Concluding Remarks of the Chairman, Sir Claude Corea

Throughout our discussions at this Session there seems to us to have been an overriding consideration of a moral character. Each year man is producing more, and more goods are exchanged between nations. But the pattern of progress is uneven. The developed countries are progressing relatively faster than the underdeveloped countries. Exchanges of goods between the developed countries themselves are accelerating at a greater rate than trade with the underdeveloped countries. This is a problem which needs to be emphasized again and again. It is the problem of how to make available to all people, and particularly to those people with low standards of living, the benefits that are resulting from greater production, increasing exchanges of goods and the resulting rise in standards of living and general prosperity. These are, I submit, matters of deep consequence which we should do well to ponder, for in the operation of the General Agreement we specifically undertake that our relations "should be conducted with a view to raising standards of living ... and ensuring a steadily growing volume of real income". In the field of international trade, therefore, we have a responsibility to mankind.

The General Agreement is now approaching its tenth year of existence. It is therefore appropriate that we should pause for a moment to take stock. Our informal discussions at this Session revealed very general agreement as to the real importance of GATT in world affairs. At the same time the exchange of views indicated the high degree of importance we attach to safeguarding in the very vital achievements of the Contracting Parties and to opening up
possibilities for further useful work. It was also felt strongly that in order
to achieve a better appreciation in the various governmental, trading and
industrial circles of the real importance of GATT, there should be a concerted
and determined effort on the part of all who know GATT, to put it in the
proper light and perspective, both before the national authorities responsible
for policy decisions and before the general public.

Although the Contracting Parties have been able to accomplish a great
deal through the operation of the Agreement, it was recognized in our discussions
that better machinery on a permanent basis is indispensable. In order to
support the GATT in its efforts to develop world trade, member governments
should make it known that they recognize it as the sole competent organ in
the field of world-wide international trade and that they intend with the
least possible delay to give the General Agreement the permanent basis of a
formal Organization. In this connexion I should like to quote the words of
the Chairman, at the end of the last Session, in regard to the establishment
of the Organization for Trade Co-operation. He said, "it is now clear that
everything depends on the course which one contracting party will follow next
year. If the result is negative or if it is indefinitely delayed, I have
little doubt that the rest of the world will be confused and dismayed". Today
the position is unchanged and we are no nearer the establishment of the OTC.
It is a matter for serious reflexion, for it gives encouragement to those who
see in the lack of organizational status an element of instability and a
stimulus to those who would prefer to return to a world of unilateral action
in the field of international trade.
Before I turn to the main results of the Session, there is one further thought of a general character I would like to express. It is that the rules laid down by GATT have been accepted by the parties to the Agreement because they felt that their application was of fundamental advantage to them, both as individual nations and as members of the international trading community. The restraints and controls which GATT imposes on the use of protective and other administrative measures are not designed to impede the legitimate development of national policies. They are designed to prevent such national policies from becoming mutually destructive and thus imperilling the attainment of the objectives which the contracting parties have set themselves through the GATT.

Looking back on our work this Session, there is no doubt that the problems arising from the new Brazilian tariff presented the greatest challenge. It is a matter for real congratulation to all concerned that we were able to evolve an ingenious solution which will lead - as I am sure you are all agreed - to arrangements on a permanent and satisfactory basis that will ensure the continuing wholehearted cooperation of Brazil as a partner in the General Agreement. The spirit with which delegates tackled this problem was rewarded with a most satisfactory outcome.

We have, at this Session, recognized that the restrictions on trade still unhappily being maintained for balance of payments reasons constitute a problem which cannot be left unresolved. The decision to undertake a programme of consultations on a country by country basis during 1957 is therefore very appropriate. This is in no sense an enquiry levelled against the maintenance of restrictions on trade but it arises from the genuine desire to take advantage
to the fullest possible extent of the substantial improvement in the well-being of many countries and to see how this improvement in the economic climate can be extended for the benefit of all peoples by the removal of restrictions which still remain. In this way the growing prosperity of the world can be translated into greater wealth for mankind.

Our very preliminary consideration of developments in Europe towards closer economic integration emphasized to a high degree the significant part which GATT plays in linking regions of the world together. The frank and friendly way in which the representatives of the European schemes explained their plans and the close interest displayed by representatives of other countries was a good augury for future collaboration. It was clear that GATT provides the machinery where peoples of different regions of the world can recognize each others' difficulties, problems, hopes and ambitions. The debate on the European plans was of a high order and it clearly showed the way in which the Contracting Parties tackle new developments with logic and realism.

In the field of trade in primary products, the member countries again recognized the great importance of the difficulties which remain to be resolved. At this Session the Contracting Parties evolved a new approach to these questions founded on the provisions for consultation in GATT itself. The decision to review the trends and developments in commodity trade at each Session and to relate them to balance of payments problems is greatly to be welcomed, especially by those countries whose exports of primary products make up such a large segment of world trade.
I am particularly happy to record that after many years a way has been opened which will lead to the closer association of Switzerland with the Contracting Parties through arrangements which will lead to provisional accession. Quite apart from the importance of Switzerland as a trading nation, with her long tradition of liberal principles, this development must be of particular satisfaction for the Contracting Parties because Switzerland has been the host of GATT since its foundation. I am sure that all delegations will have memories of the friendly welcome they have had in this country, not only in the city of Geneva but also in the mountains and beside the lakes, where one can shed the worries of the working world, enjoy the air and relax.