Contents

| List of Tables | | | |
|----------------|-----------------------------------------------------------------|------|--|
| Lis | st of Figures | xiii | |
| Pro | eface | χV | |
| 4 b | Abbreviations | | |
| 1 | Introduction 1.1 Overview of the development of the EEC's trade | 1 | |
| | policies since 1958 | 4 | |
| 2 | The political economy of customs unions | 10 | |
| | 2.1 The economics of trade and protection | 11 | |
| | 2.2 Trade creation and trade diversion in a customs | 17 | |
| | union | 16 | |
| | 2.3 Economic arguments for customs union formation | 22 | |
| | 2.4 The political economy of preferential trade | 28 | |
| 3 | The EEC and the GATT rules for international trade | 38 | |
| | 3.1 The General Agreement on Tariffs and Trade: | | |
| | origins and principles | 38 | |
| | 3.2 The EEC customs union and the GATT | 42 | |
| | | | |
| 4 | EEC trade patterns and the shared interest | 46 | |
| | 4.1 The pattern of EEC trade | 46 | |
| | 4.2 Measuring the trade effects of the EEC | 50 | |
| | 4.3 The shared interest in a CCP | 54 | |
| 5 | The free movement of goods within the EEC | 59 | |
| | 5.1 The abolition of tariffs and quotas on trade between | | |
| | the member countries | 60 | |
| | 5.2 Current problems of the internal market | 63 | |
| | 5.3 Community action to integrate the internal market | 67 | |
| | and the market | ., | |
| 6 | The Common Commercial Policy | 74 | |
| | 6.1 The Common Customs Tariff (CCT) | 76 | |
| | 6.2 GATT negotiations and the reduction in the level of | | |
| | the CCT | 78 | |

| The | Political | Economy | of | European | Trade |
|-----|-----------|---------|----|----------|-------|
|-----|-----------|---------|----|----------|-------|

viii

| | 6.3 Rules for the uniform application of the CCT | 81 |
|----|---------------------------------------------------------------------------------------------------------------------------------------|-----|
| | 6.4 Common trade rules | 86 |
| | 6.5 EEC trade agreements | 94 |
| | 6.6 The EEC's hierarchy of trade agreements | 95 |
| 7 | EEC sectoral policies and trade | 100 |
| | 7.1 Trade arrangements for agricultural products | 101 |
| | 7.2 The steel crisis and EEC trade | 106 |
| | 7.3 EEC textile imports and the Multi-Fibre Arrangement | 107 |
| 0 | The PPO PPTA P as The la Assessments | 114 |
| 8 | The EEC-EFTA Free Trade Agreements | 114 |
| | 8.1 Industrial free trade areas—the EFTA experience8.2 Origins of the EEC-EFTA Free Trade Agreements | 114 |
| | 8.3 The content of the EEC-EFTA Free Trade Agreements | 110 |
| | ments | 121 |
| | 8.4 The trade effects of the Free Trade Agreements | 127 |
| | 8.5 EFTA and the Second Enlargement of the EEC | 131 |
| | 8.6 Conclusions | 132 |
| 9 | Trade policies towards the Mediterranean countries | 134 |
| | 9.1 The 'mosaic' of Mediterranean trade agreements | 135 |
| | 9.2 The global approach to Mediterranean trade policy9.3 The recent development of the Mediterranean coun- | 136 |
| | tries' trade with the EEC | 142 |
| | 9.4 The Second Enlargement of the EEC and its implica- | |
| | tions for trade | 146 |
| | 9.5 Conclusions | 153 |
| 10 | EEC trade policies towards developing countries | 156 |
| | 10.1 Introduction: trade and economic development | 156 |
| | 10.2 Trade problems of developing countries | 159 |
| | 10.3 Towards a New International Economic Order? | 160 |
| | 10.4 The EEC's dual approach | 162 |
| | 10.5 Non-reciprocal tariff preferences | 163 |
| 11 | The Lomé Convention | 170 |
| | 11.1 Origins of the Lomé Convention | 170 |
| | 11.2 The main provisions of the Lomé Convention11.3 The effects of the Lomé Convention on EEC trade | 172 |
| | with the ACP countries | 185 |
| | 11.4 Conclusions | 192 |

Contents

ix

| Trade policies towards developing countries in Latin | | | | |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|
| America and Asia | 195 | | | |
| 12.1 The Generalised System of Preferences: origin and | | | | |
| main features of the EEC's revised scheme | 196 | | | |
| 12.2 GSP: the beneficiaries, coverage and safeguards | 199 | | | |
| 12.3 The effects of the GSP on trade | 206 | | | |
| 12.4 Conclusions on the GSP | 209 | | | |
| 12.5 International Commodity Agreements for primary | | | | |
| , , , | 211 | | | |
| 12.6 Conclusions: EEC trade policies towards develop- | | | | |
| ing countries | 215 | | | |
| Trade relations with the United States and Japan | 220 | | | |
| | 221 | | | |
| 13.2 Current issues in transatlantic trade | 232 | | | |
| 13.3 The EEC's trade relations with Japan | 237 | | | |
| 13.4 The GATT Ministerial Conference, November 1982 | 244 | | | |
| Trade relations with the East European countries and the | | | | |
| OPEC group | 247 | | | |
| 14.1 Trade relations with the Eastern European coun- | | | | |
| tries | 247 | | | |
| 14.2 Trade relations with the OPEC countries | 251 | | | |
| Protectionism and the Common Commercial Policy | 253 | | | |
| 15.1 The current state of EEC trade policies: a summary | 254 | | | |
| 15.2 Protection and preferences | 257 | | | |
| 15.3 The New Protectionism and old industries | 259 | | | |
| 15.4 The New Protectionism and new industries | 262 | | | |
| otes | 265 285 | | | |
| Index | | | | |
| | America and Asia 12.1 The Generalised System of Preferences: origin and main features of the EEC's revised scheme 12.2 GSP: the beneficiaries, coverage and safeguards 12.3 The effects of the GSP on trade 12.4 Conclusions on the GSP 12.5 International Commodity Agreements for primary products 12.6 Conclusions: EEC trade policies towards developing countries Trade relations with the United States and Japan 13.1 The Tokyo Round negotiations 1973–79 13.2 Current issues in transatlantic trade 13.3 The EEC's trade relations with Japan 13.4 The GATT Ministerial Conference, November 1982 Trade relations with the East European countries and the OPEC group 14.1 Trade relations with the Eastern European countries 14.2 Trade relations with the OPEC countries Protectionism and the Common Commercial Policy 15.1 The current state of EEC trade policies: a summary 15.2 Protection and preferences 15.3 The New Protectionism and old industries 15.4 The New Protectionism and new industries | | | |