

that would have to be made for those schedules and possibly for further tariff negotiations under GATT.

6. Inagaki seemed more or less impressed with our explanations and said he would transmit them to Tokyo and suggest that his Government might advise him what practical value, from a tariff viewpoint, they foresaw in bilateral negotiations with Canada at this time. For our part, we undertook to give careful consideration to the Japanese proposal and in due course to communicate a reply.

7. It may be that Japan could successfully work out significant tariff concessions with the groups of countries described in paragraph 3. This possibility, of course, could carry several implications, some possibly tending in the direction of regional arrangements.

8. As Japanese trade may be discussed at least on the side during the Commonwealth Economic Conference, we are sending this message to you so that you will be fully informed on the latest developments here. We should, of course, be interested in any indications that other Commonwealth Governments have received similar approaches.

For Washington only: I should be grateful if you would enquire informally of the State Department whether a similar approach has been made to the United States.

1031.

DEA/10389-40

*L'ambassadeur aux États-Unis
au secrétaire d'État aux Affaires extérieures
Ambassador in United States
to Secretary of State for External Affairs*

TELEGRAM WA-2817

Washington, December 8, 1952

CONFIDENTIAL

JAPANESE TRADE RELATIONS

Reference: EX-2330 of December 6th.

1. The State Department have informed us that the Japanese have not made a formal request that the United States consider bilateral tariff negotiations prior to Japanese accession to GATT. There have however been informal discussions on this matter between officials of the Japanese Embassy and the State Department.

2. As a result of these informal discussions the Japanese Embassy has been made aware of the United States preference for multilateral negotiations. The United States apparently does not favour the suggestion of bilateral United States-Japanese negotiations before the outcome of the Japanese application to join GATT is known. It is hoped here that there is not too great a delay in dealing with the Japanese application, since it is recognized that Japan is suffering from a severe case of economic claustrophobia. State Department