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STATEMENT BY MR. S. L. HOLMES FOR THE UNITED KINGDOM
DELEGATION BEFORE THE FINAL PLENARY SESSION OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT ON
23 March 1948.

Mr. President,

Much has been said in the course of these plenary meetings on the solemnity of the occasion and the importance of the Conference, the Final Act of which at last awaits signature. I should have liked to content myself with endorsing those remarks and acknowledging our indebtedness to the Government of Cuba and to the Conference Secretariat.

It has been an impressive and fruitful experience for us to meet in this great city of Havana, the capital of an important country of Latin America. The length of our work is not due to any deficiencies of arrangements on the part of the Cuban authorities. Few countries, I believe, could have provided a better scene for a great international gathering such as this. Nor have our delays been due to any inefficiency on the part of the Secretariat, who have never risen so well to a formidable task, helped by the welcome convenience and amenities of the City and the Capitolio.

If we have seemed to have risked overstaying our welcome and to have taken overlong for our work, it is in truth to the importance of the issues before us that we must look. I do not propose to embark upon any general examination of these issues on the present occasion or of the special position and difficulties of countries like my own at this time. That has been done by others; for us it was done by Mr. Bottomley, our Secretary for Overseas Trade, in his plenary speech at the beginning of this Conference just four months ago. It will be for history to say whether these four months have been well spent, whether the time and money and the strain of a protracted Conference of this size have been justified. We have all learnt much of each other's points of view and, quite apart from the
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Charter, shall have much to ponder on our return. It is surely a gain and an encouragement that in these months of long and often arduous debate there has been so consistent a readiness to listen with courtesy and patience and so seldom any entry of acrimony into our proceedings.

It will, Sir, be within the knowledge of many Delegations here that the Government of the country which I represent have felt it necessary to weigh most carefully the question whether they could authorize me to sign this Final Act. As I have explained on other recent occasions, the signature of an instrument of this sort on behalf of the United Kingdom is a matter to which, according to our tradition in these matters, no mean significance attaches. The Government of the United Kingdom of Great Britain and Northern Ireland much regret that neither in its general balance nor in its detailed provisions is the draft Charter wholly satisfactory to them.

The Government believe that the Charter as now drawn goes too far in the relaxation of control over quantitative restrictions for developmental purposes and that closer control would in the end have helped, and not hindered, the countries at whose insistence these provisions have been redrafted. But still less satisfactory to the Government of the United Kingdom is the final form of the Article providing for new preferences. We believe the contribution we have made towards general agreement and in fulfilment of the original Proposals from which this Charter sprang, by way of limiting and providing for the reduction and even the elimination of preferences we enjoy, to be a very considerable contribution. Yet at the same time as we are to accept these provisions we have been asked to accept another provision opening up the prospect of a new range of preferences in the interests of economic development

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on the accidental basis of geography. In accordance with the footnote to the article, however, the Organization is not bound by a narrow interpretation of region in its study of new preferences which conform to the purposes and the terms of the article, provided a sufficient degree of economic integration exists between the countries concerned. I am now in a position formally to withdraw my reservation on this article. But I must make it clear that the Government of the United Kingdom will look to the Organization to interpret the article, with the footnote forming part of it, as authority equitably to consider such proposals as might be put forward for new preferences /between

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between particular component territories of our own ^{economic} group. They will expect such proposals to be considered on the same basis as proposals covered by the article for preferences with the same end in view between other countries. This they regard as the object of the footnote. They will feel it necessary to watch the administration of this article very carefully so that there is no unfairness between the treatment of the British Commonwealth and that of other economic groups.

I must also refer to the article dealing with exceptions to the rule of non-discrimination. This has provided one of the most difficult and complicated problems of the Conference. The matter is one of vital concern to countries like our own, whose economies have been subjected to such violent strains in the achievement of common victory in a long and terrible war. For some years to come, such countries will require latitude to depart from the strict rule of non-discrimination. This in a certain measure is provided by the article in question. The United Kingdom, in common, we believe, with many other countries, will need to make full use of this latitude in the efforts which, at the cost of great sacrifices to its people, it is now making to secure another victory and to bring nearer the common aims behind the Charter of restoring convertibility and full multilateral trade. Without the United Kingdom, one of the world's greatest markets and one of the world's greatest exporters, those aims could not be achieved. This article is designed to meet the immediate position; we shall have to take full advantage of its provisions.

I have emphasized the fact that signature of the Final Act of this Conference on behalf of the United Kingdom is a decision not taken lightly by the Government of my country; it is a decision the importance of which will not, I hope, be lost on the other countries here represented. But, while it signifies that my Govern-

ment intend to recommend this Charter in due course to the Parliament of the United Kingdom, their ability to do so when the time comes will necessarily depend upon circumstances not fully within their own control. These will include in particular the general balance of payments position in which the United Kingdom then finds herself and also find other countries upon which her economy largely depends and whose economies depend largely upon her own.

In authorising me to sign the Final Act, the Government of the United Kingdom wished these points made clear. They feel strongly that we each should know how and where the countries here represented stand. This is a measure of the importance they attach to the work on which we have so long been engaged. No country has been more intimately associated with it than my own and I here would like to pay our acknowledgments to our partners from the first in the great project now to go forward. We are convinced that the principles behind the Charter are right principles; we believe the proposed Organization has a great and beneficent work ahead of it; we look forward to the earliest possible restoration of multilateral trade throughout the world. We are sure that the firm faith of the U.S. in this project from the beginning will bear fruit. The Proposals to which we subscribed in 1945 as the frame for this endeavour will be looked upon in years to come as one of the first signs of the era of peace and prosperity which we yet believe is in store for a troubled world.

But this deep conviction cannot be justified unless in its early years in particular the Organization shows wisdom and understanding. I cannot emphasize too strongly the risk of failure if the Organization does not administer this all too complex an instrument both fairly and broadly, if its Councils are not composed of men, and women, of high repute and if its staff is not

representative of the best ideals of public service. It will have many urgent and vital problems to solve and these problems will be of the most practical importance to the people in all countries. They are not capable of solution by mere economic dogmas or theoretical formulas. We shall need much more than that; we shall want real cooperation, a real impulse to help each other, and in the light of experience the Charter we have evolved may be capable of much salutary simplification. Some of the difficulties which have so greatly exercised us may be found to have little practical importance. The spirit and aims of the Organization are its lifeblood, and as the representative of the United Kingdom I can say that, given the conditions of recovery, given the will to serve the common interest in the circumstances of the world as they are, in the difficulties of the times through which we are passing, we have faith in its future.

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