The Contracting Parties on September 26 heard a proposal by the United States for the suspension of the obligations of the General Agreement on Tariffs and Trade as between the United States and Czechoslovakia. (On July 3, 1951, the U.S. government announced its determination to withdraw from Czechoslovakia the benefits of the trade agreement concessions, and to terminate at the Sixth Session all the obligations existing between it and Czechoslovakia by virtue of the Agreement. The text of the announcement by the U.S. government and the statement by Czechoslovakia on the U.S. announcement are reproduced as an Annex to Press Release GATT/35.)

At the opening of the meeting, the delegate of Czechoslovakia, Mr. Arnost Tauber, speaking to a point of order made a statement which is reproduced in Press Release GATT/45. The chairman said that the Czechoslovak delegate had elaborated arguments for removing the item from the agenda. He asked if there was any support for the Czechoslovak proposal; there being no support, he ruled that the item remained on the agenda.

The delegate of the U.S., Mr. Willard Thorp, then made a statement as follows:

Let me begin by stating specifically what it is that we propose. Briefly, we ask the Contracting Parties, acting under the authority given to them by Article XXV of the General Agreement, to set aside the commitments of the General Agreement as they apply between the United States and Czechoslovakia. It will be recalled that Article XXV, in paragraph 5(a), states that "in exceptional circumstances, not elsewhere provided for, the CONTRACTING PARTIES may waive an obligation imposed upon a contracting party" by the Agreement.

We have distributed to the other delegations, for their consideration, a draft of a declaration designed to give effect to this proposal.

So much for a description of the proposal itself. Now, more broadly, what does it mean, and what would be its practical effect?

First, this request is not a unilateral, one-sided proposal applying only to the obligations of the United States toward Czechoslovakia. We are not seeking any liberty or privilege for ourselves which we are not also prepared to see accorded to Czechoslovakia. On the contrary, our proposal would also free the Czechoslovak Government equally of its obligations under the Agreement toward the United States. We consider that this concept of mutuality in the severance of obligations, as in the undertaking of them is fully consistent with the principles of equity and reciprocity which underlie the General Agreement and which run throughout its administration and enforcement.

Second, the terms of our proposal would apply exclusively to the relations between the United States and Czechoslovakia. It would not affect the obligations of the United States toward the other contracting parties in any respect. For example, it would not mean an increase in the rate of duty on any product imported from the other contracting parties into the United States. Nor would it mean the cancellation of the complaint under Article XIX, previously brought against the United States and now lying before the Contracting Parties, merely because that complaint was initiated by the Government of Czechoslovakia.

Similarly, the proposal of the United States is not intended to affect the rights or obligations of other contracting parties toward Czechoslovakia, nor of Czechoslovakia toward them. We are here concerned solely and exclusively with the state of our own relations directly with the Government of Czechoslovakia and, in the exceptional circumstances which prevail between
us, with the impossibility of fulfilling commercial policy obligations which were originally entered into under quite different circumstances.

Our proposal, then, is strictly limited in its scope and, so far as we are concerned, is not intended to have implications for other countries. It is reciprocal in effect, and conforms to the spirit of mutuality which pervades the General Agreement. It does not disturb the relations between any of the other parties to the Agreement.

Now, I should like to explain why the Government of the United States feels compelled to take the steps which it now proposes for the severance of commercial policy obligations between the United States and Czechoslovakia.

It has been known to my Government for some time that the economic system of Czechoslovakia is being manipulated by its present Government in such a way as to nullify the economic benefits which the United States had expected to accru from the General Agreement on Tariffs and Trade. Ordinarily these actions would, of course, properly be the subject of a complaint by the United States against Czechoslovakia pursuant to the provisions of Article XXIII. But it is clear to us that there is and can be no real remedy under the provisions of Article XXIII because we cannot reasonably anticipate an improvement of our commerce with Czechoslovakia so long as the present state of relations between us exists.

It is, I think, an elementary proposition that fruitful economic relations between any two countries, and the value of commercial obligations between them, must presuppose some reasonable degree of tolerance between the Governments concerned, some reasonable degree of mutual respect, some reasonable degree of good faith by each in its dealings with the other. Intolerance, lack of respect, absence of good faith, must surely call into question the validity of promises which, at bottom, rest on a foundation of morality. If one Government consider that another Government has, as a matter of deliberate policy and practice, harassed its representatives and severely limited their number and scope of operations; if one Government considers that another has systematically refused even to receive its representations or even to listen to its protests against acts in violation of treaties or of international law; if one Government considers that another has persistently demonstrated untrustworthiness in its dealings between the two Governments; if it is impossible for one Government to obtain from another even the most elementary commercial and economic information which is essential to the conduct of commercial intercourse; if normal relations between business men and enterprises in the two countries are made impossible by drastic limitations on their activities; if there is no genuine means of communication between the two Governments; then, what possible basis can there be for the fulfillment of commercial policy obligations such as we find in the General Agreement on Tariffs and Trade? I think it must be abundantly clear that there can be none. The very promises on which the contract was based have been removed.

This, I believe, accurately describes the state of the relations which, under the regime of the present Government of Czechoslovakia, have developed between that Government and the Government of the United States.

The negotiations which led to the assumption by Czechoslovakia and the United States of commercial policy obligations toward each other were concluded four years ago, in the Fall of 1947. Since that time Czechoslovakia has radically altered its entire economic system, its method of doing business with the United States, and the general attitude of its Government toward the people and Government of the United States. Following upon those basic changes which, I repeat, took place after Czechoslovakia and the United States agreed to become parties to the General Agreement, the general relations between the two Governments have steadily
steadily deteriorated. In the view of the United States these relations have now fallen below that minimum degree of mutual tolerance and respect which is essential to the effective discharge of the obligations of the General Agreement. We ask, therefore, that these obligations be formally dissolved in order that there may be no question as to their continuing validity.

I should like to emphasize at this point that our proposal does not introduce any new principle of international law. Clauses for the termination of international commitments which can be invoked at the will of either party, have almost always been included in bilateral commercial agreements and treaties. And, so far as the General Agreement is concerned, no one would question the right of any country to withdraw from the Agreement entirely, thus severing its obligations toward all other parties. The United States proposal would, of course, lead to a situation in which two countries could continue to be parties to the General Agreement even though the Agreement had ceased to apply between them. But this kind of situation the Contracting Parties have already accepted in principle and in practice through the adoption of Article XXXV. It will be recalled that under Article XXXV, one country is not compelled to assume the obligations of the General Agreement toward another country is that intent is made clear at the time either of them join. Unfortunately, Article XXXV was not incorporated in the General Agreement until after the United States and Czechoslovakia had become contracting parties, and it was not until later that the Government of Czechoslovakia fundamentally altered the nature of its relations with the United States. It is for these purely circumstantial reasons that the provisions of Article XXXV are not, under the strict letter of the agreement, technically open to us. But in spirit they should apply, and it is the hope of my Government that the justice of this view will be recognized by the Contracting Parties.

In asking this, we are not seeking to inject political disputes into the debates of the Contracting Parties. Over the years, the Contracting Parties have developed a tradition of confining discussion to economic and trade questions, of sticking to the technical merits of an issue, of excluding irrelevancies, of foregoing the temptations of political harangues. This is a wise tradition. We believe in it and shall do our utmost to preserve it.

We do not, therefore, ask the Contracting Parties to discuss the political questions which are involved in the relations between the United States and Czechoslovakia. We do not ask them to decide whether Czechoslovakia or the United States is right or wrong on any political question. We do not ask the Contracting Parties to examine into the causes of the situation which has come to pass, or to consider the methods by which it could have been avoided or might be remedied. All we ask is that the Contracting Parties recognize what is an evident fact — that, irrespective of the merits of any political issue, the incompatibility between the Governments of the United States and Czechoslovakia on all issues involved in their relations with one another is at this time so acute and fundamental that the commercial policy obligations under the General Agreement cannot in practice be fulfilled and ought, of right and in honesty, to be suspended. This, in our judgment, is the only way in which the integrity of the General Agreement can be fully preserved.

It may be asked whether, in taking such action, the Contracting Parties might not create a precedent which would apply whenever there are differences of opinion between particular Contracting Parties on political or other matters not germane to the General Agreement.

In our view no such precedent would be created. For we are not now dealing with particular controversies between governments over well-
defined and specific issues, nor with the right of any country to take economic measures in order to compel a settlement of unrelated political disputes of this kind. What we are confronted with here is a general state of relations between two Governments, extending to all matters, economic as well as political, which has grown so tenuous and unsatisfactory that there is no practicable way in which the commercial policy obligations between them can be enforced. This, clearly, is an "exceptional circumstance" which does not easily lend itself to other situations less fundamental and sweeping in character.

To summarize, Mr. Chairman, our position on this matter:

1. We ask the Contracting Parties to suspend the obligations of the General Agreement between the United States and Czechoslovakia.

2. We ask this because of the exceptional circumstance that the general relations between the United States and Czechoslovakia have now become so fundamentally altered that commercial policy undertakings between them are no longer meaningful.

3. In seeking this action, we are requesting it in a form which will not disturb the relations which other Contracting Parties may have or choose to have with ourselves or with Czechoslovakia.

4. Our proposal is in conformity with the spirit of the legal principles already recognized in the Agreement. It would not, in our judgment, create a new and undesirable precedent for other cases less fundamental in character.

5. We consider our request to be entirely fair to all concerned and believe that it should be approved by the Contracting Parties as a matter of justice and common sense. Accordingly, we are confident that it will receive the necessary support.

The delegate of India, Professor Adarkar, stressed that the U.S. proposal raised important issues. After reminding the Contracting Parties of their obligations under the GATT to observe the general principles of the Havana Charter, he referred to Article 86, para. iii, of the Charter to the effect that judgment on essentially political matters should be avoided. If, he said, any two contracting parties had reached a point at which mutual trade between them became impossible, the Agreement should cease to apply between them. It was not possible in such circumstances to prevent one contracting party from taking action. He therefore supported the U.S. proposal to terminate their obligations but he emphasized that he was not taking sides on the economic system of one country or another: he was simply taking a practical view of a particular situation.

The delegate of Denmark said that he thought the draft Declaration, as proposed by the U.S., would take care of both parties and he expressed the hope that the delegate of Czechoslovakia would be able to accept it. However the matter was so important that he preferred not to press for a final decision before reporting back to his government.
The delegate of Czechoslovakia then replied to the U.S. statement, paying particular attention to articles of the Agreement invoked in Mr. Thorp's statement, in particular Article XXXV which permits a contracting party not to undertake obligations to another contracting party but does not provide for the waiving of obligations already undertaken. He stressed that Czechoslovakia became a contracting party on 21 April 1948 at which time Article XXXV was already in force. The exceptional circumstances referred to in Article XXV, 5(a) have to impose economic hardships which - as Mr. Tauber said - is not the case as far as Czechoslovakian imports to the U.S. are concerned.

On September 27 the delegate of Czechoslovakia, Mr. Arnost Tauber, continued his statement. He said that the GATT cannot be interpreted in a way which is contrary to its general purpose as stated in the Preamble nor contrary to Article XVII, Non-discriminatory Treatment on the part of State-Trading Enterprises. He pointed out that soon after the signing of GATT the U.S. resorted to export restrictions which were contrary to the principles of the Agreement: a comprehensive export control had been in force since 1948. It was clear, he said, that the U.S. instead of reinforcing peaceful collaboration between nations had been turning these relations to its advantage and contravening its international obligations. The policy of Czechoslovakia, contrary to that of the U.S., was to choose the road to peace and social improvement. Czechoslovakia, he said, could not tolerate being the object of any foreign pressure; the U.S. could give no example of any Czechoslovak threat towards her. The U.S. complaints did not fall within the scope of GATT.

Mr. Tauber said that the U.S. had requested the reduction of Czechoslovak duties while at the same time controlling and prohibiting exports to the Soviet bloc. Quoting U.S. sources Mr. Tauber showed that as early as 1948 the decline in U.S. exports was due to U.S. action, not to normal trading variations. He denied there was any prohibition on trading on the Czechoslovak side; it was not Czechoslovakia who was prohibiting commercial relations, he said, but the U.S. What was preventing the normal relation of traders in both countries was U.S. discriminatory measures such as embargo on U.S. exports to the Czechoslovak Republic, annulment of the validity of U.S. passports for the entry to the Czechoslovak Republic and similar matters, he added. Although since 1948 the U.S. has been hampering exports to Czechoslovakia, Czechoslovakia had succeeded in raising the level of their exports to the U.S.; for the level has actually risen during 1948-1950, despite such U.S. action as the cancellation of duty concessions on certain types of hats, said Mr. Tauber.

Mr. Tauber continued that the natural development of Czechoslovak trade with the U.S.S.R. and Eastern Europe did not mean that Czechoslovakia wished to diminish their trade with the U.S., Europe and other parts of the world. After referring on the one hand to the orientation of the Czechoslovak economy towards countries with planned economies and the absence of crises inherent in the capitalistic economy, and on the other hand to the "pressure" of the U.S. on the countries receiving Marshall Aid, Mr. Tauber urged that no "exceptional circumstances" to justify the U.S. proposal had been put forward. If the U.S. had decided to conduct a policy of cold war, the responsibility did not lie with the Czechs, he said: it is not Czechoslovakia but the U.S. which hampered trade, he said. The U.S. was doing everything in their power to take action which was obnoxious to Czechoslovakia, even though they gained no advantage from it. It was clear from a statement by Secretary Acheson that the U.S. knew their proposal was a violation of the GATT.

Mr. Tauber went on to say that in the Hearings on the extension of the Reciprocal Trade Agreement Act before the Senate Finance Committee, February 22, 1951, in reply to Senator Kerr, Mr. Acheson said: "In order to comply with this amendment (the amendment to deny the benefit of future tariff concessions to certain Communist countries) it would be necessary for us to
violate a number of agreement which we have with Soviet controlled countries.
It would also mean violating our obligations to Czechoslovakia under the
General Agreement on Tariffs and Trade."

Mr. Tauber repeated that the U.S. proposal fell outside GATT. The U.S.,
he said, interpreted its international commitments wantonly and resorted to
measures such as economic blockade and embargo which were contrary to the
U.N. Charter. The U.S. had openly taken unfriendly action against another
state or group of states. Could a country which was flagrantly and admitted-
ly breaking international obligations be allowed to destroy the integrity of
GATT, he asked. Was the GATT to be flaunted or is there to be a negotiation
between governments who were aware of the objectives of the Agreement.

The Czech government and people were determined to expand their economic
relations, provided there was no interference with the internal affairs on
either side, said Mr. Tauber. Czechoslovakia had always hoped that GATT
would be the instrument by which countries could collaborate in the economic
sphere. The Agreement could not be denounced for inadequate reasons given
by one party, he said. If one state could interfere with the internal
affairs of another, no contracting party was safe from interference, he
added. It was evident that the U.S. government was not ready to comply with
its obligations and that it wished to introduce the principle that might is
right. In conclusion Mr. Tauber said that the Contracting Parties should
reject the U.S. proposal on the broad grounds of peace and world cooperation,
ot on the narrow grounds of tariff concessions.

M. André Philip, France, said that the Contracting Parties were faced
with a serious matter, the more regrettable because it showed the deterio-
ration of relations between two contracting parties. It was the first time
that a problem of this type had arisen and the decision would be in the
nature of a precedent.

The first question to be answered, said M. Philip, was whether the
problem could be viewed within the scope of a particular GATT article. Two
articles had been mentioned viz, Article XXIII and Article XXV 5(a). Thus
Article XXIII referred to the nullification of any particular advantage
under the Agreement. It could not be applied to a complex of political and
economic circumstances such as was now under discussion. Article XXV was
similarly intended to apply to a specific technical situation which might
require a waiver of a particular obligation or obligations: neither article
was therefore appropriate to the present case.

The problem before us, said M. Philip, is not strictly an economic one.
It was the whole economic complex between two countries. Both countries
were agreed on the nature of the dispute. On the one hand the U.S. delegate
said that there must be a presupposition of a reasonable degree of tolerance,
mutual respect and good faith by each government in its dealings with the
other. On the other hand the Czechoslovak delegate had spoken of dis-
crimination, unfriendly acts, cold war and the U.S. crusade. Clearly, said
M. Philip, this was an issue involving the whole economic relation between
the two states.

We are therefore, said M. Philip, confronted with a situation which is not
foreseen in any article of the GATT when it was drafted. Both sides have
expressed their points of view, and the resulting political-economic problem
cannot be resolved upon the basis of any particular article. He did not
think that the Contracting Parties were competent to deal with the whole
political-economic problem. If an investigation of the facts was requested,
both sides might complain that such action would interfere with their
internal affairs. Nevertheless an opinion had been requested and it must be
given.

He would add that when listening to the statement of the delegate of
Czechoslovakia, he had expected him to conclude by supporting the U.S.
proposal.
The best thing to do, said M. Philip, was to recognize the deterioration in economic-political relations between the two countries, to take note of the facts as they existed, and to draw the inevitable conclusion which was the one stated in the Declaration. In the circumstances the two countries should be released from their obligations vis-à-vis one another, it being stated that these obligations were not annulled but suspended. This would leave the way open to put an end to this suspension if, as they must all hope, the political situation improved.

The Draft Declaration M. Philip found very satisfactory. It referred to obligations of the kind contemplated in GATT; the two countries would remain bound vis-à-vis other countries. He emphasized strongly that the solution of the U.S.-Czechoslovak problem should not constitute a precedent which a contracting party might subsequently invoke to settle a problem arising from a specific complaint of a technical nature.

After statements supporting the proposed Declaration had been made by the delegates of the United Kingdom, Cuba and Italy, Mr. Thorp stated that the accusations by the Czech delegation against his country were based on unfounded charges accompanied by incomplete explanations. Nevertheless, he did not wish to take up the time of the Contracting Parties by answering in full. He would select two points, however, by way of illustration. In regard to Mr. Acheson’s remarks, mentioned by the Czech delegate, the particular legislation being considered at that moment was an instruction to the Executive to terminate its commercial advantages with certain countries in 90 days. Mr. Acheson testified, correctly, that this would have violated certain international agreement, for example the Commercial Agreement with the Soviet Union, which would not, under their terms, be terminated until the expiration of six months. As a result of Mr. Acheson’s testimony the 90-day requirement was changed by the Congress to "as soon as practicable". Regarding the travel regulations mentioned by the Czech delegate Mr. Thorp said that the U.S. had in June 1951 restricted the issuance of passports for American citizens travelling to Czechoslovakia because the United States government could no longer ensure the protection of its citizens in Czechoslovakia.

The Czechoslovak delegate, said Mr. Thorp, had proved, by his own statements, the existence of special circumstances. It should now be possible, he said, for the Contracting Parties to vote favourably on the Declaration. Mr. Thorp said that if he had not asked the Contracting Parties to address themselves only to the question of fact as to whether "exceptional circumstances" exist, he would have replied to the many accusations against the United States made by the Czechoslovak delegate.

The delegate of Czechoslovakia, Mr. Tauber, then made a statement, analysing the Draft Declaration as proposed by the U.S. (See Annex II).

The Chairman put the Draft Declaration to the vote, with the result of 24 in favour, 4 abstentions, and 1 against. He declared that the Declaration was adopted by the Contracting Parties.

The text of the Declaration is given as Annex I to this press release.

After the representatives of delegations which had abstained from voting had explained their position the delegate of Czechoslovakia protested vigorously against the Declaration as a decision contrary to the objectives of GATT of furthering the economic relations between the nations and contested its legality. Czechoslovakia he said would not recognize the validity of the Decision. But his government would continued to adhere to the GATT and to the commitments undertaken therein. He added that Czechoslovakia would continue to give the United States most-favoured-nation treatment.

The Czechoslovak delegate then stated that since Czechoslovakia did not recognize the validity of the Declaration, Czechoslovakia would ask the Contracting Parties, acting under Article XXIII, to authorize the withdrawal of concessions granted by Czechoslovakia to the United States.

The Chairman requested the Czechoslovak Delegate to put his request in writing.
ANNEX I

*Declaration proposed by the Delegation of the United States*

The CONTRACTING PARTIES,

Considering that the Delegation of the United States has declared that the Government of Czechoslovakia, through its actions, has nullified benefits which should have accrued to the United States under the General Agreement on Tariffs and Trade;

Considering that the Delegation of Czechoslovakia has declared that the Government of the United States, through its actions, has nullified benefits which should have accrued to Czechoslovakia under the General Agreement;

Considering that a contracting party may not be held subject to the provisions of the General Agreement when the fulfillment of its obligations is rendered impossible by exceptional circumstances of a kind different from those contemplated under the General Agreement, even though the CONTRACTING PARTIES may not, in such a case, be competent to appraise the circumstances adduced;

1. TAKE NOTE of the declarations of the United States and Czechoslovakia;

2. DECLARE that the Governments of the United States and Czechoslovakia shall be free to suspend, each with respect to the other, the obligations of the General Agreement on Tariffs and Trade; and

3. AFFIRM that any measures which may be taken either by the United States or by Czechoslovakia shall not in any way modify the obligations of that Government under the General Agreement toward the other contracting parties.
ANEX II

Statement by the Delegate of Czechoslovakia.

Mr. Arnost Tauber, analysing the Draft Declaration
as proposed by the United States of America

Mr. Chairman,

The Contracting Parties have been handed a document entitled "Termination of Obligations between the United States and Czechoslovakia under the Agreement, Declaration proposed by the Delegation of the United States."

I would like first of all to make a few comments on the form of the document, since it is characteristic of the whole attitude of the United States towards the regulations under the General Agreement.

As the distinguished representative of India pointed out, the heading of the document speaks of the "termination" of obligations, whereas in the body of the document they are to be "suspended". Presumably this discrepancy is deliberate, and is intended to add to the general confusion.

With regard to the contents of the Declaration, I have the following observations to make:

First paragraph: By implication, the Contracting Parties are asked to consider a unilateral, fabricated allegation put forward by the United States delegation. In proof of this I cite the fact that the Contracting Parties cannot check its authenticity, as indeed the United States delegation admits at the end of the third paragraph, which reads "...even though the Contracting Parties may not, in such a case, be competent to appraise the circumstances adduced". This statement, we feel obliged to say, is the only point in the Declaration on which we find ourselves in agreement with the United States delegation. I have already proposed that the Contracting Parties should declare themselves not competent to deal with the matter. In the light of the statements made by certain delegations, particularly those of Denmark yesterday and of France today, I feel that it is desirable to raise the question once again.

While on the subject of the first paragraph of the preamble, I think it may be well to mention that Czechoslovakia has not withdrawn either tariff concessions or the most-favoured-nation treatment enjoyed by the United States, and that the latter is itself nullifying the advantage of tariff reductions granted by Czechoslovakia by prohibiting exports to that country.

Second paragraph: Here, Mr. Chairman, a statement is put into the mouth of the Czech representative which he never made. How can the Contracting Parties consider a declaration which has never been made, and draw conclusions of any sort from it? To date, Czech products exported to the United States have enjoyed the benefit of tariff reductions granted by the United States under the General Agreement. These benefits are still in force. It is the United States that has submitted the draft under discussion with the object of nullifying them.

The fact that the United States renounces the benefits granted by Czechoslovakia does not justify depriving Czechoslovakia of advantages granted by the United States in exchange.

Third paragraph: The United States delegation admits without question that the Contracting Parties are unaware of the reasons underlying the request for suspension of the contractual obligations of the United States towards Czechoslovakia under the General Agreement. The United States delegation is fully aware that the Contracting Parties are not competent to deal with and to
decide this question, yet it asks them to take note, declare and affirm, i.e. to draw conclusions and take decisions on the basis of a unilateral unproven allegation by the United States. But the Contracting Parties cannot take a decision without previous investigation and without hearing a statement of the evidence and the accusations. The United States asks the Contracting Parties to take note of, and therefore by implication, to sanction, the legality of an illegal act, namely, the brutal violation of principles and provisions of the General Agreement, and of international law, thereby infringing the rules of international cooperation. According to the general principles of law, no one is at liberty to use his own fault as evidence against his victim; and no one aware of his lack of competence and recognizing it can decide a case at law. A decision taken by an organ without competence ceases to be valid.

Let us turn to the operative part of the document. The United States delegation asks the Contracting Parties to

1. take note of the declarations of the United States and Czechoslovakia.

How are the Contracting Parties to take note of the declarations of the United States when they have not been able to examine the underlying reasons and grounds?

How are they to take note of the declarations of Czechoslovakia when there are none and none have ever been made?

2. declare that the Governments of the United States and Czechoslovakia shall be free to suspend, each with respect to the other, the obligations of the General Agreement on Tariffs and Trade.

Czechoslovakia has at no time asked to be released, and has no desire to be invited to ask for any such release.

(In this connection, perhaps Mr. André Philip could explain expressions such as "compulsory reciprocity" and "enforced mutual obligations" which come naturally to mind when one reads such things.)

3. affirm that any measures which may be taken either by the United States or by Czechoslovakia shall not in any way modify the obligations of that Government under the General Agreement towards the other Contracting Parties.

Any such affirmation would be contrary to the provisions of the General Agreement. If the customs concessions made directly between the United States and Czechoslovakia alone were suspended, how could those contracting parties enjoying most-favoured-nation treatment only indirectly be sure that they would enjoy the benefits of such concessions and tariff advantages?

Our conclusion is as follows:

The document submitted by the United States has nothing to do with the General Agreement. Those who drafted it have admitted as much by their failure to find any article of the Agreement to support their request.

No one is in a position to decide a case without a knowledge of its background and competence to do so, even if he is aware of his lack of competence and freely admits it.