Opening of the Kennedy Round

STATEMENT MADE BY THE HONOURABLE CHRISTIAN A. HERTER, UNITED STATES SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS ON 4 MAY 1964

Before beginning my own remarks, Mr. Chairman, may I read a message from The President of the United States:

"Upon the opening of this meeting of General Agreement on Tariffs and Trade, an important and effective instrument for the expansion of world trade, I should like to send you the best wishes for success from the people of the United States. Your meetings, universally known as the Kennedy Round, exemplify the hope and commitment of our late President to bring together the nations of the world in peaceful pursuits. I believe, as he did, in the necessity of success in your work.

"We in the United States look upon these negotiations as an important opening to a better world. If we act together with dedication of purpose, all can gain and none need lose. Not only the major commercial nations, but all the countries of this shrinking world - poor and rich alike - have the right to expect success from our endeavours.

"For the United States, I can assure you that we shall spare no effort in seeking to help bring this meeting, and the meetings which will follow, to a happy and fruitful conclusion."

Mr. Chairman, in seventeen years of practical experience, the GATT has proven itself to be the world's most successful vehicle for reducing the obstacles to the flow of international trade and promoting its expansion. This sixth round of GATT negotiations, which we are formally opening today, can be the most comprehensive and productive in its history. Building upon its solid record of success, and taking into account the changes in the world - and particularly the importance of the developing nations playing a greater rôle in international trade - GATT can move forward into new and wider areas of service.
It was just a year ago that we met to lay the groundwork for these negotiations. The resolution that we adopted set out the principles by which our work should be guided:

That we should achieve a significant liberalization of world trade.

That the negotiations shall include all classes of products, industrial and non-industrial, agricultural and primary, and should deal not only with tariffs but also with non-tariff barriers. In the case of agricultural products, the negotiations should provide for acceptable conditions of access to world markets.

That the negotiations should proceed on the basis of substantial linear tariff reductions with a bare minimum of exceptions and special rules of general and automatic application to govern cases where there are significant disparities in tariff levels.

And that every effort should be made to reduce trade barriers to exports of the less-developed countries, though the latter cannot be expected to provide reciprocity.

Mr. Chairman, these are ambitious objectives, but in the months of negotiation that lie ahead, we - and the GATT - will be measured by them. In living up to them, as we must, it will be necessary for all countries to reach a balanced agreement at a maximum rather than a minimum level.

After all, we should never lose sight of the fact that trade liberalization is good for all. It is good:

Because our peoples as consumers will gain readier access, at reasonable prices, to a wider variety of goods.

Because our businessmen and industrialists will have a clear picture of the new challenges and new opportunities in international trade, and will be stimulated to respond to them.

Because products and consumers alike will benefit from an increased international flow of an abundant supply of reasonably-priced food.

Because the developing countries will gain wider opportunities to earn through exports funds needed for their development programmes. These negotiations - and GATT itself - can promote the expansion of their trade on a practical and workable basis.

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In addition to adopting a set of principles at the meeting last year, we established procedures for putting them into effect. The Trade Negotiations Committee was formed in order to work out a negotiating plan to be adopted before the start of the conference. It is now time to take stock of what has been accomplished.

We are agreed, as we were a year ago, that there should be a bare minimum of exceptions, and that they should be subject to confrontation and justification. We are now also agreed that the negotiations should be based on offers of linear tariff reductions of 50 per cent.

We are conditionally agreed on some elements of the "special rules of general and automatic application" on disparities, but all elements of this formula have still not fallen into place. We have, unfortunately, made little progress on agriculture. We have not as yet come to grips with the problem of non-tariff barriers. And while considerable achievements have been made on rules and procedures relating to less-developed countries, we have a good deal more ground to cover.

It is now our joint responsibility to move ahead more rapidly and successfully than in the past to fill the remaining gaps. The longer the rules are left open, the longer we procrastinate in setting the formulas by which these negotiations will proceed, the more we risk the success of the entire trade negotiations. Let us use this meeting to dedicate ourselves and our Governments to prompt, effective efforts to settle these issues quickly.

Gentlemen, I have been brief - because time is pressing. We have in GATT an unequalled instrument for trade expansion. We are breaking new ground in the world-wide attack on trade barriers through negotiations of unparalleled complexity. In this difficult but essential task we have the invaluable assistance of its Executive Secretary, to whose skilled and selfless services all of us owe so much. What we can and must contribute is the determination to get on with the job.

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