Opening of the Kennedy Round

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We are meeting this afternoon to initiate an intensified phase of the trade negotiations with which the name of the late President Kennedy is linked. It was his imagination and his determination which, in large measure, made this great undertaking possible.

It is important for the world to realize just how great an undertaking this is. Had it been suggested twenty or even ten years ago that all the main industrial countries should halve their tariffs across the board the proposal would have been met with incredulity. If we are successful, the results in the tariff field alone will be several times as impressive as the achievements, substantial though these have been, of any of the GATT tariff conferences since the war.

But this time we are not tackling tariffs alone. An important object of the negotiations is to promote international trade in agricultural products. This in itself gives rise to a host of intractable problems. These are the more difficult because agriculture inevitably raises social as well as economic issues.

For the first time, moreover, we are negotiating about the non-tariff barriers to trade in both industrial and agricultural products. This presents a wide field where the possibilities of multilateral negotiation have not hitherto been explored.

In all these issues, we are afforded the opportunity of taking action to redress in some measure the balance between the developed and developing countries.
The preparation of an international negotiation on this scale, so much more complex than any of its predecessors, has naturally presented particular difficulties. Moreover, as we all appreciate, one of the principal parties is confronted with its own special problems. It finds itself called upon to accept commitments to third countries while still in the process of formulating its own common policy as a community.

A year ago when we met in this city we laid down the objectives for this enterprise. Since then much hard work has been done under the able guidance of Mr. Wyndham White. There is general agreement that our aim should be to cut tariffs by 50 per cent. The vexed problem of disparities has been thoroughly examined. So have many aspects of the agricultural problem. If agreement has not been reached on how best to tackle all these issues, at least a great many of the facts have been assembled and the elements necessary for a solution have started to emerge.

There is an immense amount of work still to be done on these matters and there are other subjects - for instance non-tariff barriers - on which discussion is only now beginning. In the coming months we must all intensify our work on these questions.

Today our purpose is to reaffirm our determination to work for success in the Kennedy Round. Here in Geneva a year ago some felt that we were embarking on a straightforward enterprise which could be speedily completed. They have become somewhat disillusioned. Others have always believed that such an enterprise was impracticable and have never ceased to look for failure at every stage. Both are wrong. The true measure of our task is to reconcile the variety of interests which exist among us. This requires patience and determination. Only thus can we secure our objective of a major breakthrough in the attack on the barriers to world trade.

This is essential if we are, all of us, to achieve the maximum rate of economic growth and development. Growth within nations can best be helped by growth in the trade between nations. For the industrial countries, like my own, considerable advantages will result from the reduction of tariffs and the removal of other barriers to trade. This will bring benefits also to developing countries. Their exports of primary products will gain from the increase of production and trade in the industrialized countries. As a result of the operation of the most-favoured-nation rule the exchange of concessions between the developed countries will be extended to the developing countries. In a world where tariffs on manufactured goods are low industrial progress in the developing countries will be made easier. As we agreed last year these countries will not themselves be expected to reciprocate.
In this way the Kennedy Round can make an important contribution to the solution of the problems now being considered by the United Nations Conference on Trade and Development.

Mr. Chairman, a fresh phase of these negotiations now opens. Let us turn with renewed efforts to the solution of the problems which remain. Britain stands ready to negotiate a cut in tariffs across the board of 50 per cent with a minimum of exceptions, to join in working out suitable arrangements for the expansion of world trade in agricultural products and to reduce barriers to the exports of the developing countries. Let us all display our will to bring to a successful conclusion this great enterprise which can do so much for the prosperity of our peoples throughout the world.