



Dogging GATT

Global trade barriers you'll face until the treaty kicks in.

trade barriers vary in their nature and significance

around the world.

The overview classifies trade barriers into eight general categories. Import policies refer to customs practices such as tariffs, quantitative restrictions and import licensing. Key economic initiatives and trade alliances are also included. Standards refer to restrictive standards, testing, labelling and certification measures. Government procurement refers to practices that limit access to public-sector contracting opportunities. Subsidies refer to financial and marketing assistance programs provided to exporters. Intellectual property refers to restrictive or inadequate policies related to the protection of patents, copyrights, trademarks and trade secrets. Services refer to barriers faced by service providers. Investment refers to regulations that limit international investment activity. Other barriers refer to a grab bag of measures that impede trade or investment. The overview also contains a "barrier level" column that rates the general barriers of a particular country as low, medium, high, or very high.

The overview offers good news for

international businesspeople: In the vast majority of markets surveyed, restrictive trade practices are being reduced. A surprising number are discreetly cutting tariffs and eliminating non-tariff barriers on their own.

Still, agricultural trade barriers remain a weak spot. Like medieval knights in battle, most nations continue to don thick armor in the form of import licenses, quotas, bans, subsidies, quantitative restrictions and variable tariff levies. All are deemed essential to protect themselves from the bogeyman of international competition.

The majority of information for this report was obtained from the US Department of State, the US Department of Commerce, External Affairs and International Trade Canada, and the Services of the Commission of the European Communities.

In reading this feature, keep in mind that trade barriers are in a constant state of flux. They are subject to continual pressure from a wide variety of forces—namely, changing governments, cyclical economic conditions, and shifting business strengths. Trade barriers increase or decrease, widen or narrow, in response to these pressures—GATT or no.

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■ By Garrett Wasney

Trade barriers. In theory, they're government policies and practices that disrupt trade and restrict international competition. In the real world, they're tough to pin down. One country's "competitive advantage" is another's "unfair subsidy."

While GATT officials struggled to devise new rules to change or contain trade barriers on paper, businesspeople have had to confront them—head on—in cross-border operations and on the balance sheet. Moreover, the new agreement won't take effect until July 1995, and many of its provisions won't kick in for another 10 to 15 years after that.

US companies have to be both diplomatic and aggressive, conservative and creative, patient and impatient, to work around, over, under or through these obstacles. The following special section provides a concise overview of the many impediments US companies face in key global markets—and how