

stage of implementation will be to permit attachment of competing equipment such as telephones (after British Telecom had supplied the first one) and private automatic branch exchanges. One feature of the bill which has upset potential competitors, however, is that British Telecom will retain its monopoly over the servicing of attached equipment. Subsequent stages envisaged by the bill would allow the Secretary of State to permit private companies to lease lines from British Telecom and to offer services on them to others, and eventually to permit private companies to build and operate competing telecommunications systems.

To help decide how far to go under his proposed powers, the Secretary of State commissioned a study by Professor Michael Beesely of the London Business School, whose report was published in April ("Liberalization of the Use of British Telecommunication Network", HMSO). The report came out strongly in favour of eventually permitting competition in all the areas envisaged by the bill. The Secretary of State, Sir Keith Joseph has welcomed the report while Labour Party spokesmen and British Telecom have reacted negatively.

FUTURE CLOUDED FOR U.N. TECHNOLOGY TRANSFER CODE AS CONFERENCE ADJOURNS

The Fourth Session of the United Nations Conference on an International Code of Conduct on the Transfer of Technology met in Geneva from March 23 to April 10, 1981 but made no significant progress. Its closing resolution calls for transmission of the uncompleted draft code to the U.N. General Assembly and:

"Requests the General Assembly to take the measures necessary, as appropriate, for further action on an international code of conduct on the transfer of technology, including the reconvening, under auspices of UNCTAD, of the United Nations Conference on an International Code of Conduct on the Transfer of Technology, and the necessary preparations therefor."

The General Assembly is expected to consider that resolution along with other UNCTAD matters in the autumn. It might well decide against reconvening the Conference unless there are indications that substantial progress is possible. In any event, the issues dividing the North and the South on the code are unlikely to disappear and will certainly be subject of continuing debate within the United Nations system.

The part of the code dealing with restrictive business practices associated with technology transfers has presented some of the most difficult problems. The South, while willing to negotiate in terms of a non-mandatory

code at least at the outset, has pressed for clauses which would condemn a wide range of restrictions in unequivocal terms and for minimal exemptions for arrangements among affiliated firms. O.E.C.D. countries have insisted upon the insertion of rule of reason tests and wording which would largely exempt intra-enterprise arrangements except where the trade of a competing enterprise is restrained.