INFORMATION CENTRE
European Office of the United Nations
Geneva

Press Release GATT/293
23 May 1956

GENERAL AGREEMENT ON TARIFFS AND TRADE
Fourth Round of Tariff Negotiations

Closing Statement made by H.E. Mr. L. Dana Wilgress,
in his capacity as Chairman of the Contracting Parties
at the public meeting on 23 May 1956

You will undoubtedly all of you recall as I do, the spirit of caution—and I might even say misgiving—in which we approached the present round of tariff negotiations. We were all of us aware of numerous factors which we felt would limit the scope of what could be achieved in these negotiations. In other words, we approached this conference with the same sober realism which has always characterized our work. It is, therefore, all the more gratifying after taking stock of what has been achieved, to be able to conclude that the results of these negotiations have been more satisfactory than we had ventured to hope.

As a result of this conference, the mass of tariff concessions already embodied in the General Agreement has been significantly extended by the addition of concessions affecting trade to the value of over $2.5 billion. It is true that the extent of the reduction of individual rates of duty has been limited for a variety of reasons. With some gratifying exceptions, most of the concessions therefore tend to vary between a reduction of 15 per cent on the one hand, and the binding of existing rates on the other. We must not forget, also, that this round of negotiations follows on top of the series of very extensive negotiations which have taken place from 1947 onwards and, moreover, that we have been negotiating at a time when, because of the relaxation of other trade barriers, the significance of tariff reduction has been considerably increased. We can, therefore, certainly feel greatly encouraged at the further progress we have made at this conference in this vast effort to scale down tariff rates throughout the world.

But this work of ours in the field of tariff reduction is not an end in itself, nor the whole story of what we are trying to achieve through the General Agreement. We are pledged in the General Agreement to work together for the reduction of all types of trade barriers. We have accepted and are implementing this pledge, because we believe that only through expansion of international trade can we bring about the fullest and most economic utilization of the world's resources, which is an essential pre-requisite of attaining higher standards of living and the fullest development of resources throughout the world, and particularly in the less developed regions. Our work on
reducing tariffs will be of doubtful value if we cannot eliminate those other barriers to trade which are much more restrictive than tariffs and much more easy to apply in a discriminatory way. In the long run the GATT can continue to exist only if it proves of positive value to its member governments, and they will measure its value by the extent to which the GATT permits them to conduct the maximum trade under competitive conditions. Any restrictive practices which impede this achievement, whether they are contrary or not to the letter of the Agreement, will tend to nullify what has been achieved at this and the earlier tariff conferences.

We have worked together for nearly ten years in difficult circumstances and I think I can say without fear of contradiction that there is growing recognition throughout the world of the importance and value of the GATT trade rules and the GATT 'Club', particularly in business circles. Nevertheless our thoughts must also inevitably turn to the prospects for the ratification of the Organization for Trade Cooperation. As I had occasion to say at the opening of the Tenth Session of the Contracting Parties last October, in drawing up and submitting the Agreement which will establish the OTC we were in effect putting the results of our work together to a vote of confidence. We must all of us feel a certain sense of anxiety that the question of the ratification of the OTC still remains uncertain. There are few fields of international activity where there is more need for co-operation than in that of international trade. In our work in the GATT, we have shown that, given a realistic approach which takes into account the practical difficulties of individual countries, great progress can be made if we work together on the basis of commonly agreed rules. We do not attempt idealistic schemes of a supra-national character, nor do we endeavour to impinge on the sovereign rights and responsibilities of the Member States. What we have built up is a system of practical and business-like consultation and co-operation which enables us to embark together on fruitful enterprises which are of mutual benefit to all. Let us, therefore, as we survey the successful results of our latest endeavour, look forward to the early consolidation of our Agreement and its administration through the speedy ratification and establishment of the Organization of Trade Cooperation.

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