GENERAL AGREEMENT ON TARIFFS AND TRADE

CONTRACTING PARTIES
Twenty-Fourth Session

REVIEW OF THE WORK OF THE CONTRACTING PARTIES
AND FUTURE PROGRAMME

Statement by H.E. Dr. Fritz Bock, Vice-Chancellor and Federal Minister for Trade and Industry of Austria, on 23 November 1967

I do not believe I am alone in feeling that the Director-General in taking the initiative for holding the final stage of the twenty-fourth session of the CONTRACTING PARTIES at high level was justified in doing so if it were only for reasons of our organization's twenty years of existence. The more so as, when comparing retrospectively the world economic situation after World War I and II, GATT's important rôle becomes more evident than ever before.

While after 1918 there was an attempt to consolidate newly created areas by building up tariff walls and other trade barriers of a restrictive character leading ultimately to the world economic crises of the early thirties it has been realized after 1945 that the principles of a liberal trade policy constitute an essential element for the maintenance of peace. This was one of the major objectives of the World Trade Conference held in Havana in 1948, the Charter of which has, as is well known, never been ratified. It was, however, possible at that time to draw up the General Agreement on Tariffs and Trade which was then conceived as an interim solution and I would be less than sincere if I did not recognize the historic merits of the General Agreement.

At the outset, GATT succeeded in consolidating tariffs on industrial products and in the course of the years achieved by way of bilateral tariff negotiations considerable tariff reductions. Austria joined these efforts and after having participated in the Tariff Conference of Torquay in 1951, prior to having achieved full national independence, acceded to the General Agreement.

In the light of the world trade development in the fifties and bearing in mind the objectives set out by our organization, the CONTRACTING PARTIES have been confronted with new problems comprehensively exposed by the Haberler Report. These problems were meant to be solved by the Programme of 1958 for the Expansion of Trade. I am gratified to have concurred in the relevant decision-making at that time.
A retrospective consideration of the achievements of this organization for which the Director-General, Mr. Wyndham White, is to be highly commended and the successful outcome of the Kennedy-Round also gave us an opportunity of taking stock of the numerous but yet unsolved world trade problems. It is at present as proper as in 1958 to carry out our work programme in three fields, namely in that of industrial products, in the agricultural sector, and finally in the field of the manifold and difficult problems of trade of the developing countries.

Having gone a long way in eliminating many trade barriers we now have to recognize that doing away with the residual restrictions of any kind will probably cause major difficulties. While we would not deny the possible need for new avenues of co-operation within GATT we feel we can certainly not do without having recourse to genuine negotiations as up to now. Operation of GATT has already hitherto not been limited to offering a platform of international exchange of views. It is characterized by its offering the framework for trade negotiations in accordance with pre-established and agreed rules. This makes it so important to draw up a specific and comprehensive programme of work for the coming years destined inter alia to contain those potentially evident protectionist trends which appear to gain momentum. In this context, my Government is particularly concerned that claims for the introduction of severe trade restrictions are being raised by various business circles even before the results of the Kennedy Round have been put into effect. If a government would yield to these claims, protectionism would ensue and important results achieved by this organization in the course of the last twenty years would be endangered.

If we represent here different economic and social systems, it is in my view the acknowledgment of the achievements of this organization up to now and it is at the same time an expression of the flexibility of GATT which promotes economic co-operation between countries having different economic systems.

In our future work, moreover, we will have to pay attention to the special wishes of those countries that are still in the process of development. I consider it to be a challenge to the present generation to solve these problems in the near future. Austria is prepared to participate in this venture together with the GATT according to its economic resources. An appropriate solution to the problems outstanding in this field is, in my view, decisive for the future development of our organization.

The future work programme which has for some days been under discussion and consideration may perhaps not satisfy all concepts, wishes and demands. But at this time, it is not decisive whether this work programme be a perfect one. What is really important is that new efforts are being undertaken as a result of this special session with a view to expanding world trade, and that our firm intention will again be expressed to realize these our efforts within the shortest possible period.