I note with great pleasure and satisfaction that GATT has completed the first ten years of its life. As one who was closely associated with this institution during its formative stages, I know that it had to weather many a storm. Never did I lose hope that it was going to succeed. I knew that so long as this young sapling was to grow from the humus of goodwill and understanding which is the biggest attribute of humanity, and so long as it was to receive its sap of nourishment from the inexhaustible and invaluable reservoir of experience which persons of the eminence of Mr. Wilgress placed at its disposal, and so long as it was to be attended to and looked after by persons like Mr. Wyndham White and his able colleagues, about whose indomitable determination and courage nobody had any questions to ask, this plant was bound to grow to its full stature. I am glad that it has passed through its period of infancy and adolescence in an admirably good manner.

Here, if I am permitted a slight digression, I must tell the members here how very sorry my Minister was at not being able to be present on this occasion, which I really call a celebration of the completion of the first ten years of GATT's life. This indeed is a very important Session from many other points of view, as we are now coming to grips with problems which are really going to create history. Already this decade has a very prominent place in the history of world economy. We have seen, during these years, the reconstruction of war-devastated economies; we have seen a tremendous increase in production, and we have seen a phenomenal extension of world trade. GATT has very considerably contributed to the attainment of these objectives. The performance of GATT is particularly significant in certain fields. More prominent amongst these are the promotion of multilateralism, the reduction of quantitative restrictions and also the stabilization and reduction of tariffs. These, in my opinion, are no mean achievements. They have very largely contributed to the development of world trade. At the same time, I hope the members appreciate that the good that has flowed out of these has not been evenly distributed. This was expected, but it does not mean that those who have not received an equal share have lost hope. They knew that these items had a very high priority on the programme of our work, and I am glad that this work has been successfully accomplished. But now the time has come when we should strive towards and contemplate the achievement of other objectives of GATT which are
by no means less important. I refer in this connexion to the achievement of higher standards of living, to the adoption of measures which would ensure fuller employment, where we have not achieved that employment, and to develop and strengthen the economies of under-developed areas.

To us in particular these objectives are of very great importance, and I do hope that they will receive due attention. I was very happy to note the Chairman's reference to these in his opening remarks. The under-developed countries have in fact many problems, and those problems have not yet been properly, or I should say, adequately settled. Stabilization of tariffs is an important factor in promoting international trade, but its benefits to the producer of raw materials - I mean the under-developed areas - are not at all very significant. It may be realized that the immediate effect of stabilizing tariffs is on the trade of countries which produce and sell manufactured goods, because high tariffs are sometimes placed by the importing countries on manufactured goods. Raw materials have never suffered under the burden of tariffs, and the under-developed countries are only selling or exporting raw materials. So the good that has come out of the lowering of tariffs has in fact resulted in an advantage to the industrialized countries. I am citing this only by way of illustration, and in order to make my point clear, that it is now very necessary that we should divert our attention to other problems which are equally important and on which depends the future of the under-developed countries. That this problem is important not only to the under-developed countries, but also to the highly industrialized countries does not need any explanation. Obviously, those industrialized countries which are producing more and more goods need wider markets. If the under-developed countries do not improve their economies, then the highly industrialized countries would be facing a static market. This would therefore stand in the way of attaining objectives.

In this context, what is happening at present creates very considerable misgivings in my mind. I find that at present the attention of the highly developed countries is focussed mainly on improving manufacturing processes, so as to enable them to use less raw materials. This directly reflects on the trade of under-developed countries, at any rate it is a definite factor therein. I also note that efforts are being made to introduce more synthetic materials. I do not mean to say that we should not be progressive in our outlook, that we should not utilize our ability and talent and knowledge in producing more and more types of goods, but where the efforts mainly are, we find replacements for what nature has already given you in the form of raw materials. I am inclined to think that we are just dissipating our energy, and perhaps to the detriment of the welfare of the under-developed countries. I know that it is also the desire of many countries to acquire some sort of economic self-sufficiency, and it is this idea which induces them to find synthetic materials so that their dependence on the producers of raw materials is decreased.

It is not my intention to go into the merits and demerits of economic self-sufficiency. Theoretically it is probably a good principle but, viewed from a broader angle, that of all of us who have been flung into this universe and who have to live on this globe, it is perhaps better that anything that we do, we do
with due regard to the fact that all of us have to exist equally and live comfortably as far as possible. It is very heartening to note that GATT has started paying its attention to these problems. They have already made a very useful study, and I do hope that they will keep up this very important exercise. I would go a step further, and say that GATT should now pay greater attention to this. They should make sustained efforts to continue the study of these problems and try to tackle and settle the various issues which still haunt the under-developed countries. Probably it would be of very great advantage if items like these constantly featured on the agenda of the GATT and we kept trace of what is happening, not only in those areas which constitute the hub centre of political and economic activities, but also at the periphery.

Connected with this are the problems relating to the treatment of primary commodities in international trade. It is somewhat discouraging to note that protectionist tendencies still continue in certain fields, that prices of primary commodities continue to show marked fluctuations which are detrimental to the aim of stabilizing economy and, above all, it is more discouraging to note that the disparity between the prices of raw materials and manufactured goods is becoming more and more pronounced. There is no need for me to go into details of the detrimental effect which this disparity and fluctuation of prices have on the economies of weaker areas. Imagine a country which only produces raw materials, has an under-developed economy, has reasonable plans of development, is selling its goods at a comparatively lower price than the prices which it has to pay for its imports, and the gap widens. What will happen? Very soon such a country will find itself in the grip of inflation, and this is what we are experiencing in various sectors. I do not mean to say that this is the only cause of inflation; perhaps more than that is the activities of the country concerned; for example, if a country is trying to develop its economy and has an ambitious development plan, it must be prepared to face a certain amount of inflation. But inflation through such contributory causes goes to aggravate the position and impede progress. Something must therefore be done to see that a proper ratio is maintained between the prices of primary commodities and the prices of essential manufactured goods. I personally consider this a matter of very great importance.

Having said this, Sir, I now turn to perhaps the most important item on the agenda, namely the Treaty of Rome. I may straight away say that immediately we are not very deeply connected with the effects of this move. However, I consider this a move of historical significance, a move which is going to have very wide repercussions, and so a move which must be considered very carefully, dispassionately and from a most objective angle. To the extent that the provisions of the Treaty accord with the provisions of the GATT, no one can really have any qualms about it. I note that the objectives of this Treaty are very much similar to the objectives that GATT has laid down for itself. After hearing the speakers here, I find - and I must admit that I was myself thinking along these lines - that it is not unlikely that for the attainment of those objectives through the operation of the Treaty of Rome, certain means may be adopted which, like the effect of a very potent drug, may prove during the
interim period really deleterious or injurious to the smaller economies. This is a matter of great concern. We should therefore consider very carefully whether the means adopted to attain the common objectives of the Treaty of Rome and GATT are such that it does not harm the nascent and the young economies of smaller countries, and it also does not harm the economies of those countries which have firmly shaped themselves into a certain form and which are likely to be affected by this sort of co-operation. References have been made, and I think they are quite relevant in this context, to what this Treaty of Rome is likely to bring: Common Tariff, managed market, a certain amount of protectionism in the field of agriculture, association of dependent overseas territories - these really create problems of great importance. I am inclined to think myself that these may not be in conformity with, or perhaps not quite consistent with, the provisions of the GATT. This is a matter of great importance, and I am very sure that this august body will give very serious thought to the solution of these problems. The high tradition which GATT has built up for itself will, I hope, help them in solving these problems to the satisfaction not only of the Six countries who are parties to this Treaty, but also in the interests of all contracting parties and in the interest of promotion of trade in general the world over.

Lastly, Sir, I want to express the great satisfaction of the Pakistan delegation at the amendments to the GATT which were prepared during the Review Session. It is very heartening to note that these amendments have gone through, and I do hope that in the not too distant future, OTC will come into existence and we shall all be in a position to derive substantial benefits from it.

Sir, I am done; I know that it was a great mistake on my part to ask for the floor at this time, when brilliant statements have been made. It is indeed an anti-climax, but even an anti-climax has a value: it brings into prominent relief the important statements and more important issues which other distinguished members have raised yesterday and this morning.

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