

The three organizations most involved—GATT, the OECD, and UNCTAD—have sufficiently distinctive characteristics to suggest a rough division of labor, though the difficult problems may lie in the refinements. UNCTAD, the newest of the three, is an invaluable prod forcing the United States and other developed countries to give more attention to the problems of the less-developed countries than they would otherwise. For this reason we should welcome UNCTAD and help to make its examination of problems penetrating as well as vigorous. It does not follow that the action which governments take in response to UNCTAD discussions need always be taken in UNCTAD. No doubt there will be some matters on which special UNCTAD-sponsored agreements will be in order, but UNCTAD's essential function is to insure that the needs of development are never absent from the consideration of trade policies. It can do that no matter what form an agreement finally takes, or even if key countries take national action without formal agreement. In dealing with trade barriers it seems likely that some of UNCTAD's most important results might manifest themselves in the removal of quotas and the reduction of duties through GATT procedures, since it is not wise to treat the trade of the less-developed countries as if it were separate from the body of world trade as a whole.

The OECD, the middle-aged member of this trio, has already been the scene of a number of trade discussions and has under its aegis a code of liberalization of invisible transactions that has a certain relation to some kinds of nontariff barriers. On the face of it, OECD is preeminently suited to deal with questions that are of primary interest to the industrialized countries; but it is not always crystal clear which those questions are, especially as the economies of the most developed of the less-developed countries become more complex. It can, of course, be made possible for a few nonmember countries with special interest to take part in OECD deliberations. Another function frequently recommended for OECD is as an "ante-chamber to GATT" (or UNCTAD), a place where the industrialized countries try to achieve some degree of harmonization among their own policies before engaging in negotiations with others. Up to a point this, too, seems plausible, but there are two caveats. First, the industrialized countries have not shown themselves very proficient at coordinating their trade policies, whether on preferences for less-developed countries or East-West trade—but that is not the organization's fault. Second, if they were to be successful in finding common fronts, delicate questions would arise about how far they could wisely go in reaching understandings before negotiating with outsiders. If, for example, a cotton textile agreement had been drafted in OECD and then submitted to nonmembers it is unlikely that some of the exporting countries would have accepted terms that they finally agreed to in the arrangement negotiated under the sponsorship of GATT. Of course, the agreement might not have been the same.

GATT, once thought of as a temporary agreement and technically not an organization at all, not only has shown great survival value but has something both UNCTAD and OECD lack, a comprehensive body of rules about international trade. And that is crucial—far more important than organizational strengths or weaknesses. No doubt the rules have weaknesses, and changes will be needed to deal with some of the trade problems of the next decade. No doubt procedures and