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SPEECH TO BE DELIVERED BY MR. WALTER MULLER, PRESIDENT OF THE
DELEGATION OF CHILE TO THE CONFERENCE ON TRADE AND EMPLOYMENT, HAVANA, CUBA

Mr. President, Gentlemen:

Our long and labourious task is drawing to its close. We are on the point of returning to our own countries to submit the final draft of the Charter for the consideration of our respective Governments.

During our discussions and now that they are over, we have asked ourselves whether the Charter is satisfactory. Like everything that is the outcome of compromise over economic and commercial interests which not only do not coincide but are in many cases conflicting, the Charter cannot be completely satisfactory to any delegation; it is not wholly satisfactory to the Chilean delegation. The only possible way of reaching agreement was, in many cases, to abandon aspirations which we still believe to be legitimate.

As is shown by its history, Chile believes that the nations must live together in peace, and that international trade must be used as an instrument to create prosperity and to raise the standard of living of our workers. We had, however, to defer many of the objectives contained in the Chilean amendments to the more urgent necessity of reaching an agreement which is today more than ever essential in a world full of difficulties and threats for the immediate future.

The failure of this Conference would have shown that the countries meeting here in Havana were incapable of doing anything constructive to integrate international trade on a peaceful and harmonious basis. It would also have shown their unwillingness to submit to a regulation of trade which, while protecting the rights of all, obliged them, as a logical consequence of living in a community, to renounce a part of their individual rights. We must, therefore, applaud the fact that agreement has been possible.

The countries represented here, comprising almost all the countries in the world, have set an example of perseverance, a spirit of conciliation and a desire for mutual understanding which offer a prospect of better times for mankind.

It can be said with some truth that during discussions in this Conference, technicalities have out-weighed the need for a better understanding of the position of the under-developed countries. The outcome of the anxiety to avoid making any sharper differentiation between the economically strong and the economically weak countries, disregarding the real differences existing between them and the urgent need of the weak countries to improve their standards of living, has been a Charter which does not establish the

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differential treatment which should have been recognized. We have not lost hope that in the field of international relations and in future Conferences, the idea of the need for the economically stronger countries to co-operate altruistically in the work of speedily improving the standards of living of the weak countries, will open the way to a better understanding. The peace and tranquillity of the future world will depend on the practical application of these ideals. Without their spiritual force, neither this Organization nor any other will have the creative strength necessary to conquer personal egotism, nor that of organizations and of countries.

The Charter might also be criticized, as regards economic development, for its omission of direct measures of a constructive character to be put into effect in the countries where they are most needed. The Charter limits itself to advocating the collection of information, the carrying out of studies and the formulation of recommendations. Later in the life of the Organization it will be necessary to fill this gap with active measures. Organized world trade is not sufficient to produce the industrialization of the under-developed countries. The social problem in these countries is a result of their economic weakness. It must be one of the future Organization's primary objectives to strengthen their economy by the flow of private capital, the granting of credits by private and state institutions, and the supplying of machinery and adequate technology. The guarantees which the various countries may be able to offer to such capital will be factors in determining their future progress, which must be hastened.

What does the Charter actually contribute to international trade? It constitutes the first effective attempt to bring order into commerce, to subject it to an intelligent, ordered and systematic code of procedure, avoiding all unjustified discriminatory practices. The Charter provides a means of stabilizing world trade through a set of regulations which make the necessary allowances for the post war period and the period of reconstruction, and, as far as has been feasible, for the particular economic characteristics of certain countries and the situation which prevails in many of them as a result of the dislocation of international trade brought about by the war. It does all this without losing sight of the objective of progressively eliminating restrictive and discriminatory practices which have lost their justification, in favour of an expanding world trade holding out a hope of full employment throughout the world.

In addition to these merits, we consider that the application of the Charter and the operation of the Organization may well be a means of avoiding any future repetition of the world economic crisis which began at the end

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of 1929, and produced a wave of misery and wretchedness throughout the world as a result of the disruption of the economy of every country and of international trade. Even if the ITO could not prevent a similar crisis it does at least contain all the elements necessary to cushion the shock and to prevent it becoming a reaction which would drag one country after another in its devastating wake. This fact alone would be sufficient to consider the Charter as a solid guarantee of economic stability in the future.

Mr. President, Chile submitted a number of basis amendments to the Charter in connection with the Articles dealing with governmental assistance to economic development, preferential arrangements for economic development, the Article on quantitative restrictions and the Article dealing with customs unions together with other amendments of minor importance. All were connected with matters of supreme importance for my country, for its economic future and for its international commercial relations. We defended our opinions energetically but always retaining a constructive spirit and an understanding of the points of view of other delegations. We realize that we had to give way on many points in achieving a compromise, but on the other hand we obtained satisfaction with regard to others. I do not intend to enumerate them. I am however pleased to state at this plenary meeting that Uruguay withdraws its reservations regarding Articles 13, 16, 18, 20, 21, 31(a), 34, 35, 50, 74 and 99.

My delegation regrets that we must maintain our reservations regarding Articles 32 and 36 which are being examined by the appropriate technical departments of the Government of Uruguay. We are also maintaining our reservations regarding Article 93, and Articles 15 and 42 which are closely linked with it. We are obliged to adopt this position as a result of the discussions on Article 93 which deals with trade relations with possible non-members of the Organization. Article 93 makes it extremely difficult or practically prevents the conclusion of preferential arrangements for economic development with non-member states, even if the exacting criteria of Article 15 are complied with. A similar difficulty or impossibility arises in connection with free trade areas and customs unions as provided for in Article 42. We would have liked to approve the Charter without any reservations. The Conference decision regarding Article 93 compels us to maintain these reservations, a decision which we regret.

Mr. President, it has been a great pleasure for our delegation to enjoy personal contact with such distinguished delegates from other countries and to become acquainted through them with the problems which face their respective countries. Such personal contact and acquaintance with their problems can only produce added understanding in the task of strengthening
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the bonds of friendship throughout the world. This is especially true of the close union between the representatives of Latin America. At this Conference, the common bonds of history, tradition and race which unite us, have been strengthened by our effective work in defence of our common interests.

In conclusion, Mr. President, we have been amply compensated for our arduous and tiring work in this great and generous country, the Republic of Cuba whose Government, citizens and people, have, with their generous hospitality, made our stay in Havana a continually happy one. They made an impression on us which we will never forget and for which we are deeply grateful.
