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This study proposes to examine in some detail how Non-Tariff Trade Barriers (NBTs) are applied by developed countries to cotton textiles imported by them from the developing countries, and analyse their impact on the cotton textile trade. Several reasons prompted the choice of the subject. The cotton textile industry is one of the oldest and biggest in India with a sizeable export trade, the impact of NBTs should also be fairly extensive. The post-Kennedy round trade negotiation attempts at the UNCTAD brought out the importance of NBTs and their adverse effects on world trade more sharply. In 1970s the study on NBTs took a new turn with the publication of Professor Baldwin’s book on "Non-Tariff Distortions in International Trade". However, there are very few studies to highlight the various aspects of NBTs in the trade between the developed and the developing countries. So, the present study is being attempted to fill this gap. The pioneering work of the late Professor Harry G. Johnson and Professor Ingo Walter profoundly influenced my thinking and provided an insight into the subject.

Cotton textiles occupy a significant place not only in India's trade but are of importance in the international trade between the developed and the developing
world as a whole. A systematic empirical analysis of the factors underlying the restrictive aspects of NTBs would not only help in the evaluation of international commercial policies but would also suggest guidelines for future attempts at trade liberalisation at the global level. The "Voluntary Export Restraint" (VER) under which name the quota system operates with regard to cotton textile products has been examined with the experiences of India and her competitors in selected markets. This would assist the trade policy planners in formulating appropriate domestic policies to enable full utilization of allotted quotas.

The study has been divided into eight chapters. The first chapter brings out the salient features of NTBs and provides the backdrop to the study.

Chapter 2 presents a survey of the NTBs affecting the cotton textiles and clothing industry in the developed importing markets and the magnitude of their effect. Further, it examines the distinction between the import quotas and the VER, and analyse the problems of quantification of the NTBs.

Chapter 3, part I critically examines the Long-Term Arrangements (LTA) in cotton textiles and its effectiveness. The various developments affecting the
cotton textile industry in the developed countries during the LTA period are noted in Part II.

India's experiences under the quota system in the UK and the EEC, *via-a-vis* her main competitors in these markets are analysed in Chapter 4. In Chapter 5 the reasons for India's failure to utilize the allotted quota have been sought to be identified in the context of internal and external constraints and stimuli.

An attempt is made in Chapter 6 to evolve an import function for the measurement of the quantitative trade restrictions imposed by the US, the UK and the West Germany. The import demand price elasticity for the cotton woven fabrics is derived by examining various economic variables effecting the demand for these in the selected importing countries.

Chapter 7 estimates the trade restrictiveness of the tariffs and the quantitative restrictions, applying the derived import demand price elasticity. The revenue losses to the developing countries as a whole and to India and Hong Kong in particular, have been calculated. The validity of the estimates are closely examined from various angles.
The validity of the assumption of India's and Hong Kong's infinite supply response for any given export price in the selected importing countries is closely tested in Chapter 8. In addition, it also analyses the experiences of the developing and developed countries under the VER. The conclusions are presented at the end.

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