MEETING OF MINISTERS
16-21 May 1963

STATEMENT MADE BY PROFESSOR MUHLIS ETE,
MINISTER OF COMMERCE, TURKEY
ON 20 MAY 1963

Item I: Measures for the Expansion of Trade of Developing Countries
as a Means of Furthering their Economic Development

Item II: Arrangements for the Reduction or Elimination of Tariffs
and Other Barriers to Trade, and Related Matters

Item III: Measures for Access to Markets for Agricultural and Other
Primary Products

I count it a great privilege to take part in this Meeting of Ministers
called by GATT. It undoubtedly bears a very special responsibility for the
expansion of international trade. Like my eminent predecessors, I sincerely
hope that our work will lead to concrete results, and to fruitful measures
for the more rational use of existing opportunities, so as to bring about
in the near future an expansion of international trade, an increase of
prosperity, and deeper solidarity between the peoples of the world.

I also believe that our meeting is a highly important link in a chain
of international efforts to meet the commercial difficulties of countries
with small incomes and to establish the substructure they need for their
development. I have the honour and pleasure to state at this early stage in
our discussion that Turkey is prepared to support every decision taken
during our work for those purposes.
During yesterday's discussion I was particularly impressed by the speech of the United States representative in which, referring to section C, point (viii), he explained to us the value and need of measures for diversifying the economies and increasing the exporting capacity of less-developed countries. I was gratified to note the interest and support his country brings to that work. As he stated, the measures proposed to that end may raise certain difficulties.

Nevertheless, I venture to point out to you that in our present deliberations, aimed at seeking and applying measures to improve terms of trade for developing countries, we should not lose sight of the persistence of commercial practices, arising out of state trading by certain countries, which seriously impair the present opportunities of small-income countries like Turkey. By way of example I should like to refer to certain state-trading operations with which you are well acquainted. It gives me pleasure to join my colleague from Rhodesia and Nyasaland in declaring that practices of that kind, especially where prices are arbitrary, do much harm to the economy of the developing countries, of which Turkey is one. I venture to propose the appointment of an ad hoc working group to enquire into suitable means of overcoming the trading difficulties of developing countries and, as part of its programme of work, to study and apply measures to remove or counteract damage due to the commercial practices of certain countries.

I am also delighted to say that we keenly appreciate the basic principles calling for abolition or reduction of customs tariffs and other barriers in order to accelerate expansion of trade. Turkey will certainly not fail to conform as fully as possible with these principles.

In regard to the problems to be solved by negotiation, I sincerely hope that reciprocal interests will be completely reconciled on terms most favourable to all the signatories of the Agreement.

I venture to deal with two main aspects of this topic. The first is the proposal for the participation of developing countries in the work of removing customs tariffs and other obstacles to trade. This proposal does not seem to me to embody a practical solution capable of meeting those countries' needs. Even apart from the legal difficulties, we do not regard it as feasible, within the scope of GATT's activities, to revise the trade policies of developing countries, examine their customs tariffs in order to develop their economies, or formulate desirable changes in their policy.

A procedure of that kind could not, in my opinion, get to the heart of those problems. Indeed, it might, by giving rise to suggestions which could only be superficial, lead to useless complications or harmful action. As the representative of a developing country I feel bound to declare here and now that we expect from the economically advanced countries an understanding of the material difficulties of time and staffing, over and above our present difficulties, which we should have to meet before we could take part in work of that kind.
We think, however, that the use of this procedure might have some advantages for the developing countries. We therefore propose that the meeting consider whether the terms of reference and functions of the Balance-of-Payments Committee should not be enlarged to include it. By that means information concerning the trade policies and techniques of the developing countries, and the consequent recommendations, would be usefully discussed by that Committee.

I will now deal with the composition and programme of work of the Trade Negotiations Committee. My delegation is convinced that developing countries which will be able to grant reciprocal concessions later but cannot make any immediate return for the facilities accorded to them will be represented on that Committee. The effective participation, even if they do not give anything in exchange, of less-developed countries in work on world trade problems seems to us beneficial not only to them but also to the industrialized countries, and conducive to the expansion of international trade. In addition to the already-accepted principle of removing barriers to imports from developing countries without demanding reciprocal concessions from them it would be wiser, and indeed good for international trade, to enlist their participation in the work of that Committee also, under similar conditions. Moreover, it would enable them to start fitting themselves to contribute effectively to the Committee's work later on.

In conclusion, I sincerely wish success to the forthcoming tariff negotiations.