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ADDRESS BY G.C.S. COREA, HEAD OF THE CEYLON
DELEGATION BEFORE CONFERENCE ON TRADE &
EMPLOYMENT

Mr. President, Fellow Delegates:

The task that faces this Conference is one of vital significance for the future prosperity of the world. It is also a task of great complexity. We have to evolve a code of conduct to govern the commercial relations of the nations of the world,--nations subscribing to diverse political and economic creeds, and enjoying varying standards of wealth and prosperity. It must be our aim to evolve a charter acceptable to all, which will help to free the flow of international trade, and help to eliminate the disadvantages and inequalities which divide our countries and our peoples. To achieve this aim, we must approach our task with a mutual understanding of each other's needs, and in a spirit of mutual tolerance and good will.

It is in this spirit that the Ceylon delegation approaches to help in the production of a Charter which will be/ its task. We shall endeavour, in our own small way, / just and fair to all. We come from a small country, but one whose six and a half million people boast a proud and ancient civilization. We have maintained a long and continuous historical tradition which dates back to 600 B.C., and although in the last three hundred years we have been overcome and subjugated by European powers, we have always kept the flame of freedom burning brightly in our hearts, and now, at long last, thanks to the enlightened policy followed by the British Government, Ceylon has emerged again as a free and independent nation. This is the first occasion on which my newly independent country has been represented at a major international

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Conference. We have come here in the hope that we may be able to contribute our share in the achievement of the high ideals for which this Conference has been convened.

On what these ideals are, we are all agreed. The purposes and objectives of the Charter, as set out in Article 1, are truly noble. They are ideals for the realization of which we can fight and labor, and for which no sacrifice would be too great. My great fear is that we may have a tendency to lose sight of these great ideals, to let them grow dim, and sometimes even to let them grow dim, and sometimes even to let them flicker away, when we come face to face with some of the grim and sordid realities of international commerce. It is of vital importance that we should not let this happen. For it is better that there should be no Organization and no Charter, than that we should content ourselves with an Organization or a Charter which is not impregnated with the ideals and the objectives which we originally set out to achieve.

It is for this reason that I say that it is regrettable that there are in the draft Charter, certain provisions which seem to ignore the original ideals. We must study these provisions carefully, when we go into Committee, and endeavour to set them right. The Ceylon delegation will do its best to help in this task, and for this purpose, we hope to submit shortly the amendments we consider desirable.

There is one very important factor which we must all bear in mind in reviewing this Draft Charter. This is the grave inequalities in the standards of living, and the wide gaps in the stages of development reached by the different countries which will be expected to subscribe to this Charter. I do not think it would be unfair to say that in the drafting of this Charter, undue importance

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has been attached to, and undue emphasis laid, on the point of view of the more highly developed countries and economically powerful countries. Most of the provisions of the Charter would be quite satisfactory from the point of view of such countries. I doubt, however, whether the same can be said of those countries which are still in the incipient stages of economic development. For instance, the stringent provisions of the Charter regarding the protection of nascent industries can only have the effect of retarding the economic development of backward countries, and freezing their relative economic status at its present unsatisfactorily low level. We must not forget that one of the main purposes of this Charter is to foster and assist industrial development, and that for the achievement of this purpose, adequate provision for the protection of nascent industries is of the most vital importance. I do not wish to expand on this, at this stage, but merely to draw your attention to the importance of this point. The special needs and difficulties of small and backward countries should be recognized and provided for. These smaller countries can and should make sacrifices for the attainment of the common goal, but these sacrifices should not be carried to such an extent as to lead to complete economic strangulation and paralysis.

There is one other point in the draft Charter which is of special importance to countries like mine, and to which I would like to refer. This is the Chapter on "Inter-Governmental Commodity Arrangements". The Draft Charter betrays a complete lack of realism on this subject, and seems completely to ignore the special needs and difficulties of primary producers. The Chapter will need drastic revision, if its intention is to provide suitable machinery to deal with the special difficulties that confront the production of primary commodities from time to time. If an equilibrium in the trade in such commodities is to be maintained, provision must be made in the Charter for speedy and simple action to be taken, as

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soon as difficulties arise, or are apprehended. There is a tendency to forget the primary producer. It is sometimes forgotten that it is he who keeps the wheels of trade moving in large areas of the world, by providing the exchange required in these areas for the purchase of manufactured goods. A very unhealthy situation arises when the prices of manufactured goods are allowed to soar to unprecedented heights, while the prices of primary products are kept down to uneconomic levels. For the protection of the large body of primary producers, commodity arrangements must be encouraged. These arrangements should be confined to producers only, and should provide for the setting up of study groups. These study groups should be permanently established for each industry, and should make recommendations to the Organization when special difficulties arise or are apprehended. We could then cut out the complicated procedure laid down in the Draft Charter, and substitute a simpler procedure better adapted to the purpose in view. Unless this is done, primary producers will suffer grievously. Over-production and violent price fluctuations will ruin these industries, causing widespread unemployment, lowered standards of living and a reduction in the overall volume of international trade. It is therefore necessary to pay special attention to this chapter on commodity arrangements, and to evolve a simpler and more efficient procedure to secure for primary producers the safeguards which it is the intention of the I.T.O. to provide.

There are several other provisions in the Draft Charter, which are of special importance to my country, and to which I would like to refer. I do not, however, propose to delay you by dealing with them here, as they are of a more detailed nature, and could more profitably be dealt with in Committee. I would like, however, to mention in passing the special importance my country attaches to Article 4 of the Charter, which aims at the

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setting up of fair labour standards in all countries, and the elimination of sub-standard conditions of labour. I hope it will prove possible to expand this Article, and to lay down more specific obligations for the realization of the excellent ideal which this Article sets before itself. The International Trade Organization must make it one of its primary aims to raise the miserably low labour standards that prevail in most economically undeveloped countries. I make bold to say that the labor conditions and the standards of labor-legislation in Ceylon are among the highest of any Eastern country. But we still have a long way to go before we reach the labour standards we desire to achieve, and we shall look to the International Trade Organization for help and guidance in the attainment of our aim.

In conclusion, Mr. President, may I take this opportunity of expressing, on behalf of the Ceylon Delegation, our great satisfaction that this important international conference is being held in this beautiful city of Havana--the proud capital of a country which has always been characterized by a spirit of sturdy independence, and whose people are renowned the world over for their generous hospitality. I wish to convey through you, to your Government and your people, our grateful thanks for the kindness and hospitality we have received on every side.

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