It is my good fortune and great privilege to represent my country—
the newly independent State of Jamaica—on this the first occasion of its
participation in a ministerial meeting of GATT, a meeting which has been
called to chart the further course of international co-operation in the
field of world trade.

The character of my country's economy renders this subject vital to
our interests. Situated as we are in the troubled area of the Caribbean,
Jamaica's livelihood depends on exports of agricultural products, on minerals,
on the invisible export of tourism. We have also developed a relatively small
but increasingly significant export of a number of manufactured goods thanks
to a successful and necessary programme of diversification undertaken over
the past decade.

Our exports determine not only the volume of our imports, our rate of
savings, our capital formation, our national income but also they are the
deciding factor in the rate of progress of our development programme.

Develop we must, to find employment for our rapidly growing population,
for the 366 inhabitants per square mile, our island in the sun is already one
of the most densely populated under-developed countries.
We have, because of this, been obliged to export not only goods and services: in addition we have with regret been obliged to accept emigration of able-bodied Jamaicans for whom we cannot find employment.

Despite our fairly high per capita income - which currently stands at around £131 per person, Jamaica has a pressing need to develop her infrastructure if she is to prevent unemployment becoming a disease chronic enough to affect her political stability.

Our rate of taxation, which has to be considered in joint terms of our need to attract investment on the one hand and our revenue requirements on the other, to provide necessary services and development stimulus - is at as high a level as we regard to be currently prudent.

I have tried briefly to provide a quick thumbnail sketch of our economy - the economy of an independent small country that has proudly attained its present standards the hard way - by its own efforts, whose people are ever alert and anxious for advancement.

Experience has taught us that foreign trade gives us the opportunity to overcome the diseconomies of the small size of our domestic market. We have learned as well that export trade can permit us to achieve badly needed productive efficiency and is a potential "engine of growth" for our own economy.

The character and present state of our economy, which I have attempted to describe, should have explained our material interest in the present proceedings of this international trade organization, an organization which, according to its charter, promotes the expansion of trade, the removal of trade barriers and the elimination of discrimination in international commerce.

In spite of these admirable objectives, our decision to apply for de facto membership in GATT, taken shortly before we became an independent nation, was reached after long and careful deliberations.

I cannot and will not deny that the decision was not an easy one. The crucial question was whether amidst the far-reaching structural changes in the policies and pattern of world trade the Contracting Parties would be concerned about, or willing and able to protect, the vital interests of a small, developing country trying to obtain and maintain its fair and needed share in world trade and whether under the rules of GATT the balanced development of our agricultural resources and secondary industries so essential for the necessary increase of the living standards of our people would be safeguarded without undue delay and interference.
I must admit that I still have certain fears, or let me at least say reservations, in my mind as to whether our interests are adequately protected by joining GATT. These reservations result from the simple fact, that in our situation we cannot afford any margin of error in decisions of this kind, our economy is too fragile and our needs too urgent to permit this.

Please however do not misunderstand me - Jamaica heartily endorses the stated basic aims of GATT, firstly to maintain a code of behaviour in international commerce, and secondly to strengthen the interdependence of the trading nations of the world. We have learned, however, by experience, that one is wise to pass judgement in a matter of this sort, not on the basis of declared principles, but rather on the basis of past performance. Consequently, I have regarded it prudent to examine carefully the record of GATT from the viewpoint of a small under-developed country. I propose referring to the items which have caused me unease and I propose to do so for constructive purposes.

As we know, one of the basic foundations of the GATT is the general prohibition of trade discrimination. Deviations from this rule are permitted only for balance-of-payment reasons, and under certain conditions for agricultural protection.

But let us look at the historical facts. There we find that while a considerable number of quantitative import restrictions have been dismantled, thanks to GATT, nevertheless there exists a number of important trading nations which use quantitative restrictions - devices that may well be described as the incarnation of discrimination and it is invariably not a question of such acts being used to aid some under-developed country in a case where its production can only be kept alive by such a course - under such circumstances that could be understood and in terms of world objectives accepted where necessary, but it is a question of safeguarding its own production and this occurs although the financial situation of such countries is such that there is no longer any justification for a commercial policy of such a kind.

As a developing country, which would have to go through a cumbersome procedure to obtain permission of the Contracting Parties to apply protective measures for the benefit of new small industries, industries which in money terms have no significance whatsoever when viewed against the extent of world trade in those products, we are concerned that despite the clear rules of GATT, highly industrialized countries are able to maintain with open or silent approval of GATT, quantitative restrictions to protect items of industrial production which become sensitive through competition from developing countries.
The only remedy to this type of breach that has been lately tried by GATT is the use of bilateral consultations, which may or may not work in a satisfactory or fair fashion. From all this we must conclude that there apparently exists a disequilibrium between the rights and obligations of countries in different stages of development.

We are backed up in this opinion when we study the factual treatment by GATT of the various import restrictions applied by industrial countries to protect their domestic agriculture, restrictions which more often than not were particularly damaging to, if not directed against, under-developed countries. We noticed that the outstanding report of Committee II voices great concern over this situation as one which clearly impedes developing nations. Such situations can only lead to resentment and ill-feeling among under-developed countries when they witness such methods being used against them, methods that must inevitably damage their whole economies - economies only too often pitifully dependent on the export of a few basic agricultural products for their livelihood, and they often suffer this treatment to protect on the other hand, one item in a sector of an industrial country's economy.

Invariably the answer received to such a problem is that one has "to recognize the political realities of the situation" and that only by consultations a new modus vivendi for trading conditions in agricultural and food products can emerge, but such a process at best operates in so slow a fashion as to disintegrate hope and remove any dynamism that had begun to emerge.

I ask the question of you, Mr. Chairman, how does the under-developed country in such circumstances plan a future, how does it react to such a situation other than by frustration, resentment, disillusionment and disbelief that any concern exists that goes beyond expediency, expediency which I fear me is only too often in the ultimate too late and costly not only in terms of money but life?

Now let me refer to the excellent recommendations of the Committee III, the report which deals with the obstacles to the trade expansion of under-developed countries caused by protective tariffs and other protective devices used by many of the industrialized countries.

It must be admitted that the results of efforts to remedy these situations by consultations have so far been disappointing, and are unlikely to engender overconfidence in the future of GATT as an aid to the under-developed countries unless the past attitude of its privileged Members of long standing undergoes considerable change.

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It is indeed difficult to understand why the rich countries fail to realize the folly of pouring aid and investment through the top of the barrel, while pursuing policies that allow the substance of the recipient countries to drain out at the bottom. Such policies not only breed despair and cynicism but are in sharp contrast to the underwritten principles of GATT. In the light of such behaviour, one may well at times wonder whether development of the under-developed is a sincere objective, or whether concern for the under-developed is only felt when it is estimated that unconcern would be disastrous. In this category we note that quantitative restrictions permitted for the purpose of defending domestic price support under Article XII are being used by industrial countries to discriminate against processed as opposed to raw materials. This device is used even though in many instances at the same time restrictive tariffs exist upon imports of those same commodities when they are imported in even slightly processed form. The case of raw sugar versus refined is an outstanding example of this kind.

Is it unnatural that the primary producing countries claim the right to process some of their own raw materials for world trade, in circumstances where such a course represents the most economic and efficient exploitation of their national wealth?

From the minutes of the meeting of the Contracting Parties I saw that this problem was squarely presented at the Review Session of GATT in 1955 and again last year. Yet no action has been taken to relieve this situation, going through the motions of not even consultation procedures.

On this issue one is constrained to ask this question - do the industrialized countries truly believe that the under-developed countries can to any reasonable extent improve their economies and living standards if condemned to go no further in utilizing their resources than as sales of raw materials to be processed elsewhere?

Is the vision of the industrial countries so prescribed that it is unable to conceive the potential effect on world trade if the greater purchasing power which an increased development of the under-developed countries could offer were permitted to generate momentum?

As a small country whose growth has been achieved the hard way by drawing upon our resources rather than by external aid, a country which has in the last decade fought with some success to diversify its economy - we can with justification say this - the result of our development efforts has not only benefitted our people at home, it has equally through the greater purchasing power engendered by our development it has also benefitted the trade of many wealthy and industrialized countries which export to us.
One of the other shortcomings in the application of the General Agreement as seen from the viewpoint of under-privileged countries is demonstrated by the following fact: up to the 1960/61 Tariff Conference, the Contracting Parties ruled out the possibility of negotiating tariff concessions against non-tariff measures of the types I have described. This, to my mind, the under-privileged countries must have found to be more objectionable, since they were expected under the rules and procedures of the Tariff Negotiation Committees to match the total trade volume of the tariff concessions received from highly developed countries with tariff concessions of the same trade volume from their much weaker economies. In 1960/61 the Contracting Parties allowed for the first time that Member countries might enter into negotiations on a broad category of non-tariff measures. But since there was no obligation on any country to negotiate on a particular product or protectionist measure, the practical effect of this theoretical concession to the under-developed countries has been nil, especially as important trading countries declared that they would be unable to undertake commitments of this sort.

Turning the leaf we looked for any positive measures by GATT to aid the under-developed countries in their quest for price stabilization of primary products as an implementation of the GATT's programme of trade expansion. This is of course of paramount importance to under-developed countries, for the under-privileged countries, besides suffering a secular deterioration in their commodity terms of trade, have become victims of a continuous fall of commodity prices in the fifties, a process which still continues.

What did we find here? After the plan to draw up an international commodity agreement scheme in 1954 was torpedoed by the leading industrial country, we are not aware of any effort on the part of the Contracting Parties to give aid and comfort to the undeveloped countries in this respect. GATT apparently felt handicapped by the fact that there exists a number of inter-Governmental agencies with more direct responsibilities in the commodity field. I think all under-privileged Member countries of GATT regret the seeming lack of initiative displayed by the Contracting Parties.

This regret must have been even more pronounced when it is considered that in reverse the Contracting Parties did not hesitate to come to the aid of the highly developed countries when they were confronted with significantly smaller problems, as for instance the increased competition in industrial goods produced by exporting countries with lower wages and lower standards of living. Let us lay the bogey of lower wages once and for all. Lower wages are concomitant of under-development and poverty. This poverty we must seek to remove. It should be evident that as national wealth increases conditions are created which operate against the persistence of low wages.
Rapidly a new term was coined for this phenomena, a term not previously to be found in the lexicon of GATT, its name - "market disruption". And prodded by powerful industrialized countries the Contracting Parties established with speed and dispatch a special "Committee on Avoidance of Market Disruption" to supervise and co-ordinate the system of consultation introduced by the Contracting Parties.

We cannot but observe that a similar action to deal with the far more serious problems of the under-developed countries in their trade in primary products is still missing.

All this to my mind seems to indicate a regrettable lack of concerted bargaining strength on the part of the under-privileged countries within GATT. It is also worthy of note that among the executive personnel of the GATT secretariat there has been for a long time not a single representative of the truly under-developed countries. The balance sheet I have sought to draw up does not claim to be comprehensive, it seems however to indicate sufficiently that the operation of the GATT as an instrument for the promotion of mutually advantageous trade, as far as under-developed countries are concerned, has hardly been gratifying.

And what is the outlook for the future? The mere fact of my presence here as the representative of my country I hope shows that we still feel that GATT has a fair chance to become a true leader in the field of international economic co-operation, provided however that it will act with vigour as the impartial spokesman of both the developed and under-developed nations of the world, and that will require from GATT the courage and will-power to fight for its basic objectives, no matter how powerful the opposition or pressures may be.

True, it is much easier to choose the path of compromise, but unless GATT desires to commit suicide, further dalliance along that pathway would seem hazardous.

GATT is today confronted with the breath-taking problems of a new pattern of world trade which in many ways contradicts the basic philosophy on which the General Agreement was originally built. We are dealing now with the year 1963 and the ideas of 1946 are to a large degree outmoded.

Take the problem of the European Common Market. When the articles on customs union were hastily written in Havana in 1946, they were meant to deal with a trade partnership of two adjacent countries. Nobody at that time could have foreseen the grand design of the European Common Market, of six nations, all leaders in industrial productivity and foreign trade. The Contracting Parties indirectly took recognition of this fact when they refused to deal with the legal compatibility of the Rome Treaty with the provisions of Article XXIV of GATT and directed their attention instead to specific problems arising out of the application of the Treaty.
But is this facing up to the facts of life? The mere creation of the European Economic Community dealt a deadly blow to one of the basic principles of the General Agreement - the principle of equal opportunities, and equal opportunities must mean the elimination of discriminatory treatment in world trade, the dismantling of the existing preferential tariffs and the prohibition of creating new preferences.

However, according to a recently reported declaration by one of the member countries, the European Common Market intends to preserve a relatively high external tariff level to assure preferential marketing for its producers, and in alluding to producers I mean the six highly industrialized countries and not their associates.

Is it not true that the whole fabric of the Common Market's complex agricultural system, filled with such strange terms - innovations not foreseen in the GATT vocabulary, innovations such as "variable levies" and "sluice gate prices", establish in themselves, a complete disclaimer of all principles of equal terms of trading as laid down in the General Agreement?

Is it not equally true that GATT, which was created as a champion of economic liberalism, is now confronted with, and appears to be supinely accepting a new trend of protectionism as the application of so many rules of the Rome Treaty not only in the agricultural field introduces.

I accept that the founding fathers of the General Agreement could not have foreseen the world-wide consequences of the breath-taking process of the breaking up of the old empires and the coming-of-age of the under-developed nations, but I also realize that the many newly independent nations have to resolve the pressing economic and social needs of their people - they have to win the titanic struggle for a better standard of living now and for this generation and lay the ground work for a brighter future for their sons and daughters to come. For this task the under-privileged nations of the world need aid - aid of many kinds but particularly the aid of trade - the opportunity of selling the fruits and products of their labour.

It is wrong to look at an under-developed country simply as a poverty stricken version of a developed country - the developed country possesses technology and machinery of all types of production and experienced administration. Financial and technological help from the developed countries become negative if those who have so far a road to travel find themselves faced with artificial barriers that so easily deny advance.

Surely there should be no need to warn that if the developed countries were to succeed in expanding their wealth at the expense of the non-development of those who so urgently need advancement the seeming gainers would soon become losers, for there could be no world peace, as peace only stems from contentment.
It was to deal with the world of yesterday that the rules of GATT were tailored - tailored to meet the problem of the industrialized countries. To deal with the world of today and the desirable world of tomorrow there is need for new policies and a new mental approach.

The exemptions of Article XVIII of the revised GATT charter of 1955 require from the under-developed Member countries that they must justify their requests for a deviation from the non-discriminatory rules of GATT. They have to present a maximum amount of factual information - such information is not asked from industrialized countries which in practice apply similar measures on a much larger scale. Moreover the under-developed Member countries have to appear before a special working party of GATT. It is in the hands of the working party to decide whether and in which form these protective measures will be allowed.

Such rules, Mr. Chairman, are an anachronism - completely out of step with the trend of our time - nor can any self-respecting nation worthy of the title nation meekly submit to such obvious injustice and what to a nation's pride is even more important - such obvious indignity.

In the light of all the foregoing facts and resultant questions, the major question arises automatically - where are we going from here in GATT - shall we pretend that the principles of the General Agreement still stand and that we only have to deal with the new developments as exceptions of the old rules? Or are we ready to make the necessary reappraisal of the whole situation, are we in fact willing to build a new house using as foundations such of the principles of GATT as are in conformity with the requirement of the times, a house fit and able to accommodate the world trading community as it has evolved. This I think is the basic question to which we must address ourselves since we are responsible for the commercial policy of our countries.

To deal in practical terms with the situation I submit that we should split the answers in two. One answer must deal with the present urgent problems, while the other must envisage a completely new approach to the basic problems of international trade and development.

Regarding the actual problems in the light of the forthcoming Kennedy Round of tariff negotiations, it is the considered opinion of my Government that these negotiations should provide opportunities for solving the problems which the developing countries are facing in their exports of primary processed and manufactured products; and must also take into account the undesirability of barriers against products involving simpler skills which under-developed countries must necessarily seek to produce.

We regard the point made by the Working Group namely that the less-developed countries expect to receive linear tariff concessions without compensation as well taken.
A linear cut of 50 per cent would cost America slightly over 1 per cent, it would cost my country over 15 per cent of her current revenue. Such a course would be disastrous in its consequences and I am sure that many other under-developed countries here would be placed in the same position.

The mere reduction of external tariffs such as is envisaged by the Kennedy Round proposals will not be enough to accommodate the marketing of the products of the under-developed countries.

The proposals will have little or no effect on the revenue budgets of highly developed countries since these countries have for many years employed internal tariffs on goods of all sorts (including tropical products) in the shape of sales taxes and consumption duties.

What would be welcome for us, the developing countries, would be a sincere gesture on the part of the highly developed countries such as the removal - or drastic reduction of these internal revenue devices.

The long-range view of my Government is that steps must be taken to convene a new review conference in the not too distant future which should overhaul completely the General Agreement in the context of the new commercial and development policies of the sixties. A new standard must be evolved for international co-operation between rich and poor countries in favour of the growing economic interdependence of the nations of the world.

I feel sure that this can be attained without whittling away the wealth of the richer countries - instead in a developing condition of the less privileged, reciprocal benefits must accrue to the industrialized countries from the increased purchasing power that will ensue in the course of the under-developed countries' advancement. The under-developed do not seek to become beggars. They do not believe the world owes them a living mainly as a result of their existence - but they do seek and if necessary demand enough opportunity to create their own advancement and in advancement they realize that they too must contribute as well as receive.

In summary, I wish to make it clear that we believe in the basic viability of a reformed General Agreement on Tariffs and Trade. We, as a small independent country, know that we need an international trade organization.

We are ready to contribute our efforts, small as they may be, to help to make GATT a decisive factor in reshaping an expanding world trade on a modern programme and constructive basis.
I do not see a world in which the rich become richer at the expense of the poor, not do I see a world in which the poor countries should become rich as the result of the impoverishment of those that are developed; rather do I see a world where ever greater development can provide more and more purchasing power in which all nations can share in trade and live in mutual respect and contentment. This can be done if we can approach this task without prejudice, selfishness or greed, but with goodwill, faith and determination.