"GATT ACTIVITIES 1969/70" PUBLISHED

A "Relatively Satisfactory" Year for World Trade

GATT's annual review of its activities, and of current problems of international trade, has now been published¹ (3 August).

Seen from GATT's viewpoint, 1969/70 is judged to have been a "relatively satisfactory" period. On the one hand, the report points to the "exceptionally high" recent rate of growth in world trade, and concludes that "in spite of continuing cause for concern, the world trading system is standing up well to strains which pessimists have sometimes doubted that it could support." But against this, it cautions that "there is certainly no room for complacency; very much the reverse. Protectionist influences, reinforcing other disturbing factors, are today making themselves felt more strongly than at any time since the 1930's." The report concludes that "the most effective way of resisting these influences is to continue to press in the opposite direction: towards a further reduction of trade barriers."

A major theme of the report is thus the work in progress in GATT aimed at further liberalization of trade. Preparations for the next assault on barriers to international trade, carried forward in GATT in accordance with a programme drawn up at the end of 1967, are now reaching their final stage. Both for industrial and agricultural products, the report emphasizes, the Member governments are equipped with all the necessary information about barriers to trade, and have completed the identification of problems. Their present task is to discover what action could be taken to overcome these problems. "By the end of 1970, this task in turn should have been completed. Following three years of intensive work, it will then be possible for governments to decide, if they are ready to do so, to launch a new drive for freer world trade".

The report recognizes that such an effort will require both that governments desire to proceed forward and that they are equipped with the negotiating powers to do so. "Some countries are preoccupied with other urgent problems. But it is encouraging that all have shown themselves ready to participate fully in GATT in the essential preparations for later negotiations. They are certainly aware of the serious consequences which a return to protectionist policies could have for them all, and especially for the developing countries, for whom the continued expansion of world trade is essential if their hopes of achieving higher living standards for their peoples are to be realized."