

SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENTCorrigendum to Verbatim Report of Twenty-second Meeting
of Commission A (E/PC/T/L/PV/22)

The following text should be substituted for the remarks appearing on Pages 37 to 45, inclusive, made by Dr. G. GUTIERREZ (Cuba):

DR. G. GUTIERREZ (Cuba): I do not know, Mr. Chairman, if it is wise to speak at this hour, because, by a play of fate, it happens that all the speakers who have taken our attention since 3 o'clock until now have been representatives of nations, with one exception, that are satisfied with the London Draft, and all other nations that are not so satisfied with it or the New York Draft are placed in the very embarrassing position of expressing, in less than 30 minutes, their opinions against.

Of course, there is an old proverb that says that usually reason is in inverse proportion to the length of time used to express it, and we are going to try to be brief in order to say that we believe that we have reason!

We are here, like one of the other bad boys of this Conference, who have dared to raise a voice before our elder brothers, and have come into the room where the big civilized Nations - which we have just heard described by the delegate of Belgium, where they use typewriters and steno-type machines and electric cooling - are drafting the Charter of a new economic order. We must confess though, that we will be very glad with the liberty of the jungle, if the kind of Charter which is going to come out of this work goes in the way that it is shaped at this moment, because sometimes the liberty of the jungle is healthier than the very sophisticated and civilized world.

We are very much at a loss, because we had thought that we were struggling for liberty, and instead we have been spanked the whole afternoon because we were restricting business. When precisely the thing that we want is to take away I do not know how many pages, but at least 25 Articles, of restrictions inserted by the "wise fathers" of this new "economic church". We have joined ourselves with that school of candid thought that made famous that great American, Abraham Lincoln, and we are candid enough to come here and say sincerely what we believe is wrong. Probably we are wrong ourselves, and we leave it, as the old Greeks used to do, on the knees of these wise old men, to find the good that the younger nations have not seen along the lines of this Charter of a new economic order.

First of all, allow me to say that experience has shown us that the great leaders of the old nations are not always right. When the first Dumbarton Oaks proposals for a United Nations Charter were presented for the consideration of the peoples of the world, we had a discussion more or less like this where we presented many remarks on the new Charter of the world. And we heard more or less the same objections - "How do you dare to try to make better what old experienced Nations have done?". And we answered the same thing that we are now saying - we probably are wrong, but we are so young a nation that we still feel in our environment the spell of the jungle, and we love liberty so much that we do not want to give it to anybody. History has shown us that the ones that have brought war to the world and misery to mankind have never been the small nations, but always the biggest experienced civilized nations.

This Charter, no doubt is a valiant and valuable effort to re-arrange the economic system of the world. At the same time we are trying to do it properly, our friends from the USSR are doing it in another form, and we think that the world is balancing between one and the other.

If we come to analyze this Charter, do we find that Chapter V is full of restrictions from the beginning to the end proposed by the undeveloped, almost 'uncivilized' countries? No, they have been proposed by the "experienced" nations.

If you take all of what has been said here so properly and so well by the distinguished delegate of the United States against Q.R. well, none of those Q.R. were written by us. The Article that relates to Quantitative Restrictions says at the beginning "Except as otherwise provided in this Charter, no prohibitions or restrictions other than duties, taxes or other charges, whether made effective through quotas, import licenc~~es~~ or other measures, shall be instituted or maintained by any Member on the importation of any product of any other Member country or on the exportation or sale for export of any product destined for any other Member country".

There we should have stopped, and then all of what has been said would have received the absolute approval of everybody. We would have taken away the quota system, because I cannot see how the quota system may be good in some cases, and considered bad in other cases.

The principle against Q.R. is good, but then follow, I do not know how many, but no less than one and a half pages of exceptions. So, if the highly experienced people have found the necessity for inserting here one and a half pages of exceptions, we too would offer one little exception. (Laughter) Just one more...

The Cuban exception proposes that where they talk of import restrictions on agricultural or fisheries products, we simply want to add one word, that is, to include there, also, the industrial products. And that is our big crime; for that we have received all sorts of admonitions to-day. We doubtless have been placed in the position created by one of the rules of debate in Parliaments - the rule of "Leave it or take it". Well, we do not find ourselves in the way of deciding if we leave it or if we take it, because it seems from the actual state of this debate, that it is as bad to leave it as to take it.

The other Cuban amendment comes in relation to subsidies. Mr. Wilcox has spoken to-day, with great perspicacity, against protectionism, and he has said, with very sound reasons, that he does not want this Conference, that was called at the beginning "The United Nations Conference on Trade and Employment", to become the International Conference on Quantitative Restrictions. But the subsidy is another form of restriction, and Article 30, instead of recognising that the system of subsidies is an artificial way of producing, of trading, on the contrary recognises this evil. If we are so fond of the liberty of commerce, we should have done with the subsidies the same thing as I propose for the quotas: eliminate all the subsidies and quotas. It is a very strange thing that the subsidy is something normal, correct, when it is used by a strong financial nation. To give public money to foster or maintain a product that is good for nothing, or that is raised by very artificial methods, to compete with the products of other nations that are produced in a natural form, according to the benefits of sun and soil, is not bad. So that kind of subsidy, which is absolutely artificial and (using a word that has been said before this afternoon) immoral, is legal, and is in accordance with the Charter. But if one small nation that has not yet developed itself in the capitalistic system to the state of the big banks and the big financing schemes, exempts a national production of certain interior tax, that is a crime, and wrecks the Charter.

If you take away an internal tax on the national production of shoes, or of typewriting machines, or of beer, it will be considered discriminatory on the imports of the same or like products of other nations coming into the country. So, if you have several factories of textiles in a country making the things that a human being needs first when he starts to be civilised - if a nation starts to manufacture clothes and shoes and gives the industrial enterprises embarking on the economic adventure a certain amount of internal taxes, the Charter says: "No, you cannot do it. You have to admit the competition of goods coming from the more industrialised countries and they will pay the same duties and taxes, because otherwise you are discriminating." And discriminating is a very bad word. Nobody wants to be called a discriminator. In these modern times everybody wants to be a Revolutionist! (Laughter). So we must admit we are very much at a loss, and after many years, we come to the conclusion that we do not know where is good and where is evil.

Our amendments have only tried to let these nations - those under-developed, or "uncivilised" nations that have been mentioned here so elegantly - use the measures that they have at their disposal. They have only tried to bring to reality the dreams made famous by that great citizen of humanity, Franklin D. Roosevelt. We must confess that we have come towards this Conference very much under the spell of the wonderful ideas of the Atlantic Charter, and have realized here in Geneva that the Atlantic is very far away from Switzerland. Yet we wish to live under the warm light of the Four Liberties - although those four liberties may be considered the Liberties of the Jungle. The United Nations said in Article 55 of their Charter, that with a view to the creation of conditions of stability and wellbeing which are necessary for peaceful and friendly relations among nations,

based on respect for the principle of equal rights and self-determinations, the United Nations shall promote higher standards of living, full employment and conditions of economic and social justice and development; and that is what the Cuban Delegation is only lacking for.

We want higher standards of living, with full employment and improved conditions of social justice and development; but economic development has become here some sort of wicked word that is heard with great apprehension by many Delegations. Yet, everyone knows that if ever we can have a world of fully-developed economic countries, the amount of purchase and exchange of goods between all the nations would be so high that their trade would increase to enormous figures. And it is a very big mistake to think that the efforts of the so-called under-developed nations to adopt the measures that will enable them to industrialise their nations is against the interests of the highly-developed countries. On the contrary, it would be useless to show the statistics about that, because they are very well-known to everybody here.

I am very sorry to dissent from what the Hon. Delegate of Australia has said, for we do not see how the London and New York Drafts can be a substantial guarantee for the so-called under-developed countries, neither do we consider them a compromise, but very valuable working papers in order to arrive at a compromise.

I must admit that I was under the impression that Australia had not developed all the resources of that wonderful country. It seems that they have done it, and, of course, that calls for my congratulations. We, on the contrary, think that if the London and the New York Drafts were to continue, we would be freezing the actual economic status of the different countries of the world. The agricultural countries would continue to be agricultural. The monoproducer countries would continue to be monoproducer, and the more developed countries would continue selling typewriters, radios, etc. to those nations that are still trying to produce the primitive tools.

We do not wish to talk more about quotas and import duties. We in Cuba have had a very bad experience about them. During the 1st World War, we were asked to produce as much sugar as possible. We almost grew cane in the private gardens. It was needed for the war effort. We obtained a record crop of 5,000,000 tons. A few years after, the import taxes on sugar were raised in all parts of the world, and our country went absolutely bankrupt, with the result that, in a country without financial reserves, it ended in a political revolution. In the 2nd World War, we were again asked to produce as much sugar as possible, and we did it. We have just finished the 1948 crop with an amount of 6,000,000 tons. Yet our sugar, badly needed in all the world, is restricted by all kinds of quotas.

We have, for example, according to that quota system, (and I do not know how something can be good on the inside and bad on the outside) sent to the United States 53% of their total consumption of sugar during the war period, and now they only

give us a legal quota of some 28%. A quota! - believe it or not: the restrictive quantitative method that has been condemned here so much to-day.

This shows that there must be something wrong in this whole thing. We are not trying at all to ask for the right to assure protective measures of any kind without consultation. What we consider is that we should amend the quota system and the subsidy system in such a form as to enable both the highly industrialised countries and the so-called under-developed countries, to attain the goals at which we are all aiming, which are: higher standards of living, full employment, and better conditions of economic and social progress and development.