

UNITED STATES COMMISSION ON TRADE & EMPLOYMENT  
Department of Public Information  
Havana, Cuba

Press Release ITO/48  
27 November 1947.

SPEECH OF CHAIRMAN DELEGATE, DONALD L. MILLER,  
FOR DELIVERY BE FORE PRELIMINARY MEETING,  
FRIDAY, 28 NOVEMBER

Mr. Chairman:-

We are gathered here in Havana to complete the task of formulating a Charter to serve as a basis for the setting up of an International Trade Organization. This is no easy task. The hopes and fears of the world are directed to our efforts here.

There are two clear alternative courses of international economic policy open to countries today. The first is - nations can unite to restore a multilateral world economy based on a code of international economic law in which national policies, insofar as they affect trade, are made subservient to the general well-being of the community of nations. This is the road of the proposed International Trade Organization.

The alternative is chaos and the law of the economic jungle. Nations will continue to drift in the direction of economic blocs and bilateral barter trade. Inevitably this would mean lowered standards of living and continuous economic warfare.

We, the delegates of the nations represented here, have been honoured with great responsibility and trust. We must not fail and I am confident we shall not fail, if the spirit of goodwill and mutual cooperation which prevailed during the First and Second Sessions of the Preparatory Committee continues to dominate the work of this Conference.

We have before us for consideration the draft of a charter which represents a substantial effort over a period of years. Dreamed of in the Atlantic

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Charter, conceived in the form of a resolution of the Economic and Social Council in February 1946, nurtured and developed at the two sessions of the Preparatory Committee, it is now almost ready to be brought into the world.

We commence our work here with two great advantages. Firstly, the preparatory work of drafting a Charter was careful and thorough. The complexities and difficulties of building up a trade organization to suit the varying needs of nations differing so widely in their stages of economic development and forms of political and social organization were constantly before the eyes of the participating countries.

The members of the Preparatory Committee represented a true cross-section of the world. There were nations devastated by war and primarily concerned with reconstruction. There were nations untouched by the direct ravages of war interested in re-opening the channels of trade and regaining traditional markets. There were nations in every stage of economic development from agricultural economies, which sought industrial diversification and development, to fully mature economies seeking stable markets for their manufactured goods. There were nations that pursued the policies of public ownership and state trading; others that held to the principle of private enterprise. The compromise that emerged from Geneva took into account the authentic needs and real difficulties of all these divergent interests.

I wish to emphasize this point, not only because I consider it important, but also because I firmly believe that it bears directly on our work here. Hardly any single point of view and hardly any special interest remained inarticulate at Geneva. This assured that the Draft Charter is a realistic document based on bold compromise between the needs and pressures of many nations organized according to a wide variety of economic and political systems.

Obviously no single nation is fully satisfied with the product of this preparatory work. If they were, we would require not one universally acceptable

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Charter, but almost as many charters as there are nations. Compromise involves mutual accommodation and a spirit of give and take. The countries that were represented on the Preparatory Committee were not found lacking in that spirit.

The second great advantage with which we commence our work at Havana is that the countries represented at Geneva have concluded the General Agreement on Tariffs and Trade. Early in the preparatory work for this Conference it was recognized clearly that it would not suffice to come to a World Conference with a set of untested principles and good intentions. In addition some concrete evidence of good faith and sincerity was required on the part of the nations participating in the Preparatory Committee. This was indeed an ambitious plan, for never before in the history of mankind has there been attempted so comprehensive a scheme of tariff negotiations. If it was ambitious it was also ingenious, for the articles of the draft charter in this way could be put to an immediate and practical test, the tariff negotiations having been conducted within the framework of the charter as it was being drafted.

The General Agreement on Tariffs and Trade was presented to the world on November 18th and will come into force provisionally among certain countries as of January 1st next. Here indeed is concrete evidence of the good will and sincerity of those nations who participated in the work of the Preparatory Committee. Here indeed is concrete evidence of the potentialities of the proposed International Trade Organization. I sincerely hope that what has been achieved already in the direction of lessening and removing trade barriers is merely a preview of things to come in the world trade of the future.

The attitude of the Canadian Government towards the Draft Charter drawn up at Geneva has already been made known in public statements of members of the Government. Perhaps I may be permitted to repeat certain remarks which I made

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in Geneva on August 22nd and which sum up the attitude of the Canadian Government towards the Draft Charter which is the basis of our work. On that occasion I said:

"The Canadian Delegation was in general prepared to accept the compromise that emerged from the First Session even though there were more qualifications and provisions for escape from the basic rules of international commerce than we would have liked to have seen incorporated in an international Trade Charter. Here at Geneva efforts have been made to broaden these escape clauses. If these efforts had been successful there would be little left of the basic rules under which an International Trade Organization can operate effectively. Fortunately, this danger has been realized by the majority of the delegations. The result has been the submission to this Plenary Session of a Draft Charter that should form a generally acceptable basis for the establishment of an effective organization."

No work of man is perfect. Accordingly, no one who participated in the preparatory work would presume that the Draft Charter cannot be improved upon. There can be no doubt that our work here can result in improvements since we will benefit greatly by drawing on the wisdom of the many delegations which did not participate in the preparatory work. There are also important articles of the Charter dealing with Voting in the Conference, the composition of the Executive Board, and relations with non-Members which were not definitively agreed upon at Geneva although the groundwork has been carefully prepared in the form of a series of alternatives. The very nature of these articles requires the combined judgment of all the countries represented at Havana.

The Draft Charter as it now stands represents a finely balanced compromise between nearly every conceivable interest and point of view. There are two aspects which to my mind deserve particular attention in connection with our work here. Firstly, certain changes were introduced at Geneva which came very close to a departure from some of the basic principles of effective multilateralism. Great care will have to be taken to ensure that the sum and substance of the escape clauses do not nullify many

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of the important benefits which all countries will derive from the Charter.

Secondly, I wish to point out that there have been some instances where, in the interests of unanimity, the spirit of mutual accommodation resulted in meeting particularly difficult problems by leaving them to be resolved in the future by the Organization. Inevitably this has resulted in placing considerable burdens on the Organization, particularly in the difficult period immediately following its inception. Great care will have to be taken here to ensure that these tasks are not beyond the capacity of a new organization. In some instances it may be possible to correct this weakness by incorporating firm principles in place of dependency on organizational decision. We must certainly avoid increasing these burdens if we are to avoid the danger of a possible breakdown due to the sheer weight of impossible tasks placed upon the Organization.

I stated at Geneva that Canada has as great a stake as any country in the success of efforts to restore a world system of multilateral trade. Endowed with vast natural resources Canada traditionally produces large surpluses of many primary commodities which we exchange for the exports of other countries. Accordingly, we are dependent to no small degree on the free flow of international commerce. Every Canadian is proud of the rapid industrialization and dynamic growth which we have experienced in the last several decades. Nevertheless the development of Canada is by no means complete. We are not alone in this respect. There are vast areas of the world where the process of industrialization is only now beginning. Canada wishes to participate in that growth and to have other countries participate in her growth. I am firmly convinced that the Draft Charter as it now stands will facilitate and encourage that development. The results which we achieve here will determine the degree to which that growth will take place in a balanced and integrated fashion that will best serve, not only the interests of individual countries, but the interests of the peoples of the world as a whole.

The fruits of many months of arduous preparatory work are now within sight. The road ahead is clear and we shall succeed. The difficulties that

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remain to be overcome are real but these difficulties could not be faced in a more propitious atmosphere than that of ever-gracious Cuba, its hospitality and its skies.

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