

beginning, however, this General Agreement has served the participating governments far better than might have been expected. Whatever its shortcomings, it does provide the best basis thus far attained for the successful and efficient conduct of world trade. Under this Agreement, governments have consulted one another on matters of trade, tariffs have been reduced, and fair trade practices have been established. While there are different viewpoints as to what we should do next, I do not suppose any responsible person wishes seriously to propose that we abolish or weaken the structure of international trade arrangements, which has thus been built up.

Some of the outstanding successes of an international agreement of this sort must go almost unnoticed, while undue attention is often paid to the failures. Although we cannot count the number of trade problems which have been successfully overcome by the influence of this General Agreement, we can at least recognize that the cases are numerous, and that a great service has been rendered to the cause of world trade.

I must now go on to express disappointment at some of the failures of the General Agreement, but in doing this I do not want to detract in any way from its accomplishments, to which I have already referred. There are reasons for disappointment. World trade is still being hampered by quantitative restrictions. That these are widespread is, on the fact of it, an indictment of this Agreement.

If we inquire into this situation, we find that the facts of international trade in the past six years have turned out to be very different from those that were anticipated by different countries when these commitments were entered into. Hard currency countries are dissatisfied that their tariffs have been reduced, and bound, while they have not enjoyed the corresponding freedom of access to markets in soft currency countries, which they expected when this Agreement was negotiated. At times, the question has been raised whether countries in external financial difficulties were adopting measures of policy appropriate to their circumstances. While the General Agreement contains escape clauses for countries which are in difficulties with their balances of payments, it is doubtful whether adequate consideration has been given to the best means of overcoming such difficulties.

On the other hand, many soft currency countries have encountered problems in excess of anything they anticipated at the end of the war. There have been complaints that, under this Agreement, much of the responsibility for the adjustment of world-wide difficulties is placed upon the shoulders of the weakest countries. It is claimed that the responsibilities of creditor countries should be more clearly defined.

The fact that criticisms are being expressed, from these divergent points of view, make me think it would be in the interests of all concerned to undertake a constructive re-examination of this whole Agreement. The time is clearly approaching for the general review of the General Agreement on Tariffs and Trade, which is envisaged in Article XXIX. The question is, when can this advantageously be undertaken? In addition to taking a fresh look at the basic provisions of the Agreement, we may well wish to provide for further multilateral tariff negotiations, connected with the accession of new governments. At the same time, an opportunity should be afforded to existing Contracting Parties, to carry on such negotiations amongst themselves as may be required.