

UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT .
DEPARTMENT OF PUBLIC INFORMATION
HAVANA, CUBA

PRESS RELEASE ITO/73
29 NOVEMBER 1947

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DELEGATION, DELIVERED BEFORE YESTERDAY'S PLENARY
MEETING

The Conference which has just opened in this beautiful City of Havana differs in two ways from its three predecessors at London, preparatory. It is a world conference, whereas the others were/ New York and Geneva. It is final whilst the others were/less comprehensive. It is a final conference in the sense that at the conclusion of our work it will not be possible, as it was at Geneva, to make reservations. The text resulting from our discussions will have to be either accepted or rejected. We must therefore ensure that it can be accepted by all countries. We must avoid the adoption by bare majority votes of texts unacceptable to a number of delegations.

Our work must be one of compromise, and the French delegation will at all times try to understand the point of view of each individual nation and will assist in defining the problems involved with a maximum of clarity; it will make every effort to find formulas which bring out the point of agreement and it will try to achieve a general understanding.

This is a final conference. It is also a world conference since it includes almost all the nations of the world: I say almost all because there are, unfortunately, still some countries not represented in our discussions. We hope, and shall continue to hope, that they will later become signatories to the Charter, although they have not taken part in our work. We do not and will not accept any breach of world unity.

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Bearing that in mind, we must avoid formulas which might close the door on some of those who are not now with us; the texts we adopt must be adaptable to any political system and to any economic structure, the one condition being that their purpose is the expansion of production, raising the standards of life of the people, and expanding trade generally.

There are two categories among those who are present today: some who have already worked at London, New York and Geneva and others who are taking part for the first time. I think that has been a good way to work, to start with a limited group and then gradually to expand it.

We began working on a text submitted by our American friends. Gradually the text has become more involved and abstruse. Our American friends no doubt regard the present text as inferior to their own, whilst we, for our part, think it better but naturally not as good as one would have been which took only our wishes into account. Obviously, the matter was and still is one of arriving at a compromise version, taking into account the point of view of everybody and wholly satisfying nobody. As regards the delegations which have not taken part in our previous work, they will no doubt either contribute new points of view, submit fresh arguments in support of points of view already considered at Geneva, or lay more stress on a number of problems which have already received our attention. This means that we must go on doing the same kind of work

We started with a text which we have gradually built up, complicated and developed. It is the very same work which we must continue to do at Havana, if our final goal is to be reached-- one of close study, attempting to understand

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the points of view of all concerned to combine them into a single whole.

A number of us were anxious to show that our proposals were made in all seriousness and that we are not concerned with pious hopes or declarations of principle, but generally desire to undertake effective commitments. That is why a number of countries which met at Geneva signed at once, in pursuance of Article 17 of the Draft Charter requesting the States to enter into negotiations directed to the substantial reduction of tariffs on a reciprocal and mutually advantageous basis, a multilateral agreement covering thousands of different products and henceforward imposing specific obligations on nations somewhat experienced in trade matters and representing a substantial volume of international trade. There is no question at all of any enforced charter or of a fait accompli, however, inasmuch as, in addition to the tariff obligations undertaken towards the other contracting parties, we have introduced certain of the articles of the Draft Charter, whilst also specifying that they may be replaced by the articles of the definitive text prepared at Havana.

That is the task which confronts us during the coming weeks, with the aim in view of evolving a definitive text. That text must effect a synthesis of the various aspirations and various needs involved, which at first sometimes seem to be divergent. I believe that we shall bring that task to a happy conclusion if we know exactly what we want and if we really do want it. There are two vital points; first, we agree in unconditionally condemning autarky and the nationalistic protectionism which has been practised only too often by various countries in the past. We know that the economic development of the world depends on extensive markets, and it is our object to create increasingly extensive markets regionally and internationally, so that each nation may benefit from the division of labour and the interchange of goods. We do in fact know that only in that way can every country really benefit from international trade. The slump of 1929 proved that individual action, while affording temporary relief to nations reduced to poverty, was rendered futile by the similar action it called forth on the part of other countries; and finally the States were

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reduced to brutal wrangling over international trade which was in a state of continuous decline. Experience shows that when nations direct their economic policy towards the achievement of autarky, their desire to fence themselves off and to become, as our Anglo-Saxon friends say, "self-sufficient" results, even in cases where they have a large internal market, in political as well as economic confusion which may even endanger world peace.

It is therefore essential (and this is what the Geneva draft does) to define the goal we are attempting to reach, namely the expansion of international trade through the progressive elimination of restrictions and discriminations. Our object is to organize, on the widest and most comprehensive basis possible, trade between nations putting into practice the division of labour and specializing in the type of production for which individually they are best fitted.

We also know that it is not enough to remove obstacles and eliminate barriers. Old-fashioned liberal optimism of the 18th century, which believed that everything would come right of itself if the barriers were removed and a "laissez-faire" policy were practised everywhere, does not accord with the facts. Nature is chaotic in itself and if left to itself can only result in chaos, unless it be successfully regulated by the application of principles devised by human reason.

In the elimination of barriers, therefore, due regard must be paid to the transitional measures dictated by current realities. Constructive measures of a permanent character must be contemplated to ensure and to safeguard, through the medium of an international organization, the development of economic life and the expansion of trade which we wish to achieve in our common interest.

The necessity for these transitional measures was particularly stressed during the discussions at Geneva by the unfortunate countries of Europe, which has been devastated by war and enemy occupation and which, besides suffering from the ravages of war, has now, because it was occupied and looted by

the Germans for years and cut off from the rest of the world, to re-equip its economy. Europe must solve the problem of re-assembling and remaking its entire productive machine. Moreover, we have recently encountered new difficulties. A barrier has been erected between East and West, and the countries of Western Europe have been compelled to buy from the United States of America a whole range of products which they previously obtained from another part of Europe. The result of this situation is an extremely serious derangement in the balance of payments of all the Western European nations which has been even further aggravated by the catastrophic weather conditions during the past winter and summer.

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Europe now faces a hard, difficult and unsettled winter and there will be serious social and political crises in the various countries of that continent. It will be difficult to maintain the combination of order and freedom when the peoples are suffering and passions are unleashed. Our American friends have understood that. The idea has found its first expression in the Marshall Plan, which embodies more than the mere elimination of barriers. It also lays down an exact and concrete programme for reconstruction and development which we in Europe must follow up by an attempt, which has already been begun, to expand markets by establishing wider customs unions and by permanent co-operation between the various nations to effect the allocation of coke, progress in metallurgy, utilization of the hydro-electric resources of the Alps, standardization of equipment and specialization of industries in the various countries in the common interest of Europe as a whole. We see, however, that reconstruction will be more difficult and more protracted than we had at first thought. That is why, during the transitional period - and this is what we achieved in the text resulting from the Geneva discussions - the inclusion of a number of restrictions and discriminatory measures will be an essential factor in the reconstruction and the modernization of our productive machine.

That is an absolute necessity, but even in our worst straits, when we had to overcome the greatest difficulties, we were anxious, while maintaining the measures required in the transitional period, to adhere without delay to the principles of the Charter and to plan with as little loss of time as possible, to put those principles into effect and to expand international trade on an increasingly broad basis.

Besides the transitional measures, there are others of a permanent character. I have already mentioned some of them. The representatives of a large number of new countries have already spoken of these problems from this platform and have stressed the importance of the problem of industrialization and economic development. Putting into effect a policy of full employment of capital and labour not only involves negative measures but also a positive plan for economic development.

Finally, while most nations are now passing through a general period of poverty and want, it must not be forgotten that the time will come when the problem of slumps will again arise. If we wish to avoid what happened in 1929 - the destruction of the balance of world economy and a fresh lapse into protectionism on the part of all nations - we must start now to consider the possibility of joint action and of an international policy of public works, in order to be able to solve crises when they arise, so that the instinctive reaction of every country at the first sign of a threatened slump will be along international lines, not along the lines of selfish nationalism. Economic balance may be compared, to some extent, to the mechanical balance of a man on a bicycle. It is impossible without movement. It can only be achieved under a general policy of world economic expansion ensuring the progress and development of all nations everywhere.

To that end, there is no alternative but to realize that there is an economic community of nations, to co-ordinate the action taken along these lines by the various States by making it subject to common rules, and to plan agencies and organs to interpret and apply these rules and gradually to establish agencies for stabilizing economy in the commercial field, as we are already beginning to do in the financial field.

Everything depends, therefore, on the organization which emerges from our work, on the democratic nature of its structure, its autonomy and the powers accorded to it.

Individual nations will be the more ready to relinquish their sovereignty and independence, the more they know that they are dealing with a genuine international law embodying the inter-dependence of all within a framework of genuine democracy.

Gentlemen, to achieve that end we must, I believe, all work on a technical and economic level in our various committees; but we must really will what we want, and that is something which transcends mere technicalities. We must all be willing, in a spirit of genuine cooperation, to put aside the complaints or criticisms which we may have to make against one another. We must all be conscious of our inter-dependence. We must all be willing to consider the problems not merely from the standpoint of the interests of our individual countries or of our national producers, but from the standpoint of the general interests of consumers throughout the world, for whom the object is a general rise in the standard of living, together with an expansion of production and a progressively reduced level of prices.

At the present time, the problems of peace are arising in conditions which means indescribable suffering for almost all peoples. It may well be impossible to achieve peace on the political and juridical level until an agency has been established making possible the peaceful organization of world economy. In these circumstances I believe that this Havana Conference acquires an immense importance; the hopes of millions and millions of men are placed on us, and it is they rather than the Great Powers of the world who form world public opinion. I hope that in the course of our work we shall always be vividly and concretely aware that we are in the presence of the hopes of the peoples, of the millions of men who working and suffering and hoping that it will not always prove to have been in vain.

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