

GENERAL AGREEMENT ON TARIFFS AND TRADE

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LIMITED B
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ENGLISH
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CONTRACTING PARTIES
Sixth Session

Memorandum by the Delegation of Czechoslovakia
concerning the Declaration of the Contracting Parties
on the suspension of the obligations of the United States
under the Agreement with respect to Czechoslovakia

• The Government of Czechoslovakia has examined the report of the Czechoslovak delegation on the Declaration of the Contracting Parties to the General Agreement on Tariffs and Trade, made on 27 September 1951, at Geneva, on the proposal of the United States to terminate the obligations between that country and Czechoslovakia under the General Agreement.

The Government of the Republic of Czechoslovakia observes that:

1. Under the terms of Article XXV, paragraph 1, it is the duty of the Contracting Parties to meet for the purpose of "facilitating the operation and furthering the objectives" of the Agreement, such as the increase of trade, the reduction of tariffs and other barriers to trade and the elimination of discriminatory treatment. The action of the United States is entirely contrary to these objectives. It is designed not to further the objectives of the Agreement but to terminate all its provisions as between the United States and Czechoslovakia. This is further evidence that the United States, regardless of its international obligations, is brutally pursuing its own selfish aims, which it places above the law and above the international co-operation to which it pledged itself not only under the General Agreement but also under the United Nations Charter.
2. The United States proposal was merely an unsubstantiated statement with no basis in fact or in any provision of the General Agreement - a statement which the Contracting Parties had no opportunity to appraise and which they did not appraise, as shown in the third paragraph of document GATT/CP.6/5.Add.2 where it is expressly stated that the Contracting Parties may not, in such a case, be competent to appraise the circumstances adduced.
3. In the second paragraph and in sub-paragraph 1, the Declaration of the Contracting Parties also refers to an alleged declaration by the Czechoslovak delegation which the latter has never made, but which the United States delegation included in the draft text of the Declaration, even before the matter came under discussion and before the Czechoslovak delegation had stated its views. As a Contracting Party, Czechoslovakia

has always duly fulfilled her obligations and urged the United States also to comply with and fulfil its international obligations and the provisions of the General Agreement.

4. The Declaration of the Contracting Parties is not based on any provision of the General Agreement, but on considerations entirely foreign to that Agreement. Hence it is in direct conflict with the fundamental principles of international law, in particular the principle that an international body may only take decisions within the powers conferred on it by a treaty and solely with regard to the circumstances and facts to which the treaty relates.
5. As the Government of Czechoslovakia pointed out in its memorandum of 4 September and as the Czechoslovak delegation again emphasized during the discussion on the United States proposal, the essential question to be decided by the Contracting Parties was not what imports and exports should be made between the United States and Czechoslovakia and under what conditions, but the actual principle of the attitude adopted towards international obligations and agreements; and, in particular, whether States which were themselves frequently affected by the selfish and entirely inconsiderate economic policy pursued by the United States in its legislation and acts which treat existing international agreements with scorn, should allow interference by the United States against their own interests and against themselves as economically weaker countries.
6. The action of the United States at the session of the Contracting Parties is a further violation of peaceful co-operation between nations under the policy of violence and the so-called "cold war" pursued by the United States. This policy is shown by grave violations of treaties and international obligations committed in preparation for aggressive war and by attempts to interfere in the internal affairs of States which are not prepared to submit to the will and the interests of the United States Government but which, in defence of their independence and their social order, aspire to peaceful co-operation based on the principles of equality and non-interference.
7. For all these reasons, both of law and of fact, the Government of Czechoslovakia cannot recognize the Declaration of the Contracting Parties as legally valid and binding, and must consider it null and void.
8. As, however, the United States itself admits to having nullified by its actions the benefits accruing to Czechoslovakia under the General Agreement on Tariffs and Trade, thus creating the situation referred to in Article XXIII, paragraph 1 (a) of the General Agreement, the Government of Czechoslovakia has decided that as from 1 November 1951 it will charge the highest rate of customs duty on goods of United States origin imported

into Czechoslovakia, in respect of which Czechoslovakia had granted the United States direct reductions following the negotiations of 1947.

9. In pursuit of its peaceful foreign policy designed to increase trade with all States on a basis of equality and mutual benefits, the Government of Czechoslovakia will not apply this increase in customs duties to its trade with other States which are Contracting Parties to the General Agreement.