We are celebrating today the twentieth anniversary of GATT and we can do so with a good deal of pride. However more important is that we are trying to establish a working programme for the future.

I. The results of the CONTRACTING PARTIES have been spectacular. It is natural to think first of all of the six Tariff Conferences at Annecy, Torquay and Geneva aimed at lowering tariffs, and in this connexion to point in particular to the impressive results of the Kennedy Round in the industrial field. These impressive results did not come out of thin air. They were achieved through hard work and lengthy mutual efforts by the CONTRACTING PARTIES and through the effective and skillful collaboration of the secretariat. I wish, Mr. Chairman, to pay special tribute to our Director-General, whose leadership and imagination have been such an important factor behind the achievements of GATT.

Important as the tariff conferences of GATT have been - and far be it from me to underestimate their value - there is another side of GATT which is not talked much about in public, but which may well be equally important. I am thinking of the law and order which GATT has introduced in a world which up to twenty years ago was a rather lawless jungle.

How often do you think it has happened over these twenty years that a government has been tempted to take action which - at least on a temporary basis - might solve some internal problems, but would do so at the expense of other countries. How often has it happened that governments tempted in that way have had to ask before acting: "Would this be in accordance with GATT". And how many times have their experts answered: "No you can't do that; it would be contrary to GATT".

If we try for a moment to imagine the number of times this has happened over the last twenty years and the number of times it has led governments not to act contrary to GATT, and if, furthermore, we try to envisage what would have happened by way of retaliation, had governments been free to act in accordance with their temptations, we arrive, I believe, at a true appreciation of GATT as the stabilizing factor in post-war world trade.
The creation of GATT meant a definite farewell to the "beggar-my-neighbour" policies of the thirties; it meant a farewell to a system, where disequilibrium in the trade between two countries could be met by discriminatory restrictions.

II. So much for the celebration.

However, it has never been very productive to rest on laurels, pleasant as that may be in itself.

We cannot afford to stand still, at least not in the two fields where the results so far have fallen far short of the aims we had set ourselves, i.e. trade of developing countries and agriculture.

We may allow ourselves a breathing space as regards industrial products in order to give countries time to digest fully the results of the Kennedy Round. We share the general feeling that there is no basis today for embarking upon new general tariff negotiations. What we can do and should do is to prepare ourselves through studies and examinations for the day when new initiatives will be possible.

It is in my opinion quite understandable that the direct economic and technical aid to the developing countries give rise to much more attention in the public than the efforts made within the sphere of trade policy. There should, however, be no doubt about the aim of all our efforts and aid to the developing countries: it is to help these countries to reach a stage of development where they are able to be so to speak on their own. And this aim will only be reached if they are able to get an adequate income of foreign currency i.e. through export. We regret that despite the progress made during the Kennedy Round, the results with regard to trade of developing countries fell considerably short of what these countries could reasonably expect. We have, I believe, to admit that the needs of the developing countries are so pressing that efforts to improve the situation must never cease.

In that respect the timing of this twentieth anniversary is perhaps not the very best one because of the New Delhi meeting coming up shortly. It is unavoidable that this will interfere with the work we are undertaking here, and I must confess that I am getting more and more concerned about the difficulties created through the fact that at least two international institutions are dealing with more or less the same problems with regard to trade of developing countries. I realize that it may be tempting to take the view that if two organizations are dealing with a problem, the total results are likely to be, if not twice as good, at least somewhat better than if only one was doing it. I understand that, and sympathize with it, but I doubt the wisdom of this view. It does not, in my opinion, sufficiently take into account the disruptive effects of duplication.
I have no preconceived ideas as to the solution of this problem, which certainly is a complicated one. But I have a strong feeling, that one day, in a not too distant future, we will have to face the issue and the problems involved, and I urge my colleagues to give close attention to this matter.

I now turn to agriculture. It is a generally accepted fact that despite the basic equality in treatment between industrial and agricultural products foreseen in the General Agreement, progress in the freeing of world trade in agricultural products has been very slow as compared to the liberalization of trade in industrial products. A recent example of this was the Kennedy Round which left most problems in the agricultural field unsolved.

We do not underestimate the difficulties involved in individual countries, but we do believe it to be in the enlightened self-interest of many countries with a non-competitive agriculture to lower their self-sufficiency rate, thereby releasing economic resources which could make a better contribution to the economy in other sectors.

It is the sincere hope of the Danish Government that as a result of our deliberations, it will be decided to set up an Agricultural Committee within GATT to carry on the work hitherto undertaken by Committee II. We urge, however, that it be given a wider mandate making it possible not only to study but also to search for and negotiate solutions to the various problems. While we can hope that the work of the Committee will eventually lead to a general improvement of conditions for competitive exporters of agricultural produce, there is one field where immediate action is necessary. The crises in the world market for dairy products is so acute that we cannot wait for the work of the Agricultural Committee. We will have to set up a special group to negotiate an international agreement for dairy products, comprising i.e. the two main features of the proposal by the distinguished representative of New Zealand: (a) fair trading conditions for dairy products and (b) the disposal of surplus dairy products through a food aid programme.

As you will realize from these remarks, the Danish Government share the opinion that much is still to be done by and within GATT. On this day of celebration - and as I said before, Mr. Chairman, there is ample reason for this celebration - on this day we should pledge ourselves to do a major effort to bring about constructive results within the two fields where such results are urgently needed; that is with regard to trade of developing countries and in the field of trade of agricultural products. The background of established success of GATT should be an incentive to such an effort.