTIATIONS**

SITC	Product description	European Economic Community					Sweden				
		Sphere of application of levies ^a		Nominal protection (percentage)			Sphere of application of levies ^a		Nominal protection (percentage)		
		Percentage of tariff lines	Value of imports (in thousands of dollars)	Tariffs	Levies	Total	Percentage of tariff lines	Value of imports (in thousands of dollars)	Tariffs	Levies	Total
0	Food and live animals										
00	Food and live animals	33.4	1 828	11.8	18.2	30.0	12.2	505	4.2	10.1	14.3
01	Meat and meat preparations	39.5	188 887	18.1	30.4	48.5	79.4	43 646	0.0	62.0	62.0
02	Dairy products and eggs	29.4	892	18.4	152.9	171.3	100.0	15 471	0.0	77.3	77.3
03	Fish and fish preparations	0	0	12.8	-	12.8	4.1	60	3.7	12.0	15.7
04	Cereals and cereal preparations	41.9	355 330	15.2	52.1	67.3	48.0	16 025	6.3	65.9	72.2
05	Fruit and vegetables	8.2	91 936	16.4	37.1	53.8	4.0	170	7.1	6.6	13.7
06	Sugar, sugar preparations and honey	38.5	97 075	53.1	12.0	65.1	59.3	13 175	8.7	105.8	114.5
07	Coffee, tea, cocoa, spices	6.9	0	10.8	51.0	61.8	0.0	0	6.4	0.0	6.4
08	Feeding-stuff for animals	8.4	11	5.4	56.0	61.4	2.5	53	2.1	0.0	2.1
09	Miscellaneous food preparations	13.4	8	19.2	47.3	66.5	35.8	6 432	4.1	20.2	24.3
1	Beverages and tobacco										
11	Beverages	0.0	0	27.0	-	27.0	0.0	0	25.1	-	25.1
12	Tobacco manufactures	0.0	0	61.4	-	61.4	0.0	0	40.2	-	40.2
4	Animal and vegetable oils and fats										
41	Animal oils and fats	9.6	14	3.5	31.8	35.3	44.5	483	0.0	116.2	116.2
42	Fixed vegetable oils and fats	15.6	16 640	11.4	39.2	50.6	77.3	20 597	0.1	77.7	77.8
43	Animal and vegetable oils and fats, processed	11.2	0	7.5	1.1	8.6

Source: Adapted from Alexander J. Yeats, *Trade Barriers Facing Developing Countries: Commercial Policy Measures and Shipping*, MacMillan Press, London, 1979, p. 132, and Gary Sampson and Alexander Yeats, "Do Import Levies Matter? The Case of Sweden", *Journal of Political Economy*, vol. 84 No. 4, p. 883.

^a As the data shown in this table were obtained from two different sources, the trade statistics for Sweden correspond to 1970 while those pertaining to the European Economic Community are for 1974.

Table 8

**ESTIMATES OF AD VALOREM EQUIVALENTS OF VARIABLE
LEVIES, TARIFFS AND OTHER NON-TARIFF MEASURES
APPLYING TO IMPORTS OF SOME AGRICULTURAL
PRODUCTS IN THE EEC**

Product	NMF average tariff	Other non-tariff barriers ^a	<i>Ad valorem</i> equivalents of variable import levies ^b			
			Period	Average	Variation	
					Maximum	Minimum
Wheat	20.0	L, VL	1975-1976	41.3	101.0	22.1
			1977-1978	116.3	143.5	96.7
			1979-1980	69.9	103.0	39.3
			1981-1982	46.0	51.0	36.9
Oats	13.0	L, VL	1975-1976	24.6	48.4	10.8
			1977-1978	91.0	125.4	45.9
			1979-1980	77.1	150.8	19.6
			1981-1982	15.5	29.2	3.7
Hard unmilled wheat	20.0	L, VL	1975-1976	45.4	139.8	5.0
			1977-1978	130.8	163.7	103.0
			1979-1980	69.8	130.0	29.8
			1981-1982	55.5	74.3	27.9
Maize	9.0	CT, VL	1975-1976	31.5	62.6	17.0
			1977-1978	98.2	120.7	57.1
			1979-1980	84.1	107.0	53.2
			1981-1982	53.3	83.0	41.6
Barley	13.0	L, VL	1975-1976	23.2	43.1	6.6
			1977-1978	100.6	141.2	42.1
			1979-1980	75.0	152.2	27.7
			1981-1982	40.7	54.3	18.7
Rye	16.0	CT, VL	1975-1976	46.6	64.7	28.3
			1977-1978	94.6	116.3	71.6
			1979-1980	66.9	118.0	25.5
			1981-1982	17.1	23.7	11.5
Raw sugar ^c	80.0	L, VL	1977-1978	195.5	217.2	173.8
			1979-1980	75.9	182.0	0.0
			1981-1982	38.1	79.5	0.2

Source: Estimates prepared by the UNCTAD Secretariat.

^aThe acronyms corresponding to the various forms of non-tariff barriers applying to these products are as follows: L = import licenses, VL = variable levies on imports, and CT = countervailing duties.

^bEstimates based on quarterly averages of the *ad valorem* impact of variable import levies.

^cNo published data are available concerning levies on sugar prior to the third quarter of 1977.

levels and the *ad valorem* equivalents of the variable duties or levies on selected agricultural products. Even a cursory look at the table will reveal the decisive importance of this type of barrier within the framework of protectionism by the Community. Its significance stands out all the more clearly when compared with the effect of traditional tariff mechanisms.

In the case of the Community, 10 of the 18 products included in the table are subject to variable levies which are much higher than the respective tariffs. It should also be pointed out that the variable nature of this instrument permits its application to be apportioned according to the prevailing circumstances. This feature is more clearly shown in table 8, which, for the biennial periods indicated, gives the average *ad valorem* equivalent of the variable levies, as well as the range of variation within each period. Note that the highest and most sharply fluctuating nominal equivalents in the table are for sugar, a product in respect of which the Community undertook an active policy of import substitution; this policy was so successful that the EEC became a net exporter of the product.

On the question of "styles" of protectionism, the case of Japan is very special, owing to the high percentage of Latin American exports that are subject to quantitative restrictions (75%) and the absence of other non-tariff protectionist measures —with the exception of tariff quotas (4.6%). It may be that in Japan certain instruments are particularly prevalent, which, to use a term borrowed from the UNCTAD list, might be described as "non-border" measures. A special study on this country would have to be conducted, however, before such a theory could be justified.

G. A PROTECTIONIST BIAS AGAINST LATIN AMERICAN EXPORTS: SOME ESTIMATES

The analysis presented in this section provides strong evidence of the discriminatory nature, against Latin America, of the protectionism practised by the developed countries.

For the three largest markets of the developed world, table 9 shows that: i) As regards the weighted average of tariff levels in the cases of Japan and the European Economic Community, Latin America is the developing region to which the highest levels are applied and, consequently, the region that suffers most from this form of protectionism. With respect to the United States, the tariff level established for the region is lower than that applied to Asia but higher than that of Africa. ii) A similar situation exists with respect to the indicator of non-tariff protectionism appearing in the same table. In the markets of the Euro-

Table 9

**TARIFF AND NON-TARIFF BARRIERS TO IMPORTS
IN THE MAIN DEVELOPED-COUNTRY MARKETS**

(Value of trade in millions of dollars)

Importer Exporter	Austria	EEC (9)	Japan	Norway	Sweden	Switz- erland	United States
Developing countries in:							
Americas	414	21 562	5 651	521	1 197	743	36 731
Africa	692	43 099	2 703	249	1 036	802	28 830
Asia	1 760	95 777	70 494	739	3 330	1 902	43 910
Socialist countries	2 085	26 593	6 622	393	1 746	1 547	2 439
Developed market-economy countries	17 462	166 717	49 525	14 663	26 013	31 425	116 877
	Mean weighted tariff^a						
Developing countries in:							
Americas	1.0	2.6	5.1	0.3	0.5	4.5	2.0
Africa	1.6	0.2	2.4	0.0	0.1	1.5	0.7
Asia	5.5	0.9	3.7	2.0	2.4	2.2	3.3
Socialist countries	4.1	4.2	6.4	2.5	2.1	2.6	7.8
Developed market-economy countries	11.6	3.4	8.6	4.9	4.3	3.4	3.1
	Percentage of imports subject to non-tariff barriers^b						
Developing countries in:							
Americas	37.7	27.7	18.5	21.7	33.8	36.3	7.3
Africa	2.8	10.4	10.6	14.0	3.6	85.2	0.8
Asia	3.0	9.9	4.8	11.6	9.2	53.2	10.2
Socialist countries	4.2	33.9	13.3	38.1	4.7	71.1	23.1
Developed market-economy countries	6.7	19.7	19.9	10.1	7.0	22.7	6.8

Source: UNCTAD data base on trade measures.

^a Average preferential tariff rates, weighted by trade volume, for countries accorded most-favoured-nation status.

^b The estimates are based on: 1) Information for 1983, by tariff line, concerning given non-tariff barriers (e.g., "voluntary" restrictions on exports, total and conditional bans, quotas, discretionary import authorization, automatic permits, Multi-Fibre Arrangement, tariff quotas, variable levies, anti-dumping and countervailing duties and investigations, minimum price system and import surveillance); and 2) Tariff-line data on imports in 1980. In the case of the EEC, separate estimates were prepared for each of the member States taking into account measures applied both at the Community and national Levels.

pean Economic Community and Japan, the countries of Latin America are subject to the highest level, by a wide margin, of this form of protectionism. In the case of the United States, the region is once again sandwiched between the moderately higher levels of protectionism applied to imports from Asia and the much lower levels affecting imports from Africa.

As regards the type of non-tariff discriminatory measures confronting Latin America, it may be seen from table 10 that such discrimination takes the form of quantitative restrictions, which —as already observed— constitute the most significant group of non-tariff mea-

tures.²¹ Taking all products into consideration, the percentage of imports from Latin America that are subject to quantitative restrictions is twice as high (10%) as the percentage for total imports (5%). This is due, in part, to the greater proportion of agricultural products in imports from Latin America, since quantitative restrictions are applied mainly to such products. A wider variety of measures are applied to industrial products, but they cover a smaller percentage of imports from Latin America. This is the case with respect to "voluntary" restrictions (6.7%), surveillance systems (4.2%), and other price control measures (2.3%). The reader should note, however, that there is discrimination against Latin America in only the first of these three categories.

Nonetheless, a much higher percentage of the imports of some products of particular importance to the region are affected by some form of non-tariff measure (see table 10). What is more, in many of the cases there is discrimination against Latin American products. Examples include: i) meat, in the case of tariff quotas and other quantitative restrictions; ii) sugar, in the case of other quantitative restrictions and variable duties or levies; iii) copper, in the case of surveillance systems; iv) iron and steel, in the case of voluntary restrictions, surveillance systems and other price control measures; and v) leather, in the case of anti-dumping measures. In addition, even when there is no significant discrimination against Latin America—as in the case of sugar, for example—the effect on Latin American countries is, all other things being equal, more damaging due to the large percentage of total exports accounted for by the product in question.

The protectionist behaviour of each of the three principal industrialized markets for exports from Latin America—the United States, the EEC and Japan—needs to be briefly examined, taking into account its differing impact on each of the Latin American countries. The objective here is not to undertake a systematic or exhaustive study, but merely to draw attention to some interesting features which may suggest the presence of a bias in these markets' protectionist policies (see table 11).

The average tariff levels of the United States are low and, with the exception of those applied to Barbados, Haiti and Uruguay, are below 5%. The five Latin American countries exhibiting the highest indicator as regards non-tariff restrictions are the Dominican Republic (44.5%), Barbados (39%), Guyana (30.2%), Haiti (27.4%) and Panama (24%). While this might at first glance seem to indicate a discriminatory bias against the products—or the countries—of the Caribbean basin, a closer examination will reveal that the five countries subject to the lowest tariff levels also belong to the same area. No valid generalizations can therefore be drawn from these data. With respect to the larger countries, the percentages of affected imports from Argentina (15.4%) and Brazil (17.2%) are well above that of Mexico (5.1%).

Table 10

**NON-TARIFF TRADE BARRIERS IMPOSED BY MAJOR DEVELOPED MARKET-ECONOMY
COUNTRIES ON LATIN AMERICAN IMPORTS (a) AND ON ALL IMPORTS (b)
OF CERTAIN PRODUCT GROUPS**

Importer	Type of non-tariff barrier															
	Voluntary restrictions		Tariff quotas		Surveillance systems		Quantitative restrictions		Variable levies		Anti-dumping duties		Other price controls		Value in millions of dollars (1980)	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
All products	1.7	2.8	0.6	0.9	2.9	4.2	10.3	5.1	0.6	0.7	0.4	0.2	1.5	1.8	66 757	851 341
Agricultural products	0.1	1.4	1.7	3.2	2.2	2.4	33.8	29.8	1.8	6.3	0.3	0.1	3.0	4.0	19 729	89 678
Industrial products	6.7	5.0	0.2	0.7	4.2	5.6	0.7	2.6	0.0	0.0	1.2	0.3	2.3	2.6	17 100	444 314
Meat	3.2	8.9	34.8	17.4	6.4	7.2	41.4	29.7	4.2	11.6	0.0	0.0	0.0	1.6	729	5 054
Sugar	0.0	0.0	0.0	0.0	0.0	0.9	99.9	92.3	10.4	8.4	0.0	0.0	0.0	0.0	1 890	4 813
Copper	0.0	0.0	0.0	0.0	7.5	6.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1 923	8 167
Minerals	0.0	0.0	0.4	0.7	2.8	2.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5 225	20 439
Iron and steel	13.6	6.0	1.4	2.8	21.4	18.8	0.7	2.3	0.0	0.0	7.8	2.0	33.0	27.6	754	18 906
Leather	0.4	0.6	0.0	0.0	13.7	17.6	0.0	4.5	0.0	0.0	10.2	1.0	2.2	0.2	860	9 133
Chemicals	0.0	0.0	0.4	0.3	0.3	2.8	6.0	7.9	0.0	0.0	0.0	0.2	3.6	1.4	1 211	36 016

Source: UNCTAD data base on trade measures.

Table 11

TARIFF AND NON-TARIFF BARRIERS TO IMPORTS FROM LATIN AMERICAN COUNTRIES IN THE MAIN MARKETS OF THE DEVELOPED COUNTRIES

Importer Exporter	Value of imports in 1980, in millions of dollars											Mean tariff ^f					Percentage of imports subject to non-tariff barriers ^g					
	Aus- tria	EEC (9)	Japan	Nor- way	Sweden	Switz- erland	United States	Aus- tria	EEC (9)	Japan	Nor- way	Sweden	Switz- erland	United States	Aus- tria	EEC (9)	Japan	Nor- way	Sweden	Switz- erland	United States	
Argentina	20	2 435	293	25	54	70	739	3.4	4.2	3.2	1.8	0.8	1.7	4.2	18.8	34.0	20.3	61.6	57.0	82.4	15.4	
Bahamas	0 ^a	870	18	-	14	2	1 373	0.0	0.0	0.0	0.0	0.0	0.0	0.8	26.8	2.4	1.6	-	0.0	2.8	0.0	
Barbados	0	359	0	0	0	1	96	31.4	0.0	0.0	5.7	0.0	0.1	5.9	2.9	0.8	0.6	100.0	0.0	0.0	39.0	
Bolivia	1	201	29	0	1	1	182	0.6	0.2	0.5	3.3	0.9	4.0	0.4	58.6	0.2	7.8	11.4	9.7	41.8	7.8	
Brazil	125	5 705	1 558	141	257	157	3 685	1.2	2.3	6.5	0.5	0.6	1.2	2.6	39.9	27.7	15.8	3.5	73.5	42.8	17.2	
Colombia	41	1 498	175	54	150	69	1 252	0.5	5.2	2.6	1.3	1.0	5.2	1.8	76.4	73.3	60.5	7.6	90.1	38.2	17.6	
Costa Rica	18	253	14	5	23	31	357	0.0	7.2	2.9	0.0	0.0	11.6	2.5	42.4	9.3	63.1	0.1	61.0	80.4	21.6	
Chile	16	1 818	650	3	67	7	536	0.8	0.4	1.1	1.1	0.1	1.2	1.1	5.4	12.7	10.2	18.8	4.4	35.9	2.8	
Cuba	4	339	192	1	1	7	-	0.0	11.1	21.6	0.4	0.0	15.7	-	32.9	46.3	94.2	91.5	0.1	23.6	-	
Dominican Republic	2	545	23	0	9	1	789	0.2	1.0	5.1	0.0	0.0	7.8	4.6	0.1	0.4	0.3	0.0	0.0	33.3	44.5	
Ecuador	19	250	247	1	36	9	850	0.1	6.9	14.6	0.0	0.1	6.2	0.4	14.3	2.8	8.1	1.7	0.3	95.8	4.9	
El Salvador	21	329	37	6	3	11	426	0.1	4.9	0.2	0.0	1.1	6.2	3.1	99.5	8.0	29.1	0.1	84.5	60.6	5.0	
Grenada	-	177	0	-	0	1	1	0.0	0.0	0.0	0.0	0.4	0.0	0.0	-	0.0	2.1	-	0.0	95.4	0.0	
Guatemala	11	366	73	8	15	35	430	0.0	4.2	8.5	0.0	0.1	8.6	2.5	90.0	4.3	47.7	23.0	88.2	74.0	23.1	
Guyana	0	158	21	7	2	0	120	0.0	0.0	1.7	0.0	0.0	0.0	2.4	0.0	4.8	44.3	0.0	0.0	0.0	30.3	
Haiti	0	879	1	1	2	2	253	0.5	4.2	0.8	0.0	12.3	7.5	5.9	2.1	1.6	82.7	45.8	95.3	86.7	27.4	
Honduras	16	372	36	4	12	25	417	0.2	5.7	1.0	0.0	0.0	12.3	1.4	5.0	1.6	91.2	0.0	33.2	52.1	10.5	
Jamaica	0	235	6	89	21	0	379	19.0	0.0	2.1	0.0	0.0	1.3	1.2	1.3	22.0	81.8	0.0	0.3	80.8	10.9	
Mexico	19	1 463	927	6	42	50	12 417	3.5	3.8	11.9	1.8	2.6	2.4	3.7	14.5	8.1	16.2	15.4	16.9	18.8	5.1	
Nicaragua	9	117	16	0	1	11	214	0.0	3.7	0.2	0.0	0.0	8.5	3.0	98.4	6.0	36.4	76.2	87.8	96.5	21.5	
Panama	14	205	62	26	12	181	323	0.1	8.6	1.7	0.0	0.0	5.1	0.8	1.8	1.8	38.8	75.9	0.0	0.8	24.0	
Paraguay	9	203	34	0	3	12	81	1.1	2.4	5.1	0.0	0.0	0.3	1.8	63.4	1.6	40.4	0.0	95.5	6.7	8.8	
Peru	17	707	480	2	34	27	1 344	0.8	0.7	1.0	0.9	1.2	0.7	0.4	3.0	15.2	9.8	14.5	0.4	13.1	3.9	
Suriname	0	268	30	75	0	1	109	0.3	0.0	2.9	0.0	0.0	0.0	0.0	0.0	1.5	54.3	0.0	0.0	3.5	0.0	
Trinidad and Tobago	1	383	16	9	30	1	2 385	4.9	0.0	2.0	0.0	0.0	0.0	1.0	0.0	24.1	0.1	98.5	0.0	73.0	0.1	
Uruguay	11	316	11	1	6	12	96	2.0	2.9	1.5	0.9	0.3	0.5	8.4	0.0	37.5	12.2	0.0	6.5	15.1	8.7	
Venezuela	38	2 276	683	56	396	9	5 300	0.0	2.2	2.1	0.0	0.0	0.3	0.6	0.0	7.5	0.5	98.9	0.0	57.2	0.0	

Source: UNCTAD data base on trade measures.

^aZero indicates less than US\$500 000.

^bUnweighted average of tariffs actually applied to the products in question, whether on the basis of most-favoured-nation status or preferential treatment. Two indicators were used to measure the general extent of the change in tariff progressivity: the difference, in absolute figure, between the tariffs at two successive levels of processing; and the relationship, expressed as a percentage, between the two mean tariffs.

The average tariff levels of the European Economic Community are higher, exceeding 5% for Cuba (11.1%), Panama (8.6%), Costa Rica (7.2%), Ecuador (6.9%), Honduras (5.7%) and Colombia (5.2%). On the other hand, there appears to be a very clear tariff preference in favour of the English-speaking Caribbean countries, inasmuch as the percentages of affected exports are insignificant for the Bahamas, Barbados, Guyana, Jamaica, Suriname and Trinidad and Tobago. The five countries most affected by non-tariff restrictions imposed by the Community, are Colombia (73.3%), Uruguay (37%), Argentina (34.0%), Brazil (27.7%) and Jamaica (22%). The countries least affected by this kind of restriction are Grenada (0.0%), the Dominican Republic (0.4%), Bolivia (0.2%), Barbados (0.8%) and Suriname (1.5%). In short, there is evidence of a bias by the Community in favour of smaller countries, particularly those in the English-speaking Caribbean, and of a bias against some of the larger and medium-sized countries of the region, whether owing to their temperate-climate agriculture or their greater competitiveness in the industrial sector. A remarkably high percentage of imports from Colombia is subject to some form of restriction.

In the case of Japan, the highest average tariff levels are applied to exports from Ecuador (14.6%), Mexico (12%), Guatemala (8.5%), Brazil (6.5%), Paraguay and the Dominican Republic (5.1% each). The lowest levels (0.0%) correspond to exports from the Bahamas, Barbados, Grenada, Nicaragua and Bolivia. The percentage of imports affected by non-tariff measures is much higher and such measures are applied relatively more frequently than in the case of the United States and the EEC. The five highest levels are for exports from Honduras (91%), Haiti (82.7%), Jamaica (82%), Costa Rica (63%) and Colombia (60.5%).

Special mention should be made of Cuba, which registers no trade with the United States and is subject to highest percentages of tariff and non-tariff protectionism on the part of the European Economic Community and Japan.

It bears repeating, however, that the estimates of non-tariff protectionism affecting the region prepared on the basis of the methodology described earlier are imprecise. It is generally recognized that these difficulties of measurement are a practical obstacle to systematic negotiations aimed at liberalizing trade, particularly with regard to non-tariff barriers. However, in the absence of more refined methodologies, they at least provide a point of reference for calculating the order of magnitude of protectionism in the major regions of the globe.

Methodologies for estimating the overall levels of protectionism more accurately are still under study.²² Table 12 should be viewed with this caveat in mind; this table was included in a special report on protectionism prepared by the UNCTAD Secretariat for ECLAC.²³ In reference to this table, the report states: "it contains information on trade

Table 12

**MEAN LEVELS OF PROTECTION AGAINST THE MAJOR
EXPORT PRODUCTS OF ARGENTINA AND BRAZIL**

Exporter	Product ^a	Value of exports in 1980 (millions of dollars)	Non-tariff barriers applied in the industrialized countries ^b	Estimated levels of current protection ^c		
				EEC	Japan	United States
Argentina	Fresh meat (011)	686.9	1, 2, 3, 4, 5, 6	118	328	46
	Wheat (041)	816.1	2, 3, 4, 6, 7	120	145	0
	Maize (044)	513.3	8, 2, 3, 6, 1	63	...	10
	Fruit and nuts (031)	180.5	8, 9, 1, 2, 6, 4, 10	36	194	...
	Fresh vegetables (054)	120.7	9, 3, 2, 4, 6, 11	42	84	25
	Sugar and honey (061)	331.2	2, 3, 6, 4	160	44	27
	Oil-seeds (221)	662.3	4, 6
	Textile fibres (26)	411.0	12, 13, 14, 2	59	13	68
	Leather (611)	310.3	4	18	25	5
	Iron and steel (67)	143.9	15, 12, 16, 1, 17	43	8	35
	Clothing (84)	140.7	12, 13, 4	59	18	79
Brazil	Fresh meat (011)	289.1	1, 2, 3, 4, 5, 6	118	328	46
	Meat preparations (013)	320.6	3, 2, 6, 4, 10	130	174	61
	Fish preparations (03)	132.6	8, 1, 2, 9, 4, 6	44	80	78
	Fruit preparations (053)	375.3	2, 3, 12, 6, 4, 9	36	194	18
	Sugar and honey (061)	374.4	2, 3, 6, 4	160	44	27
	Coffee and manufactures thereof (071)	2 773.1	18, 2, 6	93	161	39
	Cocoa and manufactures thereof (072)	696.6	6	12	173	4
	Tobacco and tobacco manufactures (12)	295.3	6, 7	74	352	20
	Textile yarn (65)	654.3	13	59	13	68
	Iron and steel (67)	881.5	17, 15, 19, 12, 16, 1, 20	43	8	35
	Footwear (851)	387.9	12, 20, 4	27	16	9

Source: Calculations by the UNCTAD Secretariat.

^aThe Standard International Trade Classification (SITC) group numbers are shown in parentheses. The 1980 trade values for these products were compiled from the UNCTAD publication, *Yearbook of International Trade Statistics*, vol. 1, New York, 1982.

^bThis column indicates the types of non-tariff restrictions applying to export products in the European Economic Community, Japan and the United States. The various forms of non-tariff barriers are designated as follows: 1: tariff quotas; 2: licensing formalities; 3: variable levies; 4: general quotas; 5: minimum prices; 6: health and safety requirements; 7: State monopolies; 8: reference prices; 9: seasonal increases in tariffs; 10: discretionary concession of import permits; 11: bans; 12: surveillance authorization; 13: Multi-Fibre Arrangement; 14: standards; 15: anti-dumping investigations; 16: basic prices; 17: "voluntary" export limits; 18: variable components; 19: anti-dumping duties; 20: countervailing duties.

^cThe estimated levels of protection shown in this column refer to tariff and non-tariff barriers. The data were obtained from the following sources: International Monetary Fund, "Effects of Increased Market Access on Selected Developing Countries' Export Earnings: An Illustrative Exercise", Washington, 3 May 1984; UNCTAD, *Protectionism and Structural Adjustment*, TD/B/1039, 28 January 1985; and A.J. Yeats, *Trade Barriers Facing Developing Countries*, London, MacMillan Press, 1979. It should be noted that the levels of protection for agricultural products shown in table 11 may change abruptly due to the nature of the trade limitations which apply.

barriers that affect some of the principal export products of two of the most heavily indebted Latin American countries: Argentina and Brazil. It includes representative products which accounted for a minimum of US\$100 million in exports in 1980, and provides an indication of the kinds of non-tariff barriers (e.g., quotas, levies, variable charges, etc.) that affect such products in industrialized markets as well as noting the published calculations of the *ad valorem* equivalents of such restrictions (including the effect of tariffs). A recent IMF report was of great use in the compilation of this information; the data it provided were then supplemented with information taken from other specialized publications (see the sources in the footnotes to the table).

"As can be seen from the table, the report continues, "the levels of protection affecting these key export products are usually very high and are well above 100%. Argentine exports of wheat, worth more than US\$800 million in 1980, are subject to levels of protection ranging from 120% to 145% in the EEC and Japan; Argentine and Brazilian meat exports are subject to even higher trade barriers (the corresponding level of protection is estimated to be more than 300% for Japan). In the case of exports of textiles and clothing, protection levels vary between 59% and 79% in the European Community and the United States. The table also suggests that the systems of protection applied to these key export products are extremely complex and that some items, such as meat, fruit preserves, iron and steel, are the object of up to seven different types of non-tariff restrictions".

The more exhaustive and detailed assessments of tariff and non-tariff protectionism, such as the one contained in the above-mentioned table, strongly support the theory that the protectionism applied by the centres strongly discriminates against exports from Latin America.

Chapter II

LATIN AMERICA'S POTENTIALS AND OPTIONS AS REGARDS TRADE NEGOTIATIONS

A. INTRODUCTION

This chapter examines the Latin American countries' potentials and options for orienting external negotiations within the framework of international economic relations as they are conducted in the 1980s. The discussion will deal with trade relations and, specifically, the region's trade relations with the principal developed countries of the OECD. However, trade relations and the negotiations they involve are not a discrete entity that can be examined in isolation from international economic relations and negotiations as a whole.

Firstly, a brief review will be presented in this chapter of the structural background of Latin American trade and of the negotiating positions that arise from the relationship between the centre and the periphery. Within this long-term perspective, emphasis is placed on the central role of Latin American industrialization as a dynamic structural element which generates new options and potentials in relation to trade negotiations.

Secondly, the discussion will focus on the clear relationship that exists between the industrial development of each Latin American nation and its reciprocal linkages and interactions, which took on a concrete and structured form through the process of regional economic integration that began in the 1960s.

Thirdly, there will be a brief examination of the financial and commercial repercussions of the changes taking place in the international economy during the 1970s and thus far in the 1980s. The region needs to have a large trade surplus if it is even to attempt to pay the (unusually high) interest on its foreign debt. It is faced, however, with the virtual collapse of its export commodity prices and with increasingly severe protectionist measures as regards almost all its main exports of manufactures. The very close link between debt and trade has created the right conditions for the exploration of a strategic option whose general outline is presented in this chapter.

Fourthly and lastly, an analysis will be undertaken of the negotiating potentials and options opening up for the region in the field of trade:

- i) Acceptance of the new rules of the game in the spheres of finance and trade is apparently placing each and every Latin American country on the road to financial strangulation and to the interruption of its growth. It also drastically increases their vulnerability *vis-à-vis* the principal industrialized countries.
- ii) Although such acceptance is not without its reservations, the negotiating capacity of each Latin American country *vis-à-vis* its main trading partners in the developed world is clearly limited.
- iii) Multilateral negotiations within the framework of UNCTAD and GATT are a necessary form of joint action by Latin America with the rest of the developing world. However, it is well known that the results of such action, which has generally taken the form of demands, have been discouraging, particularly since the 1970s.
- iv) Reciprocal trade negotiations among the countries of Latin America with a view to taking full advantage of the regional market are more justified today than ever due to the prospect of increased protectionism on the part of the industrialized countries.
- v) Increased exploitation of the regional market does not preclude the need for access to the markets of the developed countries. In the light of protectionist pressures, export-promotion initiatives should seek to diversify and increase the flexibility of instruments of joint action, as well as searching for new channels for such action both at the regional level and at the various subregional forums and levels of action.
- vi) Latin America's negotiating position could be strengthened through, firstly, a better understanding of its purchasing power as an importer of goods from the industrialized countries and, secondly, through a more comprehensive management of its decision-making mechanisms in the area of trade policy.

The main idea being advanced here is that efforts to develop the negotiating capacity of Latin America should be pursued in all the areas mentioned above. In this document, however, attention has been focused on the potentials and limitations of the measures listed under item vi). These issues have not been systematically examined on a joint basis by the Latin American countries, and this first effort to focus on them may help to strengthen the negotiating position of the countries of Latin America and the Caribbean.

The main problem which the region faces is that of reinstating at least the minimum conditions necessary in order for it to resume its long-term development. The revitalization of the productive structures of each Latin American country will depend, *inter alia*, on the overall evolution of the national, regional and world markets. In view of the volatility of the current situation, all avenues must be explored and efforts must be made to broaden as much as possible the range of negotiating options open to each individual country and to the region as a whole.

B. THE STRUCTURAL BACKGROUND OF THE REGION'S NEGOTIATING CAPACITY

Negotiating capacity in the area of trade and finance hinges upon the production potential which backs it up. The scale and level of development of the productive structures of the countries or groups of countries engaged in international negotiations constitute the basic structural underpinnings of each country's negotiating capacity.

The countries of Latin America continue to occupy a peripheral position in their economic relations with the centres. This position is attributable to the international division of labour, in which the region participates.

One of the most typical characteristics of the relationship between the centre and the periphery —which, however, is no longer true for Latin America— is the bilateral nature of the trading relations which each country on the periphery within the same "orbit" establishes with the industrial power that functions as the centre for that group of countries.

The countries on the periphery are indirectly linked to each other through the central powers from which they acquire manufactures produced from the raw materials which these same peripheral nations export to the countries of the centre. In this extreme case, the central powers act as the commercial intermediaries for them all. Relations among the nations on the periphery themselves are either non-existent or tenuous because their specialization as exporters of raw materials prevents them from diversifying the range of goods they produce for export —i.e., the sale of manufactures— or from processing raw materials acquired from other countries on the periphery. The absence of a production link or of any complementarity in production prevents them from strengthening their trade relations or enhancing their trade complementarity.

From the mid-nineteenth century up to the 1930s, this was the type of relationship which existed between the countries of Latin America and the major industrial centres. Later on, the process of industrialization gradually became consolidated through import substitution, which was supported by the growth of their own national markets. Diversification of production in each Latin American country involved the diversification —no more than a potential one, at first— of its export products. However, this early supply of manufactures was not competitive in the markets of the centres; even within the countries of Latin America themselves, such goods did not find markets. The historical inertia of the countries' traditional compartmentalization —present long before the process of industrialization— continued to hold sway until the early

1960s and led to an overlapping expansion in the manufacturing sector that was marked by an absence of complementarity. This pattern of trade and financial flows as "spokes" radiating from the centre continued to predominate in relations between the centre and the periphery during the period 1930-1960. However, as industrial development proceeded, the range of exportable goods produced by each Latin American country became more diversified. This structural change in production revealed a potential for reciprocal trade which had not existed in the stage prior to the process of industrialization through import substitution.

C. INDUSTRIALIZATION AND ECONOMIC INTERDEPENDENCE IN LATIN AMERICA

Industrialization in Latin America increased the supply of goods for export and the opportunities for reciprocal trade. The countries then had to capitalize upon this potential by taking specific steps to exploit it. From the 1960s onwards, these measures permitted the institutionalization of the process of economic integration, which was characterized by rapid growth in Latin American exports of manufactured goods to the regional market.

Throughout the 1960s, industrial development and economic integration spurred one another on. Even with all its limitations, the process of economic integration increased the potential for intra-regional negotiation, as well as —although to a much lesser degree— Latin America's negotiating potential in its trade with the centres.

The various regional and subregional integration schemes —LAFTA, CACM, the Andean Pact, CARICOM— created an institutional structure and a set of forums for intra-regional negotiation which, despite their initial shortcomings and limitations, proved to be positive forces in unifying the countries of Latin America and the Caribbean. With modifications and additions —such as the transformation of LAFTA into ALADI and the creation of SELA— the integration process has continued and has extended its scope to include many different forms of co-operation, thanks to the establishment of a range of sectoral bodies in the areas of food, energy, agriculture, industry, etc.²⁴

Two conclusions may be drawn from the above. Firstly, the increasing productive, trade, financial and even monetary integration of Latin America resulted in the realization of a potential which had been latent in Latin America's industrial development during the preceding decades. Secondly, this potential could not be exploited "spontaneously", but instead required high-level political action in order to form the necessary institutional structure for the process of regional integration and co-operation.

D. LATIN AMERICA'S INCREASING VULNERABILITY AND DEPENDENCE IN TRADE AND FINANCE

The slowdown in the growth rate of the centres, the oil crisis, the privatization of financial flows, and the ready availability of credit were some of the main features of the international situation confronting Latin America in the 1970s.

While all the countries of the region took advantage of the easy availability of large credit flows, not all of them benefited from increased trading possibilities. Some of them created exchange and fiscal conditions that left their national industries unprotected, resulting in a delayed evolution, paralysis and even a partial destruction of their production apparatuses. Other countries protected their domestic activities more effectively and developed dynamic and ingenious export-promotion policies.

In the late 1970s and in the 1980s to date, the vulnerability and dependency of Latin American countries in the areas of finance and trade have increased. On the financial side, one important factor has been the unsustainable debt service at floating interest rates. In the area of trade, the slower economic growth of the centres and their mounting protectionism have reduced export earnings from the sale of commodities and have made it increasingly difficult to find markets for goods manufactured in the region.

In the second half of the 1970s, Latin America's increased participation in the world market had a negative impact on the processes of co-operation and integration in the region.

Nonetheless, even with its setbacks and reversals, Latin American industrialization and integration may once again come to reinforce one another, but this time on a much greater scale. During the period 1930-1960, a process of import substitution took place at the national level. Subsequently, during the 1960s, the desire for integration led to an increase in intra-regional trade. In the second half of the 1970s, the intensity of the thrust towards industrialization and integration diminished, and in the 1980s both of these processes have suffered severe setbacks. Nevertheless, the necessary conditions still exist for the initiation of a process of productive expansion based on import substitution* at the regional level.

The integration of Latin America in the sphere of trade does not yet reflect a development and diversification of its forces of production, however. The historical inertia characterizing its relations with the

*Reference is made to an expansion of production in general rather than to industrialization only, because the replacement of imports by local production can include many agricultural and mineral primary products.

centres has preserved many of the harmful aspects of compartmentalization. The region is at the same time both an exporter and importer of many agricultural, mineral and manufactured products. Many of these goods have difficulty penetrating the markets of the centres owing to protectionist measures, while other Latin American countries that import these same products lack the foreign exchange to buy them. In other words, in many Latin American countries growth rates have decreased and idle production capacity has increased as a result of severe external constraints and the protectionist policies of the centres, which have prevented them from buying the inputs and equipment they need and from exporting the goods they produce.

The regional market can go a long way towards lessening the impact of these problems. It can contribute to economic recovery through: i) the acquisition of inputs and equipment from Latin American suppliers on the basis of reciprocal payment and credit arrangements which would permit the use of less foreign exchange per unit of import value; ii) the export to other Latin American buyers of many primary and manufactured goods which are the object of increasing protectionism in the markets of the centres.

The first phase of this process of substitution —the reduction of imports from the centres— took place in the first half of the 1980s, not by choice of the Latin American countries, but rather owing to external factors. The time has now come to replace those imports with products of Latin American origin which are difficult to place on the international market and whose sales opportunities in the region have also been reduced.

Although the Latin American market represents a significant proportion of regional exports, it is not large enough to take the place of the international market. Nor is this the objective being pursued, since autonomy and autarky are far from being the same thing. In addition to the reactivating effects already mentioned, a greater and better use of the regional market can help to diversify the negotiating options open to the Latin American countries in their trade with the centres. In this way, progress towards more self-reliant or interdependent economic relations in Latin America is an inwardly-directed move which also enhances the region's outwardly-directed negotiating power. This would seem to be a good way of overcoming the region's peripheral status, which, despite the level of industrial development it has achieved, still determines the position of each Latin American country in the world order.

One of the historical holdovers of this position is the fundamentally bilateral focus of each Latin American country's trade relations with the countries of the centres. As the economic and trade interdependence of the countries of Latin America and the Caribbean increases, the compartmentalization of their bilateral trade relations with the developed world

will gradually —and necessarily— be overcome. The new options and possibilities for negotiation which this opens up should be explored on the basis of a unified effort.

The profound and far-reaching technological transition now taking place in the industrialized countries is an important factor which must be taken into account. Advances in microelectronics, biotechnology, the diversification of energy sources and materials technology are beginning to bring about a radical transformation of these countries' production structures. The idea that a concerted industrial reactivation could enable the developed countries to reserve the priority expansion of high technologies for themselves, while relegating the production of goods involving more traditional technologies to the developing countries, was, in the late 1970s, one component of the initiatives to promote international co-operation for development. However, there are increasingly clear indications that, rather than redirecting many of these more traditional activities (which for the most part are labour-intensive and rely heavily on natural resources) to the countries of the South, the developed countries are instead attempting to regain their comparative advantages in these sectors through robotization, genetic engineering, microelectronics, etc.

Consequently, it is far from clear how these technologies will reorient the international production system. Future international trade negotiations are likely to include many elements related to this vast transformation, such as trade in services, high technology and direct investment. An analysis of this world economic scenario of the 1980s suggests that Latin America and the Caribbean should harmonize their negotiating position in order to be able to respond appropriately to these new challenges.

E. NEGOTIATING POTENTIALS AND OPTIONS IN THE AREA OF TRADE

It should be stressed once again that negotiating potential in the sphere of trade and finance is, in the final analysis, based on the production capacity which underlies it.

The region's main weakness in the area of trade negotiations lies precisely in the production of commercial services and their basic complements, such as transport, insurance and financing.

There is, then, a fundamental step —which comes before more institutionalized forms of negotiation conducted in a formal setting in specific forums— that must first be taken in the entrepreneurial and operational field. Latin America and the Caribbean need to be able to

produce more of the commercial, financial and transportation services that the region requires.

In this field, there are transnational networks (originating in the North) of companies that provide such services which are sufficiently powerful to exert practical and direct influence over this area of economic activity. No attempt will be made here to analyse the joint efforts made by the countries of Latin America to penetrate —whether through public or private enterprises— into the production of commercial, financial and transport services. This discussion will instead be confined to the general principle which gives a structural cast to the issue under consideration: negotiating capacity in the area of trade, finance and transport is based on the capacity to produce these and other related services —a capacity which can be achieved through multinational efforts on the part of the Latin American countries.

Productive capacity —that is to say, the levels of production, efficiency and international competitiveness of the activities in question— largely depends on the scale of the economic units involved. In this field it is necessary to compete with large transnational corporations capable of exerting an oligopolistic influence. For example, in the early 1980s, the large transnational commercial corporations —generally known as “trading companies”— controlled more than 70% of the total world trade in commodities, which amounted to almost US\$1 billion (US\$1 000 000 000 000) at the prices of the time. This included US\$230 000 000 000 out of a total of US\$306 000 000 000 in exports of crude oil which were controlled by the giant international companies and nearly US\$500 000 000 000 out of the US\$674 000 000 000 accounted for by the trade in other commodities which were under the control of multi-line marketing companies and of commercial subsidiaries of the industrial transnationals.²⁵ The situation was similar in the spheres of finance and transport.

In order for the Latin American countries to achieve scales comparable to those of these giant corporations, they would probably need to undertake joint action. In this respect, intra-Latin American efforts to promote co-operation increase the external negotiating capacity of the region's economies.

These issues have also been dealt with or are now being explored in other studies by ECLAC.²⁶ The present document deals primarily with negotiations at the governmental level.

The trade negotiations of Latin America and the Caribbean —in the more formal forums— are conducted in various spheres and at different levels. At one extreme is the bilateral level in the governmental sphere, in which each Latin American and Caribbean country negotiates either directly with developed countries —e.g., the negotiation of voluntary export restriction agreements— or through multilateral or inter-

governmental bodies such as the IMF and the IBRD. At the other extreme are the North-South negotiations, which are both multilateral and global, such as those conducted under the auspices of GATT or UNCTAD. Between these two extremes are negotiating forums in which Latin America can act in a united and concerted manner.

The problems which have to be dealt with in these negotiations are also well known. They relate to: the pricing of the commodities exported by the region —or, in some cases, by the peripheral countries— as a whole; protectionism on the part of the centres as regards commodities and manufactured goods; and —in the context of the region's current indebtedness— the need to achieve a trade surplus, which is having a devastatingly recessionary effect on the levels of domestic activity in the countries of the region.

Regardless of which objectives are emphasized in the negotiating strategies that the region may adopt under the present circumstances, these strategies will be more effective if they are backed by more solid negotiating resources that can lend greater credibility to Latin America's proposals based on joint regional action capable of producing at least partial results over a shorter term.

With regard to negotiations in which the countries of Latin America act individually, it is necessary to examine the clearly dismal results deriving from the unqualified acceptance of the conditions imposed —through the IMF and, more recently, the World Bank— by the developed countries in trade and debt negotiations. The type of "case-by-case" adjustment this has entailed has resulted in recessionary pressures that have slowed the growth even of the very centres themselves.

With each passing day the need to generate a large trade surplus in order to pay the interest on the debt is more clearly in conflict with the sharp drop in the prices of Latin America's commodity exports and with the increase in protectionism by the centres. This contradiction may well become even sharper in view of the fact that the economic growth of the United States appears to be slackening while its protectionist pressures are tending to increase.

The recessionary adjustment has been the means used to reconcile these contradictory objectives —one which has done serious harm to the standard of living and socio-political stability of the countries of Latin America and the Caribbean. The general prospects for growth in the industrialized countries over the next two years are not sufficiently promising, and protectionist pressures are becoming increasingly strong. Consequently, the effect produced by the growth of the United States economy over the 1984-1985 period is wearing off, and it appears unlikely that growth in the other OECD member countries will be vigorous enough to take its place.

Individual instances of resistance on the part of countries in the region to the contradiction between the trade surplus that is required of them and the increasing restrictions placed on their exports have so far yielded little results. At given points in time during the 1980s such resistance —Mexico (1982), Argentina (1984), Bolivia (1984), Peru (1985)— has taken the form, using different modalities, of a refusal to accept the terms of debt renegotiations or a delay in doing so. The most recent action of this type was taken by the Government of Peru, which rejected the IMF conditions and established a debt service ceiling equivalent to a set percentage of its exports. The experience of the first half of the 1980s shows that, in general, such unilateral resistance has been counteracted and overcome by the multi-faceted negotiating capacity of the more advanced countries.

The regional intergovernmental forum provided by the Cartagena Consensus offers new hope that Latin American action on the question of the debt may become more vigorous and effective.

At the other extreme of negotiating options are the major multilateral world forums —such as UNCTAD and GATT— in which the developing countries are seeking ways of jointly presenting and negotiating their positions and interests *vis-à-vis* the developed countries. Two observations are called for here. Firstly, attention should be drawn to the relative lack of success of the latest trade negotiations held within the framework of North-South relations and, secondly, mention should be made of the differences among the positions of the developing regions themselves, which arise out of their particular problems and interests.

For example, at the preparatory meeting for UNCTAD VI held by the developing countries at the ministerial level, the South's reiteration of its so oft-repeated unilateral demands yielded clearly disappointing results. Referring to UNCTAD VI, which was held in Belgrade in June 1983, in article I of SELA Decision No. 152 the countries express deep concern about the paltry results of UNCTAD VI and emphasize the major responsibility of some developed countries in this respect, asserting that these countries' lack of political will and their inflexibility during the negotiations prevented the international community from adopting a set of co-ordinated measures aimed at undertaking a programme to reactivate and develop the world economy. These conditions have not improved since UNCTAD VI. Thus, for example, the session of the Permanent Subcommittee on Commodities held in January 1985 revealed such vast differences of opinion between the delegations of the North and South that no conclusion whatsoever was reached.

With respect to the launching of a new GATT round of multilateral trade negotiations, the developing countries have already presented their main positions and have made their participation conditional upon the complete fulfilment of previous commitments, particularly those made

at the GATT ministerial meeting of 1982. Furthermore, they have objected to the inclusion of the topic of services on the agenda of a new round, but do want to see the subjects of natural resources and agricultural products, including tariff and non-tariff barriers, placed on the agenda. These positions were expressed at the meeting of the GATT Council held in June 1985.

The foregoing highlights the need to continue efforts to negotiate in this area, to attempt to harmonize the countries' positions, and to seek a way of changing the present negotiating style of reiterating lengthy demands, only to have them coldly received by the industrialized countries.

The other possibility is to try to build up Latin America's bargaining power on the basis of a concerted use of the productive, commercial and financial capacity of the region as a whole. There are two interdependent courses of action in this respect which should be examined. These are: firstly, a determined effort to strengthen the regional and subregional bodies for Latin American integration and co-operation —ALADI, the Andean Pact, CACM, CARICOM, etc.— and, secondly, increased joint and concerted action by the region in its negotiations with the developed world.

The promotion of mutual trade has been replacing conventional forms of integration concerned purely with the lowering of tariffs and the adoption of a joint external tariff. One reason for this is that non-tariff protectionism has come to be of decisive importance in present-day trade; another reason is that trade within Latin America needs to be promoted actively through the creation of commercial, financial and monetary mechanisms to stimulate such trade.

The region is not starting from scratch. Previous efforts have been made which have provided experiences that, while not always successful, have all been very instructive. Governmental agencies concerned with commodities, such as the Latin American Fisheries Development Organization (OLDEPESCA), UBEC or GEPLACEA, have been formed. Initiatives aimed at creating Latin American multinational enterprises have been undertaken in the field of business, financial and transport services, such as COMUNBANA (a multinational banana marketing enterprise), the Bogotá Group, PANCAFE, NAMUCAR (a Caribbean multinational shipping agency), and others which operate along the lines of business enterprises, such as the Latin American Association of Finance and Development Institutions (ALIDE). These initiatives have not always come up to the expectations of their promoters, but they have pointed the way towards an active entry into the field of business, financial and transport services, which are currently provided and controlled by a network of transnational corporations. The task will be a time-consuming and difficult one. It will require political will and regional

solidarity. Progress will be hampered by interests that will try to frustrate or weaken any such efforts. Nevertheless, this will undoubtedly be an avenue along which solid progress can be made in the medium and long term.

The presence of managed trade is a worldwide reality that has come about through a process of transnationalization which is, little by little, squeezing open and free forms of competition out of the market. Protectionism, subsidized trade, demands for bilateral reciprocity and other practices, which have been amply documented in the preceding chapter, are part of the new scenario of managed trade at the international level.

The situation faced by the Latin American countries calls for coordinated responses which, in a relatively short period of time, will permit them to adapt more satisfactorily to these new circumstances in the sphere of international negotiation. If these responses are to be forthcoming, an analysis will have to be made of the resources and instruments that the region can use to persuade the other parties at the bargaining table, and an understanding will have to be gained of the centres' decision-making mechanisms, which form the basis of their trade policies.

The quest for arguments that can be compelling when presented at the bargaining table is based on the acceptance of two facts: firstly, that the bargaining table continues to be the sole and irreplaceable avenue for those who believe in a peaceful solution and in international co-operation; secondly, that proper negotiations must always emphasize the interdependence —present or future— of the parties involved. This interdependence exists between Latin America and the developed world, but it is usually veiled or hidden by the hackneyed style of presenting demands and claims in which the countries of the South appear to be asking for outright concessions while offering nothing in return. A greater awareness of this interdependence in the sphere of trade would benefit all the parties concerned, including the centres. Thus, for example, the recessionary adjustment demanded of Latin America has brought to the fore the significance of the regional market for its main trading partners, particularly the United States.*

*"The adjustments made by Latin America to meet its external debt occasioned the loss of almost 800 000 jobs in the United States. A statement to that effect was made before the United States Congress by Mr. Gerard Adams, an economist and professor at the University of Pennsylvania and a consultant of Wharton Econometrics, an organization concerned with the preparation of economic projections. During a hearing convened in mid-June by a joint economic committee of the Senate and the House of Representatives, Adams asserted that the sectors in the United States most affected by the drastic reduction of purchases by Latin America were metal machinery, the automobile industry and manufactures in general." Taken from the journal *Integración Latinoamericana*, No. 106, October 1985, year 10, p. 65.

This argument must not be overlooked at the bargaining table, not because it is the only or even the most important one, but because in any negotiating strategy no persuasive element should be discarded out of hand. The question is: Does the region have an even minimally significant degree of purchasing power that can be put to use at a bargaining table? In this document an initial attempt will be made to quantify this capacity and to find a means of focusing the study of its possible use.

Every negotiator must have as full a knowledge as possible of the principles that guide the behaviour of the party with which he is negotiating and of the decision-making mechanisms whereby such criteria are formulated. With respect to the two main trading partners of Latin America and the Caribbean —the United States and the European Economic Community— a more in-depth knowledge of their decision-making processes in respect of trade policy should be acquired, as well as of the factors and interest groups which take part in such decisions and of the possibilities of influencing different stages of that process. In Chapter IV, an initial attempt is made to gain an understanding of these aspects and to use them to strengthen Latin America's negotiating position.

The two aspects which will be dealt with in greatest depth in this document are only some of those which must be borne in mind in devising a regional trade negotiating strategy. This should not be taken to mean, therefore, that they are regarded as the only considerations but rather as those which, in the short term and on the basis of joint and co-ordinated action, may contribute to improving the negotiating position of Latin America and the Caribbean.

Chapter III

LATIN AMERICA'S PURCHASING POWER AS A NEGOTIATING AND DEFENCE INSTRUMENT

A. INTRODUCTION

This chapter explores the advisability for Latin America of building up, marshaling and exercising bargaining power in relation to trade negotiations based on its purchasing power.

This analysis is made in fulfilment of express mandates of the Regional Programme of Action for Latin America in the 1980s which were approved at the nineteenth session of ECLAC.

Paragraph 166 of this document states: "The CEPAL Secretariat will continue to carry out studies on the problems affecting intra-regional and extra-regional trade. These studies should be submitted to the countries of Latin America and the Caribbean and to the relevant regional and subregional economic co-operation and integration bodies in order to serve as technical support for identifying: i) joint action, based on the region's purchasing power for manufactures, so as to obtain better access to the markets of the industrialized countries; ii) projects to expand intra-regional trade between countries or groups of countries belonging to the various subregional integration processes in Latin America and the Caribbean, as well as countries not members of any regional or subregional integration process; iii) machinery for better co-ordination, complementarity and co-operation among subregional and regional integration and economic co-operation bodies." Paragraph 167 of the Programme continues: "These studies should also identify the different possibilities of using the region's purchasing power and immense natural resources existing in Latin America and the Caribbean, which provide the region with considerable bargaining power."

In fulfilment of these mandates, what will be proposed here are the central elements of a set of procedures for quantifying the relative magnitude of that purchasing power, assessing the implications this may have for the exports of the industrialized countries, identifying alternative suppliers within or outside the region which would make a future

redirection of trade feasible, and indicating which countries of the region are, in each case, best placed to organize and exercise this purchasing power.

The main purpose of this survey is to illustrate the relative importance of the Latin American market for the developed world's exporters. The existence, continuity and growth of this market have always been regarded as a natural and obvious fact rather than as an element which can be put to use in trade negotiations.

An understanding and systematic monitoring of the relative significance of the Latin American market, by products and by countries, would give a clearer picture of the composition of trade flows and would make it possible to determine farther in advance what effects will be produced by changes in the structure and dynamics of these markets. Thus, for example—as mentioned in the previous chapter—United States researchers estimate that the United States lost some 800 000 jobs because of the drastic decrease in imports by the region seen since 1982. This was not the consequence of any deliberate move by Latin America in execution of a negotiating plan or of the application of retaliatory trade measures. It was a result of the economic crisis which erupted in the region, whose features have already been discussed.

If a more systematic analysis of the extent to which United States exporters and producers depend on the regional market had been undertaken in advance, the United States would have taken a different stance in its overall approach to economic—and particularly financial—negotiations with Latin America.

Consequently, the study of the sectoral and overall significance of the Latin American market in relation to exports from the centres cannot be branded as being oriented towards preparing partial or global retaliatory trade measures. The object of such a study would instead be to underscore, at the bargaining table, Latin America's importance as a customer and trading partner of certain developed countries.

This type of analysis is also useful as a means of providing Latin American negotiators with accurate data so that they can decide how persuasive an element recourse to the use of regional purchasing power could be in respect of particular products and countries. This type of information, rather than promoting retaliatory measures, can help to avoid them.

The procedures for the use of purchasing power which are examined in this chapter are based on UNCTAD data. The background information used—the only information available at the time of writing—has certain limitations which will be pointed out later. These shortcomings notwithstanding, the data provide a useful basis for preliminary discussion of the topic.

Of course, it is understood that the Latin American countries can and should fine-tune this approach. The exercise undertaken in this chapter refers to only one year of imports, the products included sometimes are not broken down sufficiently, and the study is obviously not backed up by concrete market studies on the host of products which could be redirected to other markets.

The Latin American countries can perfectly well rectify these limitations. The main point to remember, however, is that the region cannot afford to overlook this negotiating instrument, whose use has become a common practice in the international system of trade.

At first glance, it seems odd to speak of the dependence of certain exports of the industrialized countries on the Latin American market, when it is the opposite situation which is generally much more apparent. Thus, for example, in 1982 Latin America purchased 13% of the United States' world exports, whereas that country purchased 38% of Latin America's total sales. The EEC sells only 3% of its world exports to the region, whereas Latin America sells 18% of its world exports to the Community. The corresponding figures for Japan —4.5% and 5%, respectively— are the most balanced ones in this respect. In any case, at first blush, the overall figures appear to show that Latin America's dependence on the developed-country markets is far greater than is the latter's reliance on the region.

However, it should be noted that Latin America's capacity to redirect its trade to its own markets is greater, in relation to some products, than the central countries' capacity to do the same. Furthermore, in the final analysis, the extent of trade dependence is not determined by the levels reached by a quantitative indicator, but rather by the greater or lesser capacity to substitute one trading partner for another. Latin America's export dependence on the developed countries, in regard to a considerable number of primary products and manufactures, could be significantly reduced, because the region is both an importer and exporter of goods which are either identical, or which can reasonably be substituted for one another. The centres' export dependence on the Latin American market is far greater in certain sectors and activities than it is overall. In both respects —an intra-regional redirection of trade or the creation of competition among different suppliers in the centres— the region's joint purchasing power is an instrument deserving of analysis.

In this era of "managed trade" which is so glaring in the world economy today, Latin America needs to become aware of its potential bargaining power and to proceed with the task of administering this power on a concerted basis.

The first step is to define as precisely as possible what is meant in this document by "trade dependence" and "bargaining (or "negotiating") power" and to analyse the connection between the two.

B. THE DEPENDENCE OF THE PARTIES TO A NEGOTIATION AND BARGAINING POWER: SOME GENERAL COMMENTS

In any negotiation there is an explicit or implicit comparison of the divergent interests and mutual dependence of the negotiating parties. The dependence of each party can be regarded as a measure of the potential bargaining power of the other party and is determined by the economic and extra-economic costs involved in dispensing with the negotiations or considerably reducing participation in them. Each of the negotiating parties must compare the cost to it of dispensing with the negotiations with the cost involved in accepting the conditions which the other party is trying to impose. The higher the cost of dispensing with negotiations—or involuntarily being excluded from them—for one of the parties, the higher will be the level of its dependence on the other party and, proportionately, the greater the bargaining power of the latter. When the pre-existing links between the parties—and hence the negotiations that are underway—* are broken off or fail, then the bargaining table may well be replaced by unilateral measures. Countries must therefore consider not only the economic cost of dispensing with negotiations but the political and social dimensions of this cost as well.

The fiercer the competition on the international market, the greater the contracting parties' ability will generally be to do without—either totally or partially—certain trading partners, if they so choose, and to replace them with others. Accordingly, each party will also have less leverage with which to impose its own conditions. In a perfect market, competition would dilute this individual power so much that it would cease to be a factor, since no one party could significantly alter the supply or price of a given product; on the other side of the coin, since there would be many other potential trading partners, no party would depend on this supply or price in determining its most rational course of action.*

However, these forms of "perfect" competition have never existed in international trade. A set—and not very large—number of countries do business among themselves and have a very different relative influence on the structure of the supply and demand of many products. The unequal weight carried by the parties engaged in international trade is a

*Negotiations may be only one aspect of a more deeply rooted, extensive and enduring link. Dependence does not derive from the negotiations itself, but rather from the nature of this pre-existing link, which may eventually come to be a more integral one.

*Strictly speaking, in a perfectly competitive market, it is private enterprises and not countries which influence one another. However, as has been pointed out, in international trade as it is now practised, the monopolistic and monopsonistic power of the large transnational corporations predominates.

factor not only when the State or multinational trading blocs are taken as the unit of analysis, but also when business enterprises within the present framework of transnationalization are taken as the significant unit.

These oligopolistic or monopolistic —and oligopsonistic and monopsonistic— situations are the very ones in which the mutual dependence of the contracting parties is a decisive factor in determining their bargaining power. The above not only applies to trade relations in the strict sense of the term, but also holds true for market relations in general.

Moreover, the difficulty of dispensing with a particular trading partner depends not only on whether there are other potential partners but also on the pre-existing technical and economic or other links involved. For example, if developing country or enterprise "A" stops purchasing from industrialized supplier "B", which used to sell it certain capital goods, "B" may retaliate by cutting off the supply of spare parts for the industrial equipment which "A" had bought from "B" earlier. "A" must therefore assess the technical and economic feasibility of replacing the parts previously imported from "B" with parts obtained either from a national source or from another industrialized supplier.* If this would be too costly or impossible, then "A" must calculate the faster loss of equipment that is still in operation as one of the costs of doing away with this trade link.

C. THE FORMAT AND USE OF THE INFORMATION CONTAINED IN THE STATISTICAL APPENDIX

The information analysed in this chapter is contained in the statistical appendix, which consists of four complementary sets of tables.

Actual negotiations relating to a given product or country would clearly call for the joint analysis and use of information of the kind presented in each of the four tables mentioned above or of other more refined and up-to-date data compiled by the Latin American countries themselves. Table 1 of the appendix provides information about "sensitive" products, broken down by developed country; table 2 indicates which Latin American countries could play a key role in marshaling the purchasing power in respect of each such product and country; table 3 shows other suppliers in the developed world which could make a

*Another factor is the prior specialization of the labour force, which may be accustomed to operating certain types of equipment and not others. With respect to durable goods for personal and/or household consumption, other factors come into play which influence consumer preferences in various ways.

redirection of trade feasible; and table 4 provides an indication, as does table 3, of the extent to which the Latin American region itself could absorb all or part of the redirected trade.

The data in the appendix refer only to the year 1982. Obviously, the intra-Latin American structure and distribution of regional imports varies from year to year. These variations are due to factors which are too numerous to list here in toto but which include the evolution of competition among foreign suppliers, exchange rates, cycles as regards the instalment of replacement capital equipment, the different types of domestic adjustment policies applied by Latin American countries, etc. Nonetheless, even though the data may provide no more than an approximate and partial picture of the situation, they do shed some light on the main products and countries which would have to be considered in an examination of trade dependence.

From another standpoint, an analysis of just one year is not a sufficient basis for estimating supply dependencies and purchasing power. For example, the acquisition of materials for major infrastructure projects, which take years or even decades to build, includes the provision of engineering services, the purchase of different kinds of equipment, etc. The purchasing power that Latin America could wield in such cases is reflected only partially in the course of any given year.

Table 1 shows a range of products in respect of which the developed countries' exports exhibit a relatively higher level of presumed dependence on the Latin American market at the sectoral and global levels. The term "presumed dependence" is used here because the actual extent of dependence can only be determined on the basis of studies providing a more accurate breakdown of the products concerned and because a real dependence will exist only after the Latin American countries have concerted their efforts in this regard so that they can marshal and exercise their joint purchasing power. This pre-condition is not intended to underrate the significance of these levels of dependence, but it must be fulfilled in order for joint purchasing power to become a reality. It is thus the first fundamental step towards the effective exercise of this power. In table 1 of the statistical appendix, coefficients of presumed sectoral dependence are assigned to the exports made by a developed country of a given product to Latin America, expressed as a percentage of its exports of that product to the rest of the world.

The products classified as "sensitive" are those whose coefficients of presumed sectoral dependence are higher than 5%. These products have been divided into two groups. Group I includes products with coefficients of 5% or higher which account for volumes of trade equalling more than 1% of the country's total exports to Latin America. In regard to group I, an attempt has been made to analyse the degree of sectoral dependence and the relative weight of the product in the total exports to

Latin America made by the developed country in question. Another column gives the relative weight of each "sensitive" product in the total exports of the same developed country to the rest of the world.

The products in group II of table I have a presumed sectoral dependence of 10% or more and account for between 0.3% and 1% of the developed country's total exports to Latin America.

It should be noted that any reference to the products included in the tables of the statistical appendix corresponds to the product groups of the SITC nomenclature at the four-digit level. It may well be that this level of aggregation is too great —especially in the case of manufactures— to serve as a basis for the implementation of concrete negotiating techniques. Nevertheless, it does provide useful preliminary information on the groups of "sensitive" products concerning which this kind of technique might be feasible.

The presumed nature of the dependence discussed here lies, first and foremost, in the fact that the dependence itself derives from the presentation of the aggregate national purchasing power of each and every Latin American country as if it were a single unified bloc of purchasing power. An attempt is also made to identify the various degrees of difficulty which would be encountered by the industrialized suppliers that sell a large percentage of their goods on the Latin American market if they were to try to break this trade link and seek alternative markets. In theory, it seems reasonable to assume that the higher the indicator of presumed sectoral dependence (i.e., the larger the share of supply absorbed by the Latin American market), the greater the difficulty would be. However, this assumption ought to be substantiated through more concrete market analyses. In any case, the examination of these indicators is a first step towards determining the levels of actual dependence.

Another type of information which would enter into actual negotiations is the developed country's total production of the "sensitive" product in question. It is possible that the data in table 1 may indicate a very high level of presumed sectoral dependence, but that the percentage of the product that is exported is relatively small. If the main producers have a vast domestic market for their goods, their degree of vulnerability to any attempt to exercise purchasing power will be relatively minor. Time and resource limitations prevented an investigation of this subject, but data of this kind should be included in any directly action-oriented study. It should be noted that this same line of reasoning constitutes an argument in support of expanding the regional market for Latin American products in order to reduce the dependence of the region's exporters.

Table 2 provides a breakdown of sectoral purchasing power by Latin American country; this affords an idea of each developed country's presumed sectoral dependence on the countries which are major buyers

of each of the sensitive products shown in table 1.* For each product, this information indicates which Latin American countries could contribute most to the concerted structuring of regional purchasing power.

It should be made clear that the co-ordination of purchasing power is conceived of here as a joint and united effort by the region to combat the protectionism practised by the industrialized countries, even though at the level of specific products certain countries may contribute the major portion of such power. Thus, the sole purpose of identifying an individual country's purchasing power is to indicate which countries, because of their importance in terms of a given product, should participate actively and even direct the actual exercise of that power, to which the other purchasers of the region, large or small, should lend their weight.

The combined purchasing power of the region hinges on the dependence which the developed countries may have on the Latin American market in respect of certain products. If this argument is to have credibility at the negotiating table, the Latin American countries, must have previously agreed to act in concert and be in a position to stop purchasing from given suppliers and to buy what they need from other sources. Table 3 gives useful information for determining the actual chances of redirecting Latin America's purchases of "sensitive" products. The information in table 3, as in the preceding tables, is given for each developed country. It also shows the total world exports of the industrialized countries, both at current values and in terms of its percentage distribution among the United States, Japan, the EEC member countries and other developed nations.

If Latin America intends to use its capacity to shift its purchases among the developed countries as a negotiating tool, then it must ascertain beforehand what impact the possible loss of the regional market would have on the supplier who runs the risk of being displaced (i.e., the coefficient of presumed sectoral dependence). In addition, it must also know how much the sales of the new suppliers it chooses will grow. Knowing these relative magnitudes and using them properly in negotiations are fundamental to the exercise of purchasing power.*

The "sensitive" products included in table 3 are those items regarding which Latin America would not be able to find substitutes for the

*It should be remembered in this context that the term "product" refers to the SITC (Rev. 1) 4-digit groupings.

*For example, if Latin America had stopped purchasing construction and mining machinery from the United States, its world sales of these products in 1982 would have plummeted by 24% and those of the other developed world producers would presumably have increased by 20%. This conclusion, however, is based on the idea of all other things being equal, in static terms. Actually, it is more likely that competition among suppliers of these products would have intensified, causing price changes and a redistribution of markets.

whole of the supply provided by the developed country that would be the object of the region's use of its purchasing power. This should not be taken to mean that the region is incapable of substituting its own production for imports of these products. As can easily be substantiated, substitutes could be found for a large portion of the imports of many of the "sensitive" products included in table 3 by redirecting Latin American exports of these same products—which now go to other parts of the world—to the region's markets.⁹

With respect to table 3, it is assumed that the redirection of trade would apply to only some of the developed countries and to certain "sensitive" products, thus allowing the region to secure alternative sources of supply in the rest of the industrialized world. This strategy could not be used in respect of all the developed countries simultaneously, as the region would then be unable to turn to other suppliers.

Finally, table 4 contains, for each developed country, a list of the "sensitive" products in respect of which Latin America's world exports exceed its imports of the same product from the developed country or countries in question. Consequently, by acting in concert, the region could presumably replace all its imports of these products with its own production.

The following section briefly analyses the data contained in the four tables of the statistical appendix, taken as a whole. The object is to show that, in actual negotiating situations, all of this information is required simultaneously. This information could be presented in even greater detail if the Latin American countries undertake to provide all the necessary data.

D. THE USE OF PURCHASING POWER: SOME EXAMPLES

The aim of the following discussion is to illustrate the kind of information and minimum guidelines required for the proper exercise of purchasing power in respect of a given product, the object being to affect—or to serve notice in the course of negotiations that there is a possibility of affecting—the interests of specific exporters in a developed country. These are just examples, chosen to illustrate a general line of reasoning.

⁹In other words, this would involve import substitution based on shifting the region's exports of the same products to its own markets. Ideally, such import substitution would not entail a reduction in the region's exports to the rest of the world but, in any case, such exports constitute a clear and direct indication of the existence of an import-substitution capability. In order to prevent the region's world exports from dropping, the possibility of increasing its own production of the goods in question would have to be explored.

It must be stressed that in these examples no judgement is being made as to the political feasibility or economic advisability of using the purchasing power corresponding to any of the products mentioned here. References to specific countries and products are necessary in order to illustrate how the information included in the tables of the statistical appendix could be used. In the specific case of the first example given—wheat from the United States—the purchase of this product might be considered to be unnecessary for some and indispensable for others. Thus, following any line of reasoning all the way through to its conclusion would no doubt give rise to a number of opposing arguments.

For example, there are some who would see an advantage in using the credit facilities offered by the United States for purchases of its agricultural surpluses (P.L. 480). Others might stress the risks of excessive demand dependence in such a sensitive area as food security, etc.

Nonetheless, these specific and concrete aspects were not taken into account in these examples, which are only intended to suggest how one might go about examining the statistical data contained in the tables and to identify some basic guidelines concerning the practical use of this kind of information, whatever the products or countries concerned.

The first aspect to be considered is United States wheat exports to Latin America. In 1982, the value of these exports was US\$1.25 billion, which amounted to almost 20% of the United States' total wheat exports to the world at large, 4% of its total exports to Latin America and 0.6% of its total world exports. At first glance, a presumed sectoral dependence of 20% is fairly considerable for the exporters concerned, but two other aspects need to be examined: firstly, Latin America's chances of finding alternative suppliers inside or outside the region and, secondly, the wheat exporters' chances of finding alternative buyers.

It is also necessary to determine which countries in Latin America exercise the bulk of this purchasing power and which ones might be able to act as alternative suppliers of this product for those countries in the region that are net wheat importers.

The tables in the statistical appendix do not provide enough information to answer all these questions. Surveys of the world market for each product concerned would have to be conducted. Without such studies it would be difficult to determine the United States wheat exporters' level of dependence on the Latin American market.

The other aspect to be considered relates to alternative suppliers which might take the place of the United States. In the case of wheat, table 4 of the statistical appendix indicates that the Latin American region itself, at its 1982 export levels, could supply 56% of the regional demand now being met by the United States. The remaining 44% would have to come from increased regional production or from other world suppliers. Given this situation, any measure in respect of this product

would require special co-ordination with the alternative Latin American and foreign suppliers.

The countries in the region with the largest demand for wheat are Brazil, Chile, Peru, Venezuela, Mexico and Colombia. Together with other smaller buyers, they could pool their purchasing power in order to redirect their trade, on the understanding that this would be a joint action. Consequently, they would have to have a common interest in negotiating with the exporting country as well as some compensation to offer to Argentina —the supplier of 97% of intra-Latin American exports— for shifting its supply from markets in which it is paid in convertible currencies to others, within the region, where the method and terms of payment would have to be specified. The intra-Latin American portion of such negotiations would thus have to be backed by a strong political will in order to succeed.

The above example corresponds to a primary agricultural product coming from a single country whose purchase value is the highest in all of Latin America and which alone exceeds the region's total purchases from the Netherlands (727 million), Belgium and Luxembourg (566 million), Denmark (262 million), Ireland (107 million), Greece (8 million) and Portugal (66 million).

A second example is that of construction and mining machinery (SITC 7184) which accounted for the largest purchases of an individual item —if it is treated as a single product—* made by Latin America from a developed country (i.e., the United States) in 1982. In that year, the value of such purchases totalled US\$1.67 billion, which was equivalent to almost one-fourth of the total United States exports of this item overall, more than 5% of its total exports to Latin America, and 0.8% of its total world exports. These indicators, clearly reflect a very high level of presumed dependence. However, a number of considerations similar to those discussed in the case of wheat need to be examined. In this instance, perhaps even more certainly than in the preceding example, it can be assumed that the product suppliers could not easily redirect this volume of sales to other markets, since the competition in these items among the developed countries is keener. Table 3 of the statistical appendix shows that total United States exports of these products accounted for 46% of the supply traded internationally in that year. Of the remainder, 12% of the supply was exported by Japan, 32% by the EEC, and 10% by other developed countries. In percentage terms with respect to the total amount exported by the industrial centres, the regional demand met by the United States was equivalent to 11%. This would have been enough to take up all of the supply from Japan (12%), the Federal Republic of

*Obviously, a range of different types of machinery and equipment is involved, but this does not prevent the options for the substitution of other suppliers from being perfectly viable.

Germany (10%) and the United Kingdom (8%) or to have absorbed a substantial portion of their total exports of these items.

On the other side of the coin, Latin America's exports of this item to the rest of the world amounted to US\$132 million (see table 4, France, group I), which is equivalent to less than 10% of the purchases from the United States and a very small percentage of the exports of this product by the developed world. This cursory analysis supports the well-founded conjecture that if Latin America were to act in concert as regards its imports of these products, the region might well obtain considerable bargaining power with both its major current supplier and other suppliers in the developed world, which it could place in a system of competition with a view to securing better terms. These conjectures could be provided with a sounder basis by a more thorough study of the international market for these products.

An examination of the sectoral dependence coefficient broken down by main Latin American buyers (see table 2 of the statistical appendix) discloses that Venezuela (7%), Brazil (5%), Mexico (4%) and Colombia (2%) account for 75% of the overall sectoral dependence coefficient — which in this case is 25%. Consequently, they might well be the ones to spearhead the pooling of purchasing power in this particular item with a view to seeking common interests which could be served by negotiation.

Perhaps it should be repeated once again that no specific negotiating action is being recommended or proposed. Rather, the intention here is to outline the necessary considerations pertaining to the actual exercise of purchasing power at the sectoral level in trade relations with developed countries whose protectionist policies and practices affect Latin American exports.

One example of an item with a low overall value which is nonetheless of tremendous importance to one particular industry may be that of motor vehicles, including the mechanically-propelled tramway cars exported by France to Latin America (SITC 7314). In 1982, the value of sales to the region was US\$102 million, which was equivalent to 98% of France's world sales of this item, 4% of its total exports to Latin America and 0.10% of its total world exports. This, then, is one case of very high presumed sectoral dependence in which there is no equivalent effect on the indexes of overall dependence of French exports either on Latin America or on the world.

Table 3 of the statistical appendix shows that France's total exports of this item to all countries constituted 42% of the supply traded internationally in that year. Japan exported 21% of this total, the EEC (excluding France) sold 29% and the remaining developed countries accounted for 6%. The United States' exports were only 2% of the total amount sold by the industrialized centres. If the degree of dependence were to be judged on the basis of what occurred in 1982, it would seem to be obvious that the

real dependence of French exporters of this item is greater than that of the Latin American importers, which could purchase from other developed-country suppliers that are capable of competing with the French exporters. However, this example brings us firmly back to the matter of technological dependence discussed earlier; one specific case is that of the underground metropolitan trains which have already been constructed according to French technological standards and specifications. It would thus be necessary to ascertain the technical feasibility of substituting new suppliers for existing ones once the initial contact had been made. The three countries accounting for the entire coefficient of presumed sectoral dependence of the developed countries in 1982 were Venezuela (65%), Mexico (29%) and Chile (4%).

This kind of product is usually purchased through public bidding on government infrastructure projects. Similar procedures may be used in the case of other goods (refineries, electricity plants, silos, etc.) which are in constant demand by the region but which are purchased, either successively or simultaneously, on a more sporadic basis by individual countries. In this case, the joint exercise of purchasing power could be orchestrated through the sectoral co-ordination of purchasing for large projects, which may be executed at different times in different countries, but which require similar inputs.

Another interesting case of a different sort is that of the regional imports of products which are supplied by a large number of developed countries. One such example is tinned plate and sheets (SITC 6747); this appears to be a product line in which a unified bloc of Latin American demand could secure better terms of purchase due to the potentially sharp competition among foreign suppliers. In respect of this product, the overall export values and the sectoral dependence coefficients are as follows (the countries are listed in order of the size of their total exports): Japan, US\$52.4 million and 11%; France, US\$39.1 million and 14%; the Federal Republic of Germany, US\$24.6 million and 11%; Spain, US\$16.2 million and 14%; the United Kingdom, US\$13 million and 10%. Latin America's total imports amounted to US\$145 million in 1982. Mexico, Brazil, Venezuela and Argentina are the main importers of this product.

The factors to be taken into consideration before embarking upon any concrete negotiations should thus include:

- i) The real sectoral dependence of the suppliers in industrialized countries as measured not only by the index of presumed sectoral dependence, but also by the cost of losing the corresponding trade link, which depends on the actual conditions of the international market for the product in question and, therefore, on the possibility of these suppliers finding alternative markets. The less likely this is, the greater will be the negotiating power of the Latin American importers when they assert their purchasing power;

ii) The probability or certainty that the Latin American buyers will find alternative suppliers for the specific product whose purchases they are seeking to redirect, either to the region itself —by shifting their exports away from other countries or by replacing imports with expanded regional production— or by seeking new suppliers from outside the region which would be attracted by the volume of demand involved.

All the various details of the two cases just mentioned could be clarified by specific and up-to-date market surveys —not only for the short term, but also as regards the growth rate of production capacity and technological innovations in respect to the product at the international level;

iii) The previously-established technological dependence on certain suppliers for given brands and products because they provide maintenance services and spare parts for facilities and equipment already in operation. If the break with certain traditional suppliers is a total one, then the technical feasibility of securing spare parts and maintenance services from other sources, either inside or outside the region, will have to be studied. The cost of this substitution should be covered in the survey, as well as the cost of a faster depreciation of existing industrial facilities and equipment due to unsatisfactory maintenance;

iv) If the aim is to combine the Latin American countries' purchasing power, then the main regional buyers of the product in question will have to undertake negotiations of their own to reach agreement on the mechanisms through which they will exercise their combined purchasing power and on the type of reciprocity they can demand, either from their former suppliers in exchange for not breaking off their existing trade link, or from alternative suppliers in exchange for redirecting their purchases to them;

v) If the alternative suppliers are other Latin American nations, then it will be necessary to hold negotiations in order to determine their mutual interests in terms of prices, quality, the currency of payment, financing terms, etc. All of this would, of course, have to be based on a political determination to strengthen Latin American integration and co-operation.

These considerations are not meant to exaggerate the difficulties involved in this type of concerted effort, much less to discourage it. The purpose of presenting them is nothing more than to chart a course for a mode of action. This is not, of course, virgin territory, since a basis for such initiatives is provided by the existing institutional network for regional integration and co-operation. In short, this is a possible, desirable and necessary course of action, which should be founded upon concrete and realistic measures, particularly the choice of products, market surveys and, if possible, the participation of the actors concerned. A

general strategy of this kind can only work if it is based on the close collaboration of governments, enterprises and the Latin American integration and co-operation institutions.

The information presented in this chapter is a first step in paving the way for such initiatives and suggests a methodology which, although it leaves room for improvement, nevertheless stresses the fact that Latin America does indeed have purchasing power and can make use of it if all the countries act in unison.

E. INDICATORS OF THE POSSIBLE USE OF PURCHASING POWER IN RESPECT OF THE DEVELOPED COUNTRIES

1. Presumed export dependence at the general and sectoral levels

The United States, the member countries of the EEC, Japan, Canada and Spain together accounted for 94% of the total exports by developed market-economy countries to Latin America in 1982. Of these countries, the United States appears to be the most dependent on the Latin American market, which accounts for 15.1% of its total exports, followed by Spain (9.1%), Japan (6.1%), Italy (3.9%), Canada (3.3%), France (2.6%), the Federal Republic of Germany (2.4%) and the United Kingdom (2.1%). The general dependence levels of all the remaining countries were below 2% (see table 13).

Due to their aggregate nature, these figures for individual countries conceal the true nature of the situation, however, in that the presumed sectoral dependence level is far higher. This becomes clear when the 684 products in the SITC nomenclature at the four-digit level are analysed.*

*The degree of dependence or sectoral coefficient of presumed dependence is defined as follows:

$$D = \frac{P}{i} = \frac{\text{Coefficient of dependence in respect of product } i}{\frac{P-AL}{X} - \frac{P-world}{X} - i}$$

P-AL
where X = exports of product i by country P to Latin America

P-World
where X = exports of product i by country P to the world at large.

Table 14 sets out the number of products involving a high degree of dependence in the trade which each developed country conducts with the region. As was expected in view of the volume of trade between the United States and the region, 415 United States products registered coefficients of presumed sectoral dependence of over 10%, in 1982, representing nearly 87% of this country's exports to Latin America and the Caribbean. However, for Japan, France, the Federal Republic of Germany and the United Kingdom, the number of products showing high coefficients of sectoral dependence in relation to the Latin American market were proportionally very few in that same year. By contrast, for Spain, Portugal and Canada, the number of such products was higher

Table 13

**TOTAL EXPORTS BY THE DEVELOPED COUNTRIES TO
LATIN AMERICA AND THE CARIBBEAN IN 1982**

(Millions of dollars and percentages)

	(A) Exports by each developed country to Latin America (millions of dollars)	(B) (A) as a percent- age of total de- veloped-country exports to Latin America (%)	(C) (A) as a percent- age of each developed country's total world exports (%)
United States	31 072.0	51.5	15.1
EEC	13 050.0	21.6	2.2
Federal Republic of Germany	4 126.6	6.8	2.4
Italy	2 869.6	4.8	3.9
France	2 421.6	4.0	2.6
United Kingdom	1 961.6	3.3	2.1
Netherlands	727.5	1.2	1.1
Belgium/Luxembourg	565.8	0.9	1.1
Denmark	262.3	0.4	1.8
Ireland	106.6	0.2	1.3
Greece	8.4	0.0	0.2
Spain	1 848.0	3.1	9.1
Portugal	66.5	0.1	1.6
Canada	2 221.5	3.7	3.3
Japan	8 487.0	14.1	6.1
Subtotal	56 745.0	94.0	5.6
Developed country total	60 353.0	100.0	5.3

Source: Data correspond to UNCTAD series D trade bands, SITC Rev. 1, Statistical Office of the United Nations, New York, 1982.

Table 14

**CLASSIFICATION OF PRODUCTS EXPORTED BY THE DEVELOPED
COUNTRIES TO LATIN AMERICA ACCORDING TO THEIR
RESPECTIVE DEPENDENCE COEFFICIENTS FOR 1982^a**

(Number of products and percentages of country's exports to Latin America they represent)

Dependence coefficient	United States		Japan		Federal Rep. of Germany		Italy		France		Canada		United Kingdom		Spain		Netherlands		Belgium		Denmark		Ireland		Greece		Portugal	
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
90-99	1	-	-	-	-	-	2	9.3	1	4.2	-	-	-	-	3	1.5	-	-	-	-	-	-	-	-	1	-	3	5.3
80-89	6	1.8	-	-	-	-	1	0.4	-	-	-	-	-	4	0.1	-	-	-	-	-	-	-	-	-	-	-	1	0.6
70-79	4	0.4	-	-	1	-	-	-	-	-	1	0.2	-	3	10.3	1	-	-	-	1	15.6	-	-	-	-	-	1	0.1
60-69	3	0.6	-	-	-	-	1	0.3	1	-	-	-	-	3	0.9	-	-	-	-	-	-	1	0.2	-	-	1	0.3	
50-59	11	1.0	-	-	-	-	-	-	-	-	1	3.2	-	10	3.5	-	-	-	-	1	-	-	-	-	-	3	7.1	
40-49	35	4.6	1	27.0	1	0.2	-	-	1	0.6	-	-	-	8	3.0	-	-	-	-	-	-	-	-	-	-	3	-	
30-39	50	9.4	1	5.3	-	-	1	2.3	1	0.1	2	0.6	1	25	23.7	-	-	-	-	-	-	1	5.6	1	-	4	7.5	
20-29	134	35.0	2	0.1	-	-	6	3.9	2	0.3	12	4.5	3	35	14.7	1	12.8	-	-	1	0.5	5	43.0	-	-	4	3.2	
10-19	171	34.0	19	14.1	20	7.3	35	35.0	16	10.3	38	36.6	17	17.2	88	23.5	7	12.8	7	13.5	10	27.4	3	0.4	4	0.5	16	20.8
0-9	149	13.4	370	53.5	464	92.5	417	49.1	484	84.5	311	55.0	492	79.5	283	18.9	442	74.5	385	86.4	316	56.5	144	50.9	68	98.9	174	55.3

Source: ECLAC calculations based on data corresponding to UNCTAD series D trade bands, Statistical Office of the United Nations, New York, 1982.

^aProducts which were exported to Latin America in 1982, according to product descriptions at the 4-digit SITC (Rev. 1) Level.

than would have been the case if it had been in proportion to the significance for the region of trade with these countries. In sum, in 1982 the United States, Spain, Canada, Italy, Portugal and Japan were the countries having the greatest concentration of products with a high coefficient of sectoral dependence; the remaining developed countries registered some isolated cases of products with high coefficients but generally speaking, these products did not represent a major share of the individual countries' overall trade flows to Latin America. This exercise would have to be conducted using more disaggregated data for the 1983-1985 period in order to evaluate any variations which may have occurred.

2. Product analyses

The analysis of those product lines in which Latin America possesses the greatest response capacity in regard to the developed countries was carried out by classifying them into groups I and II, in line with the definitions set out earlier.

The most recent year for which this analysis could be conducted (1982) marked an intermediate phase or turning point in international trade between, on the one hand, the end of the trade dynamism of the preceding decade and, on the other hand, the further reduction of imports which the countries of Latin America were forced to carry out in 1983 in order to alleviate, in so far as possible, their balance-of-payments and debt servicing difficulties.

The following conclusions may be drawn from an examination of the data provided in annex 1:

— The region's potential response capacity in respect of each developed country is concentrated in a small number of products (between 3 and 78) which, nevertheless, represent more than 50% of the total exports of the developed countries to Latin America and between 1% and 10% of their total world exports.

— Table 15 provides a summary of the data contained in annex 1. In the case of the first eight countries, with the exception of the United States and Spain, the number of "sensitive" products corresponding to each is less than 30.

— The exports of the majority of the developed countries are primarily made up of manufactures. The main products having the greatest degree of dependence on the Latin American market belong, in declining order of frequency, to: i) the sectors of non-electrical and electrical machinery and transport equipment (71, 72 and 73 of SITC, Rev. 1); ii) the chemicals sector, particularly, chemical elements and compounds, as well as medicinal and pharmaceutical products (51 and 54 of SITC, Rev. 1, respectively); iii) agricultural and food products, espe-

Table 15

**SELECTED EXPORTS OF THE DEVELOPED COUNTRIES
EXHIBITING A HEAVY DEPENDENCE ON THE
LATIN AMERICAN MARKET IN 1982^a**

(Number, millions of dollars and percentages)

Developed country	Number of products	(A) Value of country's exports of these products to Latin America (millions of dollars)	(B) (A) as a percentage of the developed country's total exports to Latin America (%)	(C) (A) as a percentage of the developed country's total world exports (%)
United States	78	21 118.9	68.0	10.2
Spain	63	1 373.9	74.4	6.8
Japan	16	4 820.0	56.8	3.5
Italy	30	1 854.8	64.6	2.5
Canada	21	1 284.9	57.9	1.9
France	25	1 192.5	49.3	1.3
Denmark	16	186.8	71.3	1.3
Portugal	25	41.1	61.8	1.0
Federal Republic of Germany	19	1 341.0	32.5	0.8
United Kingdom	18	655.8	33.5	0.7
Ireland	8	59.0	55.4	0.7
Netherlands	7	210.2	28.9	0.3
Belgium	12	155.3	27.5	0.3
Greece	3	1.5	17.9	0.0

Source: ECLAC estimates based on data corresponding to the UNCTAD series D trade bands, Statistical Office of the United Nations, New York, 1982.

^aSummary of the data contained in tables 1A through 1N of the statistical appendix, by country.

cially cereals and cereal preparations, fruits and vegetables, as well as dairy products and eggs (04, 05 and 02 of SITC, Rev. 1, respectively); and iv) iron and steel products, as well as manufactures of metals n.e.s. (67 and 69 of SITC, Rev. 1).

3. The analysis of the region's individual and collective purchasing power

An analysis of the possible use of Latin America's import capacity as an instrument in international negotiations clearly shows that joint action on the part of the region is called for if it is to make its influence felt. However, this could also be done by individual countries or by a small

number of them, as in the case of countries belonging to subregional integration programmes; nonetheless, such initiatives would still require the support of all the countries of Latin America.

The examination of individual purchasing power is aimed at identifying which countries contribute the most to the region's purchasing power.

The fluid nature of present trends and forces in world trade —protectionism on the part of the centres, Latin America's shortage of foreign exchange, sharp fluctuations in exchange rates, etc.— may bring about significant changes in the origin and destination of trade flows and, hence in the individual purchasing power of each Latin American country. This is even more reason for favouring and promoting a joint use of this capacity.

In order to complete the analysis from the standpoint of the dependence of some exports of the developed countries on the regions market as a whole, the distribution of this dependence among the Latin American countries and the respective subregions was studied for each of the products included in groups I and II of the statistical appendix.

Table 16 shows the structure of each developed country's dependence, in regard to certain exports, on each Latin American country; this is expressed in terms of the number of products for which the developed country exhibits a sectoral dependence coefficient higher than 1%. This limit was deliberately set at a low level in order to provide a broader spectrum which would involve some of the smaller countries in the region.

The following conclusions may be drawn from an analysis of table 16:

i) The import capacity which could be used as a negotiating tool in dealing with the developed countries was, as of 1982, concentrated in a small number of Latin American countries.

Approximately 50% of the products in which 14 developed countries showed significant coefficients of export dependence on Latin America were concentrated in three countries (Venezuela, Mexico and Brazil) out of the 26 countries in the region that were studied. Together with the next eight countries (which are, in descending order, Colombia, Argentina, Peru, Panama, Chile, Ecuador, the Dominican Republic and Trinidad and Tobago), they accounted for 90% of the total sectoral dependence of the developed countries' exports to the region's market. A group of 15 Latin American countries accounted for the remaining 10%.*

*These were, in descending order: Jamaica, Guatemala, Cuba, Costa Rica, El Salvador, Haiti, Nicaragua, Honduras, Barbados, Uruguay, Bolivia, Suriname, Guyana, Paraguay and Grenada.

Table 16
**NUMBER OF PRODUCTS WITH SOME DEGREE OF DEPENDENCE^a AS REGARDS BILATERAL EXPORTS
 FROM DEVELOPED COUNTRIES TO LATIN AMERICA AND THE CARIBBEAN, 1982**

	United States	Spain	Japan	Italy	Canada	France	Denmark	Portugal	Federal Rep. of Germany	United Kingdom	Ireland	Netherlands	Belgium	Greece
ALADI														
Andean Group														
Bolivia	2	-	-	-	-	-	-	-	-	-	1	-	-	-
Colombia	50	25	5	2	6	1	4	-	4	1	2	-	1	-
Ecuador	14	13	-	3	2	-	1	1	2	3	-	1	-	-
Peru	17	26	1	4	2	1	1	5	1	-	1	-	1	-
Venezuela	68	42	8	18	11	12	8	12	4	7	4	3	8	1
Other ALADI countries														
Argentina	25	28	4	6	2	4	5	2	8	1	2	-	1	-
Brazil	47	12	9	15	5	14	4	11	12	7	2	2	5	-
Chile	11	20	1	-	2	3	5	2	-	-	1	-	2	-
Mexico	78	41	12	18	10	12	4	3	13	3	5	2	5	-
Paraguay	-	-	-	-	-	-	-	-	-	1	-	-	-	-
Uruguay	-	1	-	-	1	-	-	1	-	-	1	-	-	-
CACM^b														
Costa Rica	9	2	-	-	-	-	1	-	-	-	1	-	-	-
El Salvador	6	2	-	-	-	-	-	2	-	-	1	1	-	-
Guatemala	7	6	-	-	-	-	1	2	-	-	2	-	-	-
Honduras	7	1	-	-	1	-	-	-	-	-	-	-	-	-
Nicaragua	1	5	-	-	1	-	1	-	-	-	1	-	-	1
Caribbean countries														
Barbados	4	-	1	-	4	-	-	-	-	1	-	-	-	-
Grenada	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Guyana	-	-	-	-	1	-	-	1	-	-	-	-	-	-
Jamaica	13	-	-	-	8	-	1	-	-	4	1	-	-	-
Suriname	2	-	-	-	1	-	-	-	-	-	-	-	-	-
Trinidad and Tobago	11	-	-	-	10	-	1	2	-	6	-	-	-	-
Others														
Cuba	-	8	-	-	3	-	1	1	-	-	1	-	-	-
Dominican Republic	18	8	-	-	4	-	-	1	-	-	1	-	-	-
Haiti	8	-	-	-	1	-	-	-	-	-	1	1	-	-
Panama	18	6	6	2	3	1	3	2	-	4	1	1	1	-

Source: ECLAC estimates on the basis of data corresponding to the UNCTAD series D trade bands, Statistical Office of the United Nations, New York, 1982.

^aNumber of products shown in tables IA through 1N of the statistical appendix figuring in the bilateral exports between each developed country and each Latin American country having a dependence coefficient of over 1%.

^bCACM: Central American Common Market.

ii) The member countries of ALADI concentrate around 80% of the possibilities for using the region's import capacity as a lever in negotiations with the developed countries and in respect of subregional response capacity.

Of the total bargaining capacity of Latin America and the Caribbean deriving from the sectoral dependence of the developed countries' exports on Latin America, the ALADI countries other than those also forming part of the Andean Group account for 43% of this capacity, of which Mexico represents approximately one-half. These are followed by the countries of the Andean Group, with 36% (half of which is accounted for by Venezuela). Then come Cuba, the Dominican Republic, Haiti and Panama, with 9%, the remaining Caribbean countries, with 6%, and lastly the member nations of the Central American Common Market, with 5%. It should be repeated once again that these figures refer to 1982.

4. Redirecting trade

a) *The type of data used*

Based on the product selection exercise carried out in table 1 of the statistical appendix, the possibilities of redirecting the region's purchasing of these goods towards Latin America itself and towards other suppliers in the developed world are examined below.

It should be pointed out from the very beginning that the general remarks made in this section are both provisional and preliminary in nature. They are to a large extent based on the criteria used in drawing up the statistical appendix and the tables presented here.

Consequently, a detailed presentation is called for of the procedures and criteria employed in preparing tables 3 and 4 of the statistical appendix and the summary tables included in this section.

These reservations notwithstanding, the tables provide a wealth of data, presented in a hitherto unpublished format, which provide a number of vital figures for an initial study of the issue.

The methodology that was adopted involved examining each product (SITC Rev. 1, at the four-digit level) listed in table 1 of the statistical appendix—in both group I and group II—and classifying them into two subgroups. The first subgroup consists of those products which could be purchased in the region itself; the second includes those which Latin American suppliers could not provide and which would have to be obtained from other suppliers in developed countries in the event that the region's purchasing power were to be exercised.

The redirection of purchasing could pursue a threefold aim:

i) To provide practical opportunities for increasing bargaining power by diverting or threatening to divert purchases;

ii) To assert, whenever necessary, the region's potential trade response to a developed country or countries which, by means of protectionist measures, seriously harm regional exports;

iii) To augment intra-regional trade, along with all the positive ramifications of such a move for Latin America's autonomy, economic security, development and integration.

Tables 3 and 4 of the statistical appendix set out the list of products selected as being suitable for a redirection of trade based on the actual or potential use of the region's purchasing power.

As shown by the corresponding data, both annex 1 and the statistical appendix were prepared on the basis of the same list of "sensitive" products developed in table 1 of the statistical appendix and maintain the subdivisions of groups I and II shown in the same table. Consequently, table 3 of the statistical appendix identifies certain products—both from group I and group II—drawn from table 1 of the appendix and suggests that the redirection of purchases in these cases would probably be along North-North lines. Table 4 of the statistical appendix shows other products in groups I and II in respect of which purchases would be redirected towards Latin American suppliers.

Table 3 of the statistical appendix includes those manufactured products in respect of which regional exports to the world are lower than those of the developed country to the region, while table 4 sets out those in which they are higher. In so far as agricultural and mineral products are concerned, those for which the above ratio is below 50% are included in table 3—North-North reorientation—and those exhibiting a higher ratio are given in table 4.

This division of the "sensitive" products into two groups is based on arbitrary statistical criteria. Its sole foundation is the assumption that a North-North redirection of purchases would be more feasible in those cases where Latin American exports of the same product to the world are very low and that shifting purchases towards regional suppliers would prove more viable in those cases where Latin American exports of the relevant product to the rest of the world are sufficiently high. This in no way signifies that it is necessary to use such rigid and general criteria in the course of actual negotiations. They are only worthwhile as rough guidelines for classifying the data provided in the statistical appendix.

In practice, it is perfectly feasible to redirect trade to both Latin American suppliers and suppliers from outside the region; the proportion of purchases directed to each would then depend on specific market situations and on the terms of the negotiations themselves.

It should be made clear that the data on Latin American exports to the world refer to 16 Latin American countries (ALADI + CACM), which together account for over 90% of the region's total exports. However, the data on developed-country exports to Latin America refer to the 26

countries in the region belonging to SELA. This comparison of two flows having differing make-ups underestimates the options for an intra-regional redirection of Latin American purchases from the rest of the world.*

In addition to the selection of suitable products for a North-North redirection of trade, table 3 of the statistical appendix provides information on:

i) The coefficient of dependence of the individual developed countries in respect of each product (column A);

ii) Exports of the individual developed countries to Latin America (column B) in millions of dollars. Columns 1 to 17 set out, for each product, the percentage share of each developed country in the overall supply provided by the developed countries as a group. This supply appears in column 18, in millions of dollars.

Column 19 shows Latin American world exports in millions of dollars. Column 20 presents intra-regional exports as a percentage of Latin America's total world exports. Column 21 contains the quotient (expressed as a percentage) obtained by dividing Latin American world exports of a given product by the corresponding developed country's exports of the same product to Latin America.

Table 4 of the statistical appendix sets out the data as follows: Column a) gives the coefficient of dependence for each product selected. Column b) shows the corresponding developed country's exports to Latin America in millions of dollars. Column c) registers the world exports of Latin America in millions of dollars. Column d) presents intra-regional exports expressed as a percentage of the region's world exports. Column e) gives the quotient (in percentages) obtained by dividing Latin America's world exports of a given product by the corresponding developed country's exports of the same product to Latin America. Columns f) through v) show the alternative export supply of each of the 16 ALADI and CACM countries, expressed as the percentage share of each in the total world exports of the 16 countries.

b) *An overview of the data*

In addition to the interpretation of the data on each of the products included in tables 3 and 4 of the statistical appendix, table 17 sets out an overview of the figures in both. This table reviews the options for redirecting Latin American purchases of products in which the developed countries depend upon the region to a significant degree as a market for

*This discrepancy was occasioned by the impossibility of calculating the trade statistics of a number of countries — primarily in the Caribbean — on the basis of the official information provided by the countries, which constituted the inputs for the ECLAC data bank at the time of writing.

their exports. To this end, the table shows the number of products in which each developed country has a high presumed dependence, and a distinction is made between those suited to a North-North reorientation and those which could be supplied by the region.

Table 17 records the value of exports of these products for each of the options indicated, i.e., from the corresponding developed country to the region (columns 6, 7 and 8) and from the region to the rest of the world (columns 9, 10 and 11). Finally, the region's total exports are given as a percentage of the exports of the pertinent developed country to the region; once again this figure is also broken down according to the options of a North-North redistribution of purchase or a regional one (columns 12, 13 and 14).

This table suggests that, in 1982, in the case of all the developed countries considered except the United States, Italy, Japan and the Federal Republic of Germany, the potential for redirecting trade on an intra-regional basis was greater than it was along the North-North axis. It should be remembered that the foregoing pertains to "sensitive" products as defined in groups I and II of table 1 of the statistical appendix. This means that, in terms of the number of countries involved, intra-regional substitution emerges as a stronger option. However, the four exceptions account for 84% of the total value of exports to Latin America by the developed countries, and consequently, in terms of the total trade flow, it is the North-North alternative which predominates, by a wide margin.

Table 18 classifies the developed countries according to how much of their trade (based on the criteria set out above), in terms of value, could be redirected to the region and how much would lend itself to a North-North shift.* Nearly 30% of the exports in which the developed countries are heavily dependent on the Latin American market could be reoriented on an intra-regional basis, while slightly more than 70% could be redirected to other suppliers, among which, it must be once again emphasized, only those in the developed market-economy countries are covered in this study.

i) *The intra-regional redirection of trade.* In 1982, approximately 90% of the highly dependent trade of the 14 developed countries which was suitable for redirection to the region was accounted for by six

*Such trade as was not considered to be suitable for redirection to the region might actually prove to be so in part; consequently, the corresponding figures in fact underestimate the intra-regional potential in this respect. In addition, the trade which is not considered suitable for intra-regional redirection should include not only the trade flows which might be reoriented along North-North lines, as discussed in this document, but also the imports which could be redistributed along the North-South axis (i.e., the substitution of suppliers in the North with other non-Latin American suppliers of the South). Neither this possibility nor the potential represented by the countries of the Eastern bloc have been considered in this document.

Table 17
**OPTIONS FOR REDIRECTING LATIN AMERICA'S PURCHASES OF HIGHLY
 DEPENDENT DEVELOPED-COUNTRY PRODUCTS***

(Number, millions of dollars and percentages)

Exporting country	Number of products			Developed country's exports of these products to the region			Latin American world exports of these products			Regional exports as a percentage of the developed country's exports to the region of these products		
	Total	North/North-redi- rection ^b	Intra- region- al redi- rection ^c	Total (mil- lions of dollars)	North/ North (mil- lions of dollars)	Intra- regional (mil- lions of dollars)	Total (mil- lions of dollars)	North/ North (mil- lions of dollars)	Intra- regional (mil- lions of dollars)	Total (mil- lions of dollars)	North/ North (mil- lions of dollars)	Intra- regional (mil- lions of dollars)
United States	78	60	18	21 126	16 479	4 645	13 923	4 729	9 194	66	29	198
Spain	63	11	52	1 374	387	993	4 999	217	4 782	364	56	482
Italy	31	15	16	1 855	1 169	677	2 706	522	2 184	146	45	323
Canada	21	6	15	1 285	348	939	2 743	74	2 669	216	21	284
Japan	16	14	2	4 820	4 538	282	1 909	1 103	806	40	24	286
France	26	11	15	1 193	485	707	1 716	187	1 529	144	39	216
Denmark	16	2	14	187	32	155	1 034	28	1 006	553	88	649
Portugal	25	1	24	41	4	38	1 391	-	1 391	3 393	3	3 661
Federal Republic of Germany	19	13	6	1 341	813	528	1 052	294	758	79	36	144
United Kingdom	18	6	12	656	264	392	1 694	125	1 569	258	47	400
Ireland	8	-	8	59	-	59	305	-	305	517	-	517
Netherland	7	1	6	210	79	132	413	29	384	197	-	291
Belgium	12	-	12	155	-	155	879	-	879	567	-	567
Greece	3	-	3	2	-	2	67	-	67	3 350	-	3 350

Source: ECLAC External Trade Data Bank for Latin America and the Caribbean (BADECEL), 1982.

*Options for the redirection of purchasing are considered on the basis of the number of products and the trade of the region in the products listed in tables 1A through 1N of the statistical appendix.

^bNumber of product groups in which the countries of the region have a response capacity *vis-à-vis* the developed country and in which they could redirect their purchases along North/North lines (i.e., changing suppliers among developed countries).

^cNumber of product groups in which the countries of the region have a response capacity *vis-à-vis* the developed country and in which they could redirect their purchases to the region, either by actually shifting their purchases to it or by expanding present intra-regional exports.

Table 18

**RANKING OF DEVELOPED COUNTRIES ACCORDING TO THE
VALUE OF HIGHLY-DEPENDENT TRADE WHICH
COULD BE REDIRECTED TO THE REGION**

(Value in millions of dollars)

Exporting country	Number of products	Exports of such products to the region		North/North redirection of exports		Intra-regional direction of exports	
		Value	%	Value	%	Value	%
United States	78	21 126	100	16 479	78	4 645	22
Spain	63	1 374	100	387	28	993	72
Canada	21	1 285	100	348	27	939	73
France	26	1 193	100	485	41	707	59
Italy	31	1 855	100	1 169	63	677	37
Federal Republic of Germany	19	1 341	100	813	61	528	39
United Kingdom	18	656	100	264	40	392	60
Japan	16	4 820	100	4 538	94	282	6
Denmark	16	187	100	32	17	155	83
Belgium	12	155	100	-	-	155	100
Netherlands	7	210	100	79	38	132	62
Ireland	8	59	100	-	-	59	100
Portugal	25	41	100	4	10	38	90
Greece	3	2	100	-	-	2	100
14-country total	-	34 304	100	24 598	72	9 704	28

Source: Computations based on data shown in table 17.

developed countries. These were, in order of importance: the United States, Spain, Canada, France, Italy and the Federal Republic of Germany (see table 18). Of these countries, those offering the greatest potential for intra-regional reorientation were Canada and Spain (73 % and 72%, respectively) followed by France (59%), the Federal Republic of Germany (39%) and Italy (37%). Although the largest amount of trade which could be redirected to the region corresponded to the United States (US\$4 645 million), it represented only 22% of the trade in which the United States is highly dependent on the region. Finally, only 6% of highly dependent Japanese exports could be shifted to the region.

ii) *The North-North reorientation of trade.* Two-thirds of the exports suitable for a North-North reorientation which were sold by the 14 developed countries listed as having a high presumed level of dependence in 1982 were accounted for by the United States. Any use of purchasing power in negotiations could lead to a redirection of Latin American imports. Should this reorientation be along the North-North

axis and bearing in mind the trade figures involved, the greatest potential for action lies in replacing the United States as a supplier by the Federal Republic of Germany, the United Kingdom, France or Japan, which together accounted for 65% of the substitute supply of exports (see table 19).

Of the most dependent developed countries in terms of a reorientation of regional imports, Spain, France and Canada could presumably be the object of action to redirect trade towards the region itself. In contrast, a shift of trade away from the United States and Italy would be more easily carried out in a North-North direction whereby the other EEC countries and Japan would be the main beneficiaries.

The outcome of these hypothetical shifts would be a more balanced distribution of Latin American purchases among its three principal developed suppliers, i.e., the United States, Japan and the European Economic Community.

On the other hand, two-thirds of all the products which could be purchased within the region (see table 20) are concentrated, in order of importance, in Brazil, Argentina and Mexico, followed by Colombia, Chile, Peru and Venezuela.

It is interesting to note that countries such as Venezuela and Mexico, which possess a considerable negotiating capacity by virtue of their purchasing power, are not those with the largest amount of intra-regionally reorientable supply. Instead, countries having a weaker bargaining capacity on account of their purchasing power, such as Brazil, Argentina, Colombia or Chile, are those with the greatest potential for acting as suppliers should an intra-regional reorientation of imports actually take place.

F. LIMITATIONS RELATING TO THE INTERPRETATION OF THE DATA AND THE NEED TO UNDERTAKE A MORE DETAILED STUDY

The opportunities for redirecting imports have only been analysed on the basis of trade flows for 1982, without pursuing research into the productive capacity of specific Latin American export sectors which might expand the supply of the goods concerned in order to provide substitutes for purchases currently made from the developed countries. In addition, the fact that only one year has been analysed renders the conclusions suspect, since the potential may have been different in other years (particularly in 1980 or 1981, or in the 1983-1985 period), or may prove to be so in the future, since the external trade situation has been quite variable during the 1980s.

Table 19

**ALTERNATIVE SUPPLY CAPACITY FOR A NORTH/NORTH REDIRECTION
OF REGIONAL PURCHASING OF DEVELOPED-COUNTRY EXPORTS
HIGHLY DEPENDENT ON LATIN AMERICA**

Exporting country			Alternative developed countries for a North/North redirection of trade (number of products in which the country has an alternative supply capacity) ^a													
Country	Number of products	Products, main exporter	United States	Canada	Japan	Federal Rep. of Germany	Italy	France	United Kingdom	Netherlands	Belgium	Denmark	Ireland	Greece	Spain	Portugal
United States	60	21	-	10	46	57	34	51	50	21	16	4	3	-	1	1
Japan	14	8	11	-	-	12	6	12	9	4	2	-	-	-	1	-
Italy	15	3	13	-	11	14	-	11	15	3	-	2	-	-	-	-
Federal Republic of Germany	13	11	11	-	11	-	9	9	12	4	3	-	1	-	1	-
France	11	2	8	-	10	11	2	-	9	3	2	-	11	-	1	-
Spain	11	-	10	1	7	10	6	8	9	4	2	-	-	-	-	-
Canada	6	3	1	-	-	4	1	3	2	3	1	1	1	-	-	-
United Kingdom	6	1	4	1	4	5	3	5	-	3	3	-	1	-	2	-
Netherlands	1	1	-	1	-	1	-	1	1	-	1	1	1	-	-	-
Denmark	2	1	2	-	1	2	1	1	2	-	-	-	-	-	-	-
Portugal	1	1	-	-	-	-	-	-	-	-	-	-	-	-	1	-
Ireland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Belgium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Greece	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14-country total			60	13	90	116	62	101	109	45	30	8	7	-	7	1
Percentage distribution			9	2	14	18	10	16	17	7	5	1	1	-	1	-

Source: Computations based on data shown in tables 3A through 3K of the statistical appendix.

^aNumber of products in which the corresponding country has an export supply capacity equivalent to over 5% of the total exports of the product by all the developed countries.

Table 20

**ALTERNATIVE SUPPLY CAPACITY FOR AN INTRA-REGIONAL REDIRECTION
OF REGIONAL PURCHASING OF DEVELOPED-COUNTRY EXPORTS
HIGHLY DEPENDENT ON LATIN AMERICA**

Exporting country	Number of products	Alternative Latin American countries for an intra-regional redirection of trade (number of products in which the country has an alternative supply capacity) ^a															
		ALADI										CACM					
		Argentina	Bolivia	Brazil	Chile	Colombia	Ecuador	Mexico	Paraguay	Peru	Uruguay	Venezuela	Costa Rica	El Salvador	Guatemala	Honduras	Nicaragua
United States	18	13	1	14	3	3	1	10	-	4	1	1	1	1	1	-	-
Spain	52	37	1	48	10	19	1	41	-	9	1	5	5	2	3	-	-
Canada	15	11	-	12	3	4	1	10	-	1	-	1	3	2	2	-	1
France	15	11	-	14	3	4	1	10	-	4	1	4	-	1	-	-	1
Italy	16	11	1	15	3	4	-	9	-	5	-	3	-	-	-	-	-
Federal Republic of Germany	6	5	-	6	-	1	-	5	-	-	-	1	1	-	1	-	-
United Kingdom	12	9	-	10	2	2	-	8	-	2	3	2	-	-	1	-	-
Japan	2	1	-	2	-	-	-	1	-	-	-	-	-	-	-	-	-
Denmark	14	11	-	12	1	5	-	10	-	1	2	2	1	-	2	-	1
Belgium	12	10	-	10	4	1	-	9	-	2	4	2	-	-	1	-	1
Netherlands	6	6	-	5	1	2	-	5	-	-	1	2	-	-	1	1	1
Ireland	8	6	-	7	2	3	-	7	-	-	1	2	2	1	3	-	2
Portugal	24	17	1	20	6	9	-	13	-	1	2	3	2	1	2	1	1
Greece	3	1	-	2	1	1	-	2	-	-	1	2	1	1	1	-	-
14-country total		149	4	177	39	58	4	140	-	29	17	30	16	9	18	2	8
Percentage distribution		21	1	25	6	8	1	20	-	4	2	4	2	1	3	-	1

Source: Computations based on data shown in tables 4A through 4M of the statistical appendix.

^aNumber of products in which the corresponding country in the region has an export supply capacity equivalent to over 5% of Latin American world exports of the product.

Furthermore, it is hardly possible to assert that the products considered as being suitable for reorientation could in fact be adequately replaced, particularly in the case of manufactured goods which may have a high technological content or which involve a marked degree of dependence due to the existence of installed technologies that would be difficult to replace with others.

This study constitutes merely the first step towards a detailed product-by-product analysis which each country could carry out at a greater level of disaggregation. Consequently, the present analysis of the subject provides no more than an indication of the existing potential and products which could be examined in greater depth, rather than being a procedural manual for possible reorientation initiatives. This exercise is made up of little more than a set of preliminary procedures which suggest that it would be possible to redirect trade and exercise bargaining power. However, this possibility is subject to certain limits which the data examined here help to define. More complete and efficient methodologies could of course be used, but the main point of this exercise is to create an awareness that the possibilities exist and that their use depends upon the Latin American countries' political determination to take action.

Future lines of research which could be pursued in respect of the subject of the redirection of imports include:

- i) An analysis at a more disaggregated product level.
- ii) The option of a dynamic reorientation —on the basis of the same type of examination, but covering a longer period— with the aim of ensuring greater coherence and constantly updating the information in order to keep countries informed on an ongoing basis, thereby allowing them to take sound decisions.
- iii) An examination of the possibility of reorienting trade towards suppliers in other developing countries in Africa and Asia could not be carried out due to clear-cut limitations with respect to resources and information.
- iv) A more soundly-based selection of products and a more complete assessment of the possibilities for reorientation, bearing in mind aspects such as technological content, pre-existing long-term purchase contracts, other price levels, etc.

Using these data, product-by-product studies could be conducted at a greater level of disaggregation and in relation to each country in the region, so as to examine exactly what type of supply lends itself to the region's use of purchasing power as a tool in its international negotiations.

- v) The desirability of studying, for each of the products chosen, the level of inter-corporate trade, deriving relevant conclusions therefrom as

to the significance of trade reorientation in such cases. This point, which is of considerable importance, links this topic with the phenomenon of the transnationalization of production and trade.

vi) The need to study levels of dependence not only in respect of export volumes, but also in relation to the total amount produced by the respective activities in the relevant developed countries. As has already been pointed out, if the principal producers have a vast domestic market for the goods they manufacture, their vulnerability to the possible use of purchasing power would be relatively lower.

These conclusions concerning the limitations involved and possible courses of action represent no more than an initial exploration of the subject which should confirm the need to use caution in examining the results presented. Nevertheless, these results do provide guidelines which point to the need to investigate the feasibility of import reorientation in greater depth.

Chapter IV

PROTECTIONISM: AN EXAMINATION OF THE CENTRES' DECISION-MAKING PROCESSES

A. INTRODUCTION

In the late 1960s, the economic crisis became apparent in the industrialized countries. In the sphere of trade, this was marked by an increase in friction stemming from a growing politicization of economic and financial relations and by the adoption of new forms of protectionism. These were geared to replacing or complementing the role played by tariff barriers, which under GATT had gradually been declining in importance as a means of regulating external trade.

With the deepening of the economic recession in the developed world, trade policy increasingly became part of domestic policy. Simultaneously, the access of domestic economic groups to the benefits of protection was facilitated by non-tariff barriers. This was possible because, in contrast to tariffs—which, during the period following the Second World War, were the outcome of international negotiations based on multilateral reciprocity—non-tariff measures have been the result of autonomous domestic mechanisms or of increasingly common bilateral negotiating practices. The decision to provide protection is essentially based upon a calculation of the domestic costs and benefits of the measure.²⁷ In the international sphere, such considerations are of secondary importance.

The politicization or "domesticity" of trade policy in the industrialized nations makes it necessary for the countries of Latin America to stand ready to counteract new barriers to their exports. Everything seems to indicate that such steps should be taken before the fact. In other words, it is best to act during the complex process involved in developing trade policy measures. Any reaction after the fact might prove less effective. The reason for this is a simple one. If a protectionist decision is taken, it is because the economic and political benefits of such a decision are greater than its cost. Consequently, it would be difficult to reverse the process, particularly if the measure created vested interests for certain domestic sectors.

The industrialized countries possess fairly flexible decision-making mechanisms in the area of trade. These allow them to respond to the pressure exerted by the various domestic economic and political sectors. Bearing this in mind, one of the aims of this section is to analyse these decision-making processes and pinpoint those areas in which there is a possibility of influencing trade decisions. Another objective of this section is to identify the means by which the region may be able to exert such influence.

In view of the preponderant role played by domestic factors in trade decisions in the industrialized countries and in their asymmetrical power relations with the region, the accomplishment of these aims involves identifying sectors within the centres whose stances coincide with the export interests of Latin America. Accordingly, the following analysis focuses on the distribution of domestic political and economic forces of commercial importance.

B. THE UNITED STATES

In the United States, trade policy is the outcome of, *inter alia*, a complex three-sided interplay of the influence exerted by the Congress, the Executive branch and private interest groups. At the present time, the greatest protectionist pressure appears to come from domestic economic sectors. This pressure reaches the President either directly or through a variety of departments in the Executive branch which are sensitive to these groups' concerns. It is also brought to bear on Congress, taking advantage of the fact that its functions and political sensitivity make it the ideal point of entry for domestic sectors that wish to influence United States trade policy.

Even such protectionism as is practised by the Executive,²⁸ is not free from political pressure. The mechanisms for this type of protectionism are sufficiently flexible to take account of political factors, as well as technical criteria. Although the initial stage of investigation—in particular where safeguard measures are concerned—is a highly technical one based on an extensive body of regulatory legislation, the mechanism acquires greater flexibility when it reaches the stage which is the responsibility of the President. The President possesses a great deal of discretionary power, allowing him to take into account considerations of all sorts, including political factors. However, during the whole of the process, anti-dumping and anti-subsidy measures retain the inflexibility which results from their technical nature. Consequently, in these two cases, the agencies responsible for such measures have very little manoeuvring room.

1. General guidelines for possible action by Latin America

The flexibility of the United States' decision-making mechanisms in the sphere of trade makes them receptive not only to technical arguments, but also —first and foremost— to those based on economic and political considerations. It is therefore both possible and necessary for the countries of Latin America to take preventive action while these measures are in the process of being prepared in order to influence the authorities responsible for United States trade policy.

a) *The direct influence of the countries of Latin America*

The means which the region possesses for exerting its influence are commercial, financial and political and are closely interlinked. Latin America has considerable purchasing power in respect of the United States. The regional market absorbs approximately 13% of the exports of the United States,²⁹ whose protectionist measures affect this trade flow. In restricting the entry of Latin American products to its market, the United States aggravates the foreign exchange shortage from which the region suffers. It thereby restricts the possibilities of increasing —or even maintaining— its own exports to Latin America. No doubt these new circumstances have had repercussions on the United States economy —on the levels of its trade deficit, its unemployment rate and even its growth.³⁰

As far as the financial aspect of this situation is concerned, a downturn in the region's earnings endangers its ability to fulfil its financial obligations to United States banks.

Finally, at the political level, the United States' trade restrictions intensify the economic crisis affecting the region, which in turn could jeopardize the social and political stability of a number of countries.

In view of its sensitivity to the interests of domestic groups, the United States Congress is to a large extent outside the hypothetical sphere of influence within which the countries of Latin America might operate. A number of departments or agencies in the Executive branch are more receptive to the problems of Latin America. These include the Executive Office of the President and the Trade Representative. The latter, through this official's macroeconomic approach to trade problems, is able to take into account the economic, financial and political aspects mentioned above. The functions performed by the National Security Council generally makes it receptive to the arguments presented by Latin America. The Treasury Department and the State Department are also likely to be sensitive to the problems affecting the region and to their potential implications for United States interests.

b) *Action by the Latin American countries to further the intervention of United States interest groups opposed to protectionist measures*

Direct action by the countries of Latin America is only one of the necessary elements for influencing trade decisions. The impact of such action is weakened by the fact that it is restricted to certain sectors of government and that these countries' means of exerting pressure—because they are external—are not so clear to private United States interests. In contrast, protectionist pressure is essentially of a national character. It originates in domestic social and economic sectors. It covers a very broad scope, ranging from public opinion to the Executive and Congress. It has a political aspect to which Congress and the Executive are highly sensitive. Consequently, in order to counterbalance such pressure it is essential to be able to count on the collaboration of other sectors in the country, particularly that of private interests whose influence, due to their economic and political importance in the United States, is similar to or even greater than that of the advocates protectionism.

At the congressional level, electoral concerns endow certain interest groups—the ones whose power is felt in their respective constituencies—with considerable influence. In the departments of Commerce, the Treasury, Agriculture and Labour—which represent national interests and are therefore not very sensitive to foreign influences—intercession by domestic sectors opposed to a given protectionist measure could carry considerable weight in regard to the decisions they take. Such sectors include manufacturing and export industries, United States banks which are the region's creditors, exporters of agricultural products, workers in these industries, etc. These groups act in line with their particular interests.

It is possible to identify two types of pressure groups. Firstly, there are those whose interests are directly affected by a given protectionist measure. Generally speaking, these are consumers, importers, retailers and those who process the products concerned by the measure. These groups often exert influence on their own initiative.

Secondly, there are those sectors whose interests are not directly affected by the measure. Consequently, they do not have any *a priori* interest in common with the region's exporting countries. These sectors include, among others, exporters, banks and multinational corporations. In this case, it is necessary for the Latin American countries to convince them of the risks which the protectionist measure may constitute for their interests. In some cases it may be necessary to demonstrate the direct relationship existing between their interests and the trade decision in question. A variety of means could be used to do this.

The identity of the interest groups which the countries of Latin America could mobilize would vary in each specific case, depending on

the product, on the countries concerned, on the type of protectionist measure being considered and on which agencies' and individuals' collaboration is sought. In selecting such groups, consideration should also be given to the distribution of the various domestic political and economic forces involved in the case at issue.

If a satisfactory response is elicited from these groups, it then becomes necessary to establish an adequate degree of co-ordination between their actions and those of the Latin American countries concerned in order to ensure complementarity and mutual support. In any case, however, they must be acting in defence of their own interests, not as representatives of external ones. As part of the co-ordination of activities and the exchange of information, in the United States, use might be made of the services of legally authorized specialists and firms (lobbyists).

c) *Possible means of implementing these measures*

i) *A political decision by the countries of Latin America.* A lack of determination on the part of the countries of Latin America to act jointly could well constitute the main obstacle to this strategy. The presence of this political will is partly a function of the degree of development of the export capacity which is subject to trade restrictions and the domestic pressure exerted upon governments by the national sectors affected by protectionist measures.

Another factor which works against joint action in this field is decentralization and a consequent lack of co-ordination among the authorities responsible for trade in different government departments.³¹

ii) *Joint or co-ordinated action by the countries of Latin America.* This unity or co-ordination should take the form of joint action by the countries of Latin America in dealing with the authorities responsible for United States trade policy.³²

In a more general sense, the possibilities and options for joint action have already been examined in chapter II of this document. In respect of purchasing power, joint action was also discussed in chapter III. It should be noted, of course, that joint action could involve other affected countries outside the region, whose interests coincide with those of the region.³³

iii) *The need for an effective forum for negotiations between the region and the United States.* It is also necessary to set up a forum in which the region and the United States may, through an exchange of their points of view, reach mutually acceptable agreements within a constructive rather than confrontational framework. In such a forum, consultations would take place before —not after— the adoption of protectionist measures. It is to be hoped that the United States' participa-

tion in this forum would be guided by a desire to resolve the controversy and that the countries of Latin America would not consider it merely as an opportunity for condemning the other party.

iv) *Increased diplomatic activity: the role of embassies.* At a more operational level, the Latin American embassies in Washington D.C. could play a significant role in these processes. Their mission would be to carefully monitor all the preparatory steps which signal the forthcoming application of a protectionist measure. Subsequently, they would maintain a close co-ordination of any joint action taken. In addition, they could help to provide a liaison and co-ordination between the Latin American ministries in question and the interested groups, law offices and lobbyists which represent their countries' trade interests in Washington. Naturally, the embassies would also be able to intensify their contacts with the Administration, Congress and private sectors.³⁴

v) *The importance of lobbyists for the strategy.* Lobbyists play a major role in any strategy for exerting influence. They could provide valuable assistance to the countries of Latin America by virtue of their detailed knowledge about the workings of the decision-making mechanisms and their high-level contacts and relations. Their grasp of the decision-making machinery does not stop at the central bureaucracy, but also covers the sharing out of the domestic forces connected with specific trade issues. It is worthwhile to stress the fact that in the United States, lobbying is a legally recognized profession.

vi) *The creation of joint Latin American lobbies.* The governments of Latin America have the official and public responsibility for mounting a defence against protectionism. However, it is also possible for business enterprises, using parallel channels, to take action to protect their interests. Sectors which are consistently threatened by protectionist measures might do well to examine the possibility of setting up joint lobbies. Their aim would obviously be to protect common interests by, for example, improving the sector's image in the United States, ensuring the early detection of measures likely to affect the sector and requesting the governments of Latin America to intervene against such measures. They could also take responsibility for supporting and orienting the business enterprises' activities in Washington and centralizing their relations with the governments of the region.

These joint lobbies might be of a permanent nature, in view of the large number of protectionist actions which in some cases affect a given sector and the need for a coalescence of interests among the firms involved.

A joint lobby is not a substitute for governmental action or for action by the enterprises affected, but it can complement them and serve as a source of support.

vii) *Retaliatory trade measures.* Public warning as to the possibility of a retaliatory measure being taken carries the trade conflict into the political sphere and brings into being a more powerful mechanism for exerting influence, since it simultaneously affects both the decision-makers and the interest groups opposed to a given protectionist measure. Its effectiveness as a preventive tactic has increased in recent years, due to the fact that the repeated use of retaliatory measures has confirmed that, as far as the industrialized countries are concerned, it is not merely a rhetorical device.³⁵ Nevertheless, in the region's case its deterrent effect would be further increased if the countries of Latin America were to establish the legal and institutional instruments required for such measures, as has already been done in the principal industrialized countries.³⁶

viii) *A closer linkage between trade and finance.* The Latin American countries were initially reluctant to establish a direct link between trade and the debt. For quite some time, this attitude deprived the region of a powerful means of exerting influence in the sphere of trade on various government agencies, particularly the Department of the Treasury. Should it be decided to stress this aspect, the creditor banks too could help to argue in favour of a more flexible trade policy in respect of the debtor countries. In more recent official statements, the countries of Latin America have revised their position and now attribute importance to the relationship between trade and the debt.

2. Possible actions by Latin America in response to the main protectionist instruments

a) *United States legislation*

First of all, it should be emphasized that action in respect of protectionist policies and measures must be of a preventive nature. It is unrealistic to seek to have existing legislation suspended without providing considerable compensation.

The aim of action by Latin America would be to have a bill dropped or its protectionist provisions eliminated. At this level, the complexity of the United States legislative system provides opponents to the measure with a considerable advantage. There are many levels at which the bill can be amended or abandoned. Amendments can be submitted by the respective standing committees, by members of each House or by a joint session of the two Houses. In addition, a bill may be held up indefinitely by the committee responsible for studying it and, in the House of Representatives, by the Ways and Means Committee. In both cases, the bill is prevented from reaching the stage at which a debate and vote take place, since it does not appear on the agenda of the standing committee or in the programme of the assembly of the House of Representatives.

In summary, a bill may be eliminated at any one of the following five stages: in the standing committee responsible for studying it; on the floor of either of the two houses; in the joint session which takes place if the texts of the bill in the House and the Senate cannot be reconciled; again on the floor of either House, if one of them rejects the agreement reached at the joint session; and in the White House, should the President decide to exercise his veto.

This multitude of legislative levels provides the congressmen who sit on the committees responsible for studying the bill or on the joint committees with the power to block or amend it, and thus allows the opponents to a bill to concentrate their efforts on specific members of the Congress.

It would be an important gain if the countries of Latin America were to succeed in co-ordinating their action with countries outside the region. Such joint action is possible, particularly in respect of United States legislation, in so far as such legislation applies to all.

A strategy involving indirect approaches through the Executive and through lobbies could also prove effective. An attempt could be made either through certain bodies of the Executive branch³⁷ or directly, to make the President aware of the concerns of the region and —as in the case of direct pressure on Congress— of the possible repercussions the protectionist measure could have on United States interests.³⁸ Intervention on the part of the Federal Government in the legislative process may result in the elimination of the bill or the suppression of many of its provisions. The Executive possesses a wide range of means of achieving this, including the use or threat of the Presidential veto.

Moreover, as has already been observed, Congressmen are extremely responsive to their electorates, particularly when, for any of various reasons, the latter possess influence. The countries of Latin America could endeavour to obtain the support of interest groups and firms which carry considerable weight in the electoral districts of members of Congress who play a key role in the legislative process.

b) *Safeguards*

As far as safeguards are concerned, the initial phase of the process is an investigation by the International Trade Commission; this stage is of a highly technical nature, but the ITC Commissioners have a certain amount of leeway in this respect. This flexibility stems from the considerable subjectiveness of the procedure for the determination of the existence of serious injury. It should also be pointed out that the Commissioners enjoy considerable freedom as regards their recommendations to the President as to the measures they consider most suitable for achieving the elimination of the injury.³⁹

Due to its independent, bipartite and quasi-judicial nature, the Commission is beyond the reach of direct influence. Nevertheless, it can be indirectly affected by certain types of congressional action. The submission of a bill seeking to restrict imports of the very products being investigated by the ITC causes the Commission to lean towards the adoption of the safeguard because this would allow the Commission to remain in control of any protectionist measures proposed. It would lose this power if Congress were to pass such a bill.

In addition, Congress may exert a certain degree of protectionist pressure upon the ITC by making use of its power to amend the procedures and rules concerning safeguards which guide this body.⁴⁰

The countries of Latin America lack the means of exerting any direct influence over the Commission. Consequently, at this level they are restricted to technical and legal means of defence. Moreover, the changes made in the definition of serious injury under the 1984 United States Trade and Tariff Act diminish the effectiveness of this type of defence even further.⁴¹

The safeguard system acquires greater flexibility in its second stage. At this point it sheds its essentially technical nature, as a mechanism under the responsibility of the International Trade Commission and becomes a political mechanism over which the President has decision-making power. Although the President must take into account the recommendation made by the Commission, he is not bound by it. He possesses full discretionary power to accept, amend or reject the Commission's proposals on the basis of the "economic interest of the United States". In taking his decision, the President is not limited to technical considerations, but also takes into account domestic and international economic and political factors. Consequently, he might well listen to the argument made by Latin America that in jeopardizing its interests, the economic interests of the United States are also endangered.

In section 202 of the 1974 Trade Act, mention is made of interests which might be of use from a Latin American perspective. These include: the effectiveness of the relief measure in promoting the adjustment of the industry affected; the possible economic and social costs of the measure for consumers, processing industries, taxpayers and workers; the impact of the measure on the United States' international economic interests; and the implications for United States production of possible offsetting or retaliatory measures on the part of the countries affected by the safeguard.

Running parallel to this action, it would be logical for the countries of Latin America to endeavour to make their views felt through the Trade Policy Committee and through certain lobbies. This Committee⁴² submits its own recommendations to the President on the basis of both domestic and international economic and political considerations. Some

members of the Committee —the Departments of State and of the Treasury, the National Security Council and the Trade Representative (who chairs it)— may therefore prove to be particularly sensitive to the region's concerns.

c) *Countervailing and anti-dumping duties*

For some years now the justification given for many of the protectionist policies and measures of the industrialized countries has been what are known as "unfair practices". This is based on the concept of the "leveled playing field". According to this concept, United States industries which compete fairly with foreign producers ought to be protected against those which do not observe the same rules.

United States technical and legal mechanisms in respect of countervailing and anti-dumping duties place limits on the action which may be taken by the countries of Latin America. These mechanisms operate during an initial stage directed by the Department of Commerce in which both the existence and level of net subsidies or the margin of dumping are determined. This first stage of the investigation consists of a fact-finding mission during which an extensive body of technical rules laid down by legislation leaves the Department of Commerce with very little leeway.

The second stage of the investigation is the responsibility of the International Trade Commission, which decides whether any injury has been done to domestic industry. Subjective factors are of greater importance during this stage, and the ITC thus acts within a more flexible framework. Accordingly, the alternatives open to the countries of the region appear to be the following:

i) *Preventive action.* In order to prevent the imposition of countervailing duties, it might be desirable to examine such options as a more up-to-date policy on the provision of export incentives; a better use of exchange policy to promote exports; the use of production subsidies rather than export subsidies; and more flexible mechanisms for setting subsidies with a view to taking into account price trends in external markets and the exchange rate in the domestic market.

ii) *Possible defensive action against bills which provide for a stricter application of the regulations concerning countervailing and anti-dumping duties.* Congress has been considerably strengthening the protectionist provisions of laws against unfair practices and has broadened the concepts of subsidy and injury.⁴³ During the first half of 1985, two proposals were put forward to impose countervailing duties on imported products which used subsidized natural resources.⁴⁴ Congress also commissioned a study on the means of counteracting the impact of "industrial targeting". These two examples indicate a trend towards a stricter application of measures relating to unfair practices.

In view of these initiatives, it would seem advisable for the countries of Latin America to take preventive measures.⁴⁵ Informational campaigns could be launched in the United States to underscore the advantages of these cheap imports, particularly for consumers and processing industries. Another possible step would be to spur the various economic sectors in the United States which benefit from these so-called unfair practices into action.⁴⁶ Finally, should bills be put before the Congress which would impose restrictions on foreign exporters to which United States exporters are not subject,⁴⁷ it would be perfectly legitimate to warn Congress, the Executive and exporters that these rules would be reciprocally applied to United States exports.

iii) *Technical and legal defences.* As has already been pointed out, the possibilities of mounting a technical and legal defence were considerably limited by the adoption of the 1984 Trade and Tariff Act. Although the aims of this document do not include an in-depth examination of a technical and legal defence against protectionism, two key elements should be stressed.

a) *The questionnaire on subsidies.* The questionnaire sent by the Department of Commerce to a country which is suspected of granting subsidies is of considerable importance for the whole of the ensuing investigation. The defendant's response to the questionnaire provides an opportunity to present its case from the most favourable angle. If no such response is forthcoming, in taking a preliminary decision the Department may draw upon "the best available information", which generally means the allegations of subsidies put forward by the plaintiff firm.

b) *Suspension agreements.* Once a subsidy or an instance of dumping has been found to exist, the only means of avoiding the imposition of duties is to negotiate a suspension agreement with the Department of Commerce. There are four types of suspension agreements: agreements to suspend the suspect exports; agreements under which the foreign government eliminates the subsidies or the exporters forego these subsidies; agreements to offset the subsidy by means of export taxes; and, lastly, agreements which eliminate the harmful impact of the subsidy, generally by means of quantitative restrictions.⁴⁸

The last two types of agreement are generally the most advantageous for exporter countries in that they preserve the benefit derived from the subsidy. In the case of agreements to offset the subsidy, the exporter country retains the value of the subsidy, which is returned to the country's Treasury. Finally, a suspension agreement that takes the form of a quantitative restriction at least guarantees a part of the market share, which would have been lost if heavy duties had been applied.

It should be mentioned in passing that if the Department of Commerce accepts a suspension agreement, it halts the investigation but does not close it.

The Department of Commerce is increasingly reluctant to sign this type of agreement. This attitude is due to the fact that on repeated occasions certain countries have attempted to evade the commitments entered into. Another factor is that the country's industries have attempted to use anti-subsidy legislation to secure quantitative restrictions. Congress, which takes much the same attitude, adopted a number of provisions as part of the 1984 Trade and Tariff Act aimed at controlling the use of suspension agreements.⁴⁹ In the case of agreements to offset subsidies with export taxes, those countries in the region that manage to reach such agreements would do well to abstain from practices which might prompt the Department of Commerce to refuse to accept such agreements in the future.

iv) *Actions within GATT.* It is obviously in the region's interest to continue to explore ways of ensuring that the United States will grant special, differentiated treatment to the developing countries. Nevertheless, Latin America —as part of a joint action with other countries— might consider the possibility of submitting complaints to GATT, as appropriate, about the discriminatory application of harmful measures by the United States authorities.⁵⁰ Such discrimination violates article I of GATT, which guarantees Most-Favoured-Nation status to all parties to the Agreement. It also contravenes the decision of 28 November 1979 concerning action by the contracting parties in relation to multilateral trade negotiations.⁵¹

v) *The reciprocal application of certain provisions in respect of countervailing and anti-dumping duties.* Some United States provisions concerning countervailing and anti-dumping duties require foreign exporters to obey rules with which United States nationals need not comply. In this connection, consideration could be given to the desirability of a reciprocal application of these requirements to United States exports.

C. THE EUROPEAN ECONOMIC COMMUNITY

In order to more fully grasp its mode of operation, mention should be made of the European Economic Community's dual roles, as both an institution for integration and an agency for intergovernmental co-operation. This has led to the establishment of Community decision-making mechanisms which are designed to take into account not only mutual interests, but also the individual interests of the member countries. These two aspects are reconciled by means of a special distribution of duties and authority whereby the Commission defends the former and the Council represents the latter. On this basis, the Community institu-

tions carry out legislative and executive functions. Consequently, while the Council is the centrepiece of the decision-making mechanism, it is not autonomous. It only exercises this power on the basis of a prior proposal from the Commission. However, whenever the Treaty of Rome* or the Council delegates decision-making power to the Commission, the Council may amend or reject the Commission's decision. On the other hand, the application of the weighted-majority rule to the decisions concerning trade taken by the Council often prevents it from imposing its view on the Commission, thereby endowing the latter with additional bargaining power. The weighted majority rule pertaining to decisions by the Council also makes it possible to take into account the various national interests of the member States. Weighted voting prevents the "big four" from imposing their views on the others, as well as preventing any one member State from paralyzing the decision-making mechanism.

Consequently, the mechanism is based upon a painstakingly negotiated agreement among the various actors involved in the process—the Commission, the Council and the member States—since each of them has a role to play in taking the final decision. Both the Community's institutions and the member States seek to reach compromises so as to avoid paralyzing the decision-making mechanism. This leads to negotiations not only between the Commission and the Council but also among the member States themselves. Efforts to reach a compromise generally begin before the debate in the Council, thereby avoiding a conflict at this level. The Commission plays a key role in this effort owing to its ability to put forward proposals. Negotiations between the Commission and member States take the form of official consultations in the Committee of Permanent Representatives (COREPER), in the various consultative committees, or at an informal level.

The Community institutions' efforts to achieve a compromise are facilitated by the extremely flexible nature of the EEC legislative procedures. The Commission may amend its proposal at this level so long as the Council has not yet taken its decision. This enables it to seek the approval of those member States which seem reluctant to support its proposal by offering certain concessions in exchange. There is also a great deal of flexibility at the executive level. The Community institutions possess considerable freedom of action as regards the severity of the protectionist measures they adopt.⁵² Similarly, they make use of the absence of pre-established automatic procedures in the process which intervenes⁵³ between the findings of the technical investigation and their proposals and decisions on the basis of the "interests of the European Community".⁵⁴

*The basic legal instrument upon which the Community's institutions are founded.

In conclusion, it may be asserted that it is not only the decision —because it is taken by the Council— which is of a political nature.⁵⁵ The political dimension is present throughout the whole of the decision-making process, since negotiations (which are not free from such pressures) among the Commission, the Council and the various member States commence as soon as the Commission has started to prepare its proposal. This flexible arrangement might open up an avenue for the countries of Latin America to make their proposals heard and taken into account in decisions.

1. General guidelines for possible action by Latin America

a) *Means by which Latin America may exert influence*

The means by which the region may exert influence over the European Economic Community as a whole are quite limited.

From the standpoint of trade, the importance of the Latin American market for European exports has been steadily declining. From representing a 7% share in 1970, it had fallen to 3.6% by 1983.⁵⁶ Moreover, the trade balance, which has traditionally been in the region's favour, has increased considerably in recent years due to the reduction brought about in Latin American imports by the recessionary adjustment which the external debt crisis has made necessary.

In the financial sphere, however, the involvement of European organizations and banks as creditors of the countries of Latin America⁵⁷ places the latter in a position to make their views heard by the member States which compose the Council.

Finally, Latin America's political influence over the European Economic Community —either in connection with security considerations or by virtue of the "historical paternalism" of Europe— is also limited. The region does not figure among the Community's top priorities, and is clearly low down on the list of the Community's trade relations with other countries. Bearing this in mind, a Latin American strategy should include measures for counteracting this situation. One such measure might be the creation of a forum for negotiation —along the lines of that proposed for trade with the United States— in which the region and the countries of the Community could express their points of view and reach mutually acceptable agreements.

b) *Actors which should be examined*

i) *The Commission.* The possibilities of influencing the Commission are limited. This institution is concerned with the interests of the

Community, which are essentially of an internal nature. It may take into account external factors only as a secondary consideration and generally does so as a result of pressure by specific member States. Consequently, everything seems to suggest that only two ways are open to Latin America for making its arguments heard by the Commission: through specific interest groups and through Community bodies—the European Parliament, the Economic and Social Committee and, above all, the Council—or the member States themselves.

ii) *The European Parliament.* This body exerts some influence over the Commission and the Council by virtue of the fact that it is constituted by direct ballot. Of the Community's institutions, it is the Parliament which is most sensitive to the problems of the Third World. As far as Latin America is concerned, the Parliament is highly receptive to the evolution of countries towards democratic systems. Consequently, it would fully appreciate Latin America's warning as to the threat represented by the economic crisis for fledgeling democracies and, hence, the need to find concrete solutions for problems relating to trade and the debt.

iii) *The Economic and Social Committee.* As a consultative body of the EEC, the Committee represents the social and economic interests of the Community. Of the 22 groups belonging to this institution, only one—the European Bureau of Consumers' Unions (BEUC)—takes a clear stand against protectionism. The most influential sectors—such as the Union of Industries of the European Community (UNICE), the Committee of Farming Organizations in the EEC (COPA) and the European Trade Union Confederation (ETUC)—generally take a more protectionist line within the Committee. This attitude might be partially countered by the position adopted by European consumers. Should it prove possible to reconstitute the Committee of Commercial Organizations of the EEC countries (which was dissolved in 1978), it might well adopt an anti-protectionist stance, as it is formed by associations of retailers. Similar positions might be encountered in the export industries which belong to UNICE and among the members of the Banking Federation of the European Community (FBCE).

iv) *The Council.* This is the key body of the EEC. It is an inter-governmental agency in which the member States defend their national interests (which, as is natural, frequently diverge).

Any step by Latin America aimed at bringing its concerns to the attention of the Council could be directed at the various member States of the EEC on a selective basis, distinguishing between those which favour the application of a protectionist measure and the other members of the Community.

c) *The "protectionist" member States*

Given the importance of political factors in the decision-making process, the possibility of dissuading the member States which sponsor a proposed measure must not be overlooked. However, Latin America would have to embark upon a particularly vigorous, joint deterrent course of action to bring about a change in attitude. At this level, perhaps only the threat of a reciprocal treatment could have any effect; however, in view of the obvious risks of provoking a reciprocal attitude on the part of the EEC, such a measure should be used only as a last resort.⁵⁸ This kind of action should only be contemplated in connection with member States which initiate a protectionist measure, not in regard to the EEC as a whole. This would be the best way of reducing the likelihood of counter-measures being adopted—which would require a weighted majority in the Council—and, of course, of avoiding the emergence of a unified Community reaction to an indiscriminately-applied retaliatory measure.

d) *The "other" member States*

It would, therefore, be advisable for the region to confine its action to the member States which are advocating a protectionist measure. There should also be an awareness of the fact that there are divergent interests among the EEC member countries, since this might open up a way of lessening the impact of trade measures which are debated in the Council.

There may be conflicts of national interest among the EEC member countries for a number of reasons, such as differences in their economic and social structures, the various political and social pressures brought to bear in each case, different levels of economic interdependence with countries outside the community according to their greater or lesser adaptability to international market conditions, etc.

Due to the existence of a common trade policy, trade measures apply in all member States and are directly incorporated into their national legal provisions. Consequently, the EEC countries try to reconcile their national interests prior to the adoption of Community legislation. Action should therefore be taken during the preliminary stage of the decision-making process, before the Council's deliberations, because by that time the opportunities for negotiation have been almost completely exhausted. Preliminary negotiations take place within the framework of official bodies—such as the Committee of Permanent Representatives (COREPER), for legislative measures, or the consultative committees, in the case of executive measures—or at an informal level based on the national interests of the different countries.

Accordingly, while official approaches are being made at the inter-governmental level, national interest groups should also be researched and their support sought. These may be groups of importers, retail merchants, consumers, manufacturers or even other groups whose interest is more indirect, such as banks and export sectors.

2. Possible Latin American action to counter the main protectionist instruments

a) *EEC trade legislation*

In the area of trade policy —because it is a common policy— the member States transfer some of their legislative authority to the Community. The exclusive power of each over its territory is converted into a power shared by all within the Council. As the Treaty of Rome is a comprehensive legal framework, the Community's institutions are charged with the duty of drafting the basic rules, which are binding on and directly applicable to all the EEC member countries.

There are three separate stages involved in the adoption of the Community's laws: i) the drafting of the proposal by the Commission; ii) consultations with the European Parliament and the Economic and Social Committee, and iii) debates in COREPER and the Council.

i) The Commission's proposal provides the basis for the negotiations which subsequently take place in COREPER and the Council. Any attempt by the Latin American States to exert pressure directly on the Commission would be ineffective, as this body is primarily responsive to the EEC's international interests. The main points at which influence could be exercised would therefore be the persons and agencies involved in drafting the proposal. First of all, there are the different services of the Commission which take part in preparing the content of the proposal. There is no reason to suppose that these services would be particularly sensitive to Latin American concerns, however. Secondly, there are interest groups, which are also consulted during the drafting phase.

The countries in the region should concentrate their efforts on this area in order to assess the possibilities of garnering support from groups with similar interests, including the Community groups represented on the Economic and Social Committee (BEUC, FBCE, etc.),⁵⁹ and national interest groups. An attempt might also be made to exert some measure of influence through the member States on the basis of contacts between the services of the Commission and national government officials.

ii) The opinions of the European Parliament and the Economic and Social Committee do carry some weight in the initial proposal made by the Commission, which may amend the text to take their views into

account. This is not true, however, of the final proposal. These bodies voice their opinions before the discussion and debate concerning the text in COREPER, during which the proposal may be modified repeatedly.

iii) The crucial part of the legislative process is when COREPER and the Council examine the proposal. It is at this point that negotiations begin between the Commission and the member States with a view to reaching an agreement which, if possible, will command unanimous support.

This system enables the Commission to play a conciliatory role among the different interests involved. To this end, it seeks to reach a compromise based on mutual concessions and amends its proposal to reflect some of the objections and suggestions of member States, in exchange for which the latter lend their support to the amended proposal. The negotiations may take some time and may involve the formulation of numerous amendments to the original proposal. The Latin American member countries of GRULA⁶⁰ have access to COREPER through what is known as the "renewed dialogue". This constitutes the only forum where the EEC could see a display of Latin American solidarity. Nevertheless, this framework does not allow for negotiations, but only consultations and the exercise of some measure of influence.

At this level, the chances of Latin America's views being favourably received are slim. The member States are perhaps the only channel that can be used to ensure that Community legislation gives consideration to the region's viewpoints. The best time for utilizing this channel is while the States are negotiating their differences or when the process reaches the working groups of the Commission, COREPER or the Council, in the event that points of conflict still persist.

b) *Measures for applying the Community's legislation*

The trade policy —because it is a common policy— also involves some transfer of executive powers from the member States to the Community. This relates specifically to the application of Community legislation, which usually takes the form of regulations which are directly applicable in all of them.

The decision-making mechanism, in so far as the relevance or applicability of Community legislation to concrete cases is concerned, allows for political aspects to be taken into account during the Commission's performance of the required investigation prior to the submission of a particular case to the Council. The final decision, however, rests with the Council, which is where the national interests of the member States are expressed. Nevertheless, political aspects are not confined to the decision-making level,⁶¹ inasmuch as during the stage leading up to the

Council's deliberations, the Commission endeavours to reach a compromise which will be acceptable to most of the member States. To this end, the Community's legislation provides several mechanisms through which the member States can endeavour to influence the Commission during the investigation and proposal stages. These include the work done in the consultative committees—which convene at the beginning of the investigation, upon the completion of the process, and when the Commission submits a proposal or takes a decision—or during the informal consultations with the Council.

During the investigatory stage, the Commission enjoys considerable latitude. This is partly due to the style in which the basic trade legislation is drafted,⁶² to the lack of transparency marking this phase of the investigation, and to the exclusive authority of the Commission over the entire investigation relating to the substantiation of commercial damages. Because the Commission has this manoeuvring room, its consideration of the evidence may lead to unpredictable conclusions.⁶³ At the proposal and decision-making stages, this flexibility is attributable to the fact that a determination that damages have been sustained does not automatically lead to the adoption of a protectionist measure. Another factor is the wide range of degrees and forms of protection afforded by the trade measures that these institutions may apply. In short, the Community legislation affixes a condition for the adoption of a trade measure in respect of third countries: that "the interests of the EEC" require it.

i) *Defence against safeguard measures.* The technical and legal effectiveness of this kind of defence is questionable. This is due to the fact that the Commission has considerable leeway in determining whether damage has been done and that it does not take into account the possibility of other factors being responsible for the damage which are unrelated to imports. Such "external" factors may include a decline in demand on the internal market, a drop in the exports of the EEC industry and a loss of competitiveness on its part, product substitution, etc. In practice, this *modus operandi* of the Commission gives it a great deal of leeway in determining whether a significant increase in imports in a troubled industrial sector constitutes a serious injury which justifies the adoption of protectionist measures.

A political defence. A technical and legal defence disregards the pressures exerted by member States on the Community's institutions. These pressures are particularly strong in the case of safeguard measures. During negotiations concerning the adoption of a Community safeguard, member States can bring tremendous pressure to bear by threatening to adopt restrictive measures at the national level either within the framework of Community legislation⁶⁴ or outside of it.⁶⁵ The Community institutions are then forced to choose between accepting the anarchic

creation of trade barriers on member States' borders —which would weaken their authority and that of the Community as a whole— or applying definitive measures at the EEC's external border.

The "political" dimension of a safeguard measure is present from the very beginning of the process owing to the right of initiative enjoyed by the member States. Latin America's efforts might be directed towards weakening the support for such a measure and, at the same time, trying to counteract some of the pressure which the country sponsoring a protectionist measure may exert on the Community institutions in favour of it. Action on the part of the national interest groups affected by the safeguard —or which would be affected by the counter-measures that Latin America could apply— could perform this function.

The Council, as the representative of the member States, holds decision-making power on the question of safeguards once a proposal has been made by the Commission. However, in view of the risks of such a decision being delayed (due to the Council's weighted majority rule), which could hurt the EEC industry, the legislation provides a mechanism for transferring the decision-making power to the Commission in emergency cases. If this should occur, the Council reserves a right of control over the Commission's decision; depending on the appeal of a member State, it can confirm, amend or annul the decision of the Commission. It is important to note that if the Council does not reach a decision by a weighted majority, then the measure adopted by the Commission is considered null and void.

To sum up, it is clear that the Commission plays a key role in the matter of safeguard measures,⁶⁶ either through its decision-making power or through the part it plays in working out a compromise among the various national interests. It is no less true, however, that the member States influence the Commission, since their control over the resources available to the Council ensures that they will have the last word.

The Latin American countries can bring very little pressure to bear directly on the Commission. Their action could conceivably have some effect if they approach the member States, in view of the differing interests the latter may have. Such differences may arise, *inter alia*, as a result of the diversity of the member countries' industrial structure.

Latin America's defence of its interests would be greatly furthered if it could secure support within the Council. If the Latin American countries could gain the support of even a minority in this body, they could block the taking of protectionist decisions in emergency cases, and thereby bring about the revocation of the safeguard adopted by the Commission. However, such an outcome is unlikely. The solidarity that exists among the EEC member countries, the risk of unilateral measures being adopted by the country requesting protection, and the use made by the EEC institutions of the flexibility they enjoy under Community legislation all militate against this.

From another angle, the Latin American countries should bear this flexibility in mind —which allows for the consideration of the different interests at stake— with a view to gaining the support of the majority or, if possible, of all the member States. This flexibility relates first of all, to the severity of protectionist measures, since the Community institution is the one which decides this. The greatest flexibility, however, refers to the geographical area concerned. Unlike countervailing and anti-dumping duties, a safeguard measure can be confined either to one or to several EEC countries.⁶⁷ The Community usually does not extend the geographical area covered by the measure to include those member States that have not asked for protection or to those in which the industry in question took a negative attitude or was undecided as to the advisability of protection.⁶⁸

ii) *Defence against countervailing and anti-dumping duties.*⁶⁹

a) *Preventive action.* There is a close connection between the frailty of any given sector of the EEC and an increased number of requests for protection against "unfair" practices in the same sector.⁷⁰ It would therefore be logical for the Latin American countries, and export industries, to devote greater attention to the more vulnerable European branches of production. Perhaps in this way they could forestall the imposition of countervailing and anti-dumping duties.

As regards European sectors facing difficulties, one possible course of action for Latin American export enterprises would be to calculate the price level below which an instance of dumping might be alleged or established. The idea would be to maintain prices at levels which would shield the firms from an anti-dumping investigation. Preventive action by the Latin American countries against countervailing duties in these same sectors could focus on a more detailed study —with a view to the possibility of future application— of production subsidies rather than export subsidies, since the Community's investigations have concentrated on the latter.⁷¹ b) *A legal and technical defence.* In order to determine whether and to what extent dumping has taken place, the Commission distributes questionnaires and sends officials to the country of origin of the exports concerned. It is recommended that the questionnaire be answered and the survey accepted, since if this information is not forthcoming, the Commission bases its conclusions on the available data, which are usually those submitted by the petitioners. Similarly, when the Commission suspects certain companies in a country of practising dumping, any such company which does not provide the requested information is ascribed the highest of the levels observed among the others.

At the judicial level, the present practices of the EEC Court of Justice enable foreign exporters under investigation by the Commission to submit an appeal for annulment, under article 173 of the Treaty of Rome, of any provisional or permanent countervailing and anti-dumping duties. This judicial process, although limited, has shown itself to be effective. A

number of such procedures have been declared null and void. Essentially, however, this process affords more protection for the defendants' rights and reduces the latitude enjoyed by the Commission during an investigation. c) *A political defence.* In the matter of countervailing and anti-dumping duties, the Commission plays an active role. It decides whether or not a procedure should be initiated, assumes responsibility for the investigation, declares an end to the procedure if it feels that no action is required, approves price agreements, establishes provisional duties and submits a proposal to the Council for the imposition of permanent duties.

The Council, however, has the final word in the matter. It takes a decision on the case by weighted majority and can, in the final instance, annul or amend the decisions of the Commission. Consequently —to stress this point once again— when it adopts its decisions and presents its proposals to the Council, the Commission must take the position of the various member States into consideration. The States' interests may differ because the countervailing and anti-dumping duties apply throughout the entire Community irrespective of the differences in the structures and existing situations in the industries of the various member countries. Such cases may occur for a variety of reasons. For example, it may be that, in a given member State, the industry which produces the good that is subject to dumping practices may not have suffered any damage —either because it is more competitive or because it had no such imports— or the industry's economic, social or political importance may be less than that of the sectors hurt by the imposition of countervailing or anti-dumping duties. In order to take these interests into account, the Commission hears the testimony of the member States in a consultative committee. Here again, the procedure used, whether in the Commission or the Council, is a very flexible one. There are three main stages in this procedure at which the Latin American countries could analyse the possibility of taking steps to secure the support of some member States.

The stage concerning the selection of petitions enables the Commission to make such choices based on a broader range of information than that afforded by the (generally exaggerated) data supplied by the petitioning enterprises and to ascertain the different degrees of injury suffered by the various member States. At this stage, the member States also propose what they consider to be the most suitable measures for neutralizing the damage. In addition, they may notify the Commission of their objection to any particular measure or propose that it should adopt a flexible position. The Commission has usually been receptive to these views and deems that it has a degree of discretionary power as to its selection of petitions. In fact, its action is based on the economic and political interests of the Community —and of its member States— rather than any consideration of a particular industry's interest.

Secondly, the countries or the enterprises accused of benefiting from subsidies or dumping practices are given a chance to submit a compromise formula to the Commission before it sends its final proposal to the Council. The Commission prefers this procedure because it is flexible and expeditious,⁷² and because it enables the Commission to give protection quickly to an industry and to avoid much red tape. However, the Commission is not bound to accept the compromise solution. In such an event, it is also important to have the backing of a number of European countries —whose importers or manufacturers might be hurt by a high duty— which could help sway the Commission in favour of the compromise.

At the decision-making level, the Community's institutions can be flexible because there is no exact definition of their interests. Indeed, they have to be sensitive to a vast array of concerns. There are economic interests —of consumers, importers and manufacturers of the products which would be affected by the measures— and political interests, such as the opposition of a member-State or the risk of provoking a reciprocal treatment of European exports. There are two forms which this flexibility can take. Firstly, a duty is not levied automatically upon it being determined that damage has been sustained. Consequently, even though all the requirements for imposing a duty may have been fulfilled, the Community institutions may choose not to do so. Nevertheless, to date, the invocation of "EEC interests" as a reason for refraining from applying countervailing or anti-dumping measures has been used only to back up a negative decision as regards the existence of dumping and, in some cases, to reflect the divergent interests of other economic sectors within the EEC that are likely to be affected by the measure or to sustain the objection of some member States to the application of the protective measure in their territories. It would therefore be useful to engage the collaboration of these States as a counterbalance to the influence exercised by the sector requesting protection and the political influence of the country or countries supporting the petition.⁷³

c) *National trade measures*

The incomplete nature of the Community's trade policy and the partial character of the application of Community regulations as regards the pertinent instruments introduced somewhat of a contradiction in this sphere. Despite the declared existence of exclusive EEC jurisdiction in matters of trade, member States can still wield their influence. In doing so, their aim is obviously to protect interests which, as mentioned earlier, do not always coincide.

i) *The identification of national trade measures.* The EEC authorized the States to maintain the national trade measures which were in

force during the transitional period that ended on 31 December 1969, as a way of filling the gap created by the gradual implementation of the common trade policy and the exclusive jurisdiction of the EEC. Thus, as of 1982, 1 200 out of 8 000 NIMEXE positions at the six-digit level were subject to national quotas.⁷⁴

The possibility of imposing national restrictions is not confined to products which are subject to national quotas. They may also be extended to cover products included in the Community's import scheme, thanks to the flexibility which Regulation No. 288/82 provides in allowing member States to override the EEC's exclusive jurisdiction in certain cases, particularly when the member States' policies or economic interests are too divergent to permit a uniform Community scheme. Thus, a member State can initiate national surveillance of a product when the Community authorities have not agreed to impose prior Community surveillance as requested by the same member State. Similarly, a member State has the power to impose national quantitative restrictions, which may remain in force for a period of three months while the Commission or the Council deliberates on the subject.

Furthermore, while the use of the "classic" sort of quantitative restriction is generally covered by Community regulations, the measures associated with the so-called "new protectionism" largely fall outside the provisions of Community legislation. This is the case of the voluntary restraint agreements negotiated individually by member States with third countries or among industries.⁷⁵

Finally, the EEC member countries take protectionist action at the national level by using measures having an "effect equivalent to" a quantitative restriction. This sphere of national regulations enables member States to implement a type of "hidden" protectionism by invoking rules which have legitimate aims: the safeguarding of life and health, pollution control, consumer protection, the improvement of product quality, etc.

ii) *Guidelines for action with respect to national measures.* The first step that the Latin American countries could take is to avoid national trade barriers by taking advantage of the principle of free circulation within the EEC. The fact that a State imposes a quantitative restriction on imports from a third country does not mean that its market is hermetically sealed. On the basis of the principle of free circulation of goods within the EEC—which is applied both to Community products and to imports once customs duties have been paid—an importer in a country which has imposed a quota can continue to import the product subject to the sanction so long as the importer does so through an intermediary in another member-State where the restriction does not apply. The extent to which this strategy can be used is circumscribed by article 115 of the Treaty of Rome, which permits member States to institute protection at

their national borders, either through product surveillance or by suspending indirect imports.

For the exporting countries, there are also several opportunities for mounting a "legal defence" in GATT and in the Commission and the Court of Justice of the EEC. With respect to GATT, the majority of national quantitative restrictions, because they are discriminatory, are in violation of article XIII. Now that these measures are officially recognized—they are published in the EEC's official journal—the Latin American countries could make them the object of a procedure for resolving conflicts within the framework of GATT.⁷⁶ Furthermore, the Commission—on its own initiative and at the request of a member State or of individuals or corporate bodies which have a legitimate interest—can, under article 85 of the Treaty of Rome, compel EEC enterprises to terminate all agreements and practices which they have arranged among themselves. Such practices may include agreements on "voluntary" restrictions or the fixing of minimum prices between EEC and foreign industries, if such agreements jeopardize fair competition within the Community.⁷⁷ The Court of Justice can invalidate any national measure which violates the provisions of the Treaty of Rome or those of the rules, directives and decisions adopted by the Community.⁷⁸ However, individuals are not able to appeal directly to the Court, as this prerogative is reserved for the Commission and the member States. The only avenue open to individuals is to present an appeal against a national measure in the country's courts on the grounds that it violates the Community's regulations. Pursuant to article 177 of the Treaty of Rome, these courts may then have recourse to the EEC Court of Justice in order to determine whether the national regulation is in violation of Community legislation.

Finally, the Latin American countries could attempt to make themselves heard directly by the member State which has instituted a national measure. Given the fact that virtually no instructions have been issued by EEC institutions regarding such measures, action in this respect would be ineffective at the Community level.

CONCLUSIONS

As has been outlined in this document, the decision-making process as regards trade policy is highly complex in the United States and the EEC and involves a labyrinth of interrelated interests and instruments for action which has no equal anywhere in the developing world.

A delicate balance is maintained among interest groups by means of a complicated interplay of influence which moves members of the public and private sectors either to foster protectionist action or to try to counteract it.

The differences in the way these legal and political measures function make it more difficult to arrive at a full understanding of all the facets of the problem.

For example, in the United States it is an "independent, bipartisan and quasi-judicial body" which decides whether dumping practices or subsidies exist. It is, therefore, a technical body in which political factors play no major role, at least during this phase. In the EEC, the same type of decision is made by a Community body; the member States appoint officials as their representatives and place greater emphasis on political arrangements than on technical considerations.

The investigations leading up to a final decision also differ. In the United States, this is an open process, hearings are public, and the legislation clearly indicates what factors must be taken into account and what method of calculation is to be used. The EEC, on the other hand, is disinclined to hold hearings, and its legislation is open to a variety of interpretations. What is more, the procedures and documents which serve as the basis for a decision concerning the existence of an alleged *unfair and sanctionable practice* are confidential. This lessens the effectiveness of a possible defence and provides a greater opportunity for taking heed of political considerations in taking the final decision.

The possibilities of influencing the process by which duties are imposed differ considerably between the United States and the Community. In the United States, influence can still be exerted even after the investigation has come to an end by approaching authorities and institutions which advise the President. During the investigation, however, findings are based solely on the technical aspects of the issue. In the Community, given the notably political character of such investigations, the possibilities of taking action at this stage in the process are greater. However, once the Commission has submitted a proposal to the Council, it becomes more difficult to influence the final decision. Usually, the proposal itself is the result of a consensus reached within the Commission among the same countries which are members of the Council. In this case the only solution would be to win over a minority with the strength to block the proceedings. To a certain extent, the differences between the two systems reflect the differences between their trade policies. It is important for Latin America to keep abreast of this situation. One of the tools at the region's command is a not inconsiderable degree of bargaining power in the form of purchasing power which could lend greater weight to the positions it adopts at the negotiating table. To be effective, however, it is vital to have an understanding of the motivations and interests of the other parties to the negotiations as well as of the operation of the protectionist mechanisms concerned.

This calls for a change of strategy. As a rule, the Latin American countries have reacted to protectionist measures only after they have

been adopted or after the main actors have reached an agreement and have outlined their respective interests. This type of action, coming after the fact, is largely ineffectual because it does not meet the problems face to face in their full breadth and intensity.

Furthermore, it would seem that the United States and the EEC both direct their trade policy towards satisfying their own internal interests. This translates into a growing disregard for the existing trade rules. As discussed earlier, this attitude also causes them to give more weight to political considerations than to technical arguments.

In view of the foregoing, Latin America should embark upon a new style of international action which would involve a more clearly-defined orientation towards the defence of its trade interests.

Such a defence would be composed of two complementary elements which would play a vital role in strengthening the region's bargaining power. The first would be a preventive regional approach encompassing a whole range of new tactics in its relations with the main actors in the field of foreign trade and, specifically, as regards the trade policies of the United States and the Community. These tactics would include: seeking allies among the interest groups in each country; creating a public awareness of the issue; gaining a knowledge of the institutions and authorities responsible for decision-making with a view to providing co-operation and assistance in the course of the relevant procedures so as to prevent erroneous interpretations or distorted information from giving rise to protectionist measures; using the services of lobbyists to promote regional interests with the government authorities having decision-making power, the Congress and interest groups; emphasizing the region's perception of a close link between debt servicing and an expansion of exports; and underscoring —as a preventive measure— the application of symmetrical treatment as a response to possible or actual protectionist initiatives.

Latin America will also have to demonstrate the political will and the operational capacity for joint and co-ordinated action. The region needs to bring its unified efforts to bear against protectionism by devising defence mechanisms. Legal instruments should be established which give the countries of the region the tools they need to give effect to their purchasing power at the regional or subregional level. In drafting these instruments, the possibility should not be overlooked of taking action —when the seriousness of the situation warrants it— with respect to important sectors whose dependence on exports to Latin America increases their vulnerability to the application of reciprocal treatment.

As a corollary to these conclusions, it is worth repeating the basic idea of this entire strategy: the need for joint action by the region in order for such a strategy to yield optimum results. Joint and co-ordinated action

is required for reasons which are inherent in the very mechanics of the measures proposed in this chapter:

— The effective use of reciprocal treatment can only achieve the desired effect if large amounts are at stake;

— Generally speaking, joint action produces an increase in bargaining power with authorities and interest groups, both in the economic sphere as such and in the political arena, and broadens the scope of interests involved and thus the range of interest groups which can be influenced;

— Co-ordinate action allows influence to be sectorialized. This is the most effective approach in many instances.

In this chapter an attempt has been made to demonstrate that an effort to understand the dynamics of the internal forces for and against protectionism which influence the trade policy of the developed countries constitutes a step towards rectifying the marked asymmetry of present relations between Latin America and its major trading partners.

A clear understanding of how and why these influences operate is vital to an effective management of the region's trade policy.

NOTES

¹See, for example, General Agreement on Tariffs and Trade (GATT), *Trade policies for a better future. Proposals for action*, Geneva, March 1985, p. 5, "Today, however, the world market is not opening up; instead, it is being choked by a growing accumulation of restrictive measures. Demands for protection are heard in every country and from one industry after another. The trading rules set under the General Agreement on Tariffs and Trade are increasingly ignored or evaded". International Monetary Fund (IMF), *Trade Policy Issues and Developments*, Occasional Paper No. 38, Washington, D.C., July 1985, p. 3, "The continued drift towards protectionism poses a threat to the balanced expansion of world trade in the medium term and to the prospects for sustaining economic recovery". Organization for Economic Co-operation and Development (OECD), *Costs and Benefits of Protection*, Paris, 1985, p. 11, "Despite a prolonged period of slow growth and high unemployment, the OECD countries' commitment to the multilateral trade system has ensured that the vast majority of manufactured trade goes free of hindrance and interference. However, a relatively small but recently increasing number of sectors—accounting for more than a quarter of manufactured trade—is still subject to high nominal and effective tariffs, to severe non-tariff barriers and to distorting subsidization. Though the sectors traditionally most affected by such measures include textiles, clothing, footwear, steel and shipbuilding, protection has more recently been extended to previously less- or un-affected sectors such as automobiles, consumer electronics and machine tools". *Document GATT/1376*, Geneva, 25 November 1985, pp. 2-3, "This suggests that there has been a serious deterioration in the health of the international trading system. No doubt it has many causes, but it seems clear to me that since 1973, and particularly in the last five years, there has been a definite movement away from the steady liberalization of trade policies which did so much to promote growth between 1950 and 1973. The present trend is towards protectionism, subsidy and managed trade. I think that we would all agree that our role here in the GATT is to ensure that the tendency is reversed, and reversed quickly. Certainly, we have no excuse for being unaware of the most recent trends in trade policy. The valuable sixth-monthly reports by the Secretariat on developments in the trading system provide unmistakable evidence of the continuing emphasis on managing trade through bilateral and sectoral arrangements, and of increased protection and subsidy in a number of sensitive areas". United Nations Conference on Trade and Development (UNCTAD),

Trade and Development Report, 1985, Geneva, September 1985, p. 8, "The worldwide trade régime has also been a source of difficulty on two counts. First, existing trade impediments have hampered the export efforts of developing countries. Over one-third of developing-country exports to developed-market-economy countries are subject to one or more kinds of measures which constrain export volumes. In some sectors where developing countries are generally acknowledged to have a comparative advantage, the value of trade subject to such measures is far higher... Secondly, there has been a tendency for impediments to increase in markets where developing countries have been particularly successful. The more dynamic exporters in the developing world have seen the emergence of new trade restrictions on their exports". United Nations, *World Economic Survey 1985*, New York, 1985, p. 5, "The expectation that a strong recovery would bring about a roll-back of the protectionist measures enacted in the late 1970s and early 1980s was not fulfilled. In the recent past, liberalization measures have, on the whole, been outweighed by the introduction or intensification of non-tariff restrictions. These restrictions have been eroding credibility in accepted trade norms and have adversely affected trade-related investments. This is cause for serious concern since sustained world economic growth and progress towards the solution of the debt problem require a smooth expansion of international trade". Jacques de Larosiére, Managing Director of the IMF said in his speech at South Carolina University on 15 November 1985 that protectionism constituted a serious threat whose impact was particularly harmful under the present circumstances, when the debtor countries were endeavouring to export and to overcome their debt problems with the help of those export earnings. He went on to pose a question as to what possible incentive these countries could have to adopt more outwardly-oriented policies if they found their path barred by restrictions on precisely those products in which they possessed comparative advantages.

²See, *Towards a new trade policy for development*. Report by the Secretary-General of the United Nations Conference on Trade and Development. United Nations, New York, 1964. United Nations Publication, Sales No. 64.II.B.4.

³The Secretary for Commerce, Malcolm Baldrige, recently stated: "The President is opposed to protectionism, and so are over 80 percent of our business people. So is agriculture. But our constituency for free trade will vanish if the perception grows that some nations are taking advantage of our open markets without reciprocating. We want these practices to stop. Free trade must be built on a foundation of fair trade". See, "World Trade Outlook", *Business America*, United States Department of Commerce, 4 March 1985.

⁴OECD, *Costs and Benefits of Protection*, *op. cit.*

⁵Address delivered at the opening of the fourth session of the Inter-governmental Group of Experts which supervises the multilaterally agreed upon Set of Principles and Rules for Equity to control restrictive business practices. This set of principles and norms was adopted by the United Nations General Assembly in 1980, but is not binding. The Group of 77, which voices the interests of the developing countries, has proposed that the set of principles be given a binding character. See, UNCTAD, *Report of the Intergovernmental Group of Experts on restrictive practices on its third session* (TD/B/1030, TD/B/RBP/24), Geneva, November 1984.

⁶See, among others, Miguel Rodríguez Mendoza, "Latin America and the United States Trade and Tariff Act", *Journal of World Trade Law*, vol. 20, No. 1, January-February 1986.

⁷"Developing countries receive special treatment in the GATT rules. But such special treatment is of limited value. Far greater emphasis should be placed on permitting and encouraging developing countries to take advantage of their competitive strengths and of integrating them more fully into the trading system, with all the appropriate rights and responsibilities that this entails". See GATT, *Trade policies for...*, *op. cit.*, p. 44. A paper presented to the Director-General of GATT by Senator B. Bradley, Dr. P.G. Gyllenhammar, Dr. G.L. de Lacharriére, Dr. F. Leutwiler (Chairman), Dr. I.G. Patel, Professor M.H. Simonsen and Dr. S. Djojohadikusumo.

⁸See GATT, *Trade Policies for...*, *op. cit.*

⁹GATT: *Developments in the Trading System*, October 1984-March 1985 (C/W/470), 17 May 1985.

¹⁰Obtained from the Information Service of the OAS, 2 May 1985.

¹¹See, *La normativa comercial de la Comunidad Económica Europea y sus implicaciones para el comercio de América Latina*, Natan Elkin, Consultant. Study requested by the Permanent Secretariat of SELA (Decision 150, article 7), Geneva/Brussels, February 1985.

¹²See GATT, *Developments in the...*, *op. cit.*, paragraph 39.

¹³See GATT, *Developments in the Trading System*. April 1984-September 1984 (C/W/448/Rev.1), 18 December 1984.

¹⁴See GATT, *Basic instruments and selected documents*, Supplement No. 3, Geneva, June 1955, pp. 250-251.

¹⁵See GATT, *Basic instruments and selected documents*, Supplement No. 11, Geneva, March 1963, p. 101.

¹⁶See, among others, Pedro Mendive, *El nuevo proteccionismo comercial y el desarrollo de América Latina* (E/CEPAL/L.184), Santiago, Chile, October 1975. See also ECLAC, *Resurgence of protectionism in the industrial countries* (E/CEPAL/1055), Santiago, Chile, October 1978; and Gustavo Fernández, *Casos recientes de medidas proteccionistas aplicadas a exportaciones de países latinoamericanos* (E/CEPAL/L.182), Santiago, Chile, October 1978.

¹⁷In fact, what this effective rate does is to quantify such protection as the tariff structure provides for the remuneration of the domestic production factors of the good which is taxed or protected. It thus makes sense if the value added of the final product in question is taken into account". See, Pedro Mendive, *El nuevo proteccionismo...*, *op. cit.*, p. 12.

¹⁸See UNCTAD, Report by the Secretariat, *Protectionism and structural adjustment*. Part I, *Restrictions to trade and structural adjustment* (TD/B/1039 (Part I)), 28 January 1985.

¹⁹In the case of the developed market-economy countries, the import coverage indicator used is the ratio of the value of imports subject to non-tariff measures to the total value of imports computed at the tariff-line level.

"It should be stressed that this indicator only establishes the proportional amount of these countries' imports that is subject to governmental trade measures, i.e., the amount of imports for which value, price and growth rates are contained at levels considered appropriate by the importing country government. In consequence, the indicator should not be taken as representing the degree of restrictiveness of specific measures. For example, it would register 0 both when there is an absence of measures as well as when there are no imports as a result of the measures employed, e.g. total prohibition". The same source added in a footnote that: "The same type of interpretative problem is present in estimates of trade-weighted average tariffs. As the average tariff rate increases, the value of imports and the relative weight attached to that tariff decrease." See UNCTAD, *Protectionism and structural...*, *op.cit.*, pp. 7 and 8.

²⁰In the case of minerals, the trends in table 4 are not so clear. Note, however, that agricultural products usually remain a major component of the final products into which they are processed, whereas minerals are combined and diluted to a much greater extent in the final processing stages of the products into which they are incorporated (plastics, automobiles, machinery, equipment, etc.) Table 4 covers only the early stages of the processing of mineral products in the basic metals industries.

²¹As regards the interpretation of these data, the paper prepared by Yeats—from which the table in question was extracted—contains the following observations: "Three points should be noted here. First, the individual NTB coverage indices are not necessarily additive since more than one type of non-tariff measure can be applied to a specific product. Second, it is difficult to assess accurately the effects of the industrial-country surveillance systems, such as those which are applied extensively to the steel sector. At the least, the establishment of these complex systems would probably cause exporters to pursue less aggressive trade policies since they could be viewed as precursors of more onerous forms of NTBs if exports expanded too rapidly. Finally, evidence has been cited which shows that the industrial countries are making increased use of anti-dumping and countervailing duties as measures to harass developing country exporters." See A. Olechowski and A. Yeats, "Trade Barriers, Structural Adjustment Issues and the International Debt Problem. Some Empirical Evidence and Perspectives relating to Latin America", UNCTAD, Manufactures Division, Geneva, 1 August 1984, p. 23.

²²See, for example, *Methods of Measurement of Non-Tariff Barriers*, UNCTAD/ST/MD/28, United Nations, 1985.

²³See Olechowski and Yeats, *op. cit.*

²⁴For an updated analysis of these processes and institutions, see Augusto Bermúdez, *América Latina: panorama actual de la integración y cooperación* (E/CEPAL/L.299), Santiago, Chile, 15 May 1984. See also, ECLAC, *International economic relations and regional co-operation of Latin America* (E/CEPAL/G.1303), Sanriago, Chile, 1984.

²⁵The International Trade and Development Division of ECLAC is concluding a study on the marketing, distribution and transport of commodities, from which the above reference is taken.

²⁶In addition to the study mentioned in footnote 25, a number of other studies are in the final stages of preparation. These are concerned with the processing in Latin America of export

commodities and with the redirection of trade both in commodities and in merchandise in general. All of these studies are being undertaken by the International Trade and Development Division of ECLAC.

²⁷These are not only economic, but also political costs and benefits as well.

²⁸The concept of managed protection refers to that which results from administrative mechanisms whose aim is to protect the domestic market against fair or unfair external competition.

²⁹See, *Monthly Bulletin of Statistics*, United Nations, New York, June 1984.

³⁰The decline in United States exports to Latin America between 1981 and 1983 brought about a loss of 400 000 jobs and a 0.3% reduction in the growth of the United States gross domestic product. See, *Quarterly Review*, Federal Reserve Bank of New York, vol. 8, No. 3, autumn 1983. In addition, see chapter II, section E of this document for the most recent estimates presented by Gerard Adams to the United States Congress.

³¹An illustration of this is provided by the case of Brazil, where responsibility for trade matters is shared by the Ministry of Foreign Relations and the Ministry of Finance.

³²There are a number of precedents for joint approaches by the countries of Latin America to those responsible for United States trade, as, for example, in the cases of textiles and of sugar.

³³Participation in such efforts by countries outside the region is facilitated in the case of action against protectionist bills which would apply to all countries irrespective of their individual circumstances, thereby fostering the emergence of a common interest on the part of these countries.

³⁴It is not sufficient to visit the Department of State to submit proposals and then wait for the Department to negotiate a solution with the President and Congress, which is favourable to the interests of the region.

³⁵See the precedents set for the use of retaliatory measures by the EEC and Canada in response to United States restrictions on special steels and the response by China in countering United States quotas on textile imports.

³⁶See section 301 of the *United States Trade Act of 1974*, and *EEC Council Regulation No. 2641/84, Official Journal of the European Communities*, vol. 27, L 252, 20 September 1984.

³⁷The Trade Representative, the Departments of State, of the Treasury, etc.

³⁸This effort to create a greater awareness on the part of the President about the region's concerns might very well succeed since, by virtue of his office, the President has to take into account not only domestic economic and political considerations, but also external ones.

³⁹A Commissioner may even decide to refrain from proposing any measure at all, even though he finds that there has been an injury, if he considers that no remedy is sufficient to remove the damage done. See the recommendation of Susan Liebler to the Chairman of the Commission in case No. TA-201-52 relating to refined copper.

⁴⁰In response to the negative recommendation of the Commission in case No. TA-201-50 relating to footwear, in which the ITC based its conclusion as to the absence of injury on the existence of considerable earnings by the sector in spite of various indicators of injury (growing imports, the bankruptcy of some enterprises, an increase in idle capacity and unemployment). Congress included an amendment in the 1984 Trade and Tariff Act according to which the presence or absence of any factor which the Commission is to assess in making its recommendation does not necessarily signify the existence or absence of injury.

⁴¹See Title II, section 249 of the 1984 Trade and Tariff Act.

⁴²The Trade Policy Committee, which is chaired by the Trade Representative, is composed of the Secretaries of Commerce, Agriculture, State, the Treasury, Labour, the Interior, Defence, Transportation and Energy as well as the Director of the Office of Management and the Budget, the Chairman of the Council of Economic Advisors, the President's National Security Advisor and the Director of the Agency for International Development.

⁴³See Title VI of the 1984 Trade and Tariff Act.

⁴⁴See bills HR 2345 and 2451 in OAS, *CECON Trade News*, vol. X, No. 5, Washington D.C., 1985.

⁴⁵See the section relating to United States legislation in chapter IV.

⁴⁶These sectors are primarily consumers, importers and processing industries.

⁴⁷In spite of the existence of bills (HR 2345 and 2451) which provide for the imposition of countervailing duties on imported products which make use of subsidized natural resources, United States producers and exporters themselves make use of subsidized natural resources, such as, *inter alia*, water and natural gas.

⁴⁸This last type of suspension agreement is restricted to those countries availing themselves of the right to proof of injury.

⁴⁹See the 1984 United States Trade and Tariff Act, Title VI, section 604.

⁵⁰United States legislation denies the right to a demonstration of injury in respect of taxable imports to exporter countries which have not signed the Subsidy Code or which have not adopted commitments equivalent to those contained in the Code.

⁵¹See paragraph 3 of the decision taken by the contracting parties on 28 November 1979 in GATT, *Tokyo Round of Multilateral Trade Negotiations*, supplementary report, Geneva, January 1980.

⁵²In respect of countervailing and anti-dumping duties, the EEC institutions may establish duties which are lower than the net subsidy or margin of dumping, whereas the United States Department of Commerce automatically applies duties which are equivalent to the subsidy or margin of dumping. As far as safeguards are concerned, the flexibility of the EEC institutions is accounted for not only by the wide variety of measures at their disposal, but also by the possibility of restricting the geographical sphere of application of a measure to one or several member States.

⁵³This lack of an automatic relationship between affirmative results in the technical investigation and the decision made in the case is also to be observed in the United States in regard to safeguard measures. The President is free to amend or reject the technical recommendations made by the International Trade Commission. However, in the case of countervailing and anti-dumping duties, United States legislation does provide for an automatic decision. See, the 1979 United States Trade Act, section 701 (a), Public Law 96-39-26 of July 1979.

⁵⁴As a condition for the adoption of a trade measure, the Community's legislation adds the further stipulation that "the interests of the Community require them", which is not a technical but a political requirement. In this respect, see the following basic trade regulations: EEC Council Regulation No. 228/82, article 16; EEC Council Regulation No. 2641/84, article 10; EEC Council Regulation No. 2176/84, articles 11 and 12.

⁵⁵The extent of the role played by the member States in the negotiations and in bringing pressure to bear are proportional to the extent to which their interests are involved in the decision.

⁵⁶SELA, *Evaluación de las relaciones entre América Latina y la CEE*, tenth regular meeting of the Latin American Council, Caracas, 24-26 October 1984.

⁵⁷SELA has estimated that 30% of Latin America's debt is contracted with private and official European sources. Source: see previous note.

⁵⁸In 1983, the EEC displayed its determination and response capacity in the case of special steels imported by the United States and in the adoption of a new instrument of trade defence in 1984 which is similar to section 301 of the United States Trade Act of 1974 and serves as the legal framework for the adoption of retaliatory trade measures.

⁵⁹European Bureau of Consumers Unions - Banking Federation of the European Community.

⁶⁰GRULA, or the Latin American Group, is comprised of the Latin American ambassadors accredited to the EEC.

⁶¹Note the difference with respect to managed protection as practiced in the United States, where political aspects only play a part at the decision-making stage.

⁶²In the United States system, the leeway enjoyed by the agencies responsible for conducting the investigations (the Department of Commerce and the International Trade Commission) is circumscribed by a large body of technical rules.

⁶³In the United States system, the proof of damage falls within the purview of the International Trade Commission, an independent body of a judicial character.

⁶⁴See EEC Council Regulation No. 288/82 concerning common import rules, article 17, *Official Journal of the European Communities*, vol. 25, L 35, 9 February 1982.

⁶⁵By way of example, the decision by France to impose a unilateral restriction on imports of video recorders from Japan and to transfer the French customs office dealing with this type of equipment to the city of Poitiers induced the EEC to reach a "voluntary" restraint agreement with Japan.

⁶⁶This provision for emergency cases is frequently invoked by the member State asking for a protectionist measure.

⁶⁷See, EEC Council Regulation No. 288/82, article 15.

⁶⁸Thus, of the 42 community quotas established by GATT, only four apply throughout the Common Market. See GATT, Group on Quantitative Restrictions and Other Non-Tariff Measures, *Analysis of the Group's documentation* (NTM/W/9), 12 November 1984.

⁶⁹This section will emphasize anti-dumping procedures, inasmuch as almost all the investigations that were begun in the period 1979-1982 were related to dumping practices.

⁷⁰Furthermore, if the Community industry in question is having difficulties, then regardless of whether or not these problems are due to the dumping of imports, providing proof of damage is more likely to be a complicated undertaking.

⁷¹This attitude is accounted for by the extensive use of production subsidies by the EEC countries.

⁷²A total of 60% of the cases which were initiated during the period 1980-1982 were resolved through this procedure. See, Commission of the European Communities (CEC), *Premier rapport annuel de la Commission des Communautés européennes sur les actions antidumping et antisubventions de la Communauté* ((COM) (83) 519 final/2), Brussels, 28 September 1983.

⁷³The concept of "EEC interests" is increasingly invoked by the consumers, importers and processors of products which have allegedly been dumped or subsidized. However, the Commission has so far refused to allow the interests of these groups to prevail over the interests of the producers of such goods.

⁷⁴See, EEC Council Regulation No. 288/82, article 1 and annex I, article 20.

⁷⁵The case which best illustrates this is that of imports of Japanese automobiles into the EEC, which are subject to "voluntary" restrictions in France, the Federal Republic of Germany, the United Kingdom and the Benelux countries.

⁷⁶See, EEC Council Regulation No. 899/83, *Official Journal of the European Communities*, vol. 26, L 103, 21 April 1983.

⁷⁷See the decision of the Commission concerning tinned mushrooms, in which the Commission declared an export restriction agreement between French and Taiwanese producers null and void because it violated article 85. *Official Journal of the European Communities*, vol. 19, L 129, 18 May 1976.

⁷⁸See article 171 of the Treaty of Rome.

ANNEX

Annex 1

A BREAKDOWN OF THE INFORMATION ON PURCHASING POWER

1. Export dependence, by country

a) *United States*

Table 1 of the statistical appendix shows that Latin America has a greater response capacity in the sphere of trade with respect to the United States than *vis-à-vis* the other developed countries. This capacity is concentrated in 19 products in group 1 representing 37% of the United States exports to Latin America and close to 6% of its total world exports. Furthermore, all 59 products in group 2 have a dependence coefficient of over 10%, and 20 of them have a coefficient of over 30%.

In the category of agricultural and food products, the United States' presumed trade dependence on the Latin American market is primarily in wheat exports (SITC 0410). In 1982, one-fifth of the United States' world exports of wheat, i.e., US\$1 251 million, went to the region, accounting for 4% of its total exports to Latin America and 0.6% of its total world exports. This presumed dependence as regards agricultural exports is proportionately greater, although the trade value is lower, in the case of oilseeds, oil nuts and oil kernels (SITC 2218), and beans, peas, lentils and other leguminous vegetables (SITC 0542). These products in group 2, which the United States exports to the region, represent almost one-half of its world exports of these products and together involve more than US\$300 million. Finally, within group 2, 40% of the unmilled cereals (SITC 0459) and soya bean oil (SITC 4212) are exported to Latin America and represent a combined value of around US\$430 million. The level of sectoral dependence as regards exports of products involving a low or minimum level of processing is surprisingly high in the case of the United States.

There is also substantial dependence in respect to energy products. About 90% of the exports of gasoline and other light oils (SITC 3321), worth US\$503 million, and one-fifth of the residual fuel oils (SITC 3324), valued at US\$390 million, were "absorbed" by the region and together represent about 2% of total United States exports to Latin America.

Other United States exports displaying high levels of dependence on the regional market are, firstly, manufactured goods (especially non-electrical and electrical machinery and transport equipment) and, secondly, chemicals iron and steel products and miscellaneous manufactures. One important item is construction and mining machinery (SITC 7184), which accounts for one-fourth of the United States exports of these products worldwide, at a value of around US\$1.7 billion and more than 5% of total United States exports to Latin America.

Under the heading of non-electrical machinery, the items, with an export dependence close to or higher than one-fifth include: internal combustion engines (SITC 7115), pumps and centrifuges (SITC 7192), heating and cooling equipment (SITC 7191), and mechanical handling equipment (SITC 7193). These four types of products, taken together, represent over US\$2 billion in exports to the region and close to 7% of total United States sales to Latin America.

More than 40% of United States exports of food-processing machinery, excluding machines for household use (SITC 7183), depend on the regional market; 30% of metalworking machine tools (SITC 7151) do so, as well as about one-third of mineral crushing, sorting and moulding machinery (SITC 7185) and the same proportion of textile machinery (SITC 7171). These four lines of products represent a total value in exports to the region of around US\$650 million, which is almost 3% of total United States exports to Latin America.

Under the heading of electrical machinery, three groups of products have a level of dependence of about one-fifth: telecommunications equipment, n.e.s. (SITC 7249)*, electrical apparatus for making and breaking circuits (SITC 7222) and electrical machinery and apparatuses, n.e.s. (SITC 7299); these product lines represent a total value of around US\$1.5 billion —more than 4% of the total exports to the region. In addition, around two-thirds of the United States' foreign sales of television receivers (SITC 7241), for a value of US\$150 million, go to the Latin American market. Finally, in the transport equipment sector*, one-fifth of the motor-vehicle bodies, chassis, frames, etc. (SITC 7328), valued at some US\$1.5 billion, were exported to Latin America, i.e., about 5% of the United States' total exports to the region.

Among the manufactured products, the chemical and petrochemicals sector is, in the United States, the second most dependent on the

*The indication n.e.s. denotes a heterogeneous grouping of different types of products under the heading in question; a more detailed breakdown of these SITC groupings might show that they are not suitable for the use of purchasing power.

*The values corresponding to the products included in the sector of ships and boats (SITC 735) are difficult to interpret since, although the region appears to have a large import potential, much of this trade actually corresponds to ships registered under flags of convenience, especially the Panamanian flag.

Latin American market as regards its exports. One-fourth of both polymerization and copolymerization products (SITC 5812), and hydrocarbons and their derivatives (SITC 5121) was exported to the Latin American countries, for a combined total of close to 3% of the United States' total exports to the region. The United States exported to the region around one-third of its nitrogenous fertilizers and nitrogenous fertilizer materials (SITC 5611), although this group of products is essentially of sectoral significance only.

Of the remaining manufactures eight product lines should be mentioned in which 30% to 50% of the exports are shipped to the Latin American market for a combined value of approximately US\$1.3 billion, or, more than 4% of the United States' total exports to the region. These items are: clothing of textile fabric (does not include knitted or crocheted garments) (SITC 8411), paper or paperboard articles (SITC 6423), finished structural parts and structures of iron or steel (SITC 6911), iron or steel tubes and pipes (SITC 6782), synthetic woven fabrics (SITC 6535), rubber tires and tubes for vehicles (SITC 6291), knitted or crocheted clothing and accessories (SITC 8414) and phonographs, tape recorders and other sound recorders and reproducers (SITC 8911).

b) *Spain*

Spain, with US\$1 848 million of exports to Latin America in 1982, ranks eighth among the developed suppliers of the Latin American market. The number and variety of products having a high degree of export dependence places this country in second place among those suppliers in respect of which Latin America could use its import capacity as a bargaining tool. Of the 63 products included in the statistical appendix, which represent around 7% of Spain's total world exports, this dependence is concentrated in 23 products, in group 1. These products account for 50% of Spain's total exports to the region and nearly 5% of its total world exports. The 40 products in group 2 have dependence coefficients of more than 10%, and 13 of them are above 30%.

In agricultural, mining and energy products, Spain's dependence on Latin America is sectoral rather than global. Among the products in group 2, 50% of the exports of copper ore and concentrates (SITC 2831) —worth over US\$6 million— as well as 40% of dehydrated vegetables, excluding legumes (SITC 0851) —with a value of US\$14 million— went to Latin America.

Exports of printed matter (SITC 8921) are the most dependent. Almost three-quarters of all books and printed pamphlets (SITC 8921) that were exported were sent to the Latin American market, as was one-third of the miscellaneous printed matter (SITC 8929), and 40% of the newspapers and periodicals (SITC 8922). Taken together, these three

types of products accounted for exports worth nearly US\$240 million in 1982, i.e., almost 13% of Spain's total exports to Latin America and the Caribbean and nearly 2% of Spain's total world exports in the same year.

Non-electrical and electrical machinery and transport equipment are among Spain's chief export items which depend on the Latin American market. Around 50% of Spain's exports of both paper manufacturing, handling and cutting machinery (SITC 7185) and mineral crushing, sorting and moulding machinery (SITC 7185), were sold to the region for a combined value of close to US\$50 million. Approximately one-third of the exports of heating and cooling machinery (SITC 7191), metalworking machinery and tools (SITC 7151), mechanical handling equipment (SITC 7193), machinery and mechanical appliances, n.e.s. (SITC 7198) and textile machinery (SITC 7171), were sold on the Latin American market for an aggregate value bordering on US\$200 million, equivalent to 10% of Spain's total exports to Latin America and almost 1% of its total world exports for that year. Spain exported approximately one-fifth of its parts and accessories for machinery, n.e.s. (SITC 7199) and pumps and centrifuges (SITC 7192), to the region for the sum of US\$60 million, i.e., more than 3% of Spain's total exports to Latin America. Finally, cases exhibiting what is basically a sectoral dependence include boiler plants (SITC 7112), with around two-thirds of the exports being sent to Latin America, and metalworking machinery (SITC 7152) and engines, n.e.s. (SITC 7118), with around 50% of the exports going to the region. Products exhibiting an export dependence of one-third include other non-electrical machines (SITC 7196), steam generating boilers (SITC 7111) and food processing machines (excluding those for household use) (SITC 7183). These last five products accounted for exports of US\$66 million, which was more than 3% of the total exports from Spain to Latin America.

With respect to electrical machinery, around 30% of Spanish exports of telecommunications equipment, n.e.s. (SITC 7249), were sold to Latin America and more than 50% of its exports of electrical measuring and controlling instruments (SITC 7295) also went to the Latin American market. The export value of these last two products was on the order of US\$50 million, or almost 2% of Spain's total exports to the region.

Although transport equipment is not so heavily dependent on the Latin American market, it does include a number of items of particular importance at the aggregate level. The main such product is buses, including trolley buses, whether or not assembled (SITC 7322), one-third of which were sold to countries in the region.*

*See also the note on ships and boats (SITC 735).

Chemicals and petrochemical products show a dependence very similar to that of the United States, with two products in group 1 and two in group 2. One-sixth of the exports from Spain of both polymerization and copolymerization products (SITC 5812) and hydrocarbons and their halogenated and sulfonated derivatives (SITC 5121) were sold on the Latin American market for a combined sum of US\$55 million, which was equivalent to 3% of Spain's total exports to the region. With a more sectoral rather than overall dependence, almost one-half of all the regenerated cellulose and chemical derivatives (SITC 5813) and over one-third of the inorganic acids and oxygen compounds (SITC 5133) sold by Spain went to the Latin American market for a value of US\$25 million, which was equivalent to more than 1% of Spain's total exports to the region.

Finally, metal manufactures, iron and steel products, and measuring, controlling and scientific instruments complete the list of the main exports which are dependent on the Latin American market. Close to one-fifth of the exports of finished structural parts and structures (SITC 6911) and miscellaneous manual and machine tools (SITC 6952), one-sixth of the iron or steel tubes and pipes (SITC 6782) and lastly one-third of the measuring, controlling and scientific instruments (SITC 8619) were exported to the region.

c) *Italy (EEC)*

With US\$2.87 billion in exports to the region in 1982, Italy is the fourth largest developed supplier of Latin America and the second largest in the EEC, after the Federal Republic of Germany.

The 30 products included in table 1 of the statistical appendix represent 62% of Italy's exports to Latin America, which is equivalent to 2.5% of the country's total world exports. Almost all the products listed in this table belong to group 1.

As in the two previous cases, Italy's export dependence is concentrated in manufactured goods. Of these products the main one corresponds to the chemical sector: 96% of the exports of metallic salts and peroxy salts of inorganic acids (SITC 5141) were sold to Latin America, at a value of US\$265 million. This product alone accounted for close to 10% of Italy's exports to the region and 0.36% of its total world exports. In addition, 10% of the gold, silver and platinum jewelry (SITC 8971) exported by Italy was sold to Latin America for a value of US\$233 million, which was equivalent to 8% of Italy's exports to the region. One-sixth of the iron and steel tubes and pipes (SITC 6782) were also shipped to Latin America, for a value of US\$112 million, representing 4% of Italy's total exports to Latin America.

Of the remaining products in group 1, the sectoral dependence coefficients between 10% and 36% all correspond to non-electrical and

electrical machinery. Italian exports to the region in the category of non-electrical machinery amounted to a value of around US\$360 million, i.e., about 13% of Italy's total exports to Latin America. Lastly, one-sixth of the exports of electrical devices, for breaking or connecting electrical circuits (SITC 7222) and of electric power machinery (SITC 7221) were sold to Latin America, for a combined value of US\$210 million, which was more than 7% of Italy's total exports to Latin America.

d) *Canada*

Canada exported US\$2 222 million worth of goods to Latin America and the Caribbean in 1982, making it the region's sixth largest supplier among the developed countries. This figure represented 3.3% of Canada's total world exports.

Agricultural, food and mineral products show a high level of dependence. In 1982, around 10% of Canada's total world wheat exports (SITC 0410) went to Latin America and the Caribbean, at a value of US\$250 million, which was equivalent to 11% of Canada's exports to the region and 0.40% of its total world sales. More than 50% of its dry milk and cream exports (SITC 0222) and 30% of its exports of refined sugar (SITC 0612) were sold to Latin America for a combined value of US\$83 million.

Among the mineral products, more than 10% of the sulphur exports (SITC 2741), of crude asbestos (SITC 2764) and of synthetic rubber and rubber substitutes (SITC 2312) went to the region for a combined value of over US\$140 million, which represented some 6% of Canada's exports to Latin America and 0.21% of its total world exports.

The main category among manufactured products was transport material. The bodies, chassis, frames and other parts of motor vehicles (SITC 7328) yielded a sectoral dependence coefficient of 16% and represented US\$356 million, or 16% of Canada's exports to the region and 0.53% of its total world exports. Finally, among the exports of non-electrical machinery, 10% of both internal combustion engines (except aircraft engines) (SITC 7115), and metalworking machine tools (SITC 7151), were directed to the Latin American market, for a combined value of almost US\$120 million, i.e., almost 6% of Canada's total exports to the region.

e) *Japan*

Japan is the second largest supplier of the Latin American market (US\$8 987 million in 1982). Except in isolated cases, its exports exhibit no major sectoral dependence on the Latin American market.

There is no such product of any importance in the categories of agriculture, food, minerals, energy or chemicals; the few cases which do

exist are chiefly in iron and steel manufactures or electrical or non-electrical machinery. In these groups, one-sixth of its exports of iron or steel tubes and pipes (SITC 6782) with a value of US\$675 million, were sold on the Latin American market; this represented 8% of Japan's exports to the region or 0.50% of its total world exports. In the same sector, 8% of the exports of plates and sheets less than 3 mm thick (SITC 6743) were sold to the regional market for a value of US\$185 million, which amounted to more than 2% of Japan's total exports to the region.

In the electrical machinery sector, about one-sixth of the exports of electric power machinery (SITC 7221) (US\$229 million) were sold to the region; this represented around 3% of Japan's total exports to Latin America. Other products having a combined export value of nearly US\$370 million and an export dependence of between 5% and 10% included: television broadcast receivers (SITC 7241); valves, tubes and photocells (SITC 7293); electrical devices for making and breaking circuits (SITC 7222); and telecommunications equipment, n.e.s. (SITC 7249).

Non-electrical machinery falling under group 1 includes heating and cooling equipment (SITC 7191), internal combustion engines (SITC 7115) and metalworking machine tools (SITC 7151). Finally, nearly 10% of Japan's exports of watches, watch movements and cases (SITC 8641), were sold to the region at a value of US\$87 million.

f) *Other countries of the European Economic Community*

Although a few of the products listed in table 1 of the statistical appendix for the remaining eight EEC countries show some degree of dependence on the Latin American market, the level is much lower than that found in the countries previously examined. For example, France, the fifth largest of the developed-country suppliers to the region (US\$2 422 million exported in 1982), has 19 products with some degree of sectoral dependency, most of them belonging to group 1. Altogether, the products account for 46% of France's exports to the region, but for only 1.20% of its total world exports. In the case of Denmark, its 14 dependent products represent only 1.23% of its total world exports. Next in line, are the Federal Republic of Germany, with 13 products (0.70% of its total world exports), the United Kingdom with 11 products (0.60%), Ireland with seven products (0.73%), Holland with five products (0.31%), Belgium with ten products (0.28%) and, finally, Greece with three products (0.04%).

A brief overview, by sector, for the eight countries is given below.

i) *Agricultural and food products.* For Denmark, Ireland, Holland and Belgium, dry milk and cream (SITC 0222) are the products showing the greatest dependence on the Latin American market. In these four

countries, this product's degree of export dependence is between 13% and 23% of exports, with values ranging from US\$28 million in exports of these goods from Belgium to nearly US\$80 million from Holland; as a percentage of the total exports of each to Latin America, these four countries' sales of this product varied from a low of 5% for Belgium to a high of 36% for Ireland. Furthermore, 11% of both French and Belgian exports of malt and malt flour (SITC 0482) were sold to Latin America, with an export value of US\$26 million and US\$12 million, respectively.

In the United Kingdom, the main export which depends on the Latin American market is distilled alcoholic beverages (SITC 1124), 10% of which were sold to Latin America (US\$174 million). This represents 9% of this country's exports to the region and 0.18% of its total world exports.

ii) *Manufactured products.* For France, the major sectoral dependence is in transport equipment, with 7% of heavier-than-air aircraft (SITC 7341) exports going to the region for a value of US\$172 million and 98% of the mechanically propelled railway and tramway cars (SITC 7314), for a value of US\$101 million. In addition, 50% of the exports of railway and tramway passenger cars which are not mechanically propelled (SITC 7315) were sold in the region for a value of US\$15 million. These three products represented close to 13% of France's total exports to Latin America in 1982. France also exports various electrical and non-electrical machinery products to Latin America, although their dependence coefficients are lower.

In Denmark, non-electrical machinery is the item which is most heavily dependent on the Latin American market after agriculture. One-fifth of the mineral crushing, sorting and moulding machinery (SITC 7185) was sold on the Latin American market for US\$30 million, which amounted to 11% of Denmark's total exports to Latin America.

In the Federal Republic of Germany, no product has a coefficient of export dependence on the Latin American market above 12%, although some do show a certain measure of dependence because of the amount of overall exports which they represent for the country's economy. Thus, 5% of its exports of motor-vehicle bodies, chassis, frames, etc. (SITC 7328) were sold to Latin America for a value of US\$307 million, which was equivalent to almost 8% of the country's total exports to the region. Chemical exports are a particularly important item. Between 7% and 10% of these exports were sold on the Latin American market, with a combined export value of over US\$200 million (more than 6% of the Federal Republic of Germany's exports to the region). Finally, some electrical and non-electrical machinery complete the list with dependence coefficients below 10%.

In the United Kingdom, one-fifth of the exports of tubes and pipes of iron other than cast iron (SITC 6783), as well as close to 10% of the

iron or steel tubes and pipes (SITC 6782) were sold on the Latin American market for a combined value of over US\$50 million. There is a greater dependence on the region's market, however, in the case of exports of internal combustion engines other than for aircraft (SITC 7115), metalworking machine tools (SITC 7151) and textile machinery (SITC 7171). These products have dependence coefficients below 10%, but the value of these exports was nearly US\$150 million, i.e., more than 7% of total United Kingdom exports to the region.

In the case of Ireland, in addition to agricultural and food products, close to one-third of printed matter, n.e.s. (SITC 8929) went to the region's market, for a value of US\$6 million which represents around 6% of the country's total exports to Latin America. One-fifth of the exports of both electrical machinery and apparatus, n.e.s. (SITC 7299) and other organic chemicals (SITC 5129) were shipped to the region, representing more than 7% of Ireland's total exports to the region.

The Netherlands' exports of manufactures depend very little on the Latin American market. The dependence coefficient is between 5% and 11% for exports of electrical machinery and apparatus, n.e.s. (SITC 7299), blooms, billets, and other roughly forged pieces of iron and steel (SITC 6725) and hormones (SITC 5415). These products had a combined export value of over US\$30 million, which was equivalent to 5% of the Netherlands' total exports to the region.

In the case of Belgium, the dependence of its manufactured exports on the Latin American market is concentrated in iron and steel products and, to a lesser extent, in non-electrical and electrical machinery. Between 8% and 16% of its exports of iron and steel in the form of blooms, billets, etc. (SITC 6725) and of iron tubes and pipes (other than of cast iron) (SITC 6783) went to the Latin American market at a combined value of US\$30 million, i.e., more than 5% of the country's total exports to the region. Other products in group 1 are textile machinery (SITC 7171), heating and cooling equipment (SITC 7191), machinery and mechanical appliances, n.e.s. (SITC 7198) and electric power machinery (SITC 7221).

Finally, as regards Greece, none of the three products shown in the statistical appendix has a dependence coefficient higher than 10% in respect of the region's market, nor did the exports of any one of these products amount to over 0.02% of Greece's total world exports in 1982.

g) *Portugal*

With a total of US\$67 million worth of exports in 1982 to the Latin American countries, Portugal is one of the region's smallest suppliers. Nonetheless, the sales of some products are relatively dependent on the Latin American market, including a number of agricultural or food products, such as olive oil (SITC 4215), of which half the exports,

amounting to US\$4 million, went to the region; the sales of this product thus accounted for more than 6% of Portugal's total exports to these countries. Of the manufactured products, 10% of its exports of parts and accessories of machinery, n.e.s. (SITC 7199) were sold to the region, as were 91% of the exports of newspapers and periodicals (SITC 8922), 14% of the other manual or machine tools (SITC 6952) and 16% of the books and printed pamphlets (SITC 8921), for a combined value of over US\$8 million, i.e., more than 12% of Portugal's total exports to the region.

2. Purchasing power, by country

a) *Mexico*

Mexico ranks first among the countries of the region both in terms of import potential and as the primary focal point of the sectoral export dependence in certain items of a substantial number of developed countries. A range of sectoral dependencies on the Mexican market are to be observed* and, in 61 cases, Mexico in fact already does use its individual import potential as a tool in trade negotiations with the United States (the country with which it has the most bargaining power). Of these cases, Mexico's response capacity would appear to be particularly strong in respect of certain agricultural products such as oilseeds, nuts and oil kernels; beans, peas, lentils and other legumes; and unmilled cereals. Of the energy products, mention should be made of gasoline and other light oils and of hydrocarbons and their chemical derivatives. Items of non-electrical machinery which are of importance include metalworking machine tools, construction and mining machinery (although Venezuela has a greater response capacity in respect of this item), food processing machines, and mineral crushing, sorting and moulding machinery. Under the heading of electrical machinery, the main products are television broadcast receivers and electrical apparatus for making and breaking circuits. As regards transport equipment, the principal items are motor-vehicle bodies, chassis, frames and other parts, while important products among other export sectors include pulp, paper or paperboard articles, phonographs, tape recorders and other sound recorders, and clothing and textiles other than knitted or crocheted garments. Mention has been

*In an attempt to identify those cases where a Latin American country could, acting on its own, have a significant impact on both the external sector as a whole and a given export sector of the developed countries, the products having a dependence coefficient above 5% were selected from among those figuring in the appendix. The choice of this level is merely a convention used in an effort to provide a very general and preliminary indication of the possibilities of this sort at the national level.

made here only of the main products, but a careful study of table 2 of the statistical appendix will reveal the great variety of items which make Mexico the Latin American country with the greatest response capacity *vis-à-vis* the developed countries, particularly the United States.

Spain is the developed country in respect of which Mexico has the second greatest response capacity by reason of its import potential, with a total of 26 cases in which Mexico represents an export dependence of above 5%. These cases cover a wide variety of products, ranging from books, pamphlets and other printed matter to certain kinds of transport equipment, non-electrical machinery and chemicals.

In respect of the other developed countries, Mexico has the potential to carry out individual action in from one to four product groups in relation to each; the main such countries being Italy, Canada, Japan and the Federal Republic of Germany. The items in question are non-electrical machinery, some agricultural products and some products in the chemical sector.

b) *Venezuela*

Venezuela is the country in the region which has the second largest import potential. While this capacity is concentrated mainly in United States and Spanish exports, with 28 and 21 items, respectively, Portugal, Italy, France and Canada also have an export dependence on Venezuela of over 5% in 7, 5, 6 and 4 product groups, respectively. Lastly, Japan, Denmark, the United Kingdom, Ireland, the Netherlands, Belgium and Greece, each have export dependence coefficients above 5% in a total of from one to three cases.

In respect of the United States, the items involved are non-electrical and electrical machinery and transport equipment, and in certain cases, food preparations. As regards Spain, this capacity is found mainly in machinery, certain chemicals and alcoholic beverages, while in relation to the rest of the countries, the products involved are olive oil, chemicals and transport equipment. For Portugal, the main items are chemicals (metallic salts and peroxysalts of inorganic acids); for Italy, transport equipment; for France, agricultural products (fresh potatoes, not including sweet potatoes); for Canada, non-electrical machinery and transport equipment; for Japan, iron products and steel; for Denmark, Ireland, the Netherlands and Belgium, agricultural products, especially dry milk and cream; and for Greece, a number of chemicals.

c) *Brazil*

Brazil, although to a lesser degree than Mexico and Venezuela, also has an individual import potential *vis-à-vis* the developed countries. In 1983, the Brazilian market generated an export dependence of over 5%

in respect of from 1 to 9 products in each of the 14 developed countries except Denmark and Greece.

Portugal and the United States, in that order, represent the major countries in which, in nine cases each, Brazil generates the above-mentioned presumed dependence coefficients. France and Spain come next in line with 5 and 4 cases, respectively, followed by Italy, the United Kingdom, Canada, the Federal Republic of Germany, Belgium, Japan, Ireland and the Netherlands, with a total of from 1 to 3 cases each.

As regards Portugal, the products in question are mainly agricultural—such as olive oil, malt and malt flour, fresh or dried nuts and fresh fruit—and manufactured goods, especially books and printed matter and chemicals.

It is important to note that Brazil absorbs 6% of the United States total world wheat exports, i.e., almost one-half of the United States' total wheat exports to the region in 1982. The share of the Brazilian market in products such as metal manufactures, electrical machinery, rubber tires and inner tubes, etc., is also quite substantial.

The main French exports to Brazil are non-electrical machinery and metal manufactures, while Spain's exports to this market are chiefly chemicals (inorganic acids, oxygen compounds as well as potassic fertilizers and other fertilizer products) and agricultural goods (dehydrated vegetables excluding leguminous vegetables).

d) *Argentina*

Continuing with the conventional limit of export dependence coefficients above 5%, Argentina occupies fourth place among the countries of Latin America and the Caribbean. This capacity is seen in a total of between 1 and 11 cases each in 9 of the 14 developed countries analysed in this study.

In the Argentine market, a total of 11 items from Spain, three from Italy, two from Portugal and one from each of the five remaining countries (Canada, France, Denmark, the Federal Republic of Germany and Belgium) register these levels of dependence.

Spain is dependent on the Argentine market in the areas of electrical machinery (telecommunications equipment, n.e.s.), books and printed matter, and several metallic manufactures. Italy's dependence is found mainly in the base metals sector, in other metallic salts and peroxysalts of inorganic acids and in iron or steel coils for re-rolling. As regards Portugal, the main product groups are raw cork and organic mineral and heterocyclic compounds. Lastly, in respect of the five countries having a minimum dependence level in the Argentine market for one product each, the goods involved are non-electrical machinery, iron and steel, chemicals or metal manufactures.

e) *Colombia*

The presumed sectoral dependencies of developed countries generated by the Colombian market are found primarily in five products from Spain, four from the United States and one each from Canada, Denmark, the Federal Republic of Germany and Ireland.

In the case of Spain, the products for which the indexes have levels of 5% or higher are books and printed matter, electrical machinery and some chemicals. For the United States, the products are, soya bean oil, peas, beans, lentils and mineral crushing, sorting and moulding machinery. As regards Canada, Denmark, the Federal Republic of Germany and Ireland, the products involved are, respectively, meal and flour of cereals, paper cutting and manufacturing machinery, engines, and books and printed matter.

f) *Peru*

In the Peruvian market, there is sectoral dependence above the conventional limit of 5% in the case of eight products from Spain, two from Portugal and one from Italy.

In the case of Spain, these products correspond to the transport equipment sector (buses, including trolley buses), non-electrical machinery (cooling and heating equipment), books and printed matter, and exports of a number of scientific apparatus and iron and steel products. The Portuguese exports concerned are cast or rolled glass and heaters, boilers and stoves, etc.; in the case of Italy, the export in question is aircraft.

g) *Panama*

The evaluation of Panama's individual response capacity may lend itself to misinterpretations since, as mentioned earlier, many of the relatively high dependence coefficients are concentrated in the sector of ships and boats, when, actually, in the majority of cases, these are vessels registered under a flag of convenience which do not represent exports of ships to Latin America or to Panama in particular.

In the Panamanian market, the United States registers an index of sectoral dependence above 5% in television sets; Spain, in aircraft; Italy, in jewels, gold and silver; Japan, in clocks and watches; Denmark, in malt and malt flour; Portugal in wire cables and ropes and Ireland in photographic film and plates.

h) *Chile*

France has six items and Denmark one item with a sectoral dependence on the Chilean market above 5%. Spain, too, registers dependence in non-electrical machinery, transport equipment and chemicals. In the

case of France, the main item is railway and tramway passenger cars, while for Denmark, it is mineral crushing, sorting and moulding machinery.

i) *Guatemala*

Guatemala's individual response capacity, measured as above, is concentrated in four, two and one cases in Spain, Portugal and Denmark, respectively. In relation to Spain, the items are essentially paper cutting and manufacturing machinery, boiler plants, metal tanks, vats and reservoirs and steam generators. In respect of Portugal, the items are non-mechanically propelled tramway cars, and finished structural parts and structures. Finally, in the case of Denmark, the items are insecticides, fungicides and disinfectants.

j) *Dominican Republic*

This country's market generates sectoral dependence coefficients of over 5% for two products each in the United States and Spain and for one product each in Canada and Ireland. The United States exports concerned are clothing, fabrics and apparel; for Spain, they are of boilers and steam generators; for Canada, salted, dried and smoked fish (not further prepared); and for Ireland, casks, drums, boxes and cans, although in this last case the value of the exports is quite low.

k) *Trinidad and Tobago*

Sectoral dependence above 5% on this country is only to be found in three cases for Canada, one for Portugal and one for the United Kingdom. In the case of Canada, the items are agricultural products (refined sugar and other products, and fresh potatoes other than sweet potatoes) and medicaments. In respect of Portugal, the dependence is in chemical products of condensation, polycondensation and polymerization. As regards the United Kingdom, the products involved are iron tubes and pipes other than of cast iron.

l) *Jamaica*

The Jamaican market only generates sectoral dependence coefficients above 5% in the case of one export from the United States (inorganic bases and metallic oxides) and one from Ireland (various types of printed matter).

m) *Nicaragua*

As in the case of Jamaica, Nicaragua has a very limited individual response capacity. This capacity is concentrated in dry milk and cream

from Canada, above all, and some transport equipment from Greece, although in the latter case the trade value involved is very small.

n) *El Salvador, Uruguay and Haiti*

The markets of these three countries engender in a sectoral dependence of over 5% just one product and one country each. In El Salvador, the item in question is engines from Spain; in Uruguay, the product is fresh potatoes from Canada; in Haiti, the sectoral dependence is in casks, drums and cans and corresponds to Ireland. The remaining ten countries of Latin America and the Caribbean do not appear—judging on the basis of the conventional limits considered in this analysis—to have an individual response capacity *vis-a-vis* the developed countries.⁶

*The reader should bear in mind that, due to the fact that only a limited supply of information was available, these deductions were made from data corresponding to 1982. The conclusions would have carried more weight if they had been based on a longer period going further back in time and then updated to 1984.



Annex 2

ARTICLE XIX*

Emergency action on imports of particular products

1. a) If, as a result of unforeseen developments and of the effect of the obligations incurred by a contracting party under this Agreement, including tariff concessions, any product is being imported into the territory of that contracting party in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers in that territory of like or directly competitive products, the contracting party shall be free, in respect of such product, and to the extent and for such time as may be necessary to prevent or remedy such injury, to suspend the obligation in whole or in part or to withdraw or modify the concession.

b) If any product, which is the subject of a concession with respect to a preference, is being imported into the territory of a contracting party in the circumstances set forth in sub-paragraph a) of this paragraph, so as to cause or threaten serious injury to domestic producers of like or directly competitive products in the territory of a contracting party which receives or received such preference, the importing contracting party shall be free, if that other contracting party so requests, to suspend the relevant obligation in whole or in part or to withdraw or modify the concession in respect of the product, to the extent and for such time as may be necessary to prevent or remedy such injury.

2. Before any contracting party shall take action pursuant to the provisions of paragraph 1 of this Article, it shall give notice in writing to the CONTRACTING PARTIES as far in advance as may be practicable and shall afford the CONTRACTING PARTIES and those contracting parties having a substantial interest as exporters of the product concerned an opportunity to consult with it in respect of the proposed action. When

*General Agreement on Tariffs and Trade, *Basic Instruments and Selected Documents*, vol. IV, text of the General Agreement, GATT/1969-1, Geneva, March 1969.

such notice is given in relation to a concession with respect to a preference, the notice shall name the contracting party which has requested the action. In critical circumstances, where delay would cause damage which it would be difficult to repair, action under paragraph 1 of this Article may be taken provisionally without prior consultation, on the condition that consultation shall be effected immediately after taking such action.

5. a) If agreement among the interested contracting parties with respect to the action is not reached, the contracting party which proposes to take or continue the action shall, nevertheless, be free to do so, and if such action is taken or continued, the affected contracting parties shall then be free, not later than ninety days after such action is taken, to suspend, upon the expiration of thirty days from the day on which written notice of such suspension is received by the CONTRACTING PARTIES, the application to the trade of the contracting party taking such action, or, in the case envisaged in paragraph 1 b) of this Article, to the trade of the contracting party requesting such action, of such substantially equivalent concessions or other obligations under this Agreement, the suspension of which the CONTRACTING PARTIES do not disapprove.

b) Notwithstanding the provisions of subparagraph a) of this paragraph, where action is taken under paragraph 2 of this Article without prior consultation and causes or threatens serious injury in the territory of a contracting party to the domestic producers of products affected by the action, that contracting party shall, where delay would cause damage difficult to repair, be free to suspend, upon the taking of the action and throughout the period of consultation, such concessions or other obligations as may be necessary to prevent or remedy the injury.

Annex 3

ARTICLE XXIII*

Nullification or impairment

1. If any contracting party should consider that any benefit accruing to it directly or indirectly under this Agreement is being nullified or impaired or that the attainment of any objective of the Agreement is being impeded as the result of

a) the failure of another contracting party to carry out its obligations under this Agreement, or

b) the application by another contracting party of any measure, whether or not it conflicts with the provisions of this Agreement, or

c) the existence of any other situation, the contracting party may, with a view to the satisfactory adjustment of the matter, make written representations or proposals to the other contracting party or parties which it considers to be concerned. Any contracting party thus approached shall give sympathetic consideration to the representations or proposals made to it.

2. If no satisfactory adjustment is effected between the contracting parties concerned within a reasonable time, or if the difficulty is of the type described in paragraph 1 c) of this Article, the matter may be referred to the CONTRACTING PARTIES. The CONTRACTING PARTIES shall promptly investigate any matter so referred to them and shall make appropriate recommendations to the contracting parties which they consider to be concerned, or give a ruling on the matter, as appropriate. The CONTRACTING PARTIES may consult with contracting parties, with the Economic and Social Council of the United Nations and with any appropriate intergovernmental organization in cases where they consider such consultation necessary. If the CONTRACTING PARTIES consider that the circumstances are serious enough to justify such action, they may authorize a contracting party or parties to suspend the

**Ibid.*

application to any other contracting party or parties of such concessions or other obligations under this Agreement as they determine to be appropriate in the circumstances. If the application to any contracting party of any concession or other obligation is in fact suspended, that contracting party shall then be free, not later than 60 days after such action is taken, to give written notice to the Executive Secretary to the CONTRACTING PARTIES of its intention to withdraw from this Agreement and such withdrawal shall take effect upon the sixtieth day following the day on which such notice is received by him.

APPENDIX

Table 1A

**UNITED STATES: PRODUCTS EXPORTED BY THE DEVELOPED
COUNTRIES TO LATIN AMERICA AND THE CARIBBEAN
WHICH ARE HIGHLY DEPENDENT AND OF
SIGNIFICANCE FOR GLOBAL AND
SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coeffi- cient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
	Group 1^o				
7184	Construction and mining machinery, n.e.s	24	1 669.6	5.37	0.81
7328	Bodies, chassis, frames and other parts of motor vehicles other than motorcycles (not including rubber tyres, engines, chassis with engines mounted, electrical parts)	19	1 514.5	4.87	0.73
0410	Wheat (including spelt) and meslin, unmilled	19	1 251.3	4.03	0.61
7115	Internal combustion engines, other than for aircraft	18	628.4	2.02	0.30
7192	Pumps and centrifuges	21	624.7	2.01	0.30
7249	Telecommunications equipments, n.e.s.	17	532.6	1.71	0.26
5812	Products of polymerization and co-polymerization (e.g., polyethylene, polystyrene, polyvinyl, etc., derivatives, coumarone-indene resins)	24	506.3	1.63	0.24
3321	Motor spirit (gasoline and other light oils for similar uses, including natural gasoline)	88	503.2	1.62	0.24
9310	Special transactions not classified according to kind	18	443.0	1.43	0.22
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	22	421.0	1.35	0.20
7295	Electrical measuring and controlling instruments and apparatus	10	420.9	1.35	0.20
7143	Statistical machines, e.g., calculating from punched cards or tape	9	413.6	1.33	0.20
3324	Residual fuel oils	20	390.2	1.25	0.19
5121	Hydrocarbons and their halogenated, sulfonated, nitrated or nitrosated derivatives	26	387.1	1.24	0.19
7191	Heating and cooling equipment	17	370.8	1.19	0.18
7149	Office machines, n.e.s.	9	370.2	1.19	0.18
7193	Mechanical handling equipment	24	349.6	1.12	0.17
7293	Thermionic, etc., valves and tubes, photocells, transistors, etc.	8	325.4	1.04	0.15
7299	Electrical machinery and apparatus, n.e.s.	18	325.1	1.04	0.15
	Total group 1 (19 products)		11 447.5	36.79	5.52

Table 1A (continued)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percentage of total exports to Latin America (%) (C)	(B) as a percentage of total exports to the world (%) (D)
Group 2^b					
7241	Television broadcast receivers, whether or not combined with gramophone or radio	63	141.8	0.45	0.07
8411	Clothing of textile fabric, not knitted or crocheted	53	182.5	0.59	0.08
7359	Ships and boats, n.e.s. ^c	41	258.9	0.83	0.12
6429	Articles of paper pulp, paper or paperboard, n.e.s. (including paper and paperboard cut to size)	40	201.2	0.65	0.10
2218	Oil-seeds, oil nuts and oil kernels, n.e.s. (excluding flour and meal)	48	189.5	0.61	0.10
0542	Beans, peas, lentils and other leguminous vegetables, dried (including split)	43	153.8	0.49	0.06
7183	Food-processing machines (excluding domestic)	42	151.2	0.48	0.07
7353	Ships and boats, other than warships ^c	44	103.1	0.33	0.05
0459	Cereals, unmilled, n.e.s.	36	265.6	0.85	0.13
6911	Finished structural parts and structures of iron or steel	37	196.6	0.63	0.10
7151	Machine-tools for working metals	30	196.6	0.63	0.10
6782	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)	36	191.1	0.61	0.10
4212	Soya bean oil	39	176.5	0.57	0.09
7185	Mineral crushing, sorting and moulding machinery; glass-working machinery	35	152.6	0.49	0.07
6535	Fabrics, woven, of synthetic fibres	30	142.7	0.46	0.07
6291	Rubber tyres and tubes for vehicles and aircraft	38	139.6	0.45	0.07
7171	Textile machinery	31	134.0	0.43	0.06
8414	Clothing and accessories, knitted or crocheted	37	123.4	0.39	0.06
8911	Phonographs (gramophones), tape recorders and other sound recorders and reproducers	37	114.3	0.37	0.06
5611	Nitrogenous fertilizers and nitrogenous fertilizer materials (other than natural), n.e.s.	31	100.8	0.32	0.05
7199	Parts and accessories of machinery, n.e.s.	21	301.6	0.97	0.14
7198	Machinery and mechanical appliances, n.e.s.	20	297.0	0.94	0.14
3323	Distillate fuels	25	257.4	0.83	0.12
5992	Insecticides, fungicides, disinfectants (including sheep and cattle dressing) and similar preparations	22	245.1	0.79	0.12
5999	Chemical products and preparations, n.e.s.	24	237.7	0.76	0.11
7195	Powered-tools, n.e.s.	20	200.6	0.64	0.10
3325	Lubricating oils and greases (including mixtures with animal and vegetable lubricants)	22	187.1	0.60	0.10
7196	Other non-electrical machines	20	187.1	0.60	0.10
5997	Organic chemical products, n.e.s.	21	185.5	0.60	0.09
7250	Domestic electrical equipment	27	177.5	0.57	0.08
3411	Gas, natural	24	174.0	0.56	0.08
5127	Nitrogen-function compounds	21	168.4	0.54	0.08
7221	Electric power machinery	26	165.2	0.53	0.08
6413	Kraft paper and kraft paperboard	23	154.2	0.50	0.07

Table 1A (concluded)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percentage of total exports to Latin America (%) (C)	(B) as a percentage of total exports to the world (%) (D)
8930	Articles of artificial plastic materials, n.e.s.	23	147.0	0.47	0.07
7324	Special purpose lorries, trucks and vans, whether or not assembled	24	146.1	0.47	0.07
0990	Food preparations, n.e.s.	26	144.5	0.46	0.07
7231	Insulated wire and cable	28	140.4	0.45	0.07
4113	Animal oils, fats and greases (excluding lard)	23	139.0	0.45	0.07
7182	Printing and bookbinding machinery	20	128.2	0.41	0.06
5136	Other inorganic bases and metallic oxides	25	123.0	0.40	0.06
6842	Aluminium and aluminium alloys, worked	22	119.0	0.38	0.06
7113	Steam engines (including stationary steam engines with self-contained boilers (generally known as locomobiles) and steam turbines)	28	112.5	0.36	0.05
7125	Tractors, other than road tractors or tractor-trailer combinations	16	195.1	0.63	0.10
0813	Oil-seed cake and meal and other vegetable oil residues	13	189.8	0.61	0.10
7116	Gas turbines, other than for aircraft	10	177.4	0.57	0.08
5417	Medicaments	17	150.4	0.48	0.07
7323	Lorries and trucks (including ambulances, etc.), whether or not assembled	10	148.3	0.47	0.07
8619	Measuring, controlling and scientific instruments, n.e.s.	15	147.7	0.47	0.07
5125	Acids and their halogenated, sulfonated, nitrated or nitrosated derivatives	17	135.6	0.44	0.06
6952	Other tools for use in the hand or in machines	17	132.2	0.42	0.06
5619	Fertilizers, n.e.s.	17	133.6	0.42	0.06
5122	Alcohols, phenols, phenol-alcohols, glycerine	18	125.2	0.44	0.06
2517	Sulphate wood pulp	13	124.4	0.40	0.06
6419	Paper and paperboard in rolls or sheets, n.e.s.	19	120.6	0.39	0.06
8210	Furniture	18	113.6	0.36	0.05
8912	Phonograph (gramophone) records, recorded tapes, other recorded media and prepared media for sound recording	14	111.4	0.35	0.05
8616	Photographic and cinematographic apparatus and equipment, n.e.s.	15	107.9	0.35	0.05
8617	Medical instruments, n.e.s.	14	107.3	0.35	0.05
	Total group 2 (59 products)		9 674.4	31.06	4.65
	Total group 1 and group 2 (78 products)		21 121.9	67.85	10.17

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

^c In respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 1B

**SPAIN: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coeffi- cient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
8921	Books and pamphlets (including maps and globes), printed	72	190.5	10.29	0.94
7353	Ships and boats, other than warships ^b	39	152.6	8.25	0.75
7191	Hearing and cooling equipment	31	49.4	2.67	0.24
7151	Machine-tools for working metals	28	46.6	2.52	0.23
7193	Mechanical handling equipment	36	46.4	2.51	0.23
6911	Finished structural parts and structures of iron or steel	23	38.8	2.10	0.19
8929	Printed matter, n.e.s.	30	35.8	1.94	0.18
7199	Parts and accessories of machinery, n.e.s.	20	34.5	1.86	0.17
5812	Products of polymerization and co-polymerization (e.g., polyethylene, polystyrene, polyvinyl, etc., derivatives, coumarone-indene resins)	17	31.6	1.71	0.15
7249	Telecommunications equipment, n.e.s.	28	28.6	1.54	0.14
7328	Bodies, chassis, frames and other parts of motor vehicles other than motorcycles (not including rubber tyres, engines, chassis with engines mounted, electrical parts)	5	26.5	1.43	0.13
7181	Paper mill and pulp mill machinery, paper cutting machinery and other machinery for the manufacture of paper articles	53	24.4	1.32	0.12
7192	Pumps and centrifuges	14	23.9	1.29	0.12
7351	Warships of all kinds ^b	100	21.9	1.18	0.11
5121	Hydrocarbons and their halogenated, sulfonated, nitrated or nitrosated derivatives	14	21.7	1.17	0.11
7185	Mineral crushing, sorting and moulding machinery; glass-working machinery	45	21.6	1.17	0.10
7198	Machinery and mechanical appliances, n.e.s.	32	21.2	1.14	0.10
7171	Textile machinery	27	20.8	1.12	0.10
7322	Buses (including trolleybuses), whether or not assembled	35	20.4	1.10	0.10
7295	Electrical measuring and controlling instruments and apparatus	56	19.6	1.06	0.10
6952	Other tools for use in the hand or in machines	17	19.1	1.03	0.10
6782	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)	14	18.8	1.02	0.10
7349	Airships, balloons and parts of aircraft, airships and balloons (not including rubber tyres, engines or electrical parts)	14	18.8	1.01	0.09
	Total group 1 (23 products)		933.5	50.43	4.60

Table 1B (continued)

SITC Rev. I	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 2^c					
7112	Boiler house plant (including economizers, superheaters, condensers, soot removers, gas recoverers and related items)	63	8.0	0.43	0.04
7152	Metalworking machinery, other than machine tools	56	11.6	0.63	0.06
2831	Ores and concentrates of copper (including copper matte)	50	6.4	0.34	0.01
8922	Newspapers and periodicals	46	11.3	0.61	0.06
5813	Regenerated cellulose, chemical derivatives of cellulose and vulcanized fibre	45	10.4	0.56	0.05
7118	Engines, n.e.s. (wind engines, hot air engines, waterwheel and water turbines)	46	5.7	0.31	0.01
7196	Other non-electrical machines	30	14.5	0.78	0.07
7111	Steam generating boilers	31	14.3	0.77	0.07
5133	Inorganic acids and oxygen compounds of non-metals or metalloids	35	14.0	0.76	0.07
0551	Vegetables, dehydrated (excluding leguminous vegetables)	39	13.8	0.74	0.07
8619	Measuring, controlling and scientific instruments, n.e.s.	33	11.8	0.64	0.05
7183	Food-processing machines (excluding domestic)	35	11.6	0.62	0.05
6921	Tanks, vats, and reservoirs for storage or manufacturing use	35	9.5	0.51	0.04
5613	Potassic fertilizers and potassic fertilizer materials (other than crude natural potassic salts)	25	16.1	0.87	0.08
7341	Aircraft, heavier-than-air	23	15.6	0.84	0.07
1124	Distilled alcoholic beverages	27	10.8	0.58	0.05
7195	Powered-tools, n.e.s.	26	10.4	0.56	0.05
6748	Plates and sheets, less than 3mm in thickness, of iron or steel, coated (excluding tin plates or sheets)	26	10.1	0.54	0.05
7359	Ships and boats, n.e.s. ^b	23	6.3	0.34	0.03
5331	Colouring materials, n.e.s.	20	6.1	0.33	0.03
7250	Domestic electrical equipment	11	17.5	0.95	0.08
6747	Tinned plates and sheets	14	16.2	0.88	0.08
6725	Blooms, billets, slabs, sheet bars and roughly forged pieces of iron or steel	11	16.0	0.86	0.08
7221	Electric power machinery	17	14.7	0.79	0.07
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear)	14	14.6	0.80	0.07
5417	Medicaments	18	14.0	0.76	0.07
6931	Wire cables, ropes, plaited bands, slings and similar articles, not insulated	17	13.4	0.72	0.06

Table 1B (concluded)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percentage of total exports to Latin America (%) (C)	(B) as a percentage of total exports to the world (%) (D)
8942	Children's toys, indoor games, etc.	15	11.7	0.63	0.06
6972	Domestic utensils of base metals	16	11.6	0.63	0.06
5142	Other metallic salts and peroxy salts of inorganic acids	19	10.8	0.58	0.05
6412	Other printing and writing paper (machine-made), in rolls or sheets	14	10.8	0.58	0.05
5128	Organo-inorganic and heterocyclic compounds	12	9.2	0.50	0.04
5413	Penicillin, streptomycine, tyrocidine, and other antibiotics	15	9.0	0.49	0.04
7231	Insulated wire and cable	11	9.0	0.48	0.04
6569	Made-up articles of textile materials, n.e.s.	13	8.5	0.46	0.04
7125	Tractors, other than road tractors or tractors-trailer combinations	15	8.3	0.45	0.04
7299	Electrical machinery and apparatus, n.e.s.	14	8.2	0.44	0.04
8930	Articles of artificial plastic materials, n.e.s.	12	6.5	0.35	0.03
6989	Articles of base metals, n.e.s.	14	6.1	0.33	0.03
5127	Nitrogen-function compounds	14	6.0	0.32	0.03
	Total group 2 (40 products)		440.4	23.76	2.07
	Total group 1 and group 2 (63 products)		1 373.9	74.19	6.67

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b In respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^c Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1C

**ITALY: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
5141	Metallic salts and peroxysalts of inorganic acids	96	264.5	9.23	0.36
8971	Jewelry of gold, silver and platinum group metals and goldsmiths' or silversmiths' wares including set gems (except watch cases)	10	233.1	8.12	0.32
6782	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)	16	112.0	3.90	0.15
7198	Machinery and mechanical appliances, n.e.s.	10	90.7	3.16	0.12
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	14	80.2	2.79	0.11
7152	Metalworking machinery, other than machine-tools	36	64.7	2.25	0.08
7249	Telecommunications equipment, n.e.s.	10	64.5	2.24	0.08
7199	Parts and accessories of machinery, n.e.s.	6	64.4	2.24	0.08
7221	Electric power machinery	12	64.0	2.23	0.08
7353	Ships and boats, other than warships ^b	21	63.7	2.22	0.08
7193	Mechanical handling equipment	12	63.5	2.21	0.08
7191	Heating and cooling equipment	5	53.2	1.85	0.07
7171	Textile machinery	10	51.1	1.78	0.07
7341	Aircraft, heavier-than-air	8	48.1	1.67	0.06
7151	Machine-tools for working metals	7	47.1	1.64	0.06
6911	Finished structural parts and structure of iron or steel	5	46.6	1.62	0.06
7125	Tractors, other than road tractors or tractor-trailer combinations	7	43.7	1.52	0.06
7196	Other non-electrical machines	6	40.0	1.39	0.05
7183	Food-processing machines (excluding domestic)	17	38.0	1.32	0.05
9510	Firearms of war and ammunition therefor	10	38.0	1.32	0.05
7115	Internal combustion engines, other than for aircraft	6	37.8	1.32	0.05
5121	Hydrocarbons and their halogenated, sulfonated, nitrated or nitrosated derivatives	16	36.1	1.26	0.05
6989	Articles of base metals, n.e.s.	7	33.4	0.12	0.04
7172	Machinery (excluding sewing machines) for preparing, tanning or working hides, skins or leather	24	33.1	1.15	0.04
7195	Powered-tools, n.e.s.	6	32.1	1.12	0.04
	Total group 1 (26 products)		1 773.2	60.70	2.33

Table 1C (concluded)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
	Group 2^c				
7185	Mineral crushing, sorting and moulding machinery; glass-working machinery	10	29.6	1.03	0.04
6895	Base metals, n.e.s.	81	10.1	0.35	0.01
5142	Other metallic salts and peroxy salts of inorganic acids	14	22.4	0.78	0.03
7294	Automotive electrical equipment	11	17.0	0.59	0.02
6727	Iron or steel coils for re-rolling	10	16.9	0.59	0.02
7181	Paper mill and pulp mill machinery, paper cutting machinery and other machinery for the manufacture of paper articles	10	15.2	0.53	0.02
	Total group 2 (5 products)		81.6	2.84	0.1
	Total group 1 and group 2 (31 products)		1 854.8	63.54	2.43

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b In respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^c Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1D

**CANADA: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coeffi- cient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
7328	Bodies, chassis, frames and other parts of motor vehicles other than motorcycles (not including rubber tyres, engines, chassis with engines mounted, electrical parts)	10	356.0	16.00	0.53
0410	Wheat (including spelt) and meslin, unmilled	7	250.1	11.20	0.37
6411	Newsprint paper	6	183.7	8.30	0.27
7115	Internal combustion engines, other than for aircraft	11	95.7	4.31	0.14
0222	Milk and cream (including buttermilk, skimmed milk and whey), dry (in solid form such as blocks or powder)	53	70.5	3.17	0.11
2741	Sulphur, other than sublimed, precipitated or colloidal sulphur	11	65.5	3.00	0.10
2764	Asbestos, crude, washed or ground (including asbestos waste)	12	46.9	2.11	0.07
2312	Synthetic rubber and rubber substitutes	12	30.0	1.35	0.04
7151	Machine-tools for working metals	12	27.7	1.24	0.04
Total group 1 (9 products)			1 126.1	50.68	1.67

Table 1D (concluded)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percentage of total exports to Latin America (%) (C)	(B) as a percentage of total exports to the world (%) (D)
Group 2^b					
0612	Refined sugar and other products of refining beet and cane sugar (not including syrups)	30	11.7	0.53	0.02
7181	Paper mill and pulp mill machinery, paper cutting machinery and other machinery for the manufacture of paper articles	20	16.1	0.72	0.02
5417	Medicaments	21	14.0	0.63	0.02
0541	Potatoes, fresh (not including sweet potatoes)	23	13.1	0.59	0.02
0470	Meal and flour of cereals, except meal and flour of wheat or of meslin	17	19.5	0.88	0.03
0312	Fish, salted, dried or smoked, but not further prepared	16	19.2	0.86	0.03
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	12	16.4	0.74	0.02
0221	Milk and cream (including buttermilk, skimmed milk and whey), evaporated or condensed (in liquid or semi-solid form)	17	13.2	0.59	0.02
6415	Machine-made paper and paperboard, simply finished, in rolls or sheets, n.e.s.	10	13.0	0.58	0.02
0990	Food preparations, n.e.s.	15	7.9	0.35	0.01
6842	Aluminium and aluminium alloys, worked	12	7.7	0.35	0.01
0542	Beans, peas, lentils and other leguminous vegetables, dried (including split)	10	7.0	0.31	0.01
Total group 2 (12 products)			158.8	7.13	0.23
Total group 1 and group 2 (21 products)			1 284.9	57.81	1.90

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1E

**JAPAN: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coeffi- cient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
7353	Ships and boats, other than warships ^b	41	2 286.8	27.00	1.65
6782	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)	16	675.1	8.00	0.49
7359	Ships and boats, n.e.s. ^b	35	447.0	5.27	0.32
7221	Electric power machinery	13	229.0	2.70	0.16
6743	Plates and sheets, less than 3mm in thickness, of iron or steel, uncoated	8	185.1	2.18	0.13
7241	Television broadcast receivers, whether or not combined with gramophone or radio	8	131.3	1.54	0.09
7293	Thermionic, etc., valves and tubes, photocells, transistors, etc.	5	128.4	1.51	0.09
7191	Heating and cooling equipment	6	127.0	1.50	0.09
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	6	102.7	1.21	0.07
7249	Telecommunications equipment, n.e.s.	7	97.1	1.14	0.07
7115	Internal combustion engines, other than for aircraft	5	97.0	1.14	0.07
7151	Machine-tools for working metals	7	94.6	1.11	0.06
8641	Watches, watch movements and cases	9	86.7	1.02	0.06
Total group 1 (13 products)			4 687.8	55.32	3.35
Group 2^c					
6747	Tinned plates and sheets	11	52.4	0.62	0.04
7113	Steam engines (including stationary steam engines with self-contained boilers (generally known as locomobiles) and steam turbines)	19	49.6	0.58	0.03
7152	Metalworking machinery, other than machine-tools	18	30.2	0.35	0.02
Total group 2 (3 products)			132.2	1.55	0.09
Total group 1 and group 2 (16 products)			4 820.0	56.87	3.44

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^cHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1F

**FRANCE: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
7341	Aircraft, heavier-than-air	7	171.8	7.09	0.18
7118	Engines, n.e.s. (wind engines, hot air engines, water wheels and water turbines)	17	101.8	4.20	0.11
7314	Mechanically-propelled railway and tramway cars, passenger, freight or maintenance	98	101.7	4.20	0.11
7353	Ships and boats, other than warships ^b	15	88.7	3.66	0.09
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	6	79.8	3.29	0.09
7221	Electric power machinery	7	56.2	2.32	0.06
5530	Perfumery and cosmetics, dentifrices and other toilet preparations (except soap)	6	53.0	2.19	0.06
7184	Construction and mining machinery, n.e.s.	5	52.1	2.15	0.05
7249	Telecommunications equipment, n.e.s.	5	49.7	2.05	0.05
7193	Mechanical handling equipment	5	47.3	1.95	0.05
7198	Machinery and mechanical appliances n.e.s.	8	46.0	1.90	0.05
0612	Refined sugar and other products of refining beet and cane sugar (not including syrups)	5	43.8	1.81	0.05
6747	Tinned plates and sheets	14	39.1	1.61	0.04
6743	Plates and sheets, less than 3mm in thickness, of iron or steel, uncoated	6	34.0	1.40	0.03
7295	Electrical measuring and controlling instruments and apparatus	6	33.3	1.37	0.03
0482	Malt (including malt flour)	11	25.8	1.06	0.03
6842	Aluminium and aluminium alloys, worked	5	25.4	1.05	0.02
6783	Tubes and pipes of iron (other than of cast iron) or steel, welded, clinched, etc.	6	24.5	1.01	0.02
7299	Electrical machinery and apparatus, n.e.s.	5	24.5	1.01	0.02
Total group 1 (19 products)			1 098.45	45.32	1.14

Table 1F (concluded)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percentage of total exports to Latin America (%) (C)	(B) as a percentage of total exports to the world (%) (D)
Group 2^c					
7315	Railway and tramway passenger cars (coaches) not mechanically propelled (including special purpose coaches for passenger service such as luggage vans, travelling post offices, etc.)	49	15.2	0.63	0.01
7262	X-ray apparatus	20	20.2	0.83	0.02
6988	Miscellaneous articles of base metal	17	23.3	0.96	0.02
7113	Steam engines (including stationary steam engines with self-contained boilers (generally known as locomobiles) and steam turbines)	10	10.4	0.43	0.01
6762	Sleepers and other railway track material of iron or steel	19	9.0	0.37	0.01
5142	Other metallic salts and peroxysalts of inorganic acids	10	8.0	0.33	0.01
7232	Electrical insulating equipment	14	7.7	0.32	0.01
Total group 2 (7 products)			93.8	3.87	0.09
Total group 1 and group 2 (26 products)			1 192.3	49.19	1.23

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^cHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1G
**DENMARK: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
 TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
 HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
 GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coeffi- cient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
7359	Ships and boats, n.e.s. ^b	77	41.0	15.60	0.27
0222	Milk and cream (including buttermilk, skimmed milk and whey), dry (in solid form such as blocks or powder)	18	29.6	11.30	0.20
7185	Mineral crushing, sorting and moulding machinery; glass-working machinery	18	29.6	11.30	0.20
7353	Ships and boats, other than warships ^b	9	29.5	11.20	0.20
7191	Heating and cooling equipment	7	16.5	6.30	0.11
5129	Other organic chemicals	5	6.3	2.40	0.04
5999	Chemical products and preparations, n.e.s.	8	5.0	1.90	0.03
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	6	5.0	1.90	0.03
5413	Penicillin, streptomycin, tyrocidine, and other antibiotics	14	4.9	1.90	0.03
7183	Food-processing machines (except domestic)	5	4.3	1.60	0.03
7151	Machine-tools for working metals	8	3.4	1.30	0.02
5992	Insecticides, fungicides, disinfectants (including sheep and cattle dressing) and similar preparations	13	3.2	1.20	0.02
5128	Organo-inorganic and heterocyclic compounds	12	3.0	1.10	0.02
7123	Milking machines, cream separators and other dairy farm equipment	6	2.7	1.00	0.02
Total group 1 (14 products)			184.0	70.00	1.22
Group 2^c					
0482	Malt (including malt flour)	17	1.5	0.57	0.01
7181	Paper and pulp mill machinery, paper cutting machinery and other machinery for the manufacture of paper articles	20	1.3	0.49	0.01
Total group 2 (2 products)			2.8	1.06	0.02
Total group 1 and group 2 (16 products)			186.8	71.06	1.24

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b In respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^c Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1H

**PORTUGAL: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coeffi- cient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
9510	Firearms of war and ammunition therefor	9	6.7	10.10	0.16
4215	Olive oil	54	4.2	6.30	0.10
2440	Cork, raw and waste (including natural cork in blocks and sheets)	12	4.1	6.20	0.10
0517	Edible nuts, fresh or dried (including coconuts) other than nuts chiefly used for the extracting of oil	38	3.8	5.70	0.08
7199	Parts and accessories of machinery, n.e.s.	10	3.5	5.30	0.08
8922	Newspapers and periodicals	91	1.8	2.70	0.04
6952	Other tools for use in the hand or in machines	14	1.6	2.40	0.04
0482	Malt (including malt flour)	96	1.5	2.30	0.03
8921	Books and pamphlets (including maps and globes), printed	16	1.4	2.10	0.03
6911	Finished structural parts and structures of iron or steel	9	1.3	2.00	0.03
2518	Sulphite wood pulp	5	1.3	2.00	0.03
6931	Wire cables, ropes, plaited bands, slings and similar articles, not insulated	7	1.2	1.80	0.03
7316	Railway and tramway freight and maintenance cars, not mechanically propelled	26	1.1	1.70	0.02
5612	Phosphatic fertilizers and phosphatic fertilizer materials (other than natural) including superphosphate and basic dephosphorization slag	18	1.1	1.70	0.02
5417	Medicaments	6	1.1	1.70	0.02
6645	Cast or rolled glass (including flushed or wired glass), unworked, in rectangles	32	1.0	1.50	0.02
6971	Domestic stoves, boilers, cookers, ovens, space heaters, n.e.s.	20	0.8	1.20	0.02
5149	Inorganic chemical products, n.e.s.	14	0.7	1.10	0.02
5413	Penicillin, streptomycin, tyrocidine and other antibiotics	5	0.7	1.00	0.02
Total group 1 (19 products)			38.9	58.80	0.89

Table 1H (concluded)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percentage of total exports to Latin America (%) (C)	(B) as a percentage of total exports to the world (%) (D)
Group 2^b					
5128	Organo-inorganic and heterocyclic compounds	82	0.4	0.60	0.01
7341	Aircraft, heavier-than-air	67	0.2	0.30	0.01
0519	Fresh fruit, n.e.s.	50	0.3	0.50	0.01
5811	Products of condensation, polycondensation and polyaddition (e.g., phenoplasts, aminoplasts, alkyds, polyallyl esters and other unsaturated polyesters, silicones)	13	0.6	0.90	0.01
7317	Parts of railway locomotives and rolling stock, n.e.s.	11	0.5	0.80	0.01
7196	Other non-electrical machines	10	0.2	0.30	0.00
Total group 2 (6 products)			2.2	3.4	0.05
Total group 1 and group 2 (25 products)			41.1	62.2	0.94

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table II

**FEDERAL REPUBLIC OF GERMANY: PRODUCTS EXPORTED BY THE
DEVELOPED COUNTRIES TO LATIN AMERICA AND THE
CARIBBEAN WHICH ARE HIGHLY DEPENDENT AND
OF SIGNIFICANCE FOR GLOBAL AND
SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
7238	Bodies, chassis, frames and other parts of motor vehicles other than motorcycles (not including rubber tyres, engines, chassis with engines mounted, electrical parts)	52	307.2	7.44	0.17
7171	Textile machinery	7	111.8	2.71	0.06
7249	Telecommunications equipment, n.e.s.	6	111.1	2.69	0.06
7151	Machine-tools for working metals	5	110.0	2.66	0.06
7221	Electric power machinery	5	93.3	2.26	0.05
5128	Organo-inorganic and heterocyclic compounds	10	88.8	2.15	0.05
5127	Nitrogen-function compounds	7	79.6	1.90	0.04
7191	Heating and cooling equipment	5	67.4	1.63	0.04
7182	Printing and bookbinding machinery	5	59.0	1.43	0.03
5310	Synthetic organic dyestuffs, natural indigo and colour lakes	6	54.3	1.31	0.03
6784	High pressure hydroelectric conduits of steel	7	48.5	1.17	0.03
5992	Insecticides, fungicides, disinfectants (including sheep and cattle dressing) and similar preparations	6	46.1	1.12	0.03
7152	Metalworking machinery, other than machine-tools	12	41.3	1.00	0.02
	Total group 1 (13 products)		1 218.4	29.47	0.67
Group 2^b					
5411	Vitamins and provitamins	10	26.1	0.63	0.01
6747	Tinned plate	11	24.6	0.60	0.01
6912	Finished structural parts and structures of aluminium	712	22.0	0.53	0.01
7118	Engines, n.e.s. (wind engines, hot air engines, water wheels and water turbines)	12	22.0	0.53	0.01
5415	Hormones	15	15.2	0.38	0.01
5413	Penicillin, streptomycin, tyrocidine and other antibiotics	14	12.6	0.30	0.01
	Total group 2 (6 products)		122.5	2.97	0.06
	Total group 1 and group 2 (19 products)		1 340.9	32.44	0.73

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1j

UNITED KINGDOM: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR GLOBAL AND SECTORAL TRADE, 1982

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percentage of total exports to Latin America (%) (C)	(B) as a percentage of total exports to the world (%) (D)
Group 1^a					
1124	Distilled alcoholic beverages	10	174.3	8.88	0.18
7115	Internal combustion engines, other than for aircraft	7	89.5	4.56	0.10
7249	Telecommunications equipment, n.e.s.	5	60.2	3.07	0.06
7353	Ships and boats, other than warships ^b	19	45.3	2.31	0.04
7359	Ships and boats, n.e.s. ^b	26	36.2	1.84	0.03
8929	Printed matter, n.e.s.	14	36.0	1.84	0.03
5997	Organic chemical products, n.e.s.	7	33.0	1.68	0.03
7151	Machine-tools for working metals	7	32.5	1.65	0.03
6783	Tubes and pipes of iron (other than of cast iron) or steel, welded, clinched, etc.	22	30.1	1.53	0.03
7171	Textile machinery	6	24.5	1.25	0.02
6782	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)	7	24.0	1.22	0.02
Total group 1 (11 products)			585.6	29.83	0.57
Group 2^c					
0482	Malt (including malt flour)	13	14.4	0.73	0.01
6747	Tinned plate	10	13.0	0.66	0.01
0240	Cheese and curd	16	11.8	0.60	0.01
8613	Binoculars, microscopes, and other optical instruments	12	9.9	0.50	0.01
6931	Wire cables, ropes, plaited bands, slings and similar articles, not insulated	11	8.6	0.44	0.01
5416	Glucosides; glands and their extracts; sera, vaccines	11	6.3	0.32	0.01
6644	Cast, rolled, drawn or blown glass (including flushed or wired glass) in rectangles, surface ground or polished, but not further worked	13	6.2	0.32	0.01
Total group 2 (7 products)			70.2	3.57	0.07
Total group 1 and group 2 (18 products)			655.8	33.40	0.64

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^cHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1K

**IRELAND: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coeffi- cient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
0222	Milk and cream (including butter milk, skimmed milk and whey), dry (in solid form such as blocks or powder)	23	38.5	36.10	0.48
8929	Printed matter, n.e.s.	30	6.0	5.63	0.07
7299	Electrical machinery and apparatus, n.e.s.	20	4.8	4.50	0.06
5413	Penicillin, streptomycin, tyrocidine and other antibiotics	6	3.3	3.10	0.04
8624	Photographic film, plates and paper, whether or not exposed, and developed film other than developed cinematographic film	9	2.6	2.40	0.03
5129	Other organic chemicals	20	2.1	2.00	0.02
5127	Nitrogen-function compounds	8	1.4	1.30	0.02
Total group 1 (7 products)			58.7	55.03	0.72
Group 2^b					
6922	Casks, drums, boxes, cans and similar commerial containers used for transport of goods	13	0.3	0.30	0.00
Total group 2 (1 product)			0.3	0.30	0.00
Total group 1 and group 2 (8 products)			59.0	55.33	0.72

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 11

THE NETHERLANDS: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR GLOBAL AND SECTORAL TRADE, 1982

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percentage of total exports to Latin America (%) (C)	(B) as a percentage of total exports to the world (%) (D)
Group 1^a					
7359	Ships and boats, n.e.s. ^b	25	93.0	12.80	0.14
0222	Milk and cream (including buttermilk, skimmed milk and whey), dry (in solid form such as blocks or powder)	13	78.5	10.80	0.12
7299	Electrical machinery and apparatus, n.e.s	5	15.2	2.10	0.02
6725	Blooms, billets, slabs, sheet bars and roughly forged pieces of iron or steel	8	10.6	1.50	0.02
5415	Hormones	11	7.5	1.00	0.01
Total group 1 (5 products)			204.8	28.20	0.31
Group 2^c					
7118	Engines, n.e.s. (wind engines, hot air engines, water wheels and water turbines)	17	3.1	0.42	0.00
0481	Cereal grains, flaked, pearled or prepared in a manner not elsewhere specified ("prepared breakfast foods")	10	2.3	0.32	0.00
Total group 2 (2 products)			5.4	0.74	0.00
Total group 1 and group 2 (7 products)			210.2	28.94	0.31

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^cHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1M

**BELGIUM: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coeffi- cient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
0230	Butter	6	27.7	4.90	0.05
0222	Milk and cream (including buttermilk, skimmed milk and whey), dry (in solid forms such as blocks or powder)	13	27.5	4.90	0.05
6725	Blooms, billets, slabs, sheet bars and roughly forged pieces of iron or steel	16	21.3	3.76	0.04
7171	Textile machinery	7	13.7	2.42	0.02
0482	Malt (including malt flour)	11	11.8	2.08	0.02
7191	Heating and cooling equipment	6	11.7	2.07	0.02
7198	Machinery and mechanical appliances, n.e.s.	7	9.1	1.61	0.02
7221	Electric power machinery	5	8.5	1.50	0.01
6783	Tubes and pipes of iron (other than of cast iron) or steel, welded, clinched, etc.	8	8.1	1.40	0.01
7353	Ships and boats, other than warships ^b	11	7.4	1.30	0.01
Total group 1 (10 products)			146.8	25.94	0.25
Group 2^c					
7125	Tractors, other than road tractors for tractor-trailer combinations	13	4.8	0.85	0.01
5416	Glucosides; glands and their extracts; sera, vaccines	19	3.7	0.15	0.01
Total group 2 (2 products)			8.5	1.00	0.02
Total group 1 and group 2 (12 products)			155.3	26.94	0.27

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^cHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 1N

**GREECE: PRODUCTS EXPORTED BY THE DEVELOPED COUNTRIES
TO LATIN AMERICA AND THE CARIBBEAN WHICH ARE
HIGHLY DEPENDENT AND OF SIGNIFICANCE FOR
GLOBAL AND SECTORAL TRADE, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coeffi- cient of de- pend- ence DPI (%) (A)	Exports of each product to Latin America (millions of dollars) (B)	(B) as a percent- age of total exports to Latin America (%) (C)	(B) as a percent- age of total exports to the world (%) (D)
Group 1^a					
9510	Firearms of war and ammunition therefor	6	1.0	11.90	0.02
7349	Airships, balloons and parts of aircraft, airships and balloons (not including rubber tyres, engines or electrical parts)	6	0.3	3.60	0.01
5530	Perfumery and cosmetics, dentifrices and other toilet preparations (except soaps)	9	0.2	2.40	0.01
Total group 1 (3 products)			1.5	17.90	0.04
Total group 1 and group 2 (3 products)			1.5	17.90	0.04

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2A

UNITED STATES: CLASSIFICATION OF THE COUNTRIES
OF LATIN AMERICA AND THE CARIBBEAN ON THE
BASIS OF THE DEGREE OF DEPENDENCE OF
THE DEVELOPED COUNTRIES ON
EACH MARKET, 1982

(Millions of dollars and percentages)

SITC Rev. I	Description	Coefficient of dependence in respect of each country in the region (percentages)									
		Total Latin Ame- rica	Mexi- co	Vene- zuela	Bra- zil	Co- lom- bia	Ar- gen- tina	Pana- ma	Peru	Ecu- dor	Chile
	Group 1^a										
7184	Construction and mining machinery, n.e.s.	24	4	7	5	2	-	-	-	-	-
7328	Bodies, chassis, frames and other parts of motor vehicles other than motorcycles (not including rubber tyres, engines, chassis with engines mounted, electrical parts)	19	11	5	-	-	-	-	-	-	-
0410	Wheat (including spelt) and meslin, unmilled	19	1	2	6	1	-	-	2	-	3
7115	Internal combustion engines, other than for aircraft	18	7	4	2	2	-	-	-	-	-
7192	Pumps and centrifuges	21	5	5	-	2	1	-	-	-	-
7249	Telecommunications equipment, n.e.s.	17	6	3	2	-	1	-	-	-	-
5812	Products of polymeriza- tion and co-polymeriza- tion (e.g., polyethylene, polystyrene, polyvinyl, etc., derivatives, coumarone-indene resins)	24	10	3	2	1	1	-	-	1	-
3321	Motor spirit (gasoline and other light oils for similar uses, including natural gasoline)	88	82	-	-	3	-	-	-	1	-
9310	Special transactions not classified according to kind	18	7	2	-	-	-	-	-	-	-
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	22	13	3	2	-	-	-	-	-	-
7295	Electrical measuring and controlling instruments and apparatus	10	4	2	2	-	-	-	-	-	-

Table 2A (continued 1)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)									
		Total Latin Ame- rica	Mexi- co	Vene- zuela	Bra- zil	Co- lom- bia	Ar- gen- tina	Pana- ma	Peru	Ecu- dor	Chile
7143	Statistical machines, e.g., calculating from punched cards or tape	9	2	2	2	-	-	-	-	-	-
3324	Residual fuel oils	20	6	-	2	-	-	2	-	-	-
5121	Hydrocarbons and their halogenated, sulfonated, nitrated or nitrosated derivatives	26	17	2	2	2	-	-	-	-	-
7191	Heating and cooling equipment	17	5	4	-	1	1	-	-	-	-
7149	Office machines, n.e.s.	9	3	-	2	-	-	-	-	-	-
7193	Mechanical handling equipment	24	9	6	1	2	-	-	-	-	-
7293	Thermionic, etc., valves and tubes, photocells, transistors, etc.	28	6	-	-	-	-	-	-	-	-
7299	Electrical machinery and apparatus, n.e.s.	18	7	3	2	-	2	-	-	-	-
	Total group 1 (19 products)										

Table 2A (continued 2)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)																	
		Total Latin Ame- rica	Mexi- co	Vene- zuela	Bra- zil	Col- om- bia	Ar- gen- tina	Domi- nican Repu- blic	Pana- ma	Peru	Ecu- dor	Ja- mai- ca	Chile	Trini- dad and Toba- go	Costa Rica	Haiti	Gua- tema- la	Hon- du- ras	El Sal- vador
	Group 2^b																		
7241	Television broadcast receivers, whether or not combined with gramophone or radio	63	36	11	-	4	-	-	6	1	-	-	-	-	-	-	-	-	-
8411	Clothing of textile fabric, not knitted or crocheted	53	19	5	-	3	-	8	2	-	-	1	-	4	3	-	2	1	1
7359	Ships and boats, n.e.s. ^c	41	7	5	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6429	Articles of paper pulp, paper or paperboard, n.e.s. (including paper and paper board cut to size)	40	29	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2218	Oil-seeds, oil nuts and oil kernels, n.e.s. (excluding flour and meal)	48	48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0542	Beans, peas, lentils and other leguminous vegetables, dried (including split)	43	26	3	1	6	-	-	-	1	-	-	-	-	-	-	-	-	-
7183	Food-processing machines (excluding domestic)	42	13	9	2	5	-	1	1	1	2	2	-	2	-	-	-	-	-
7353	Ships and boats, other than warships ^c	44	20	10	-	2	-	1	3	-	-	-	-	2	-	-	-	-	-
0459	Cereals, unmilled, n.e.s.	36	25	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6911	Finished structural parts and structure of iron or steel	37	7	3	10	1	5	-	-	1	-	-	1	-	-	-	-	-	-
7151	Machine-tools for working metals	30	22	2	3	-	1	-	-	-	-	-	-	-	-	-	-	-	-

Table 2A (continued 4)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)																	
		Total Latin America	Mexi- co	Vene- zuela	Bra- zil	Col- ombia	Ar- gen- tina	Domi- nican Repub- lic	Pana- ma	Peru	Ecu- ador	Ja- mai- ca	Chile	Trini- dad and Toba- go	Costa Rica	Haiti	Gua- tema- la	Hon- du- ras	El Sal- vador
3323	Distillate fuels	25	19	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-
5992	Insecticides, fungicides, disinfectants (including sheep and cattle dressing) and similar preparations	22	2	2	5	3	2	-	-	-	-	-	-	-	-	-	-	-	-
5999	Chemical products and preparations, n.e.s.	24	6	4	5	2	2	-	-	1	-	1	-	-	-	-	-	-	-
7195	Powered-tools, n.e.s.	20	8	3	1	1	2	-	-	-	-	-	-	-	-	-	-	-	-
3325	Lubricating oils and greases (including mixtures with animal and vegetable lubricants)	22	7	2	1	1	2	-	-	1	-	-	-	-	-	-	-	-	-
7196	Other non-electrical machines	20	8	5	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-
5997	Organic chemical products, n.e.s.	21	3	4	4	2	2	-	-	2	1	-	1	-	-	-	-	-	-
7250	Domestic electrical equipment	27	10	6	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-
3411	Gas, natural	24	20	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5127	Nitrogen-function compounds	21	6	-	4	-	3	-	-	2	-	-	-	-	-	-	-	-	-
7221	Electric power machinery	26	13	4	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-
6413	Kraft paper and kraft paperboard	23	3	-	-	3	-	-	2	-	5	-	-	3	-	2	2	-	-
8930	Articles of artificial plastic materials, n.e.s.	23	7	3	1	2	1	-	-	-	-	-	-	-	-	-	-	-	-
7324	Special purpose lorries, trucks and vans, whether or not assembled	24	6	7	1	4	-	-	2	-	-	-	1	-	-	1	-	-	-
0990	Food preparations, n.e.s.	26	3	11	-	1	-	2	-	-	-	-	-	-	1	2	-	2	-
7231	Insulated wire and cable	28	23	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 2A (concluded)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)																		
		Total Latin Ame- rica	Mexi- co	Vene- zuela	Bra- zil	Co- lom- bia	Ar- gen- tina	Domi- nican Repu- blic	Pana- ma	Peru	Ecu- dor	Ja- mai- ca	Chile	Trini- dad and Toba- go	Costa Rica	Haiti	Gua- terna- la	Hon- du- ras	El Sal- vador	Bar- bados
6952	Other tools for use in the hand or in machines	17	6	5	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5619	Fertilizers, n.e.s.	17	6	-	2	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-
5122	Alcohols, phenols, phenol-alcohols, glycerine	18	7	3	3	2	1	-	-	-	-	-	-	-	-	-	-	-	-	-
2517	Sulphate wood pulp	13	6	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6419	Paper and paperboard in rolls or sheets, n.e.s.	19	6	4	2	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-
8210	Furniture	18	6	3	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8912	Phonograph (gramophone) records, recorded tapes, other recorded media and prepared media for sound recording	14	5	2	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-
8616	Photographic and cinematographic apparatus and equipment, n.e.s.	15	5	2	5	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8617	Medical instruments, n.e.s.	14	4	3	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total group 2 (59 products)																			
	Total group 1 and group 2 (78 products)																			

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

^c In respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 2B (continued 1)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)															
		Total Latin Ame- rica	Vene- zuela	Mexi- co	Ar- gen- tina	Peru	Co- lom- bia	Chile	Ecu- dor	Bra- zil	Cuba	Do- mi- nican Repu- blic	Gua- tema- la	Pana- ma	Costa Rica	El Sal- vador	Hon- du- ras
7181	Paper mill and pulp mill machinery, paper cutting machinery and other machinery for the manufacture of paper articles	53	1	3	-	1	-	26	-	2	1	-	18	-	-	-	-
7192	Pumps and centrifuges	14	2	1	-	-	-	2	-	-	-	-	-	-	-	-	-
7351	Warships of all kinds ^b	100	-	100	-	-	-	-	-	-	-	-	-	-	-	-	-
5121	Hydrocarbons and their halogenated, sulfonated, nitrated or nitrosated derivatives	14	-	12	-	-	-	-	-	1	-	-	-	-	-	-	-
7185	Mineral crushing, sorting and moulding machinery; glass-working machinery	45	11	7	4	2	3	7	-	-	-	-	-	-	-	-	-
7198	Machinery and mechanical appliances, n.e.s.	32	10	12	1	1	4	1	-	-	-	-	-	-	-	-	-
7171	Textile machinery	27	2	14	-	3	2	-	-	2	-	-	-	-	-	-	-
7322	Buses (including trolleybuses), whether or not assembled	35	15	-	-	20	-	-	-	-	-	-	-	-	-	-	-
7295	Electrical measuring and controlling instruments and apparatus	56	34	7	2	2	6	-	-	-	-	-	-	-	-	-	-
6952	Other tools for use in the hand or in machines	17	6	5	-	-	-	-	-	-	-	-	-	-	-	-	-
6782	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)	14	-	11	-	-	-	-	-	-	-	-	-	-	-	-	-
7349	Airships, balloons and parts of aircraft, airships and balloons (not including rubber tyres, engines or electrical parts)	14	2	-	-	-	-	12	-	-	-	-	-	-	-	-	-
	Total group 1 (23 products)																

Table 2B (continued 2)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)														
		Total Latin Ame- rica	Vene- zuela	Mexi- co	Ar- gen- tina	Peru	Co- lom- bia	Chile	Ecu- dor	Bra- zil	Cuba	Do- mi- nican Repu- blic	Gua- tema- la	Pana- ma	Costa Rica	El Sal- vador
	Group 2^c															
7112	Boiler house plant (including economizers, superheaters, condensers, soot removers, gas recoverers and related items)	63	-	-	-	-	-	-	-	-	34	29	-	-	-	-
7152	Metalworking machinery, other than machine tools	56	9	39	-	3	3	-	-	-	-	-	-	-	-	-
2831	Ores and concentrates of copper (including copper matte)	50	-	-	-	50	-	-	-	-	-	-	-	-	-	-
8922	Newspapers and periodicals	46	11	11	15	2	1	-	1	-	-	-	-	-	-	-
5813	Regenerated cellulose, chemical derivatives of cellulose and vulcanized fibre	45	40	-	-	1	-	-	-	-	-	-	-	-	-	-
7118	Engines, n.e.s. (wind engines, hot air engines, water wheels and water turbines)	46	-	6	-	-	-	2	-	-	-	-	-	-	38	-
7196	Other non-electrical machines	30	7	5	3	7	-	-	2	-	-	-	-	-	-	-
7111	Steam generating boilers	31	-	-	-	-	-	-	-	-	23	6	-	-	-	-
5133	Inorganic acids and oxygen compounds of non-metals or metalloids	35	-	-	-	-	-	-	-	33	-	-	-	-	-	-
0551	Vegetables, dehydrated (excluding leguminous vegetables)	39	2	-	-	-	3	-	-	31	-	-	-	-	-	-
8619	Measuring, controlling and scientific instruments, n.e.s.	33	4	2	2	18	1	2	2	-	-	-	-	-	-	-
7183	Food-processing machines (excluding domestic)	35	5	16	-	7	2	-	3	-	-	-	-	-	-	-
6921	Tanks, vats, and reservoirs for storage or manufacturing use	35	3	-	-	2	-	-	-	-	2	4	26	-	-	-
5613	Potassic fertilizers and potassic fertilizer materials (other than crude natural potassic salts)	25	-	4	-	-	5	-	-	15	-	-	-	-	-	-
7341	Aircraft, heavier-than-air	23	-	-	-	2	2	7	-	-	-	-	8	-	-	-

Table 2B (continued 3)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)														
		Total Latin Ame- rica	Vene- zuela	Mexi- co	Ar- gen- tina	Peru	Co- lom- bia	Chile	Ecu- dor	Bra- zil	Cuba	Do- mi- nican Repu- blic	Gua- tema- la	Pana- ma	Costa Rica	El Sal- vador
1124	Distilled alcoholic beverages	27	12	5	4	-	2	-	-	-	-	-	-	-	-	-
7195	Powered-tools, n.e.s.	26	4	9	-	-	2	-	1	-	-	-	-	-	-	-
6748	Plates and sheets, less than 3mm in thickness, of iron or steel, coated (excluding tinned plates or sheets)	26	1	-	-	16	-	-	-	-	-	-	-	-	-	-
7359	Ships and boats, n.e.s. ^b	23	-	-	23	-	-	-	-	-	-	-	-	-	-	-
5331	Colouring materials, n.e.s.	20	5	-	5	1	5	-	-	2	-	-	-	-	-	-
7250	Domestic electrical equipment	11	2	-	2	-	-	3	-	-	-	-	-	-	-	-
6747	Tinned plates and sheets	14	-	8	4	-	-	-	-	-	-	-	-	-	-	-
6725	Blooms, billets, slabs, sheer bars and roughly forged pieces of iron or steel	11	-	-	-	-	3	-	-	8	-	-	-	-	-	-
7221	Electric power machinery	17	2	-	7	-	-	-	-	-	-	-	-	-	-	-
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear)	14	4	3	1	2	-	-	-	-	-	-	-	-	-	-
5417	Medicaments	18	-	-	-	-	-	-	-	-	4	2	3	1	2	2
6931	Wire cables, ropes, plaited bands, slings and similar articles, not insulated	17	-	-	14	-	-	-	-	-	-	-	-	-	-	-
8942	Children's toys, indoor games, etc.	15	8	2	-	-	-	-	-	-	-	-	-	-	-	-
6972	Domestic utensils of base metals	16	12	-	-	-	-	2	-	-	-	-	-	-	-	-
5142	Other metallic salts and peroxy salts of inorganic acids	19	-	-	4	-	5	10	-	-	-	-	-	-	-	-
6412	Other printing and writing paper (machine-made), in rolls or sheets	14	4	2	5	-	-	-	-	-	-	-	-	-	-	-
5128	Organo-inorganic and heterocyclic compounds	12	2	2	3	-	2	-	-	4	-	-	-	-	-	-
5413	Penicillin, streptomycin, tyrocidine, and other antibiotics	15	2	1	4	-	3	1	-	2	-	-	-	-	-	-

Table 2B (concluded)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)														
		Total Latin Ame- rica	Vene- zuela	Mexi- co	Ar- gen- tina	Peru	Co- lom- bia	Chile	Ecu- dor	Bra- zil	Cuba	Do- mi- nic- an Repu- blic	Gua- tema- la	Pana- ma	Costa Rica	El Sal- vador
7231	Insulated wire and cable	11	6	-	-	-	-	-	-	-	-	-	-	-	-	-
6569	Made-up articles of textile materials, n.e.s.	13	5	-	-	-	-	4	-	-	-	-	-	-	-	-
7125	Tractors, other than road tractors for tractors-trailer combinations	15	11	-	-	-	2	-	2	-	-	-	-	-	-	-
7299	Electrical machinery and apparatus, n.e.s.	14	2	1	6	1	-	-	-	-	-	-	-	-	-	-
8930	Articles of artificial plastic materials, n.e.s.	12	3	1	-	1	-	1	-	-	-	-	-	-	-	-
6989	Articles of base metals, n.e.s.	14	3	2	3	2	-	-	1	-	-	-	-	-	-	-
5127	Nitrogen-function compounds	14	-	3	3	2	1	-	-	3	-	-	-	-	-	-
Total group 2 (40 products)																
Total group 1 and group 2 (63 products)																

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b In respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^c Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2C

ITALY: CLASSIFICATION OF THE COUNTRIES OF
LATIN AMERICA AND THE CARIBBEAN ON THE
BASIS OF THE DEGREE OF DEPENDENCE
OF THE DEVELOPED COUNTRIES
ON EACH MARKET, 1982

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)								
		Total Latin Ame- rica	Vene- zuela	Me- xico	Bra- zil	Ar- gen- tina	Peru	Ecu- dor	Co- lom- bia	Pana- ma
	Group 1^a									
5141	Metallic salts and peroxysalts of inorganic acids	96	96	-	-	-	-	-	-	-
8971	Jewelry of gold, silver and platinum group metals and goldsmiths' or silversmiths' wares including set gems (except watch cases)	10	-	-	-	-	-	-	-	-
6782	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)	16	14	-	-	-	-	-	-	-
7198	Machinery and mechanical appliances, n.e.s.	10	3	2	2	-	-	-	-	-
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	14	2	2	6	1	-	-	-	-
7152	Metalworking machinery, other than machine-tools	36	1	27	4	-	-	-	-	-
7249	Telecommunications equipment, n.e.s.	10	1	2	3	2	-	-	-	-
7199	Parts and accessories of machinery, n.e.s.	6	1	-	2	-	-	-	-	-
7221	Electric power machinery	12	1	3	6	-	-	-	-	20
7353	Ships and boats, other than warships ^b	21	-	-	-	-	-	-	-	-
7193	Mechanical handling equipment	12	3	2	4	-	-	-	-	-
7191	Heating and cooling equipment	5	-	-	1	-	-	-	-	-
7171	Textile machinery	10	-	3	1	-	1	-	-	-
7341	Aircraft, heavier-than-air	8	-	-	-	-	7	-	-	-
7151	Machine-tools for working metals	7	2	2	1	-	-	-	-	-
6911	Finished structural parts and structures of iron or steel	5	-	2	1	-	-	-	-	-
7125	Tractors, other than road tractors for tractor-trailer combinations	7	5	-	-	-	-	-	-	-
7196	Other non-electrical machines	6	1	2	-	-	-	-	-	-
7183	Food-processing machines (excluding domestic)	17	7	3	-	-	1	1	-	-

Table 2C (concluded)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)								
		Total Latin America	Venezuela	Mexico	Brazil	Argentina	Peru	Ecuador	Colombia	Panama
9510	Firearms of war and ammunition therefor	10	-	-	-	-	-	10	-	-
7115	Internal combustion engines, other than for aircraft	6	-	1	3	-	-	-	-	-
5121	Hydrocarbons and their halogenated, sulfonated, nitrated or nitrosated derivatives	16	-	12	3	-	-	-	-	-
6989	Articles of base metals, n.e.s.	7	-	1	4	-	-	-	-	-
7172	Machinery (excluding sewing machines) for preparing, tanning or working hides or leather	24	8	7	-	-	2	1	3	-
7195	Powered-tools, n.e.s.	6	2	2	-	-	-	-	-	-
7185	Mineral crushing, sorting and moulding machinery; glass-working machinery	10	4	2	-	-	-	-	2	-
	Total group 1 (26 products)									
	Group 2^c									
6895	Base metals, n.e.s.	81	-	-	-	81	-	-	-	-
5142	Other metallic salts and peroxy-salts of inorganic acids	14	-	-	-	14	-	-	-	-
7294	Automotive electrical equipment	11	1	-	7	-	-	-	-	-
6727	Iron or steel coils for re-rolling	10	-	-	-	10	-	-	-	-
7181	Paper mill and pulp mill machinery, paper cutting machinery and other machinery for the manufacture of paper articles	10	3	4	-	2	-	-	-	-
	Total group 2 (5 products)									
	Total group 1 and group 2 (31 products)									

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b In respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^c Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2D
**CANADA: CLASSIFICATION OF THE COUNTRIES OF LATIN AMERICA AND THE
 CARIBBEAN ON THE BASIS OF THE DEGREE OF DEPENDENCE OF
 THE DEVELOPED COUNTRIES ON EACH MARKET, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)																			
		Total Latin Ame- rica	Vene- zuela	Mexi- co	Trini- dad and Toba- go	Ja- mai- ca	Colo- mbia	Bra- zil	Bar- ba- dos	Do- mi- nican Repu- blic	Cuba	Pana- ma	Ecu- ador	Peru	Ar- gen- tina	Chile	Uru- guay	Hon- du- ras	Ni- cara- gua	Gu- ya- na	Haiti
	Group 1 ^a																				
7328	Bodies, chassis, frames and other parts of motor vehicles other than motorcycles (not including rubber tyres, engines, chassis with engines mounted, electrical parts)	10	7	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0410	Wheat (including spelt) and meslin, unmilled	7	-	-	-	-	-	6	-	-	-	-	-	-	-	-	-	-	-	-	-
6411	Newsprint paper	6	2	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-
7115	Internal combustion engines, other than for aircraft	11	8	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0222	Milk and cream (including buttermilk, skimmed milk and whey), dry (in solid form such as blocks or powder)	53	-	34	-	1	-	-	-	1	2	-	-	4	-	-	-	-	5	2	-
2741	Sulphur, other than sublimed, precipitated or colloidal sulphur	11	-	-	-	-	-	8	-	-	-	-	-	1	1	-	-	-	-	-	-
2764	Asbestos, crude, washed or ground (including asbestos waste)	12	-	4	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 2D (concluded)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)																			
		Total Latin Ame- rica	Vene- zuela	Mexi- co	Trini- dad and Toba- go	Ja- mai- ca	Co- lom- bia	Bra- zil	Bar- ba- dos	Do- mi- nican Repu- blic	Cuba	Pana- ma	Ecu- dor	Peru	Ar- gen- tina	Chile	Uru- guay	Hon- du- ras	Ni- cara- gua	Gu- ya- na	Haiti
0221	Milk and cream (including buttermilk, skimmed milk and whey), evaporated or condensed (in liquid or semi-solid form)	17	-	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6415	Machine-made paper and paperboard, simply finished, in rolls or sheets, n.e.s.	10	-	-	-	-	-	-	-	-	-	5	-	-	-	-	-	-	-	-	-
0990	Food preparations, n.e.s.	15	2	1	3	2	-	-	2	1	-	1	-	-	-	-	-	-	-	-	-
6842	Aluminium and aluminium alloys, worked	12	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0542	Beans, peas, lentils and other leguminous vegetables dried (including split)	10	-	-	-	-	3	-	-	-	-	1	-	-	-	-	-	-	-	-	-
	Total group 2 (12 products)																				
	Total group 1 and group 2 (21 products)																				

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2E

JAPAN: CLASSIFICATION OF THE COUNTRIES ON LATIN AMERICA AND THE CARIBBEAN ON THE BASIS OF THE DEGREE OF DEPENDENCE OF THE DEVELOPED COUNTRIES ON EACH MARKET, 1982

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)								
		Total Latin America	Mexi- co	Bra- zil	Vene- zuela	Pana- ma	Co- lom- bia	Ar- gen- tina	Peru	Chile
	Group 1^a									
7353	Ships and boats, other than warships ^b	41	-	-	-	39	-	-	-	-
6782	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)	16	1	-	13	-	-	-	-	-
7359	Ships and boats, n.e.s. ^b	35	-	10	-	25	-	-	-	-
7221	Electric power machinery	13	4	2	1	-	2	1	-	-
6743	Plates and sheets, less than 3mm in thickness, of iron or steel, uncoated	8	-	-	-	-	3	-	1	-
7241	Television broadcast receivers, whether or not combined with gramophone or radio	8	-	-	2	3	1	1	-	-
7293	Thermionic, etc., valves and tubes, photocells, transistors, etc.	5	-	3	-	-	-	-	-	-
7191	Heating and cooling equipment	6	1	4	-	-	-	-	-	-
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	6	2	2	-	-	-	-	-	-
7249	Telecommunications equipment, n.e.s.	7	2	2	1	-	-	-	-	-
7115	Internal combustion engines, other than for aircraft	5	1	-	-	-	-	-	-	-
7151	Machine-tools for working metals	7	5	2	-	-	-	-	-	-
8641	Watches, watch movements and cases	9	-	-	-	6	-	-	-	-
	Total group 1 (13 products)									
	Group 2^c									
6747	Tinned plates and sheets	11	5	-	2	-	-	-	-	-
7113	Steam engines (including sta- tionary steam engines) with self- contained boilers (generally known as locomobiles and steam turbines)	19	13	-	-	-	3	-	-	1
7152	Metalworking machinery, other than machine-tools	18	13	3	2	-	-	-	-	-
	Total group 2 (3 products)									
	Total group 1 and group 2 (16 products)									

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b In respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^c Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2F

**FRANCE: CLASSIFICATION OF THE COUNTRIES OF
LATIN AMERICA AND THE CARIBBEAN ON THE
BASIS OF THE DEGREE OF DEPENDENCE
OF THE DEVELOPED COUNTRIES
ON EACH MARKET, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)								
		Total Latin Ame- rica	Bra- zil	Vene- zuela	Me- xico	Ar- gen- tina	Chile	Co- lom- bia	Peru	Pana- ma
	Group 1^a									
7341	Aircraft, heavier-than-air	7	7	-	-	-	-	-	-	-
7118	Engines, n.e.s. (wind engines, hot air engines, water wheels and water turbines)	17	15	-	-	-	-	-	-	-
7314	Mechanically-propelled railway and tramway cars, passenger, freight or maintenance	98	-	65	29	-	4	-	-	-
7353	Ships and boats, other than warships ^b	15	-	-	-	-	-	-	-	3
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	6	2	2	1	-	-	-	-	-
7221	Electric power machinery	7	3	1	1	-	-	-	-	-
5530	Perfumery and cosmetics, dentifrices and other toilet preparations (except soap)	6	-	-	-	-	-	-	-	-
7184	Construction and mining machinery, n.e.s.	5	2	1	1	-	-	-	-	-
7249	Telecommunications equipment, n.e.s.	5	-	-	-	-	-	-	-	-
7193	Mechanical handling equipment	5	-	1	1	-	-	-	-	-
7198	Machinery and mechanical appliances n.e.s.	8	2	-	-	3	-	-	-	-
0612	Refined sugar and other products of refining beet and cane sugar (not including syrups)	5	-	-	4	-	1	-	-	-
6747	Tinned plates and sheets	14	3	4	2	-	-	-	-	-
6743	Plates and sheets, less than 3mm in thickness, of iron or steel, uncoated	6	3	-	-	-	-	-	-	-
7295	Electrical measuring and controlling instruments and apparatus	6	2	-	-	1	-	-	-	-
0482	Malt (including malt flour)	11	3	5	-	-	-	-	-	-
6842	Aluminium and aluminium alloys, worked	5	-	2	-	-	-	-	-	-
6783	Tubes and pipes of iron (other than of cast iron) or steel, welded, clinched, etc.	6	-	-	4	-	-	-	-	-
7299	Electrical machinery and apparatus, n.e.s.	5	-	1	3	-	-	-	-	-
	Total group 1 (19 products)									

Table 2F (concluded)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)								
		Total Latin Ame- rica	Bra- zil	Vene- zuela	Me- xico	Ar- gen- tina	Chile	Co- lom- bia	Peru	Pana- ma
	Group 2^c									
7315	Railway and tramway passenger cars (coaches) not mechanically propelled (including special purpose coaches for passenger service such as luggage vans, travelling post offices, etc.)	49	-	13	24	-	6	-	-	-
7262	X-ray apparatus	20	5	5	4	-	-	-	-	-
6988	Miscellaneous articles of base metal	17	16	-	-	-	-	-	-	-
7113	Steam engines (including stationary steam engines with self-contained boilers (generally known as locomobiles) and steam turbines)	10	9	-	-	-	-	-	-	-
6762	Sleepers and other railway track material of iron or steel	19	-	5	8	6	-	-	-	-
5142	Other metallic salts and peroxyalts of inorganic acids	10	4	-	-	4	-	-	-	-
7232	Electrical insulating equipment	14	-	7	1	-	-	1	2	-
	Total group 2 (7 products)									
	Total group 1 and group 2 (26 products)									

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^cHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2G

**DENMARK: CLASSIFICATION OF THE COUNTRIES OF LATIN AMERICA AND THE CARIBBEAN
ON THE BASIS OF THE DEGREE OF DEPENDENCE OF THE DEVELOPED
COUNTRIES ON EACH MARKET, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)															
		Total Latin Ame- rica	Vene- zuela	Ar- gen- tina	Chile	Co- lom- bia	Bra- zil	Mexi- co	Pana- ma	Ecu- dor	Peru	Costa Rica	Gua- tema- la	Ni- cara- gua	Ja- mai- ca	Trini- dad and Toba- go	Cuba
	Group 1^a																
7359	Ships and boats, n.e.s. ^b	77	-	-	-	-	-	-	77	-	-	-	-	-	-	-	-
0222	Milk and cream (including buttermilk, skimmed milk and whey), dry (in solid form such as bloks or powder)	18	10	-	-	-	3	-	-	-	-	-	-	-	-	-	-
7185	Mineral crushing, sorting and moulding machinery; glass-working machinery	18	-	-	6	-	-	11	-	-	-	-	-	-	-	-	-
7353	Ships and boats, other than warships ^b	9	-	-	-	-	1	-	2	-	-	-	-	-	-	-	-
7191	Heating and cooling equipment	7	2	-	-	-	-	-	-	2	-	-	-	-	-	-	-
5129	Other organic chemicals	5	-	2	1	-	-	-	-	-	-	-	-	-	-	-	-
5999	Chemical products and preparations, n.e.s.	8	1	6	-	-	-	-	-	-	-	-	-	-	-	-	-
7222	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)	6	-	-	1	-	-	3	-	-	-	-	-	-	-	-	-
5413	Penicillin, streptomycin, tyrocidine, and other antibiotics	14	2	2	1	1	3	1	-	-	-	-	-	-	-	-	-
7183	Food-processing machines (except domestic)	5	1	3	-	-	-	-	-	-	-	-	-	-	-	-	-
7151	Machine-tools for working metals	8	3	-	-	-	-	2	-	-	-	-	-	-	-	-	-
5992	Insecticides, fungicides, disinfectants (including sheep and cattle dressing) and similar preparations	13	-	1	-	4	-	-	-	-	-	5	1	-	-	-	2
5128	Organo-inorganic and heterocyclic compounds	12	-	-	1	3	-	-	-	-	-	-	-	-	-	-	-
7123	Milking machines, cream separators and other dairy-farm equipment	6	2	-	-	-	-	-	-	-	2	-	-	-	-	-	-
	Total group 1 (14 products)																

Table 2G (concluded)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)															
		Total Latin Ame- rica	Vene- zuela	Ar- gen- tina	Chile	Co- lom- bia	Bra- zil	Mexi- co	Pana- ma	Ecu- dor	Peru	Costa Rica	Gua- tema- la	Ni- cara- gua	Ja- mai- ca	Trini- dad and Toba- go	Cuba
	Group 2^c																
0482	Malt (including malt flour)	17	-	-	-	-	-	-	9	-	-	4	-	-	2	2	-
7181	Paper and pulp mill machinery, paper cutting machinery and other machinery for the manufacture of paper articles	20	2	-	-	16	2	-	-	-	-	-	-	-	-	-	-
	Total group 2 (2 products)																
	Total group 1 and group 2 (16 products)																

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b In respect of products belonging to the ships and boats sector (SITC, Rev. 1,735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^c Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2H

PORTUGAL: CLASSIFICATION OF THE COUNTRIES OF LATIN AMERICA AND THE CARIBBEAN
ON THE BASIS OF THE DEGREE OF DEPENDENCE OF THE DEVELOPED
COUNTRIES ON EACH MARKET, 1982

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)													
		Total Latin Ame- rica	Bra- zil	Vene- zuela	Peru	Mexi- co	Ar- gen- tina	Chile	El Sal- vador	Gua- tema- la	Trini- dad and Toba- go	Pana- ma	Ecu- dor	Uru- guay	Cuba
	Group 1^a														
9510	Firearms of war and ammunition therefor	9	-	-	-	-	-	-	4	-	-	-	-	4	-
4215	Olive oil	54	41	13	-	-	-	-	-	-	-	-	-	-	-
2440	Cork, raw and waste (including natural cork in blocks and sheets)	12	2	-	-	-	8	-	-	-	-	-	-	-	-
0517	Edible nuts, fresh or dried (including coconuts) other than nuts chiefly used for the extracting of oil	38	37	-	-	-	-	-	-	-	-	-	-	-	-
7199	Parts and accessories of machinery, n.e.s.	10	1	3	1	3	-	-	-	-	-	-	-	-	-
8922	Newspapers and periodicals	91	81	1	-	9	-	-	-	-	-	-	-	-	-
6952	Other tools for use in the hand or in machines	14	-	7	1	-	-	2	-	-	-	-	-	-	-
0482	Malt (including malt flour)	96	96	-	-	-	-	-	-	-	-	-	-	-	-
8921	Books and pamphlets (including maps and globes), printed	16	16	-	-	-	-	-	-	-	-	-	-	-	-
6911	Finished structural parts and structures of iron or steel	9	-	-	-	-	-	-	-	9	-	-	-	-	-
2518	Sulphite wood pulp	5	-	4	-	-	-	-	-	-	-	-	-	-	-
6951	Wire cables, ropes, plaited bands, slings and similar articles, not insulated	7	-	-	-	2	-	-	-	-	-	5	-	-	-
7316	Railway and tramway freight and maintenance cars, not mechanically propelled	26	6	-	-	-	-	-	-	21	-	-	-	-	-
5612	Phosphatic fertilizers and phosphatic fertilizer materials (other than natural) including superphosphate and basic dephosphorization slag	18	18	-	-	-	-	-	-	-	-	-	-	-	-

Table 2H (concluded)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)														
		Total Latin America	Brazil	Venezuela	Peru	Mexico	Argentina	Chile	El Salvador	Guatemala	Trinidad and Tobago	Panama	Ecuador	Uruguay	Cuba	Dominican Republic
5417	Medicaments	6	-	-	-	-	-	-	-	-	-	3	-	-	-	1
6645	Cast or rolled glass (including flushed or wired glass), unworked, in rectangles	32	-	2	19	-	-	4	-	-	-	-	4	-	-	-
6971	Domestic stoves, boilers, cookers, ovens, space heaters, n.e.s.	20	-	8	9	-	-	-	-	-	-	-	-	-	-	-
5149	Inorganic chemical products, n.e.s.	14	-	6	-	-	-	-	-	-	-	-	-	-	-	-
5413	Penicillin, streptomycin, tyrocidine and other antibiotics	5	-	2	2	-	-	-	-	-	-	-	-	-	-	-
	Total group 1 (19 products)															
	Group 2^b															
5128	Organo-inorganic and heterocyclic compounds	82	-	65	-	-	16	-	-	-	-	-	-	-	-	-
7341	Aircraft, heavier-than-air	67	-	67	-	-	-	-	-	-	-	-	-	-	-	-
0519	Fresh fruit, n.e.s.	50	50	-	-	-	-	-	-	-	-	-	-	-	-	-
5811	Products of condensation, polycondensation and polyaddition (e.g., phenoplasts, aminoplasts, alkyds, polyallyl esters and other unsaturated polyesters, silicones)	13	-	-	-	-	-	-	1	-	8	-	-	-	1	-
7317	Parts of railway, locomotives and rolling stock, n.e.s.	11	5	-	-	-	-	-	-	-	-	-	-	-	-	-
7196	Other non-electrical machines	10	-	9	-	-	-	-	-	-	-	-	-	-	-	-
	Total group 2 (6 products)															
	Total group 1 and group 2 (25 products)															

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 21

FEDERAL REPUBLIC OF GERMANY: CLASSIFICATION OF THE COUNTRIES
OF LATIN AMERICA AND THE CARIBBEAN ON THE BASIS OF
THE DEGREE OF DEPENDENCE OF THE DEVELOPED
COUNTRIES ON EACH MARKET, 1982

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)							
		Total Latin Amer- ica	Mexi- co	Bra- zil	Ar- gen- tina	Co- lom- bia	Vene- zuela	Ecu- ador	Peru
Group 1^a									
7328	Bodies, chassis, frames and other parts of motor vehicles other than motorcycles (not including rubber tyres, engines, chassis with engines mounted, electrical parts)	5	4	-	-	-	-	-	-
7171	Textile machinery	7	2	2	-	1	-	-	-
7249	Telecommunications equipments, n.e.s.	6	-	1	2	-	-	-	-
7151	Machine-tools for working metals	5	3	1	-	-	-	-	-
7221	Electric power machinery	5	-	2	-	-	1	-	-
5128	Organo-inorganic and heterocyclic compounds	10	2	3	1	-	-	-	-
5127	Nitrogen-function compounds	7	1	3	-	-	-	-	-
7191	Heating and cooling equipment	5	2	-	1	-	-	-	-
7182	Printing and bookbinding machinery	5	2	-	-	-	-	-	-
5310	Synthetic organic dyestuffs, natural indigo and colour lakes	6	-	2	-	-	-	-	-
6784	High pressure hydroelectric conduits of steel	7	7	-	-	-	-	-	-
5992	Insecticides, fungicides, disinfectants (including sheep and cattle dressing) and similar preparations	6	-	1	-	-	-	-	-
7152	Metalworking machinery, other than machine-tools	12	5	5	-	-	-	-	-
Total group 1 (13 products)									
Group 2^b									
5411	Vitamins and provitamins	10	2	4	1	-	-	-	-
6747	Tinned plate	11	3	-	1	-	4	2	-
6912	Finished structural parts and structures of aluminium	12	-	-	12	-	-	-	-
7118	Engines, n.e.s. (wind engines, hot air engines, water wheels and water turbines)	12	-	5	-	5	-	-	-
5415	Hormones	15	3	4	3	2	1	-	1
5413	Penicillin, streptomycin, tyrocidine and other antibiotics	14	2	-	2	3	1	2	-
Total group 2 (6 products)									
Total group 1 and group 2 (19 products)									

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2j

**UNITED KINGDOM: CLASSIFICATION OF THE COUNTRIES OF
LATIN AMERICA AND THE CARIBBEAN ON THE BASIS
OF THE DEGREE OF DEPENDENCE OF THE
DEVELOPED COUNTRIES ON EACH
MARKET, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)										
		Total Latin Ame- rica	Vene- zuela	Bra- zil	Trini- dad and Toba- go	Ja- mai- ca	Pana- ma	Ecu- dor	Mexi- co	Col- om- bia	Ar- gen- tina	Bar- ba- dos
	Group 1^a											
1124	Distilled alcoholic beverages	10	4	-	-	-	-	-	-	-	-	-
7115	Internal combustion engines, other than for aircraft	7	-	-	-	-	-	-	4	-	-	-
7249	Telecommunications equipment, n.e.s.	5	-	2	-	-	-	2	-	-	-	-
7353	Ships and boats, other than warships ^b	19	-	-	1	-	16	-	-	-	-	-
7359	Ships and boats, n.e.s. ^b	26	-	-	-	-	26	-	-	-	-	-
8929	Printed matter, n.e.s.	14	1	-	-	-	-	3	-	3	-	-
5997	Organic chemical products, n.e.s.	7	4	-	-	-	-	-	-	-	-	-
7151	Machine-tools for working metals	7	-	-	-	-	-	-	5	-	-	-
6783	Tubes and pipes of iron (other than of cast iron) or steel, welded, clinched, etc.	22	-	-	18	-	3	-	-	-	-	-
7171	Textile machinery	6	-	-	-	-	-	-	2	-	-	-
6782	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)	7	6	6	-	-	-	-	-	-	-	-
	Total group 1 (11 products)											

Table 2J (concluded)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)									
		Total Latin Ame- rica	Vene- zuela	Bra- zil	Trini- dad and Toba- go	Ja- mai- ca	Pana- ma	Ecu- dor	Mexi- co	Col- om- bia	Ar- gen- tina
	Group 2^c										
0482	Malt (including malt flour)	13	5	1	-	-	-	-	-	-	-
6747	Tinned plate	10	-	-	-	-	-	-	-	-	-
0240	Cheese and curd	16	3	-	7	2	1	-	-	-	3
8613	Binoculars, micro- scopes, and other optical instruments	12	-	11	-	-	-	-	-	-	-
6931	Wire cables, ropes, plaited bands, slings and similar articles, not insulated	11	-	1	2	2	-	-	-	-	-
5416	Glucosides; glands and their extracts; sera, vaccines	11	-	9	-	-	-	-	-	-	-
6644	Cast, rolled, drawn or blown glass (in- cluding flushed or wire glass) in rectan- gles, surface ground or polished, but not further worked	13	3	4	-	-	-	2	-	-	1
	Total group 2 (7 products)										
	Total group 1 and group 2 (18 products)										

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^cHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2K

**IRELAND: CLASSIFICATION OF THE COUNTRIES OF LATIN AMERICA AND THE CARIBBEAN
ON THE BASIS OF THE DEGREE OF DEPENDENCE OF THE DEVELOPED
COUNTRIES ON EACH MARKET, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)															
		Total Latin Ame- rica	Mexi- co	Vene- zuela	Col- lom- bia	Ar- gen- tina	Bra- zil	Gua- tema- la	Boli- via	Uru- guay	El Sal- vador	Ni- cara- gua	Ja- mai- ca	Cuba	Do- mini- can Repub- lic	Haiti	Pana- ma
	Group 1^a																
0222	Milk and cream (including butter milk, skimmed milk and whey), dry (in solid form such as blocks or powder)	23	4	10	-	-	-	1	-	-	2	3	-	2	-	-	-
8929	Printed matter, n.e.s.	30	-	-	11	-	-	1	2	2	-	-	-	-	-	-	-
7299	Electrical machinery and apparatus, n.e.s.	20	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5413	Penicillin, streptomycin, tyrocidine and other antibiotics	6	-	1	-	-	2	-	-	-	-	-	-	-	-	-	-
8624	Photographic film, plates and paper, whether or not exposed, and developed film other than developed cinematographic film	9	2	1	-	-	-	-	-	-	-	-	-	-	-	-	5
5129	Other organic chemicals	20	6	-	-	3	9	-	-	-	-	-	-	-	-	-	-
5127	Nitrogen-function compounds	8	2	5	-	1	-	-	-	-	-	-	-	-	-	-	-
	Total group 1 (7 products)																
	Group 2^b																
6922	Casks, drums, boxes, cans and similar commercial containers used for transport of goods	13	-	-	-	-	-	-	-	-	-	-	-	-	6	6	-
	Total group 2 (1 product)																
	Total group 1 and group 2 (8 products)																

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2L

**THE NETHERLANDS: CLASSIFICATION OF THE COUNTRIES
OF LATIN AMERICA AND THE CARIBBEAN ON THE
BASIS OF THE DEGREE OF DEPENDENCE
OF THE DEVELOPED COUNTRIES
ON EACH MARKET, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)								
		Total Latin Ame- rica	Vene- zuela	Bra- zil	Mexi- co	Ecu- ador	El Sal- vador	Haiti	Pana- ma	Ar- gen- tina
	Group 1^a									
7359	Ships and boats, n.e.s. ^b	25	8	-	11	1	-	-	-	-
0222	Milk and cream (including buttermilk, skimmed milk and whey), dry (in solid form such as blocks or powder)	13	8	1	-	-	-	-	-	-
7299	Electrical machinery and apparatus, n.e.s	5	-	-	4	-	-	-	-	-
6725	Blooms, billets, slabs, sheet bars and roughly forged pieces of iron or steel	8	7	-	-	-	-	-	-	-
5415	Hormones	11	-	3	-	-	-	-	1	-
	Total group 1 (5 products)									
	Group 2^c									
7118	Engines, n.e.s. (wind engines, hot air engines, water wheels and water turbines)	17	-	14	-	-	-	-	-	2
0481	Cereal grains, flaked, pearled or prepared in a manner not elsewhere specified ("prepared breakfast foods")	10	-	-	-	4	1	1	-	-
	Total group 2 (2 products)									
	Total group 1 and group 2 (7 products)									

Source: Calculations by the Secretariat of UNCTAD.

^a Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^b In respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^c Highly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.5% and 1% of the country's total exports to Latin America.

Table 2M

**BELGIUM: CLASSIFICATION OF THE COUNTRIES OF
LATIN AMERICA AND THE CARIBBEAN ON THE
BASIS OF THE DEGREE OF DEPENDENCE
OF THE DEVELOPED COUNTRIES
ON EACH MARKET, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)								
		Total Latin Ame- rica	Vene- zuela	Bra- zil	Mexi- co	Chile	Co- lom- bia	Peru	Ar- gen- tina	Pana- ma
	Group 1^a									
0230	Butter	6	-	-	2	2	-	-	-	-
0222	Milk and cream (including buttermilk, skimmed milk and whey), dry (in solid forms such as blocks or powder)	13	7	-	-	2	1	-	-	-
6725	Blooms, billets, slabs, sheet bars and roughly forged pieces of iron or steel	16	4	12	-	-	-	-	-	-
7171	Textile machinery	7	-	2	4	-	-	-	-	-
0482	Malt (including malt flour)	11	2	4	-	-	-	-	-	-
7191	Heating and cooling equipment	6	1	1	1	-	-	-	-	-
7198	Machinery and mechanical appliances, n.e.s.	7	-	-	1	-	-	3	-	-
7221	Electric power machinery	5	2	-	-	-	-	-	-	-
6783	Tubes and pipes of iron (other than of cast iron) or steel, welded, clinched, etc.	8	-	-	-	-	-	-	7	-
7353	Ships and boats, other than warships ^b	11	-	-	-	-	-	-	-	11
	Total group 1 (10 products)									
	Group 2^c									
7125	Tractors, other than road tractors for tractor-trailer combinations	13	11	-	-	-	-	-	-	-
5416	Glucosides; glands and their extracts; sera, vaccines	19	3	11	1	-	-	-	-	-
	Total group 2 (2 products)									
	Total group 1 and group 2 (12 products)									

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

^cHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 10% and in which the volume of trade represents between 0.3% and 1% of the country's total exports to Latin America.

Table 2N

**GREECE: CLASSIFICATION OF THE COUNTRIES OF
LATIN AMERICA AND THE CARIBBEAN ON THE
BASIS OF THE DEGREE OF DEPENDENCE
OF THE DEVELOPED COUNTRIES
ON EACH MARKET, 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description	Coefficient of dependence in respect of each country in the region (percentages)		
		Total Latin America	Venezuela	Nicaragua
Group 1^a				
9510	Firearms of war and ammunition therefor	6	-	-
7349	Airships, balloons and parts of aircraft, airships and balloons (not including rubber tyres, engines or electrical parts)	6	-	6
5530	Perfumery and cosmetics, dentifrices and other toilet preparations (except soaps)	9	9	-
Total group 1 (3 products)				

Source: Calculations by the Secretariat of UNCTAD.

^aHighly dependent products having a major sectoral impact: defined as those whose coefficients of dependence are higher than 5% and in which the volume of trade represents more than 1% of the country's total exports to Latin America.

Table 3A

UNITED STATES: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR A REORIENTATION OF THE REGION'S PURCHASES TO OTHER DEVELOPED COUNTRIES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^d	Dependence of United States		Supply of the developed countries																	Latin American supply				
		Coef. of dep. DPi	USA exp. to Latin Am.	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Latin America exp. to world	Intra-reg. exp. as % reg.'s total exp.			
				USA and Japan		EEC										Other democratic countries							Exp. DCs to world	Cover- age	
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	Total Latin Amer. exp. to world %	Latin Am. exp. to world %	19/B %			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21			
	Group I																								
7184	Construction and mining machinery	24	1 669.6	46	12	32	10	3	7	8	1	3	-	-	10	5	-	-	5	15	146.9	132.0	18	8	
7328	Bodies, chassis, frames and others	19	1 514.5	26	9	47	20	5	10	8	1	2	-	-	18	12	2	-	4	29	848.1	405.4	36	27	
7115	Internal combustion engines	18	628.4	27	14	44	19	5	7	10	1	1	1	-	15	7	2	-	6	13	372.1	583.4	7	93	
7192	Pumps and centrifuges	21	624.7	24	12	54	21	8	8	10	3	2	2	1	-	11	-	1	-	10	12	727.4	114.3	52	18
7249	Telecommunications equipment, n.e.s	17	532.6	20	25	41	13	4	7	8	5	3	1	1	-	14	2	1	-	11	16	012.1	62.9	46	12
5812	Products of polymerization and co-polymerization	24	506.3	14	8	69	22	7	11	7	11	11	1	-	8	-	1	-	7	14	239.3	193.5	52	38	
9310	Special transactions not classified elsewhere	18	443.0	21	11	61	28	-	2	5	-	22	1	2	-	7	2	-	5	11	598.0	-	-	-	
7222	Electrical apparatus for making and breaking	22	421.0	17	15	55	24	5	11	8	3	2	1	1	-	14	1	1	-	12	11	420.1	74.0	43	18
7295	Electrical measuring and controlling instruments	10	420.9	43	6	38	13	2	6	11	3	1	2	-	12	3	-	-	9	9	656.8	32.8	22	8	
7143	Statistical and calculating machines	9	413.6	40	10	44	12	6	7	10	3	2	-	5	-	6	-	1	-	5	13	086.1	265.2	18	64

Table 3A (continued 1)

SITC Rev.1	Description ^a	Supply of the developed countries																			Latin American supply			
		Dependence of United States		Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																Exp. DCs to world	Latin America exp. to world	Intra-reg. exp. as % reg.'s total exp.	Cov-er- age	
		Coef. of dep. DP _i	USA exp. to Latin Am.	USA and Japan		EEC										Other democratic countries								Total
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	18	19	20	21		
5121	Hydrocarbons and their derivatives	26	387.1	18	4	65	12	3	20	8	20	2	-	-	-	13	7	2	1	3	8 089.8	221.9	19	57
7191	Heating and cooling equipment	17	370.8	22	21	45	13	11	8	5	2	2	3	1	-	12	1	2	-	9	9 862.0	92.5	62	25
7149	Office machines, n.e.s.	9	370.2	46	7	42	12	3	7	10	5	2	-	3	-	5	-	1	-	4	9 312.0	43.5	13	12
7193	Mechanical handling equipment	24	349.6	16	15	50	20	6	10	8	3	1	1	-	-	19	3	1	-	15	9 338.0	60.1	71	17
7293	Valves, tubes, photocells	8	325.4	40	26	32	10	3	6	7	5	-	-	1	-	2	-	-	1	1	10 223.8	46.3	14	14
7299	Electrical machinery and apparatus, n.e.s.	18	325.1	24	18	46	17	5	6	10	4	2	1	-	-	13	-	1	-	12	7 560.0	43.7	62	13
Group II																								
7241	TV receivers, with or without gramophone	63	141.8	6	45	38	22	3	1	3	3	5	1	-	-	11	-	-	1	10	3 608.3	31.7	94	22
7359	Ships and boats, n.e.s. ^b	41	258.9	16	33	29	4	-	10	4	9	-	1	-	-	22	-	1	-	21	3 902.4	198.1	1	77
6429	Articles of paper pulp, paper or paperboard	40	201.2	18	3	58	21	3	12	6	6	8	2	1	-	20	2	1	-	17	2 714.4	34.5	81	17
2218	Oil-seed, oil nuts and oil kernels	48	189.5	30	-	39	2	-	26	1	2	-	9	-	-	31	28	-	-	3	1 336.2	61.8	1	33
7183	Food-processing machines (excl. domestic)	42	151.2	20	3	61	20	12	7	8	8	1	5	-	-	16	1	2	-	13	1 840.4	18.4	81	12
6911	Finished structural parts and structures	37	196.6	8	16	59	14	13	12	8	6	4	1	-	-	17	4	3	-	10	6 682.8	45.7	89	23
7151	Machine-tools for working metals	30	196.6	9	18	53	30	9	4	7	1	2	1	-	-	20	3	2	-	15	7 085.1	38.0	53	19

Table 3A (continued 2)

SITC Rev.1	Description ^a	Dependence of United States		Supply of the developed countries																Latin American supply				
		Coef. of dep. DPI	USA exp. to Latin Am.	USA and Japan		Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)												Exp. DCs to world	Latin Amer- ica exp. to world	Intra- reg. exp. as % reg.'s total exp.	Cov- er- age			
				EEC	Other democratic countries										Total Latin Amer. exp. to world	Latin Am. exp. to world %	19/B %							
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	19	20	21		
7185	Mineral crushing, sorting and moulding machinery	35	152.6	15	8	64	24	9	10	10	3	2	6	1	-	12	1	2	-	9	2 818.3	27.3	55	18
6535	Fabrics, woven, of synthetic fibres	30	142.7	8	42	43	13	12	6	3	3	5	1	1	-	7	-	1	1	5	5 617.1	39.1	90	27
6291	Rubber tyres and tubes	38	139.6	7	24	60	14	8	19	8	4	6	-	1	-	9	-	6	-	3	5 527.1	108.2	64	78
7171	Textile machinery	31	134.0	8	12	57	29	9	5	7	2	3	1	-	-	24	1	1	-	22	5 716.5	17.4	49	13
8414	Clothing and accessories, knitted	37	123.4	5	2	75	13	32	9	10	3	2	3	1	3	17	-	2	5	10	6 459.0	90.0	45	73
8911	Phonographs, tape- recorders and others	37	114.3	4	77	11	5	-	1	2	1	2	-	-	-	8	7	-	-	1	8 033.0	4.7	39	4
5611	Nitrogenous fertilizers, and fertilizer materials	31	100.8	19	8	55	7	2	5	1	24	14	-	2	-	18	11	1	1	5	1 733.5	37.9	81	38
7199	Parts and accessories of machinery, n.e.s.	21	301.6	13	13	60	24	10	9	10	3	2	2	-	-	13	2	2	-	9	10 882.6	149.2	40	49
7198	Machinery, n.e.s.	20	297.0	17	9	59	27	11	7	9	4	1	1	-	-	15	2	1	-	12	8 994.5	70.1	47	24
5992	Insecticides, fungicides and disinfectants	22	245.1	29	5	56	19	3	10	12	4	6	1	-	-	10	-	1	-	9	3 853.6	102.6	69	42
5999	Chemical products and preparations	24	237.7	18	7	62	26	5	7	10	8	5	1	1	-	14	3	1	1	9	5 669.7	99.2	34	42
7195	Powered-tools, n.e.s.	20	200.6	22	9	50	24	11	4	7	1	2	1	-	-	19	2	1	-	16	4 582.5	20.1	52	10
3325	Lubricating oils and greases, including mixtures	22	187.1	24	4	60	10	8	12	10	11	8	1	-	1	12	-	4	-	8	3 542.6	58.3	61	31
7196	Other non-electrical machines	20	187.1	18	5	63	32	12	5	6	3	1	3	-	-	14	1	1	-	12	5 339.8	54.4	72	29

Table 3A (continued 3)

SITC Rev.1	Description ^a	Dependence of United States	Supply of the developed countries																	Latin American supply				
			Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Exp. DCs to world	Latin America exp. to world	Intra- reg. exp. as % reg.'s total exp.		
			USA exp. to Latin Am.		USA and Japan		EEC										Other democratic countries						Total Latin Amer. exp. to world	Total Latin Amer. exp. to world
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	19/B %	20	21		
5997	Organic chemical products	21	185.5	34	2	62	12	2	15	18	3	7	1	-	3	2	-	-	-	2	2 611.7	42.8	32	23
7250	Domestic electrical equipment	27	177.5	10	17	60	19	19	8	4	5	1	3	1	-	12	1	3	-	8	6 331.7	87.6	58	49
5127	Nitrogen-function compounds	21	168.4	16	10	59	23	3	6	15	8	4	-	-	15	-	1	-	14	5 171.2	95.6	44	57	
7221	Electric power machinery	26	165.2	8	22	56	22	6	10	12	2	2	1	-	14	-	1	-	13	8 204.2	66.9	52	40	
6413	Kraft paper and Kraft paper-board	23	154.2	28	2	10	2	-	5	1	1	1	-	-	61	4	2	2	53	2 376.8	15.9	67	10	
8930	Articles of artificial plastic materials	23	147.0	11	4	69	24	11	9	7	7	6	4	1	15	1	1	-	13	5 787.0	79.6	62	54	
7324	Special purpose lorries, trucks and vans	24	146.1	23	12	51	28	5	6	10	1	1	-	-	14	8	-	-	6	2 652.5	6.0	76	4	
0990	Food preparations, n.e.s.	26	144.5	20	3	62	10	3	9	7	15	5	4	10	-	15	2	2	-	11	2 748.8	61.9	43	43
7231	Insulated wires and cables	28	140.4	12	20	52	15	9	9	10	4	3	-	1	16	2	2	-	12	4 206.7	64.2	43	46	
4113	Animal oils, fats and greases	23	139.0	58	-	20	7	2	2	1	3	2	2	1	-	21	7	-	-	14	1 051.4	16.7	54	12
7182	Printing and bookbinding machinery	20	128.2	20	6	61	37	5	4	11	2	1	1	-	13	1	-	-	12	3 160.8	5.8	71	5	
6842	Aluminium and alumi- nium alloys, worked	22	119.0	11	8	62	22	5	12	5	5	9	1	-	1	19	1	1	-	17	4 664.0	39.8	71	33
7113	Steam engines (incl. stationary engines)	28	112.5	30	19	40	17	4	8	6	2	3	-	-	-	11	-	-	-	11	1 353.5	0.7	28	1
7125	Tractors, other than road tractors	16	195.1	26	17	53	17	14	6	15	-	1	-	-	-	5	-	1	-	4	4 812.4	156.0	47	80
7116	Gas turbines, other than for aircraft	10	177.4	47	3	31	5	4	7	13	2	-	-	-	-	19	16	-	-	3	3 630.8	5.9	1	3

Table 3A (concluded)

SITC Rev.1	Description ^a	Supply of the developed countries																				Latin American supply		
		Dependence of United States		Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Latin American supply			
		Coef. of dep. DPI	USA exp. to Latin Am.	USA and Japan		EEC										Other democratic countries					Exp. DCs to world	Latin Amer- ica exp. to world	Intra- reg. exp. as % reg.'s total exp.	Cov- er- age
				USA	JAP	Total EEC	FRG	ITA	FRA	UK	NI	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH				
(A) %	(B)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
8619	Measuring, controlling and scientific instruments	15	147.7	19	8	56	22	4	9	13	4	1	1	1	17	3	-	-	14	5 404.5	18.2	61	12	
6952	Other tools for use in hand or in machines	17	132.2	16	11	51	23	5	7	8	4	2	1	1	22	2	2	-	18	4 872.5	91.2	43	70	
5619	Fertilizers, n.e.s.	17	133.6	37	2	42	7	3	3	3	10	14	3	-	19	3	1	-	15	2 120.8	32.7	80	24	
6415	Paper and paperboard in rolls or sheets	19	120.6	16	6	44	16	5	5	6	7	4	1	-	35	4	1	-	30	4 009.3	28.4	73	24	
8210	Furniture	18	113.6	8	2	74	21	24	7	5	4	7	6	1	16	3	2	-	11	8 261.0	47.0	47	41	
8912	Phonograph records, recorded tapes and others	14	111.4	22	37	37	12	1	5	9	5	2	1	1	5	-	1	-	4	3 660.7	17.4	53	16	
8616	Photographic and cinematographic apparatus and equipment	15	107.9	16	41	38	11	2	3	12	8	1	1	-	5	2	-	-	3	4 324.6	41.6	68	39	
8617	Medical instruments, n.e.s.	14	107.3	25	11	51	19	3	6	10	3	3	2	6	12	1	-	-	11	3 035.1	26.5	39	25	

Source: Analysis of computerized export data, UNCTAD series D (magnetic tape), Statistical Office of the United Nations, New York, 1982, and the ECLAC Data Bank, 1982.

^aThe products chosen for North/North reorientation were those exports of the developed country concerned in which the total regional export supply was lower in value than the exports of that country to the region (in the case of manufactured goods) or less than 50% of such exports (in the case of agricultural, mineral and energy products). (See regional export coverage in column 21.)

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1.735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 3C

UNITED KINGDOM: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR A REORIENTATION OF THE REGION'S PURCHASES TO OTHER DEVELOPED COUNTRIES IN 1982

(Millions of dollars and percentages)

SITC Rev. I	Description ^a	Dependence of United Kingdom		Supply of the developed countries															Latin American supply					
		Coef. of dep. DPi	UK exp. to Latin Am.	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)															Exp. DCs to world	Latin America exp. to world	Intra-reg. exp. as % of reg.'s total exp.	Cover- age		
				USA and Japan		EEC										Other democratic countries								
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	Total Latin Am. exp. to world %	Latin Am. exp. to world %	19/B %		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
	Group I																							
1124	Distilled alcoholic beverages	10	174.3	2	-	87	1	3	25	52	2	-	-	5	-	11	8	1	-	2	3 318.8	72.1	18	41
8929	Printed matter, n.e.s.	14	36.0	12	4	65	25	7	7	12	6	5	2	1	-	19	2	5	-	12	2 174.2	15.8	70	44
7171	Textile machinery	6	24.5	8	12	57	29	9	5	7	2	3	1	-	-	24	1	1	-	22	5 716.5	17.4	49	71
	Group II																							
6747	Tinned plate	10	13.0	-	27	60	13	2	16	8	12	7	-	-	2	14	-	7	-	7	1 790.5	12.9	43	99
8613	Binoculars, microscopes and other instruments	12	9.9	9	30	47	29	1	3	8	5	2	-	-	-	14	-	-	-	14	1 111.6	2.9	52	29
6644	Cast, rolled, drawn glass	13	6.2	16	6	75	15	7	18	7	1	26	-	-	-	3	-	2	-	1	702.5	3.9	64	63

Source: Analysis of computerized export data, UNCTAD series D (magnetic tape), Statistical Office of the United Nations, New York, 1982, and the ECLAC Data Bank, 1982.

^aThe products chosen for North/North reorientation were those exports of the developed country concerned in which the total regional export supply was lower in value than the exports of that country to the region (in the case of manufactured goods) or less than 50% of such exports (in the case of agricultural, mineral and energy products). (See regional export coverage in column 21.)

Table 3D
**FEDERAL REPUBLIC OF GERMANY: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND
 SUITABLE FOR A REORIENTATION OF THE REGION'S PURCHASES TO OTHER DEVELOPED COUNTRIES IN 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Federal Rep. of Germany		Supply of the developed countries															Latin American supply					
		Cof. of dep. DP1	FRG exp. to Latin Am.	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)															Exp. DCs to world	Latin America exp. to world	Intra- reg. exp. as % reg.'s total exp.	Cov- er- age		
				USA and Japan		EEC					Other democratic countries					Total	Total Latin Amer. exp. to world	Latin Am. exp. to world %					19/B %	
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	19	20	21		
	Group I																							
7171	Textile machinery	7	111.8	8	12	57	29	9	5	7	2	3	1	-	-	24	1	1	-	22	5 716.5	17.4	49	16
7249	Telecommunications equipment, n.e.s.	6	111.1	20	25	41	12	4	7	8	5	3	1	1	-	14	2	1	-	11	16 012.1	62.9	46	57
7151	Machine-tools for working metal	5	110.0	9	18	53	30	9	4	7	1	2	1	-	-	20	3	2	-	15	7 085.1	38.0	53	35
7221	Electric power machinery	5	93.3	8	22	56	22	6	10	12	2	2	1	-	-	14	-	1	-	13	8 204.2	66.9	52	72
5128	Organic-inorganic and heterocyclic compounds	10	88.8	5	10	65	19	5	6	9	7	9	1	9	-	21	-	2	-	19	4 952.9	38.8	52	44
7182	Printing and bookbinding machinery	5	59.0	20	6	61	37	5	4	11	2	1	1	-	-	13	1	-	-	12	3 160.8	5.8	71	10
5310	Org. synt. dyestuff and indigo	6	54.3	6	8	59	39	2	1	12	2	1	1	-	-	27	-	1	-	26	2 539.0	8.6	79	16
6784	High pressure conduits of steel	7	48.5	1	1	98	61	32	-	-	4	-	-	-	-	1	-	-	-	1	1 163.1	-	33	0
7152	Metalworking machinery, other than machine-tools	12	41.3	19	11	58	23	12	5	14	1	4	-	-	-	12	2	1	-	9	1 523.1	25.9	92	63

Table 3D (concluded)

SITC Rev.1	Description ^a	Dependence of Federal Rep. of Germany		Supply of the developed countries																	Latin American supply			
		Coef. of dep. DPi	FRG exp. to Latin Am.	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Exp. DCs to world	Latin America exp. to world	Intra-reg exp. as % reg.'s total exp.	Cov-erage
				USA and Japan		EEC											Other democratic countries							
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	Total Latin Amer. exp. to world	Latin Am. exp. to world %	19/B %		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
Group II																								
5411	Vitamins and provitamins	10	26.1	6	16	52	33	1	10	5	2	1	-	-	26	-	1	-	25	777.8	3.6	97	14	
6747	Tinned plate	11	24.6	-	27	60	13	2	16	8	12	7	-	-	2	14	-	7	-	7	1 790.5	12.9	43	52
6912	Finished struct. part, and struct. of aluminium	12	22.0	18	4	63	19	9	8	9	6	7	3	1	-	14	-	2	-	12	962.2	7.8	81	35
7118	Engines, n.e.s.	12	22.0	13	16	56	27	4	9	7	3	2	4	-	-	16	1	2	-	13	699.4	3.9	12	18

Source: Analysis of computerized export data, UNCTAD series D (magnetic tape), Statistical Office of the United Nations, New York, 1982, and the ECLAC Data Bank, 1982.
^aThe products chosen for North/North reorientation were those exports of the developed country concerned in which the total regional export supply was lower in value than the exports of that country to the region (in the case of manufactured goods) or less than 50% of such exports (in the case of agricultural, mineral and energy products). (See regional export coverage in column 21.)

Table 3E

**PORTUGAL: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET
AND SUITABLE FOR A REORIENTATION OF THE REGION'S PURCHASES TO
OTHER DEVELOPED COUNTRIES IN 1982**

(Millions of dollars and percentages)

SITC Rev. I	Description ^a	Dependence of Portugal		Supply of the developed countries																	Latin American supply			
		Coef. of dep. DPI	POR exp. to Latin Am.	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Exp. DCs to world	Latin Amer- ica exp. to world	Intra- reg. exp. as % reg.'s total exp.	Cov- er- age
				USA and Japan		EEC										Other democratic countries								
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	19	20	21		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
Group I																								
2440	Cork, raw and waste (incl. natural cork)	12	4.1	1	-	5	-	2	2	2	-	-	-	-	95	-	31	63	1	54.2	0.1	93	2	
Group II																								
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Source: Analysis of computerized export data, UNCTAD series D (magnetic tape), Statistical Office of the United Nations, New York, 1982, and the ECLAC Data Bank, 1982.

^aThe products chosen for North/North reorientation were those exports of the developed country concerned in which the total regional export supply was lower in value than the exports of that country to the region (in the case of manufactured goods) or less than 50% of such exports (in the case of agricultural, mineral and energy products). (See regional export coverage in column 21.)

Table 3F

**DENMARK: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET
AND SUITABLE FOR A REORIENTATION OF THE REGION'S PURCHASES TO
OTHER DEVELOPED COUNTRIES IN 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Denmark		Supply of the developed countries																Latin American supply				
		Cof. of dep. DPi	Danish exp. to Latin Am.	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																Exp. DCs to world	Latin Amer- ica exp. to world	Intra- reg. exp. as % reg.'s total exp.	Cov- er- age	
				USA and Japan		EEC										Other democratic countries								Total Latin Amer. exp. to world
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	19	20	21		
	Group I																							
7185	Min. crushing, sorting and moulding machinery	18	29.6	15	8	64	24	9	10	10	3	2	6	1	-	12	1	2	-	9	2 818.3	27.3	55	92
7123	Milking machines, cream separators and others	6	2.7	13	-	47	14	2	4	6	4	3	14	-	-	40	1	-	-	39	339.9	0.5	44	19
	Group II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: Analysis of computerized export data, UNCTAD series D (magnetic tape), Statistical Office of the United Nations, New York, 1982, and the ECLAC Data Bank, 1982.
^aThe products chosen for North/North reorientation were those exports of the developed country concerned in which the total regional export supply was lower in value than the exports of that country to the region (in the case of manufactured goods) or less than 50% of such exports (in the case of agricultural, mineral and energy products). (See regional export coverage in column 21.)

Table 3G

FRANCE: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET
AND SUITABLE FOR A REORIENTATION OF THE REGION'S PURCHASES TO
OTHER DEVELOPED COUNTRIES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of France		Supply of the developed countries																	Latin American supply			
		Coef. of dep. DPi	French exp. to Latin Am.	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Exp. DCs to world	Latin Amer- ica exp. to world	Intra- reg. exp. as % reg.'s total exp.	Cov- erage
				EEC												Other democratic countries								
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	19	20	21		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
Group I																								
7118	Engines, n.e.s.	17	101.8	13	16	56	27	4	9	7	3	2	4	2	-	16	1	2	-	13	699.4	3.9	12	4
7314	Mechanically-propelled railway and tramway cars	98	101.7	2	21	71	16	1	42	4	-	8	-	-	6	-	-	-	6	248.7	-	-	-	-
7222	Electrical apparatus for mknq. and breaking circuits	6	79.8	17	15	55	24	5	11	8	3	2	1	1	-	14	1	1	-	12	11 420.1	74.0	43	93
5530	Perfumery and cosmetics, dentifrices	6	53.0	14	2	72	13	4	44	-	4	4	2	1	-	11	1	2	-	8	2 171.6	42.0	81	79
6747	Tinned plate	14	39.1	-	27	60	13	2	16	8	12	7	-	-	2	14	-	7	-	7	1 790.5	12.9	43	33
7295	Electrical measuring and controlling apparatus	6	33.3	43	6	38	13	2	6	11	3	1	2	-	-	12	3	-	-	9	9 656.8	32.8	22	98

Table 3G (concluded)

SITC Rev. I	Description*	Dependence of France		Supply of the developed countries															Latin American supply					
		Coef. of dep. DP _i	French exp. to Latin Am.	USA and Japan		Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)													Exp. DCs to world	Latin America exp. to world	Intra- reg. exp. as % reg.'s total exp.	Cov- er- age		
				EEC	Other democratic countries										Total	Total Latin Am. exp. to world %	Latin Am. exp. to world %	19/B %						
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	19	20	21		
	Group II																							
7315	Railway and tramway passenger cars	49	15.2	4	9	81	26	-	13	40	-	2	-	-	6	-	3	-	3	232.5	0.8	0	5	
7262	X-ray apparatus	20	20.2	17	7	63	30	3	7	6	14	1	2	1	-	12	2	-	-	10	1 660.5	2.1	50	10
6988	Miscellaneous articles of base metal	17	23.3	13	5	64	17	7	14	11	8	4	1	1	-	17	3	1	-	13	962.7	14.3	90	61
7113	Steam engines (incl. stationary)	10	10.4	30	19	40	17	4	8	6	2	3	-	-	-	11	-	-	-	11	1 353.5	0.7	28	7
6762	Sleepers and other railway track material of iron	19	9.0	7	17	57	17	2	23	12	-	3	-	-	18	4	-	-	14	207.3	2.9	4	32	

Source: Analysis of computerized export data, UNCTAD series D (magnetic tape), Statistical Office of the United Nations, New York, 1982, and the ECLAC Data Bank, 1982.

*The products chosen for North/North reorientation were those exports of the developed country concerned in which the total regional export supply was lower in value than the exports of that country to the region (in the case of manufactured goods) or less than 50% of such exports (in the case of agricultural, mineral and energy products). (See regional export coverage in column 21.)

Table 3H
JAPAN: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR A REORIENTATION OF THE REGION'S PURCHASES TO OTHER DEVELOPED COUNTRIES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Japan		Supply of the developed countries																	Latin American supply			
		Cof. of dep. DPi	Japane exp. to Latin Am	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Latin America exp. to world	Intra-reg. exp. as % reg's total exp.	Cover- age	
				USA and Japan		EEC											Other democratic countries							Exp. DCs to world
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEI.	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	Total Latin Amer. exp. to world %	Latin Am. exp. to world %	19/B %		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
Group I																								
7353	Ships and boats, other than warships ^b	41	2 286.8	2	51	23	7	3	5	2	2	1	3	-	-	24	-	4	-	20	10 905.0	204.3	9	9
6782	Tubes and pipes of iron and steel	16	675.1	6	47	40	17	8	7	4	1	1	-	-	7	2	1	-	4	8 864.6	243.6	46	36	
7359	Ships and boats, n.e.s. ^b	35	447.0	16	33	29	4	-	10	4	9	-	1	-	22	-	1	-	21	3 902.4	198.1	1	44	
7221	Electric power machinery	13	229.0	8	22	56	22	6	10	12	2	2	1	-	14	-	1	-	13	8 204.2	66.9	52	29.	
7241	TV broadcast receivers with or without gramophone	8	131.3	6	45	38	22	3	1	3	3	5	1	-	11	-	-	1	10	3 608.3	31.7	94	24	
7293	Thermionic, etc. valves and tubes, photocells	5	128.4	40	26	32	10	3	6	7	5	-	-	1	-	2	-	-	1	10 223.8	46.3	14	36	
7191	Heating and cooling equipment	6	127.0	22	21	45	13	11	8	5	2	2	3	1	-	12	1	2	-	9	9 862.0	92.5	62	73
7222	Electrical apparatus for mknq. and breaking circuits	6	102.7	17	15	55	24	5	11	8	3	2	1	1	-	14	1	1	-	12	11 420.1	74.0	43	72
7249	Telecommunications equipment, n.e.s.	7	97.1	20	25	41	13	4	7	8	5	3	1	1	-	14	2	1	-	11	16 012.1	62.9	46	65

Table 3H (concluded)

SITC Rev.1	Description ^a	Dependence of Japan		Supply of the developed countries																	Latin American supply			
		Coef. of dep. DPi	Japanese exp. to Latin Am.	USA and Japan		Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)														Exp. DCs to world	Latin America exp. to world	Intra-reg. exp. as % reg.'s total exp.	Cov-er- age	
				EEC	Other democratic countries														Total Latin Amer. exp. to world %					Latin Am. exp. to world %
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	19	20	21		
7151	Machine-tools for working metals	7	94.6	9	18	53	30	9	4	7	1	2	1	-	-	20	3	2	-	15	7 085.1	38.0	53	40
8641	Watches, watch movements and cases	9	86.7	2	33	14	3	2	5	3	1	1	-	-	51	1	-	-	50	3 073.3	3.8	7	4	
Group II																								
6747	Tinned plate	11	52.4	-	27	60	13	2	16	8	12	7	-	-	2	14	-	7	-	7	1 790.5	12.9	43	25
7113	Steam engines (incl. stationary)	19	49.6	30	19	40	17	4	8	6	2	3	-	-	-	11	-	-	-	11	1 353.5	0.7	28	1
7152	Metalworking machinery, other than machine-tools	18	30.2	19	11	58	23	12	5	14	1	4	-	-	-	12	2	1	-	9	1 523.1	25.9	92	86

Source: Analysis of computerized export data, UNCTAD series D (magnetic tape), Statistical Office of the United Nations, New York, 1982, and the ECLAC Data Bank, 1982.

^aThe products chosen for North/North reorientation were those exports of the developed country concerned in which the total regional export supply was lower in value than the exports of that country to the region (in the case of manufactured goods) or less than 50% of such exports (in the case of agricultural, mineral and energy products). (See regional export coverage in column 21.)

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 3j

ITALY: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR A REORIENTATION OF THE REGION'S PURCHASES TO OTHER DEVELOPED COUNTRIES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Italy		Supply of the developed countries																	Latin American supply			
		Coef. of dep. DPi	Italian exp. to Latin Am.	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Exp. DCs to world	Latin America exp. to world	Intra-reg. exp. as % of reg.'s total exp.	Cover- age
				USA and Japan		EEC											Other democratic countries							
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	Total Latin Amer. exp. to world %	Latin Am. exp. to world %	19/B %		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
Group I																								
5141	Metallic salts and peroxysalts of inorg. acids	96	264.5	6	22	68	14	44	3	6	4	2	-	-	-	5	-	2	-	3	628.7	8.0	30	3
8971	Jewelry of gold, silver and platinum	10	233.1	3	3	71	9	50	5	6	-	1	-	-	22	-	3	-	19	4 819.1	50.8	32	22	
7198	Machinery, n.e.s.	10	90.7	17	9	59	27	11	7	9	4	1	1	-	15	2	1	-	12	8 994.5	70.1	47	77	
7222	Electrical apparatus for mking. and breaking circuits	14	80.2	17	15	55	24	5	11	8	3	2	1	1	-	14	1	1	-	12	11 420.1	74.0	43	92
7152	Metalworking machinery, excl. machine-tools	36	64.7	19	11	58	23	12	5	14	1	4	-	-	12	2	1	-	9	1 523.1	25.9	92	40	
7249	Telecommunications equipment, n.e.s.	10	64.5	20	25	41	12	4	7	8	5	3	1	1	-	14	2	1	-	11	16 012.1	62.9	46	98
7193	Mechanical handling equipment	12	63.5	16	15	50	20	6	10	8	3	1	1	-	19	3	1	-	15	9 338.0	60.1	71	95	
7171	Textile machinery	10	51.1	8	12	57	29	9	5	7	2	3	1	-	24	1	1	-	22	5 716.5	17.4	49	34	
7151	Machine-tools for working metals	7	47.1	9	18	53	30	9	4	7	1	2	1	-	20	3	2	-	15	7 085.1	38.0	53	81	

Table 3J (concluded)

SITC Rev.1	Description ^a	Dependence of Italy		Supply of the developed countries																	Latin American supply				
		Coef. of dep. DPi	Italian exp. to Latin Am.	Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Exp. DCs to world	Latin America exp. to world	Intra-reg. exp. as % reg.'s total exp.	Cover- age	
				USA and Japan		EEC											Other democratic countries								
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR	OTH	Total	Total Latin Amer. exp. to world %	Latin Am. exp. to world %	19/B %			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21			
6911	Finished structural parts and structures	5	46.6	8	16	59	14	13	12	8	6	4	1	-	-	17	4	3	-	10	6	682.8	45.7	89	98
7183	Food-processing machines (excl. domestic)	17	28.0	20	3	61	20	12	7	8	8	1	5	-	-	16	1	2	-	13	1	840.4	18.4	81	66
9510	Firearms of war and ammunition	10	38.0	64	-	28	1	7	2	18	-	-	-	-	7	1	1	1	4	5	121.2	2.1	9	6	
7172	Machinery (excl. sewing machines) for preparing, tanning leather	24	33.1	2	1	91	26	47	7	7	2	1	-	-	6	1	2	-	3	293.5	1.7	81	5		
7195	Powered-tools	6	32.1	22	9	50	24	11	4	7	1	2	1	-	19	2	1	-	16	4	582.4	20.1	52	63	
7185	Mineral crushing, sorting and moulding machinery	10	29.6	15	8	64	24	9	10	10	3	2	6	1	12	1	2	-	9	2	818.3	27.3	55	92	
	Group II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: Analysis of computerized export data, UNCTAD series D (magnetic tape), Statistical Office of the United Nations, New York, 1982, and the ECLAC Data Bank, 1982.
^aThe products chosen for North/North reorientation were those exports of the developed country concerned in which the total regional export supply was lower in value than the exports of that country to the region (in the case of manufactured goods) or less than 50% of such exports (in the case of agricultural, mineral and energy products). (See regional export coverage in column 21.)

Table 3K

SPAIN: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR A REORIENTATION OF THE REGION'S PURCHASES TO OTHER DEVELOPED COUNTRIES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Spain Coef. of dep. DP _i	Supply of the developed countries																	Latin American supply				
			Structure of the supply of the developed countries to the world (world exports to the developed countries = 100)																	Latin America exp. to world	Intra-reg. exp. as % of reg.'s total exp.			
			Spanish exp. to Latin Am.	USA and Japan		EEC										Other democratic countries		Exp. DCs to world						
(A) %	(B)	USA	JAP	Total EEC	FRG	ITA	FRA	UK	NL	BEL	DEN	IRL	GRE	Total other	CAN	SPA	POR		OTH	Total	Total Latin Amer. exp. to world %	Latin Am. exp. to world %	19/B %	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
	Group I																							
8921	Books and pamphlets	72	190.5	24	3	53	11	5	8	17	5	4	2	-	-	20	2	9	-	9	3 019.5	105.6	72	55
7151	Machine-tools for working metals	28	46.6	9	18	53	30	9	4	7	1	2	1	-	-	20	3	2	-	15	7 085.1	38.0	53	82
8929	Printed matter n.e.s.	30	35.8	12	4	65	25	7	7	12	6	5	2	1	-	19	2	5	-	12	2 174.2	15.8	70	44
7351	Warships of all kinds ^b	100	21.9	64	-	31	-	-	-	5	26	-	-	-	-	5	-	4	-	1	540.7	1.2	100	5
7171	Textile machinery	27	20.8	8	12	57	29	9	5	7	2	3	1	-	-	24	1	1	-	22	5 716.5	17.4	49	84
	Group II																							
7112	Boiler house plant and related items	63	8.0	20	33	40	12	4	6	13	2	2	-	-	-	6	-	3	-	3	373.8	1.6	92	2
7118	Engines, n.e.s.	46	5.7	13	16	56	27	4	9	7	3	2	4	-	-	16	1	2	-	13	699.4	3.9	12	68
7111	Steam generating boilers	31	14.3	43	14	35	13	5	3	4	2	1	1	-	-	8	-	2	-	6	1 665.6	10.9	59	76
6921	Tanks, vats and reservoirs	35	9.5	12	25	49	13	9	9	10	4	2	1	-	1	13	-	4	-	9	666.1	7.5	68	79
5613	Potassic fertilizers and fertilizer material	25	16.1	11	-	26	19	1	5	1	-	-	-	-	-	63	57	6	-	0	1 063.5	0.7	73	4
6747	Tinned plate	14	16.2	-	27	60	13	2	16	8	12	7	-	-	-	2	14	-	7	-	7 1790.5	12.9	43	80

Source: Analysis of computerized export data, UNCTAD series D (magnetic tape), Statistical Office of the United Nations, New York, 1982, and the ECLAC Data Bank, 1982.

^aThe products chosen for North/North reorientation were those exports of the developed country concerned in which the total regional export supply was lower in value than the exports of that country to the region (in the case of manufactured goods) or less than 50% of such exports (in the case of agricultural, mineral and energy products). (See regional export coverage in column 21.)

^bIn respect of products belonging to the ships and boats sector (SITC, Rev. 1, 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 4A

UNITED STATES: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF LATIN AMERICAN PURCHASES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of USA		Latin American supply																	Action ^b			
		Cof. of dep. DPi (%) (A)	US exp. to Latin Am. (B)	Latin Am. exp. to world (C)	Intra exp. as % total region exp. (%) (D)	Cover- age reg. exp. (C)/(B) (%) (E)	Total Latin Am. exp. (100) (%) (F)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)										CACM (percentages)						
								ALADI (percentages)										CACM (percentages)						
							Ar- gentina (G)	Boli- via (H)	Bra- zil (I)	Chile (J)	Co- lombia (K)	Ecu- ador (L)	Me- xico (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)	(Y)	
Group I																								
3324	Residual fuel oils	20	390.2	1 201.4	3	308	100	24	-	23	-	18	14	15	-	6	-	-	-	-	-	-	R	
3321	Motor spirit	88	503.2	429.7	23	85	100	5	1	82	11	-	-	1	-	-	-	-	-	-	-	-	R	
0410	Wheat (incl. spelt) and meslin	19	1 251.3	700.1	11	56	100	97	-	-	-	-	-	-	-	3	-	-	-	-	-	-	R	
Group II																								
0813	Oil-seed cake and meal	13	189.8	2 067.9	2	1 090	100	17	-	82	-	-	-	-	1	-	-	-	-	-	-	-	R	
3411	Gas, natural	24	174.0	931.3	46	535	100	1	42	1	-	-	-	56	-	-	-	-	-	-	-	-	R	
2517	Sulphated wood pulp	13	124.4	461.7	20	371	100	-	-	63	37	-	-	-	-	-	-	-	-	-	-	-	R	
3323	Distillate fuels	25	257.4	732.1	25	284	100	21	-	67	-	-	-	3	-	7	-	-	1	1	-	-	R	
0459	Cereals, unmilled, n.e.s.	36	265.6	546.7	10	206	100	98	-	2	-	-	-	-	-	-	-	-	-	-	-	-	R	
7323	Lorries and trucks	10	148.3	296.9	34	200	100	4	-	89	1	-	-	5	-	-	1	-	-	-	-	-	R	
7353	Ships and boats, other than warships ^c	44	103.1	204.3	9	198	100	7	-	80	2	-	-	6	-	5	1	-	-	-	-	-	R	
4212	Soya bean oil	39	176.5	297.5	21	169	100	24	-	75	-	-	-	-	-	-	-	-	-	-	-	-	R	
5136	Other inorganic bases and metallic oxides	25	123.0	204.6	21	166	100	-	-	12	3	2	-	54	-	1	-	27	-	-	-	-	2	R

Table 4A (concluded)

SITC Rev. I	Description ^a	Dependence of USA		Latin American supply																Action ^b				
		Coef. of dep. DP ⁱ (%)	US exp. to Latin Am.	Latin Am. exp. to world	Intra exp. as % total region exp. (%)	Cover- age reg. exp. (C)/(B) (%)	Total Latin Am. exp. (16c) (%)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)										CACM (percentages)						
								ALADI (percentages)										CACM (percentages)						
(A)	(B)	(C)	(D)	(E)	(F)	Ar- gentina (G)	Bol-ivia (H)	Bra- zil (I)	Chi- le (J)	Co- lombia (K)	Ecu- ador (L)	Me- xico (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua- terma- la (T)	Hon- duras (U)	Nica- ragua (V)	(Y)		
5122	Alcohols, phenols	18	125.2	195.9	20	156	100	17	1	68	3	-	1	8	-	1	-	-	-	-	-	-	-	R
8411	Clothing of textile fabric	53	182.5	242.0	58	133	100	1	-	12	-	44	-	8	-	17	11	-	2	3	2	-	-	E
6782	Tubes and pipes of iron or steel	36	191.1	243.6	46	127	100	68	-	24	-	-	-	4	-	-	-	-	-	-	2	-	-	R
5125	Acids and their halogenated, sulfonated derivatives	17	135.6	158.5	26	117	100	13	-	28	1	3	-	50	-	1	2	-	-	1	1	-	-	R
5417	Medicaments	17	150.4	159.6	94	106	100	7	-	11	-	8	1	16	-	3	1	-	17	7	27	-	-	E
0542	Beans, peas, lentils and others	43	153.8	117.8	33	77	100	50	-	1	14	1	-	30	-	2	-	-	-	-	-	1	1	R

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

^cIn respect of products belonging to the ships and boats sector (SITC 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 4B

SPAIN: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF LATIN AMERICAN PURCHASES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Spain		Latin American supply																			Action ^b	
		Coef of dep DPi (%)	Spanish exp. to Latin Am. (B)	Latin Am. exp. to world (C)	Intra. exp. as % total exp. (D)	Cover- age reg. exp. (C)/(B) (%) (E)	Total Latin Am. exp. (16c.) (%) (F)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)												CACM (percentages)				
								ALADI (percentages)													El Salvador (S)	Gua-tema-la (T)		Hon-duras (U)
(A)	(B)	(C)	(D)	(E)	(F)	Argen-tina (G)	Boli-via (H)	Bra-zil (I)	Chile (J)	Co-lom-bia (K)	Ecu-a-dor (L)	Me-xico (M)	Para-guay (N)	Peru (O)	Uru-guay (P)	Vene-zuela (Q)	Cosra Rica (R)	(Y)						
	Group I																							
7328	Bodies, chassis, frames and others	5	26.5	405.4	36	1 530	100	8	-	52	3	3	-	32	-	-	1	2	-	-	-	-	-	R
6782	Tubes and pipes of iron or steel	14	18.8	243.6	46	1 296	100	68	-	24	-	-	-	4	-	-	-	-	-	-	2	-	-	R
5121	Hydrocarbons and their derivatives	14	21.7	221.9	19	1 023	100	37	-	44	-	2	-	2	-	-	1	13	-	-	-	-	1	R
5812	Products of polymerization and co-polymerization	17	31.6	193.5	52	612	100	11	-	61	3	6	-	10	-	1	5	2	-	-	-	-	-	E
7192	Pumps and centrifuges	14	23.9	114.3	52	478	100	23	2	57	1	3	-	8	-	4	-	2	-	-	-	-	-	E
6952	Other tools for use in the hand or in machines	17	19.1	91.2	43	477	100	52	-	27	-	5	-	8	-	1	1	4	1	-	-	-	-	R
7199	Parts and accessories of machinery, n.e.s.	20	34.5	149.2	40	432	100	21	-	41	1	3	1	29	-	1	-	1	-	-	-	-	-	R
7198	Machinery, n.e.s.	32	21.2	70.1	47	331	100	4	-	53	1	2	-	36	-	1	-	3	-	-	-	-	-	R
7249	Telecommunications equipment, n.e.s.	28	28.6	62.9	46	220	100	2	-	89	-	1	-	6	-	2	-	-	-	-	-	-	-	R
7191	Heating and cooling equipment	31	49.4	92.5	62	187	100	13	-	63	-	4	-	11	-	-	-	7	1	-	-	-	-	E
7295	Electrical measuring and controlling apparatus and equipment	56	19.6	32.8	22	167	100	4	-	76	5	-	-	14	-	-	-	1	-	-	-	-	-	R
7322	Buses (incl. trolleybuses)	35	20.4	32.6	100	160	100	66	-	-	1	-	-	32	-	-	-	-	-	-	-	-	-	E
7181	Paper mill and pulp mill machinery	53	24.4	36.0	76	148	100	2	-	95	-	-	-	1	-	-	-	2	-	-	-	-	-	E

Table 4B (continued 2)

SITC Rev.1	Description ^a	Dependence of Spain		Latin American supply																			Action ^b		
		Coef. of dep. DPi (%)	Spanish exp. to Latin Am.	Latin Am. exp. to world	Intra. exp. as % total region exp. (1%)	Cover- age reg. exp. (C)/(B) (%)	Total Latin Am. exp. (16C) (%)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)												CACM (percentages)					
								ALADI (percentages)												CACM (percentages)					
(A)	(B)	(C)	(D)	(E)	(F)	Argen- tina (G)	Bolivi- a (H)	Bra- zil (I)	Chile (J)	Colom- bia (K)	Ecuad- or (L)	Mexi- co (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)	(Y)			
1124	Distilled alcoholic beverages	27	10.8	72.1	18	668	100	-	1	7	3	1	1	75	-	-	-	9	1	-	-	1	R		
6725	Blooms, billets, etc. of steel	11	16.0	98.2	47	614	100	26	-	29	32	-	-	13	-	-	-	-	-	-	-	-	R		
8922	Newspapers and periodicals	46	11.3	61.3	56	542	100	10	-	12	5	27	-	41	-	-	3	-	-	-	-	-	E		
7299	Electrical machinery and apparatus, n.e.s.	14	8.2	43.7	62	533	100	17	-	31	1	5	-	28	-	1	-	16	1	-	-	-	E		
5133	Inorganic acids and oxygen compounds	35	14.0	74.3	20	531	100	4	-	1	-	-	-	92	-	1	-	-	-	-	-	1	R		
7222	Electrical apparatus for making and breaking circuits	14	14.6	74.0	43	507	100	14	-	58	-	6	1	14	-	1	1	4	-	-	-	-	R		
7250	Domestic electrical equipment	11	17.5	87.6	58	501	100	6	-	52	1	5	13	11	-	1	-	7	3	2	-	-	E		
7221	Electric power machinery	17	14.7	66.9	52	455	100	7	-	62	10	5	-	8	-	5	-	2	-	-	-	-	E		
5128	Organo-inorganic and heterocyclic comp.	12	9.2	38.8	52	422	100	5	-	63	1	18	-	11	-	1	-	-	-	-	-	-	E		
5142	Other metallic salts and peroxysalts	19	10.8	45.1	75	418	100	1	-	6	9	5	-	70	-	6	3	-	-	1	-	-	E		
5413	Penicillin, streptomycin and others	15	9.0	36.3	47	403	100	42	-	36	-	-	-	19	-	2	-	-	-	-	-	-	R		
7196	Other non-electrical machines	30	14.5	54.4	72	375	100	28	-	57	-	7	-	4	-	-	2	1	1	-	-	-	E		
5331	Colouring materials, n.e.s.	20	6.1	18.2	99	298	100	1	-	5	-	2	-	91	-	-	-	-	-	1	-	-	E		
6931	Wire cables, ropes, plaited bands	17	13.4	36.9	67	275	100	13	-	68	5	-	-	4	-	7	-	2	-	-	-	-	E		
5813	Regenerated cellulose and derivatives	45	10.4	26.7	62	257	100	7	-	21	-	18	-	45	-	1	3	-	3	2	-	-	E		
8942	Children's toys, etc.	15	11.7	28.6	46	244	100	1	-	30	-	19	-	43	-	2	2	-	1	1	-	-	R		

Table 4B (concluded)

SITC Rev.1	Description ^a	Dependence of Spain		Latin American supply																			Action ^b			
		Coef. of dep. DPi (%)	Spanish exp. to Latin Am. (B)	Latin Am. exp. to world (C)	Intra. exp. as % total region exp. (%) (D)	Cover- age reg. exp. (C)/(B) (%) (E)	Total Latin Am. exp. (16c) (%) (F)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)														CACM (percentages)				
								ALADI (percentages)														CACM (percentages)				
(A)	(B)	(C)	(D)	(E)	(F)	Arg-entina (G)	Boli- via (H)	Bra- zil (I)	Chile (J)	Col- ombia (K)	Ecu- ador (L)	Me- xico (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)	(Y)				
7152	Metalworking machinery	56	11.6	25.9	92	223	100	11	-	82	-	3	1	2	-	-	-	-	-	-	-	-	-	-	E	
7195	Powered-tools, n.e.s.	26	10.4	20.1	52	193	100	8	11	67	1	2	-	8	-	-	-	-	2	-	-	-	-	-	E	
6748	Plates and sheets, less than 3 mm thick	26	10.1	16.7	22	165	100	6	-	67	-	-	-	27	-	-	-	-	-	-	-	-	-	-	R	
7183	Food-processing machines (excl. dom.)	35	11.6	18.4	81	159	100	23	-	57	-	9	-	6	-	4	-	-	-	-	-	-	-	-	E	
8619	Measuring, controlling and scientific instruments	33	11.8	18.2	61	154	100	15	-	52	5	9	-	16	-	-	2	-	-	-	-	-	-	-	E	
6972	Domestic utensils of base metals	16	11.6	17.4	56	150	100	2	-	37	-	15	1	32	-	3	1	-	3	4	2	-	-	-	E	
0551	Vegetables, dehydrated (excl. leguminous)	39	13.8	17.4	15	126	100	6	-	1	11	-	-	7	-	11	-	-	-	1	60	-	3	R		

Source: Analysis of computerized export data in the ECLAC data bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

^cIn respect of products belonging to the ships and boats sector (SITC 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 4C

ITALY: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF LATIN AMERICAN PURCHASES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Italy	Latin American supply																	Action ^b				
			Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)														CACM (percentages)							
			Coef. of dep. DPi (%) (A)	Italian exp. to Latin Am (B)	Latin Am. exp. to world (C)	Intra. exp. as % total region exp. (%) (D)	Coverage reg. exp. (C)/(B) (%) (E)	Total Latin Am. exp. (16c.) (%) (F)	ALADI (percentages)															
						Arg-entina (G)	Boli-via (H)	Bra-zil (I)	Chile (J)	Col-ombia (K)	Ecu-a-dor (L)	Me-xico (M)	Para-guay (N)	Peru (O)	Uru-guay (P)	Vene-zuela (Q)	Costa Rica (R)	El Salvador (S)	Gua-tema-la (T)	Hon-duras (U)	Nica-ragua (V)	(Y)		
Group I																								
7115	Internal combustion engines	6	37.8	583.4	7	1 543	100	2	-	56	-	-	-	42	-	-	-	-	-	-	-	-	-	R
5121	Hydrocarbons and their derivatives	16	36.1	221.9	19	615	100	37	-	44	-	2	-	2	-	-	1	13	-	-	-	-	1	R
7341	Aircraft, heavier-than-air	8	48.1	177.7	13	369	100	26	-	65	4	1	-	3	-	-	-	-	-	-	-	-	-	R
7125	Tractors, other than road tractors	7	43.7	156.0	47	357	100	13	-	80	1	-	-	5	-	-	-	-	-	-	-	-	-	R
7353	Ships and boats, other than warships ^c	21	63.7	204.3	9	321	100	7	-	80	2	-	-	6	-	5	1	-	-	-	-	-	-	R
7199	Parts and accessories of machinery, n.e.s.	6	64.4	149.2	40	232	100	21	-	41	1	3	1	29	-	1	-	1	-	-	-	2	-	R
6782	Tubes and pipes of iron or steel	16	112.0	243.6	46	218	100	68	-	24	-	-	-	4	-	-	-	-	-	-	-	-	-	R
7191	Heating and cooling equipment	5	53.2	92.5	62	174	100	13	-	63	-	4	-	11	-	-	-	7	1	-	-	-	-	E
6989	Articles of base metal, n.e.s.	7	33.4	51.9	46	155	100	7	3	37	8	16	-	19	-	7	-	1	1	-	-	-	-	R
7196	Other non-electrical machines	6	40.0	54.4	72	136	100	28	-	57	-	7	-	4	-	-	2	1	1	-	-	-	-	E
7221	Electric power machinery	12	64.0	66.9	52	105	100	7	-	62	10	5	-	8	-	5	-	2	-	-	-	-	-	E

Table 4C (concluded)

SITC Rev.1	Description ^a	Dependence of Italy		Latin American supply																	Action ^b						
		Coef. of dep. DP1 (%)	Italian exp. to Latin Am	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)															Total Latin Am. exp. (16c.) (%)								
				Latin Am. exp. to world	Intra. exp. as % total region exp. (%)	Cover- age reg. exp. (C)/ (B) (%)	ALADI (percentages)										CACM (percentages)										
							(C)	(D)	(E)	(F)	Arg-entina (G)	Bol-ivia (H)	Bra- zil (I)	Chile (J)	Col-ombia (K)	Ecu-ador (L)	Me- xico (M)	Para- guay (N)		Peru (O)		Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua-tema- la (T)	Hon- duras (U)
Group II																											
7294	Automotive electrical equipment	11	17.0	44.1	22	259	100	5	-	88	-	1	-	4	-	-	1	1	-	-	-	-	-	-	-	-	R
7181	Paper mill and pulp mill machinery	10	15.2	36.0	76	237	100	2	-	95	-	-	-	-	1	-	-	-	2	-	-	-	-	-	-	-	E
6727	Iron or steel coils for re-rolling	10	16.9	39.5	35	234	100	-	-	45	1	-	-	-	-	-	-	-	53	-	-	-	-	-	-	-	R
5142	Other metallic salts and peroxysalts	14	22.4	45.1	75	201	100	1	-	6	9	5	-	70	-	6	3	-	-	-	-	1	-	-	-	-	E
6895	Base metals, n.e.s.	81	10.1	17.2	6	170	100	-	48	1	-	-	-	26	-	24	-	-	-	-	-	-	-	-	-	-	R

Source: Analysis of computerized export data in the ECLAC data bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

^cIn respect of products belonging to the ships and boats sector (SITC 7351), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 4D

**CANADA: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE
FOR AN INTRA-REGIONAL REORIENTATION OF LATIN AMERICAN PURCHASES IN 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Canada		Latin American supply																		Action ^b													
		Coef. of dep. to DPI (%)	Canadian exp. to Latin Am. (B)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)																CACM (percentages)															
				Latin Am. exp. to world (C)	Intra- exp. as % total region exp. (%) (D)	Cover- age reg. exp. (C)/ (B) (%) (E)	Total Latin Am. exp. (16c.) (%) (F)	ALADI (percentages)										CACM (percentages)																	
								Arg- enti- na (G)	Boli- via (H)	Bra- zil (I)	Chile (J)	Col- omb- ia (K)	Ecu- ador (L)	Mex- ico (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)		El Sal- vador (S)		Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)										
Group I																																			
7115	Internal combustion engines	11	95.7	583.4	7	610	100	2	-	56	-	-	-	-	42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	R
0410	Wheat (incl. spelt) and meslin	7	250.1	700.1	11	280	100	97	-	-	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	R	
2312	Synthetic rubber and substitutes	12	30.0	58.5	56	195	100	22	-	57	-	-	-	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
7151	Machine-tools for working metals	12	27.7	38.0	53	137	100	24	-	55	1	5	-	10	-	1	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E		
2741	Sulphur, other than sublimed	11	65.5	74.5	4	114	100	-	-	-	-	1	-	99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	R		
7328	Bodies, chassis, frames, others	10	356.0	405.4	36	114	100	8	-	52	3	3	-	32	-	-	1	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	R		
Group II																																			
0612	Refined sugar and other products	30	11.7	281.1	46	2 403	100	5	3	87	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	R		
0542	Beans, peas, lentils	10	7.0	117.8	33	1 683	100	50	-	1	14	1	-	30	-	2	-	-	-	-	-	-	-	-	-	-	-	1	1	-	-	R			
5417	Medicaments	21	14.0	159.6	94	1 140	100	7	-	11	-	8	1	16	-	3	1	-	17	7	27	-	-	-	-	-	-	-	-	-	-	E			
0990	Food preparations, n.e.s.	15	7.9	61.9	43	784	100	7	-	42	1	5	1	15	2	2	3	1	11	1	9	1	-	-	-	-	-	-	-	-	-	R			

Table 4D (concluded)

SITC Rev.1	Description ^a	Dependence of Canada		Latin American supply																	Action ^b			
		Coef. of dep. DPi (%)	Canadian exp. to Latin Am.	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)														CACM (percentages)						
				Latin Am. exp. to world	Intra-reg. exp. as % of total region exp. (%)	Coverage reg. exp. (C)/(B) (%)	Total Latin Am. exp. (10c) (%)	ALADI (percentages)										El Salvador	Guatemala					
(A)	(B)	(C)	(D)	(E)	(F)	Argentina (G)	Bolivia (H)	Brazil (I)	Chile (J)	Colombia (K)	Ecuador (L)	Mexico (M)	Paraguay (N)	Peru (O)	Uruguay (P)	Venezuela (Q)	Costa Rica (R)	(S)	(T)	Honduras (U)	Nicaragua (V)	(Y)		
6842	Aluminium and aluminium alloys, worked	12	7.7	39.8	71	517	100	21	-	43	-	1	5	2	-	2	-	3	4	15	3	-	-	E
7222	Electrical apparatus for making and breaking circuits	12	16.4	74.0	43	451	100	14	-	58	-	6	1	14	-	1	1	-	4	-	-	-	-	R
7181	Paper mill, pulp mill, cutting machinery	20	16.1	36.0	76	224	100	2	-	95	-	-	-	1	-	-	-	2	-	-	-	-	-	E
6415	Machine-made paper and paperboard	10	13.0	24.7	69	190	100	-	-	50	36	1	-	-	-	-	2	-	5	2	3	-	-	E
0312	Fish, salted, dried or smoked	16	19.2	13.0	9	68	100	31	-	18	9	1	-	24	-	12	1	-	-	2	1	-	-	R

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

Table 4E
**JAPAN: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET
 AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF
 LATIN AMERICAN PURCHASES IN 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Japan		Latin American supply																	Action ^b		
		Coef. of dep. DPi (%)	Japane- se exp. to Latin Am. (B)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)														CACM (percentages)					
				Latin Am. exp. to world (C)	Intra- exp. as % total region exp. (%) (D)	Cover- age reg. exp. (C)/ (B) (%) (E)	Total Latin Am. exp. (16c.) (%) (F)	ALADI (percentages)											CACM (percentages)				
(A)	(B)	(C)	(D)	(E)	(F)	Ar- gen- tina (G)	Boli- via (H)	Bra- zil (I)	Chile (J)	Co- lom- bia (K)	Ecu- dor (L)	Me- xico (M)	Para- guay (N)	Peru (O)	Uri- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)	(Y)	
Group I																							
7115	Internal combustion engines	5	97.0	583.4	7	601	100	2	-	56	-	-	-	42	-	-	-	-	-	-	-	-	R
6743	Plates and sheets, less than 3 mm	8	185.1	223.3	11	121	100	26	-	72	-	-	1	-	-	1	-	-	-	-	-	-	R
Group II																							
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

Table 4F (concluded)

SITC Rev.1	Description ^a	Latin American supply																				Action ^b		
		Dependence of France		Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)																				
		Coef. of dep. DPi (%) (A)	French exp. to Latin Am. (B)	Latin Am. exp. to world (C)	Intra. exp. as % total region exp. (D) (%) (D)	Coverage reg. exp. (C)/(B) (%) (E)	Total Latin Am. exp. (16c.) (%) (F)	ALADI (percentages)										CACM (percentages)						
						Argen- tina (G)	Boli- via (H)	Bra- zil (I)	Chile (J)	Col- umbia (K)	Ecu- dor (L)	Me- xico (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)	(Y)		
Group II																								
5142	Other metallic salts and peroxysalts	10	8.0	45.1	75	564	100	1	-	6	9	5	-	70	-	6	3	-	-	-	1	-	-	E
7232	Electrical insulating equipment	14	7.7	14.2	81	184	100	-	-	75	-	11	-	10	-	-	-	4	-	-	-	-	-	E

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

^cIn respect of products belonging to the ships and boats sector (SITC 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 4C

DENMARK: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF LATIN AMERICAN PURCHASES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Denmark		Latin American supply																	Action ^b				
		Cof. of dep. DPi (%)	Danish exp. to Latin Am. (B)	Latin Am. exp. to world (C)	Intra. exp. as % of total region exp. (D)	Cover- age reg. exp. (C)/(B) (%) (E)	Total Latin Am. exp. (100) (%) (F)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)																	
								ALADI (percentages)										CACM (percentages)							
								Argen- tina (G)	Boli- via (H)	Braz- il (I)	Chile (J)	Colom- bia (K)	Ecuad- or (L)	Mexico (M)	Paraguay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)		Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(Y)			
Group I																									
5992	Insecticides, fungicides and disinfectants	13	3.2	102.6	69	3 206	100	1	-	42	1	20	-	2	-	1	-	-	5	3	23	-	-	E	
5999	Chemical products and preparations	8	5.0	99.2	34	1 984	100	52	-	25	-	1	-	16	-	1	-	1	1	-	3	-	-	R	
7222	Electrical apparatus for making and breaking circuits	6	5.0	74.0	43	1 480	100	14	-	58	-	6	1	14	-	1	1	-	4	-	-	-	-	R	
5128	Organo-inorganic and heterocyclic compounds	12	3.0	38.8	52	1 293	100	5	-	63	1	18	-	11	-	1	-	-	-	-	-	-	-	E	
7151	Machine-tools for working metals	8	3.4	38.0	53	1 118	100	24	-	55	1	5	-	10	-	1	-	5	-	-	-	-	-	E	
5413	Penicillin, streptomycin, tyrocidine and others	14	4.9	36.3	47	741	100	42	-	36	-	-	-	19	-	3	-	-	-	-	-	-	-	R	
7353	Ships and boats, other than warships ^c	9	29.5	204.3	9	693	100	7	-	80	2	-	-	6	-	5	1	-	-	-	-	-	-	R	
7191	Heating and cooling equipment	7	16.5	92.5	62	561	100	13	-	63	-	4	-	11	-	-	-	7	1	-	-	-	-	E	
7359	Ships and boats, n.e.s. ^c	77	41.0	198.1	1	483	100	22	-	68	-	-	-	10	-	-	-	-	-	-	-	-	-	R	
7183	Food-processing machines (excl. dom.)	5	4.3	18.1	81	428	100	23	-	57	-	9	-	6	-	4	-	-	-	-	-	-	-	E	
5129	Other organic chemicals	5	6.3	8.0	40	127	100	3	-	34	-	-	-	47	-	-	-	1	-	-	14	-	-	R	
0222	Milk and cream, dry	18	29.6	29.0	88	98	100	77	-	1	-	-	-	-	-	-	6	-	-	1	-	-	15	E	

Table 4G (concluded)

SITC Rev.1	Description ^a	Dependence of Denmark	Latin American supply																			Action ^b			
			Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)																	CACM (percentages)					
			Coef. of dep. DPi (%)	Danish exp. to Latin Am.	Latin Am. exp. to world	Intra exp. as % of total region exp. (D)	Coverage reg. exp. (C)/(B) (%)	Total Latin Am. exp. (16c) (%)	ALADI (percentages)																
(A)	(B)	(C)	(D)	(E)	(F)	Argentina (G)	Bolivia (H)	Brazil (I)	Chile (J)	Colombia (K)	Ecuador (L)	Mexico (M)	Paraguay (N)	Peru (O)	Uruguay (P)	Venezuela (Q)	Costa Rica (R)	El Salvador (S)	Guatemala (T)	Honduras (U)	Nicaragua (V)	(Y)			
Group II																									
7181	Paper, pulp mill and cutting machinery	20	1.3	36.0	76	2 769	100	2	-	95	-	-	-	1	-	-	-	2	-	-	-	-	-	-	E
0482	Malt (including malt flour)	17	1.5	31.3	100	2 087	100	5	-	-	38	-	-	-	-	57	-	-	-	-	-	-	-	-	E

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

^cIn respect of products belonging to the ships and boats sector (SITC 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 4H

PORTUGAL: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF LATIN AMERICAN PURCHASES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Portugal		Latin American supply																			Action ^b	
		Coef. of dep. DPi (%)	Portuguese exp. to Latin Am.	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)																Action ^b				
				Latin Am. exp. to world	Intra. exp. as % total region exp. (%)	Coverage reg. exp. (C)/(B) (%)	Total Latin Am. exp. (16C) (%)	ALADI (percentages)								CACM (percentages)								
(A)	(B)	(C)	(D)	(E)	(F)	Argentina (G)	Bolivia (H)	Brazil (I)	Chile (J)	Colombia (K)	Ecuador (L)	Mexico (M)	Paraguay (N)	Peru (O)	Uruguay (P)	Venezuela (Q)	Costa Rica (R)	El Salvador (S)	Guatemala (T)	Honduras (U)	Nicaragua (V)	(Y)		
Group I																								
5417	Medicaments	6	1.1	159.6	94	14 509	100	7	-	11	-	8	1	16	-	3	1	-	17	7	27	-	-	E
8921	Books and pamphlets	16	1.4	105.6	72	7 543	100	26	-	8	3	21	-	36	-	1	1	3	1	-	-	-	-	E
6952	Other tools for hand or machines	14	1.6	91.2	43	5 700	100	52	-	27	-	5	-	8	-	1	1	4	1	-	-	-	-	R
5413	Penicillin, streptomycin, tyrocidine and others	5	0.7	36.3	47	5 186	100	42	-	36	-	-	-	19	-	2	-	-	-	-	-	-	-	R
7199	Parts and accessories of mach., n.e.s.	10	3.5	149.2	40	4 263	100	21	-	41	1	3	1	29	-	1	-	1	-	-	-	-	-	R
6911	Finished structural parts and structures of iron or steel	9	1.3	45.7	89	3 515	100	15	-	72	-	3	-	2	-	4	-	3	-	-	-	-	-	E
8922	Newspapers and periodicals	91	1.8	61.3	56	3 406	100	10	-	12	5	27	-	41	-	-	-	3	-	-	-	-	-	E
0517	Edible nuts, fresh or dried	38	3.8	119.0	12	3 132	100	-	2	84	10	-	-	-	-	1	-	-	1	1	1	-	-	R
6931	Wire cables, ropes, plaited bands	7	1.2	36.9	67	3 075	100	13	-	68	5	-	-	4	-	7	-	2	-	-	-	-	-	E
6971	Domestic stoves, boilers, cookers	20	0.8	22.1	92	2 763	100	3	12	27	-	40	2	5	-	1	1	-	4	1	3	-	-	E
7316	Railway and tramway cars	26	1.1	24.0	49	2 182	100	-	-	92	1	-	-	3	-	-	-	4	-	-	-	-	-	R
0482	Malt (incl. malt flour)	96	1.5	31.3	100	2 087	100	5	-	-	38	-	-	-	-	-	57	-	-	-	-	-	-	E
5149	Inorganic chemical products, n.e.s.	14	0.7	8.4	70	1 200	100	10	-	52	-	21	-	13	-	4	-	-	-	-	-	-	-	E
9510	Firearms of war and ammunition	9	6.7	2.1	9	670	100	19	-	3	7	-	-	14	-	-	-	57	-	-	-	-	-	R

Table 4H (concluded)

SITC Rev.1	Description ^a	Dependence of Portugal	Latin American supply																		Ac- tion ^b								
			Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)																										
			Coef. of dep. DPi (%)	Portu- guese exp. to Latin Am.	Latin Am. exp. to world	Intra- exp. as % total region exp. (%)	Cover- age reg. exp. (C)/ (B) (%)	Total Latin Am. exp. (16c.) (%)	ALADI (percentages)										CACM (percentages)										
									Arg- enti- na (G)	Boli- via (H)	Bra- zil (I)	Chile (J)	Col- omb- ia (K)	Ecu- ador (L)	Me- xico (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)		El Sal- vador (S)	Gua- terna- la (T)	Hon- duras (U)	Nica- ragua (V)				
5612	Phosphatic fertilizers and fertilizer material	18	1.1	5.7	97	518	100	-	-	28	-	-	-	20	-	-	53	-	-	-	-	-	-	-	-	-	-	-	E
4215	Olive oil	54	4.2	12.3	100	293	100	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E
6645	Cast or rolled glass, unworked	32	1.0	2.7	100	270	100	44	-	15	-	40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E
2518	Sulphate wood pulp	5	1.3	2.1	88	162	100	-	-	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E
Group II																													
7341	Aircraft, heavier-than-air	67	0.2	177.7	13	88 850	100	26	-	65	4	1	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	R
0519	Fresh fruit, n.e.s.	50	0.3	119.0	12	39 667	100	22	-	4	17	1	-	33	-	1	-	11	1	-	2	6	-	-	-	-	-	-	R
7196	Other non-electrical machines	10	0.2	54.4	72	27 200	100	28	-	57	-	7	-	4	-	-	2	1	1	-	-	-	-	-	-	-	-	-	E
5811	Products of condens., polycondens.	13	0.6	68.2	89	11 367	100	3	-	29	1	1	-	18	-	1	4	7	9	4	9	1	14	-	-	-	-	-	E
5128	Organo-inorganic and heterocyclic compounds	82	0.4	38.8	52	9 700	100	5	-	63	1	18	-	11	-	1	-	-	-	-	-	-	-	-	-	-	-	-	E
7317	Parts of railway locomotives and rolling stock	11	0.5	17.9	44	3 580	100	2	-	97	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	R

Source: Analysis of computerized export data in the ECLAC data bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

Table 4I (concluded)

SITC Rev.1	Description ^a	Dependence of United Kingdom	Latin American supply																			Action ^b		
			Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)																					
			Coef. of dep. DPi (%)	UK exp. to Latin Am.	Latin Am. exp. to world	Intra-exp. as % total region exp. (%)	Cover-age reg. exp. (C)/(B) (%)	Total Latin Am. exp. (16C) (%)	ALADI (percentages)										CACM (percentages)					
									Ar-gen-tina (G)	Boli-via (H)	Bra-zil (I)	Chile (J)	Col-ombia (K)	Ecu-a-dor (L)	Me-xico (M)	Para-guay (N)	Peru (O)	Uru-guay (P)	Vene-zuela (Q)	Costa Rica (R)	El Sal-vador (S)		Gua-tema-la (T)	Hon-duras (U)
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(Y)		
Group II																								
6931	Wire cables, ropes, plaited bands	11	8.6	36.9	67	429	100	13	-	68	5	-	-	4	-	7	-	2	-	-	-	-	-	E
0240	Cheese and curd	16	11.8	34.5	52	292	100	54	-	-	-	29	-	-	-	14	-	1	-	2	-	-	-	E
5416	Glucosides; glands and their extracts	11	6.3	16.4	23	260	100	42	-	28	1	4	3	6	-	1	8	-	-	-	7	-	-	R
0482	Malt (incl. malt flour)	13	14.4	31.3	100	217	100	5	-	-	38	-	-	-	-	57	-	-	-	-	-	-	-	E

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

^cIn respect of products belonging to the ships and boats sector (SITC 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 4j

IRELAND: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF LATIN AMERICAN PURCHASES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Ireland		Latin American supply																	Action ^b			
		Coef. of dep. DPi (%)	Irish exp. to Latin Am.	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)														Total Latin Am. exp. (10c.) (%)	CACM (percentages)					
				Latin Am. exp. to world	Intra-reg. total exp. (%)	Coverage exp. (C)/(B) (%)	Argentina	Bolivia	Brazil	Chile	Colombia	Ecuador	Mexico	Paraguay	Peru	Uruguay	Venezuela			Costa Rica		El Salvador	Guatemala	Honduras
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(Y)		
Group I																								
5127	Nitrogen-function compounds	8	1.4	95.6	44	6 829	100	8	-	81	-	-	-	8	-	3	-	-	-	-	-	-	R	
8624	Photographic film, plates and paper	9	2.6	59.9	98	2 304	100	25	-	59	-	-	-	15	-	-	1	-	-	-	-	-	E	
5413	Penicillin, streptomycin, tyrocidine and others	6	3.3	36.3	47	1 110	100	42	-	36	-	-	-	19	-	3	1	-	-	-	-	-	R	
7299	Electrical machinery and apparatus	20	4.8	43.7	62	910	100	17	-	31	1	5	-	28	-	1	-	16	1	-	-	-	R	
5129	Other organic chemicals	20	2.1	8.0	40	381	100	3	-	34	-	-	-	47	-	-	-	1	-	-	14	-	R	
8929	Printed matter, n.e.s.	20	4.8	15.8	70	263	100	5	-	32	5	21	-	9	-	1	1	9	5	5	8	-	E	
0222	Milk and cream, dry	23	38.5	29.0	88	75	100	77	-	1	-	-	-	-	-	-	6	-	-	1	-	-	15	E
Group II																								
6922	Casks, drums, boxes and containers	13	0.3	16.0	84	5 333	100	2	-	39	5	8	1	5	-	2	2	1	20	3	5	3	5	E

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

Table 4K

**THE NETHERLANDS: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET
AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF
LATIN AMERICAN PURCHASES IN 1982**

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Netherlands		Latin American supply																	Action ^c			
		Coef. of dep. DPI (%)	NL exp. to Latin Am. (B)	Latin Am. exp. to world (C)	Intra- exp. as % total region exp. (%) (D)	Cover- age reg. exp. (C)/ (B) (%) (E)	Total Latin Am. exp. (16c.) (%) (F)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)										CACM (percentages)						
								ALADI (percentages)										CACM (percentages)						
(A)	(B)	(C)	(D)	(E)	(F)	Arg- enti- na (G)	Boli- via (H)	Bra- zil (I)	Chile (J)	Col- ombia (K)	Ecu- ador (L)	Me- xico (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)	(Y)		
Group I																								
6725	Blooms, billets of iron and steel	8	10.6	98.2	47	926	100	26	-	29	32	-	-	13	-	-	-	-	-	-	-	-	R	
5415	Hormones	11	7.5	24.8	26	331	100	16	-	41	-	-	42	-	-	1	-	-	-	-	-	-	R	
7299	Electrical machinery and apparatus	5	15.2	43.7	62	288	100	17	-	31	1	5	-	28	-	1	-	16	1	-	-	-	E	
7359	Ships and boats, n.e.s. ^f	25	93.0	198.1	1	213	100	22	-	68	-	-	-	10	-	-	-	-	-	-	-	-	R	
Group II																								
0481	Cereal grains, flaked	10	2.3	15.1	76	657	100	15	-	4	-	22	-	6	-	-	7	-	-	-	30	7	11	E
7118	Engines, n.e.s.	17	3.1	3.9	12	126	100	64	-	13	-	1	-	1	-	-	21	-	-	-	-	-	R	

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

^cIn respect of products belonging to the ships and boats sector (SITC 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 4L
BELGIUM: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF LATIN AMERICAN PURCHASES IN 1982

(Millions of dollars and percentages)

SITC Rev.1	Description ^a	Dependence of Belgium		Latin American supply																	Action ^b			
		Coef. of dep. DPj (%)	Belgian exp. to Latin Am. (B)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)														CACM (pe(percentages))						
				Latin Am. exp. to world (C)	Intra exp. as % total exp. to region (D)	Coverage reg. exp. (C)/(B) (%) (E)	Total Latin Am. exp. (16c.) (F)	ALADI (percentages)											CACM (pe(percentages))					
(A)	(B)	(C)	(D)	(E)	(F)	Ar- gen- tina (G)	Boli- via (H)	Bra- zil (I)	Chile (J)	Co- lom- bia (K)	Ecu- dor (L)	Me- xico (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)	(Y)		
Group I																								
7353	Ships and boats other than warships ^c	11	7.4	204.3	9	2 761	100	7	-	80	2	-	-	6	-	5	1	-	-	-	-	-	-	R
6783	Tubes and pipes of iron (excl. cast)	8	8.1	77.0	21	951	100	9	-	61	1	-	-	21	-	-	-	7	-	-	-	-	-	R
7191	Hearing and cooling equipment	6	11.7	92.5	62	791	100	13	-	63	-	4	-	11	-	-	-	7	1	-	-	-	-	E
7221	Electric power machinery	5	8.5	66.9	52	787	100	7	-	62	10	5	-	8	-	5	-	2	-	-	-	-	-	E
7198	Machinery and mechanical appliances, n.e.s.	7	9.1	70.1	47	770	100	4	-	53	1	2	-	36	-	1	-	3	-	-	-	-	-	R
6725	Blooms, billets, slabs of iron or steel	16	21.3	98.2	47	461	100	26	-	29	32	-	-	13	-	-	-	-	-	-	-	-	-	R
0482	Malt (incl. malt flour)	11	11.8	31.3	100	265	100	5	-	-	38	-	-	-	-	-	57	-	-	-	-	-	-	E
7171	Textile machinery	7	13.7	17.4	49	127	100	10	-	70	6	2	-	10	-	1	-	1	-	-	-	-	-	R
0222	Milk and cream, dry	13	27.5	29.0	88	105	100	77	-	1	-	-	-	-	-	-	6	-	-	1	-	-	15	E
0230	Butter	6	27.7	21.4	27	77	100	51	-	5	-	-	-	1	-	-	43	-	-	-	-	-	-	R
Group II																								
7125	Tractors, other than road tractors	13	4.8	156.0	47	3 250	100	13	-	80	1	-	-	5	-	-	-	-	-	-	-	-	-	R
5416	Glucosides; glands and their extracts	19	3.7	16.4	23	443	100	42	-	28	1	4	3	6	-	1	8	-	-	-	7	-	-	R

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).

^cIn respect of products belonging to the ships and boats sector (SITC 735), the figures which correspond to this section are difficult to interpret, since the region appears to possess a high import potential, whereas in fact a considerable amount of this trade involves ships registered under flags of convenience, particularly in Panama.

Table 4M

**GREECE: EXPORT PRODUCTS HIGHLY DEPENDENT ON THE LATIN AMERICAN MARKET
AND SUITABLE FOR AN INTRA-REGIONAL REORIENTATION OF
LATIN AMERICAN PURCHASES IN 1982**

(Millions of dollars and percentages)

SITC Rev.]	Description ^a	Dependence of Greece		Latin American supply																	Action ^b				
		Cof. of dep. DPI (%) (A)	Greek exp. to Latin Am. (B)	Latin Am. exp. to world (C)	Intra- exp. as % total region exp. (%) (D)	Cover- age reg. exp. (C)/ (B) (%) (E)	Total Latin Am. exp. (16c.) (%) (F)	Structure of the supply of the countries of Latin America to the world (world exports of the countries of Latin America = 100)												CACM (percentages)					
								ALADI (percentages)												CACM (percentages)					
							Ar- gen- tina (G)	Boli- via (H)	Bra- zil (I)	Chile (J)	Col- ombia (K)	Ecu- ador (L)	Me- xico (M)	Para- guay (N)	Peru (O)	Uru- guay (P)	Vene- zuela (Q)	Costa Rica (R)	El Sal- vador (S)	Gua- tema- la (T)	Hon- duras (U)	Nica- ragua (V)	(Y)		
Group I																									
5530	Perfumery and cosmetics, dentifrices	9	0.2	42.0	81	21 000	100	3	-	39	-	6	-	4	-	2	6	-	8	7	24	1	-	-	E
7349	Airships, balloons and parts of aircraft, airships, etc.	6	0.3	22.8	18	7 600	100	1	-	80	-	1	-	9	-	-	9	-	-	-	-	-	-	-	R
9510	Firearms of war and ammunition	6	1.0	2.1	9	210	100	19	-	3	7	-	-	14	-	-	-	57	-	-	-	-	-	-	R
Group II																									
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: Analysis of computerized export data in the ECLAC Data Bank for 1982; data for Peru and Ecuador correspond to 1981.

^aThe products chosen as suitable for an intra-regional reorientation of Latin American purchases were those exports of the developed country concerned in which the total regional export supply was higher than the value exported by the developed country to the region (in the case of manufactured goods) or higher than 50% of this value (in the case of agricultural, mineral and energy products). (See regional export coverage (e)).

^bThe products considered suitable for a reorientation of Latin American exports towards the region (R) were those in which existing intra-regional exports as a percentage of total regional exports were less than 50% (see column (D)); the products considered suitable for a reorientation on the basis of a greater expansion of existing intra-regional trade (E) were those in which intra-regional exports were more than 50% of the region's total exports (see column (D)).



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