Mr. Chairman,

This is the first GATT session which I have to attend. I feel particularly privileged in having the opportunity of setting forth before an organization of such wide international prestige my view regarding the vital matters confronting the present session.

None of us should lose sight of the importance which the development and expansion of world trade have for world prosperity. Believing in this principle, Greece was the first of all the OEEC countries to adopt measures providing for almost complete liberalization of foreign trade. This was more than six and a half years ago, in 1953, and the measures were adopted without any formal or contractual obligation whatever.

The objective of sustained world trade expansion will be attained only with the sincere cooperation of all member countries. The GATT, as the most competent international organization dealing with world trade matters, has already made considerable progress toward solving many of the problems impeding the development of international trade. The establishment of three special committees for the expansion of commerce to study pressing trade problems and to make appropriate recommendations to this organization should lead to further important progress.

I represent a country which exports mainly agricultural products and basic raw materials. May I also be allowed to draw the particular attention of the various contracting parties to some of the problems confronting those participating countries whose economies are based on the export of such products. I should further like to emphasize the necessity for these countries to use every feasible means to maximize their export earnings. All of us should be aware of the fact that, in addition to the economic aid needed by such countries, which in any case has certain limits, only by expanding their export earnings can these countries develop economically and industrially. Successful and balanced economic development in these countries will in turn foster the development of exports to them of the industrially-advanced countries and promote the expansion of international trade generally.
It is being sustained that the economic law which holds that a country should produce only those items which it is capable of producing at the lowest relative cost, cannot be applied to agriculture. I do not deny that there are convincing economic, social and political reasons for taking this position. Nevertheless, a moderate relaxation of agricultural protectionism could bring about decisively favourable effects on the volume of international trade in agricultural products. Since in the most industrialized countries imported products merely supplement the needs of consumers for agricultural commodities, it would be possible appreciably to increase such imports without serious detriment to national production in such countries. Moreover, it bears repeating that industrialized countries, by permitting increased imports of agricultural products, contribute to increasing their own exports of industrial products. Greece whose total exports comprise 80 per cent agricultural products with the remaining 20 per cent mainly raw materials, experiencing a vigorous increase of population and disquieting unemployment and under-employment, is required to exert every possible effort and to use every appropriate means to promote agricultural exports and to request the CONTRACTING PARTIES to realize how acute her problems are.

Unless Greece can find outlets to expand her exports, she will find it difficult to maintain vigorous and stable economic activity and to continue the present policy of import liberalization. This policy of import liberalization has unquestionably helped maintain the country's economic stability, but it has also contributed to the fact that a chronic deficit persists in the balance of foreign trade.

May I now refer to the report on International Trade - 1957-58, upon which I should like to congratulate the secretariat. Nevertheless emphatic reference is made in this report to the fact that in April 1959, Greece adopted measures to restrict imports from the countries of the European Monetary Agreement (ex-EPU countries), the United States and Canada in order to divert a greater share of her import trade to those countries with which Greece has bilateral clearing agreements.

As a matter of fact, the Greek Government did adopt some regulatory import measures in April, but these measures did not actually have the range and extent which the above-mentioned GATT report tends to imply. The adoption of these measures was dictated by the following reasons:

In April 1953, Greece put into effect a policy of almost complete freedom of imports from any source. This was done although at that time under the OEEC Code of Import Liberalization Greece had no obligation to undertake such liberalization and was in fact exempted from doing so by a special OEEC resolution. The percentage of such liberalization of imports reached 96.1 per cent of the private imports effected in 1952.
Partly as a result of this policy, which has been implemented for a period of more than six years, Greece's balance of trade with the European Monetary Agreement countries has shown continuous deficits, while the balance with bilateral-clearing countries has been continuously in surplus. In addition, in recent years large unsold surplus stocks of basic export products such as tobacco and currants have accumulated. Our traditional markets for such products have failed to absorb them. Greek mines also have been forced to curtail or suspend operations due to their inability to find outlets for their mineral ores.

Thus, on the basis of the data of the Bank of Greece, which you will find in detailed figures in the typed text of my speech, while the balance of foreign payments with the European Monetary Agreement countries show a progressive annual deficit amounting in 1957-58 to more than $100 million, the balance of payments with the bilateral-clearing countries indicate a surplus of approximately $10 million (see Table 1).

Furthermore, the development of the country's balance of trade with the OEEC countries and the other GATT countries was quite unfavourable to Greece, taking into account that her exports to those countries covered only the third of her imports from them (see Table 2).

In order to reduce our deficit with the European Monetary Agreement countries and to realize our existing surplus balances with the bilateral clearing countries, which on 31 March 1959 amounted to $18.5 million, and with the objective of promoting Greek exports, especially of tobacco and ores, the Greek Government was compelled to adopt measures, by establishing for a few items quotas which apply to imports from OEEC Member countries, the United States and Canada.

It should be pointed out that these quotas, converted to an annual basis, total $48.1 million. In the whole of 1958, Greece's imports from the above-mentioned countries of the commodities now under quota, amounted to $62.5 million. Thus, the quotas applied this year permit, on an annual basis, the import of 77 per cent of the value of Greece's imports during 1958 of these same commodities from the countries under quota.

The Greek Government therefore believes that the significance of these measures should not be exaggerated. Their objective is the modest one of reducing imports from the said countries by $14.4 million, or by 2½ per cent of the total amount of Greek imports of $564 million (physical arrivals) effected in 1958.

I trust that the above considerations will convince the CONTRACTING PARTIES that Greece still continues to implement a liberal policy on imports and that the adoption of the measures described above has not altered this basic policy.

And now I would like to refer briefly to the question of the revision of Greece's tariff schedule, a matter which is placed on the agenda.
Greece's present tariff structure, which was prepared thirty years ago, was introduced at a time when prevailing conditions and concepts were quite different from those of today. Despite all the amendments and adjustments made in the meanwhile, Greece's tariff schedule lagged behind outmoded being thus far from meeting the present requirements of the country. Consequently, its revision appears unavoidable both for technical reasons relating to its nomenclature and for substantive reasons as well, since the tariff system, given the free-trade policy pursued by Greece is in our case the only instrument through which the country's commercial policy is being implemented.

The Greek Government, bearing in mind that the economic development of a country depends on a change in the form of its economy, has taken appropriate measures with a view to drawing up the necessary infra-structure projects. At the same time, it endeavours to set up certain basic industries which in turn constitute the foundation for other industries. Within the framework of this over-all economic policy, the Greek Government two years ago initiated action to revise the existing tariff.

The preparation of the new tariff on the basis of the internationally-established nomenclature of Brussels has already been completed. Within the shortest possible time the new tariff will be presented to Parliament for ratification. The Greek Government has no doubt that this will meet with the understanding of the CONTRACTING PARTIES, in the spirit of the agreement and in accordance with the established practices within the GATT.

I should not like to close my speech without expressing warm thanks to the Japanese Government for the spontaneous hospitality we are being granted in this marvellous country, with which Greece is linked by ever closer ties in more than one field of the economic intercourse. I profit by the opportunity offered by the relevant remarks of Mr. Dillon and hasten to join the American support "for full and equal treatment of Japan with other nations under the GATT". We are of course conscious of the complicated character of the problem of exports of manufactures from countries with relatively low wages and share the idea according to which it should be the object of special study. May I add nevertheless that in so far as Greece is concerned we do look upon the intensification of trade relations with Japan with the utmost favour.

The fact that as the venue of this session an Asian country was chosen draws increased attention to the problem of under-employment, in the solution of which the Greek delegation always thought that the GATT was able to make a valuable contribution. This being already deeply realized we strongly support any effort aiming at this end and are extremely pleased noting that around this table more than one representative of industrialized countries seem to adopt a factual approach to the matter showing an earnest desire to remedy especially two sets of problems. Those raised by agricultural protectionism and those created by the often catastrophic instability in prices of primary products.

In the framework of the above ideas the Greek delegation is prepared to make its contribution to the debates of the present session.
### Table 1

**Balance of Payments**

<table>
<thead>
<tr>
<th>Years</th>
<th>EAA Area</th>
<th>Bilateral-clearing Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>1955/56</td>
<td>- 23.5 million</td>
<td>+ 0.5 million</td>
</tr>
<tr>
<td>1956/57</td>
<td>- 62.6 &quot;</td>
<td>+11.6 &quot;</td>
</tr>
<tr>
<td>1957/58</td>
<td>-101.8 &quot;</td>
<td>+ 9.2 &quot;</td>
</tr>
<tr>
<td>1958/59</td>
<td>- 91.9 &quot;</td>
<td>+ 7.3 &quot;</td>
</tr>
<tr>
<td>(July 1958 - March 1959)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1957/58</td>
<td>- 66.6 &quot;</td>
<td>+ 8.5 &quot;</td>
</tr>
<tr>
<td>(July 1957 - March 1958)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(+) Surplus

(-) Deficit

### Table 2

**Balance of Trade with OEEC and GATT Countries**

(In millions of dollars)

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td></td>
<td>Total</td>
<td>400.4</td>
<td>451.6</td>
<td>477.6</td>
<td>159.6</td>
<td>173.9</td>
<td>176.4</td>
</tr>
</tbody>
</table>