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SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT.

VERBATIM REPORT.

FIFTH MEETING

HELD ON FRIDAY, 22 AUGUST 1947 AT 2.30 P.M.

IN THE
PALAIS DES NATIONS, GENEVA.

M. Max SUTENS (Chairman) (Belgium).

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CHAIRMAN (Interpretation): The Meeting is called to order.

We are assembled here to-day to approve the Report of the Second Session of the Preparatory Commission on the Conference on Trade and Employment of the United Nations Organisation, Document 180, which is a public document.

I have great pleasure in announcing that a great number of reservations mentioned in that document were withdrawn this morning by the delegations which had made them. A corrigendum showing the various withdrawals and containing the final text will be circulated as soon as possible. I shall now submit the Draft Charter to your approval chapter by chapter.

The Introduction. Are there any remarks? Adopted.

Chapter I. - Purpose and Objectives. Any remarks?
Adopted.

Chapter II - Employment and Economic Activities. No remarks?
Adopted.

Chapter III - Economic Development. No remarks? Adopted.

Chapter IV - Commercial Policy. No remarks? Adopted.

Chapter V. - Restrictive Business Practices. No remarks?
Adopted.

Chapter VI - Inter-governmental Commodity Agreements. No
remarks? Adopted.

Chapter VII - The International Trade Organisation. No
remarks? Adopted.

Chapter VIII - Settlement of Differences - Interpretation.
No remarks? Adopted.

Chapter IX - General Provisions. No remarks? Adopted.

The whole of the Report of the Second Session is therefore
adopted.

ER

Ladies and Gentlemen, I have the honour of bringing to a close the work of the First Session of the Preparatory Commission of the International Conference of Trade and Employment. To-day we are on the point of bringing to a close the work of the Second Session. This Session has lasted from 10th April to 22nd August. During that period of just over four months 453 meetings of committees, sub-committees, and working parties have been held. If we add to that figure the 58 meetings held at Lake Success by the Drafting Committee and the 150 meetings held in London in the course of the First Session, we reach a total of 626 meetings, which shows the considerable effort made by the delegations here assembled in performing the task entrusted to them by the Economic and Social Council. The texts drawn up in London, and reviewed at Lake Success, were further discussed and substantially revised.

I sincerely think that each page of our work shows an improvement on the preceding one. The work which we are going to present to the forthcoming World Conference which, as you know, is to open on 21st November next at Havana, is, I hope, superior in coherence, logic and clarity to the text drawn up in London and New York. It is, on the other hand, highly significant that there are less reservations attached to the present draft than was the case with the previous texts. It should be added that most of these reservations are provisional, and that they may well be withdrawn at the World Conference. This fact alone shows to what extent we have taken into account the needs of various requirements and of the various types of economies which are represented here. It would not be possible for me now to describe in detail the result of our work. The texts which we have drafted are public, and everyone will be able to consult and analyse them. I would like, however, to make a few remarks on the purposes which we had in mind and the means by which we have endeavoured to achieve them.

Our purposes are stated in Chapter I of the draft Charter. I shall read them to you. They show the full scope of our endeavour and the magnitude of our task. Their general purpose is to realise the aims set forth in the Charter of the United Nations, particularly the attainment of the highest standards of living, full employment and conditions of economic and social progress and development envisaged in Article 55 A of that Charter.

To this end, the States parties to the Charter pledge themselves, individually and collectively, to promote national and international action designed to attain the following objectives:

1. To assure a large and steadily growing volume of real income and effective demand, to increase the production, consumption and exchange of goods, and thus to contribute to a balanced and expanding world economy.
2. To foster and assist industrial economic^{and general} development, particularly of those countries which are still in the early stages of industrial development, and to encourage the international flow of capital for productive investment.
3. To further the enjoyment by all countries, on equal terms, of access to the markets, products and productive facilities, which are needed for their economic prosperity and development.
4. To reduce tariffs and other barriers to trade and to eliminate discriminatory treatment in international commerce.
5. To enable countries, by increasing the opportunities for their trade and economic development on a mutually advantageous basis, to abstain from measures which would disrupt world commerce, reduce productive employment or retard economic progress.
6. To facilitate through the promotion of mutual understanding, consultation and co-operation the solution of problems relating

to international trade in the fields of employment, economic development, commercial policy, business practices and commodity policy.

To achieve these aims, a set of rules and undertakings are proposed which make up the subject matter of the Draft Charter which has just been approved.

In this series of Chapters and Articles one may discern four main trends which I shall analyse very briefly. First, it is necessary to give to international trade the security it requires by means of a body of rules which are recognised by everybody. In the present state of affairs these rules are embodied in various commercial treaties, but their provisions lack uniformity; they are not sufficiently general in character, and most of them are ill-suited to the new techniques of commercial policy. It was therefore necessary to re-consider, define, supplement and codify them.

May I take as an example the clauses relating to Most-favoured-Nation treatment, national treatment in internal taxation, the rules governing customs formalities, and regulations relating to prohibitions and restrictions. It has even been found necessary to enlarge considerably upon the scope of ordinary commercial treaties and to provide for entirely new rules as regards restrictive business practices, that is to say, all agreements concluded directly between private enterprises with the object of restraining competition, fixing quotas and dividing markets. These agreements affected trade as much as ordinary commercial conventions.

One cannot conceive a complete code of rules of commercial policy which would not cover these practices. It is, moreover,

the first time that there has been an agreement between Governments in this field, which hitherto has been left to the discretion of private interests. The usual solution would have been simply to lay down a code of strict rules, but this course soon proved to be impracticable. The profound differences existing in the economic structures and in the state of development of the economies of various countries represented in the Commission do not permit the adoption of uniform rules. A certain flexibility is required. Hence the necessity for escape clauses.

Furthermore, even if it had been possible to lay down a set of precise rules, it would not have been possible to avoid divergencies of opinion regarding the provisions and their application. Moreover, enforcement difficulties may arise and new situations may develop.

In the absence of an international charter, all these matters would have been left to the discretion of the various Governments and this freedom of action would have been fraught with danger. If, on the other hand, provision is made in individual cases for a procedure which allows for the settlement of possible differences or disputes, either amicably or by means of legal procedure, it becomes possible to prevent the machinery of international trade from being too seriously impaired.

As was stated by President Truman at Baylor University in February 1947, instead of retaining unlimited freedom which would enable them to commit acts of economic aggression, the future International Trade Organization will accept an economic code and will decide to act in conformity with its rules.

In this connection, the Draft Charter provides, inter alia, for the setting up of an International Trade Organization to ensure its application and to act as intermediary and conciliator in

all delicate matters.

In the field of customs regulations, the Draft Charter stipulates that the Member States will undertake concerted action to reduce customs tariffs, to eliminate tariff preferences progressively and to abolish quantitative restrictions, or at least strictly to control their use.

Simultaneously with the work of the Commission, and under its auspices, a number of bilateral negotiations have been undertaken in this connection which are to be converted into a multilateral agreement binding the States parties to the Charter. These negotiations have not yet been completed, but they will form an important adjunct to our work.

But that is not all. Neither the laying down of principles nor the institution of an organization for safeguarding conciliation and arbitration can suffice to maintain and develop trade. A law provides security, but it creates nothing of itself. One could even go further; the establishment of freedom in exchange itself would not be sufficient. It would also be necessary to undertake determined and co-operative action in the fields which condition trade, that is to say, production, consumption, employment, and general economic development - particularly in the case of under-developed countries.

In these various matters, the measures to be taken depend primarily on national sovereignty. Each country must have its own policy, but these various policies might clash were they not governed by concerted action. The rules for such action constitute an important part of the Charter.

In the same connection, one might mention the rules drawn up as regards inter-governmental commodity agreements. The necessity of regulating production, consumption, and the trade in those products has been recognized in certain cases. A procedure has been laid down for that regulation, so that it shall

conform with the general purposes of the Charter.

Having thus outlined the spirit and trend of the Charter of Trade and Employment, I will briefly state the degree of unanimity we have reached regarding the various Chapters. We have adopted without a single reservation ^{the} provisions regarding employment and economic activity in the new Chapter II. After thorough and conscientious discussions, we present in Chapter III provisions regarding economic development, most of which Members of our Commission have been able to accept, despite the very divergent stages of economic development reached by the countries they represent.

In a spirit of conciliation, we have spared no effort to embody in Chapter IV a series of provisions on commercial policy which can be considered as highly satisfactory, having regard to the fact that this question is closely connected with the present-day economic problems now confronting all the Governments represented on our Preparatory Commission. Questions of customs tariffs, quotas and balance of payments have a pressing and by no means academic interest for most Governments today.

Nothing can better demonstrate the spirit of co-operation which has prevailed in our Committee than the large measure of agreement reached on the Charter on commercial policy. With almost complete unanimity, we have adopted the more detailed provisions regarding Restrictive Business Practices and Inter-Governmental Commodity Agreements, dealt with in Chapters V and VI. Various countries are interested in one or other of the parts of the Charter, according to their economic structure or to their interests. One country attributes more value to the qualification of rules concerning international trade; others to the lowering of customs barriers; others to the policy advocated for the development of new industries; others to employment policy, but all must assume the same obligations.

On the other hand, each country approaches, and will approach, the Charter with its own economic structure and without being required to give up the fundamental principles of its economic organization. The Charter must respect the autonomy of all Members alike - those with liberal economies, those with state monopolies, or those whose external trade is itself a monopoly, and those whose external trade is directed for the purpose either of re-construction or of industrial development or of a system of stabilization of prices.

All the rules of the Charter must be acceptable to these various categories of countries and expressed in the terms of various existing economic systems.

The work we are doing now is a preliminary work to be submitted to all the countries concerned in international trade. Our work would have been in vain if, while thinking of ourselves, we had not also thought of the countries which are not at present

participating in our work, but which will also have to judge our work.

Discussion remains free, but it can be hoped that the World Conference will not need to make substantial alterations to the text submitted. There is, however, one point on which we have not wished to decide, namely, the creation and operation of the International Trade Organization. In connection with the relevant Chapters, the Preparatory Committee has recognised that on several points, rather than submitting a single draft for approval, it was more suitable to submit to the World Conference several alternatives or preliminary proposals. This solution has been adopted with regard to the Voting provisions contained in Article 72, the provisions on the Composition of the Executive Board, the Chapter on the Interpretation and Settlement of Disputes, and the provisions governing Relations with Non-Member States. On these four questions, the Preparatory Committee has abstained from formulating any final conclusions as it was convinced that these problems could only be dealt with by the World Conference, which is to be attended by a larger number of countries.

It is important for the success of that Conference that all the governments represented should examine these problems with particular attention before its opening. One might add that, as was pointed out by the sub-committee entrusted, in the course of the present session, with the preliminary examination of the question of Relations with Non-Member States, the Preparatory Committee has fully recognised - and the same principle will have to guide the World Conference - that the drafting of the Charter should be inspired by an essential objective, namely, to ensure the setting up of an effective Organization with the widest possible membership.

It is not for me to pronounce judgement on our work. I can only testify to the conscientiousness of our work. A French moralist said something like this:- Conscientious men undertake great work because it is great, and frivolous men because they think it is easy. Not for a single moment have we thought that our discussion was easy. We have worked in good faith, hard, and over a long period. We feel confident that our efforts will be given due credit.

Several Delegates have asked to speak. The first speaker on my list is the First Delegate of Australia.

I call upon the Australian Delegate.

Dr. H.C. GOOMBS (Australia): It has been our prime task to prepare for the consideration of the World Conference on Trade and Employment a draft Charter for an International Trade Organisation - a charter which will embody a code of behaviour to which member Governments can pledge themselves and a constitution for an Organisation which will be the nations' instrument of cooperation in commercial policy. I believe our work has been well done. It is true that certain essentially political issues have been held over for the World Conference in the form of alternative texts. These are matters which can be dealt with adequately only when all countries concerned are present. On the main technical economic issues with which the Charter deals a substantial body of agreement has been reached. This is no mean achievement. As the project for an International Trade Organisation and Charter became more and more concrete, it became necessary for us to envisage it in the real world of to-day and not in some hypothetical future. Thus our problems became more concrete and more realistic, and so more difficult. It says much for the determination and good-will of the delegations here and of the governments they represent that such progress has been made.

We have every reason to take pride in what we have done, but do not let us exaggerate our achievement. We have produced a draft Charter which we can honestly commend to the World Conference. With all its imperfections, it is an adequate basis for cooperation among the Nations in economic and commercial matters. It can be no more than a basis. We have constructed a skeleton. It remains for the governments of the world to put flesh on its bones and breath in its nostrils. The International Trade Organisation can only be the nations of the world working together and it can be greater and better than the sum of its members only if those members are willing that it should be so. For the International Trade Organisation to become a living organism, two conditions must be met.

Firstly, the economic climate of the world must in its early years at least be favourable to its growth. It must be such as to make economic cooperation between the nations possible.

The Australian delegation at the first and second sessions of this Committee has emphasised the fact that world economic conditions are still determined primarily by the domestic policies of individual countries. Only if the great economic powers maintain high levels of employment and incomes for their own people, and make fully effective their international purchasing power, can there be a world economic climate which permits cooperation. Unless these responsibilities are accepted, we shall fail.

Secondly, governments must will that the International Trade Organisation should work. This does not mean a super government. National sovereignty requires that decisions concerning national policy shall be retained in the hands of national governments. With that there is no quarrel. But an International Trade Organisation, if governments so will it, can acquire experience and understanding which will make them glad to seek its advice and guidance in the fields where its experience and understanding are relevant. Unless this will is there, the structure we have planned will remain a skeleton.

At the opening of this Session I said that the present time was auspicious for the work we seek to do. The world is not beset by the wastes and bitterness of unemployment. True, many countries face desperate problems, but the nature of the problems is clear, and, given time, the physical means for their solution are at hand. Furthermore, countries not so beset by problems clearly have the resources with which to

help. Above all, there is in the minds of the peoples of the world a willingness to solve their problems in ways which do not create problems for others, and a conviction that the hope for the future lies in common action. This willingness and this conviction grow out of our experiences of the past, but do not let us forget that in the economic field it is made possible by the fact of full employment. The problems of full employment are the problems of shortages; and shortages clearly call for common action. If this situation is replaced by one of widespread waste of resources and markets are once again glutted with unsaleable surpluses, the mood of cooperation will be gone.

There are times when the precariousness of this situation appals me. We cannot tell how much longer it will be possible to do the things we know it is necessary to do. The tide is still running with us, but we may even now have missed the flood. Let us be sure that we act before the tide turns.

CHAIRMAN (Interpretation): I thank Dr. Coombs for his speech, and I call upon the second speaker on my list, the head of the Belgo-Luxembourg Delegation.

Baron van der STRATEN-WAILLET (Belgium-Luxembourg)
(Interpretation): Mr. Chairman, Ladies and Gentlemen! The full participation of the Belgium-Luxembourg Economic Union in the work of the Preparatory Committee is a clear indication of the interest we take in the preparation of the Draft Charter, and also of our earnest intention to contribute our full share to the major attempt that has so far been made to achieve a return to the freedom of exchanges.

As you know, the Economic Union has already progressed towards this freedom of exchanges. We have adopted this policy

because we consider that the best incentive for renewed efforts on the part of a people having suffered from fatigue and discouragement under long enemy occupation is to offer an immediate and material reward for work. The good effects of this policy are manifest in the increase in production and the speeding up of the work of reconstruction.

We are therefore in a happy position with respect to many of the provisions of the Draft Charter, particularly those which affirm the right of every country to economic development; which organise united action to reduce excessive variations of the price of primary commodities; which protect investments and thus aid the development of young countries; which regulate restrictive business practices and tend to eliminate the abuse of economic power.

Sound caution and realism require that due account should be taken of the fact that normal economic conditions which are necessary for the full attainment of the long-term objectives of the Charter do not at present exist, and nations have been obliged to resort largely to restrictive practices. Wisdom indicates that these measures are temporary exceptions which, in the long run, would be contrary to the attainment of the objectives of the Charter. We have therefore acted wisely in stipulating in the Charter that these provisions should be revised in the light of experience, and the period before revision should, we think, be shortened considerably.

These remarks spring from our desire to look far ahead and to create something permanent. We are confident that our ambition will be accomplished.

The long months of work have indeed shown that each nation represented here shows the same determination to succeed in our task. I may add that a team spirit has developed among

us, born from mutual knowledge and respect, and that it constitutes the base on which we have founded the success of our initial efforts.

I want particularly to express my appreciation of each and every delegation, and especially of our partners, the Netherlands Delegation, with which we are working more closely every day, under the sign of "BENELUX",

May I also express our gratitude to the President, whose manner in discharging his delicate functions I greatly admire. I would like to conclude with thanks for the Vice-Presidents, M. Colban and Mr. Wilgress in particular.

As for M. Wyndham-White and Mr. Lecarte, and in fact the rest of the Secretariat, praise should not be stinted. They have carried out their work with zeal and self-sacrifice all through this long session.

CHAIRMAN: I thank the Head of the Belgium-Luxembourg Delegation for his statement, and I now call upon the third speaker - the First Delegate of Brazil. I would like to draw the attention of the Delegates and the public to the fact that the translation of the speech delivered by the First Delegate of Brazil will not be simultaneous, but will follow.

H.E. Antonio de Vilhena FERREIRA-BRAGA (Brazil):

We have all today a reason to feel satisfied. The Preparatory Committee of the Conference on Trade and Employment is completing a substantial part of the programme of its Second Session. It is already in a position to submit to the Economic and Social Council of the United Nations the Draft Charter for International Trade which will be the working document of the Plenary Session at Havana in November next. Some problems - fortunately not many of them - are still pending a final solution. We sincerely hope that the Plenary Conference will be able to find a solution to them.

A simple glance at the ground already covered since the first study initiated by the League of Nations immediately after the first World War, down to the preparation of the present draft, will show us, even in the light of a very exacting analysis, that the positive value of our efforts considerably overrides the negative aspects. This further persuades us that we are on the right road, and that thanks to an improvement in international business practices and to the setting up of a discipline which will have to govern these practices, humanity will be able to live happier days.

On the other hand, the draft we have just prepared is not due to improvisation. If in its origins it hails back to studies and observations which were started a long time ago, it is unquestionably the experience of Governments represented at

Geneva, their clear vision and their remarkable understanding of the necessities and aspirations of present Mankind, which have led us to achieve work for which we can duly hope the appreciable support of the other nations which will participate in the Havana Conference.

We see with pleasure that United Nations are directing their efforts with the aim of completing on the economic international level the work of peace and fraternity which they are already achieving on the political level: work to which Brazil has always wholeheartedly adhered.

The Brazilian Delegation considers that on the economic level the world is heading more and more towards the integration of its unity. It therefore believes that all efforts aiming at a progressive raising of the standard of life of peoples, the achievement of full employment as well as economic and social development, must be undertaken in very close co-operation by all nations, without which only very terrible consequences can be expected.

It was with this thought that we came to Geneva; that we went to London and that we are proposing to co-operate at Havana, having in view the attainment of the objective mentioned.

Without losing sight of the essential interest of our economic development, including our necessity to industrialise our country, we have always expressed quite sincerely our viewpoints at the Preparatory Committee.

On the other hand, in the spirit of co-operation which guides us, we have always accepted the obligations which occur in reaching a conciliatory solution, and have considered the average of the interests involved.

The mere fact that we have only made two reservations, in spite of the number of provisions in the Charter, and the magnitude of the problems which it raises, affords clear evidence of the conciliatory spirit in which we have always acted.

Whatever criticisms have been made against our Draft, which of course may still be improved, we sincerely believe that on the level of international economy, after implementation of the Charter, trade will develop in a more satisfactory way than before.

We also think it is advisable to express at this time our conviction that the success of the Charter and of the Organization which will have to put it into force, are now connected with the manner in which this implementation will be accomplished.

One should not forget it is better to have imperfect laws and good executives than good laws and bad executives.

I hope that the question of voting in the Assembly, and of the constitution of the Executive Board of the Organization, will be considered by the Plenary Conference by comparison with a criterion, a truly democratic criterion, capable of assuring to all Member States under equal conditions a full participation in the work of the Organization, and of representing the community in a spirit of impartiality and fairness.

In stressing these two problems among all others, particularly that of economic development, and in attaching great importance to it, I simply stress once more our trust in the results which will be achieved by the International Conference on Trade and Employment.

At the same time, I wish to assure the co-operation of my Government, when the occasion will arise for it to implement the action provided for in the Charter; and I do feel full of trust that we will finally achieve an improvement of international trade and that in the very near future it will work itself free of its present hindrances.

We still have to continue tariff negotiations. The Brazilian Delegation wants to express its good wishes and hopes that it will achieve final results within the provided time limit. After five months of work we must be able to submit to other nations at the time of the Plenary Conference the General Agreement on Customs, Tariffs and Trade as a remarkable example of our spirit of conciliation and as a witness of the sincerity with which we have conducted our work.

CHAIRMAN: I now call on the next speaker, the Hon. Mr. L.D. Wilgress, First Delegate of Canada.

Mr. WILGRESS (Canada): Mr. Chairman, Ladies and Gentlemen: We have now reached another milestone on the long road leading to the establishment of an International Trade Organization. This Organization is designed to bring order into what otherwise would be chaotic and confused conditions affecting the international exchange of goods. We embarked on this road as long ago as December, 1945, when the Government of the United States of America made public and transmitted to other Governments

for their consideration a document entitled "Proposals for Expansion of World Trade and Employment". The principles underlying these proposals were given official recognition by the United Nations when, in February, 1946, the Economic and Social Council, at its First Session, adopted a resolution for an International Conference on Trade and Employment to consider the creation of an International Trade Organization. On that occasion the Council established the Preparatory Committee whose function it has been to work out the text of a Draft Charter and to make arrangements for the holding of the world Conference.

The First Session of the Preparatory Committee commenced in London on October 15th of last year and since that time, with only short intervals, the seventeen countries who have been active in the work of the Preparatory Committee have been in almost constant consultation. After the First Session concluded its work on November 26th, the Drafting Committee met at Lake Success, New York, from January 20th to February 25th. A few weeks thereafter, on April 10th, the Second Session of the Preparatory Committee was convened in Geneva, and now, at this plenary meeting, we have approved the final draft of the Charter which is to be submitted for the consideration of the many countries and separate customs territories meeting together in the World Trade Conference at Havana, Cuba, on November 21st.

Accordingly, we have concluded this part of our task. There still remains to be completed the multilateral tariff negotiations which the Preparatory Committee at its First Session decided to sponsor as part of the preparation for the establishment of an International Trade Organization. We have every reason to believe that the same spirit of co-operation which has enabled us to surmount the difficulties inherent in the preparation of a Draft Charter will also enable us to overcome the difficulties connected

with the multilateral tariff negotiations, and that before the delegations here represented finally depart from Geneva there will be approved the text of a General Agreement on Tariffs and Trade, embodying schedules of tariff concessions which the parties to the Agreement will grant to one another.

The very fact that it has taken so many months to prepare an acceptable Draft Charter is a clear indication of the complexities and difficulties of the task with which we have been confronted. I have no hesitation, therefore, in stating that we can be satisfied with what we have achieved. The Draft Charter which we are forwarding for the consideration of the World Conference is not in every respect the document which any one of the countries here represented would have liked to have seen emerge from our deliberations, but I believe that it is one which the delegations feel they can recommend to their governments. It will be left to the World Conference to discuss this Draft Charter and endeavour to secure the agreement of the other countries to the setting up of an International Trade Organization on the basis of such a Charter.

The fact that the Draft Charter does not entirely meet the wishes of any one delegation signifies that it represents a compromise between the conflicting views and diverse interests of the countries which have been members of the Preparatory Committee. This is inevitable when one takes into account the various stages of economic development of these countries, their different economic structures, and the divergent philosophies underlying the economic policies pursued by their governments. That it has been possible to achieve such a large measure of agreement in the face of such divergencies is an encouragement to those who feel that the future peace and prosperity of the world are dependent upon international co-operation.

The attitude of the Canadian delegation towards the work on which we have been engaged was summed up in the speech which I delivered on April 11th at our opening plenary meeting, during the course of which I said:

"Never before have the problems of international economic cooperation been approached in such a comprehensive manner. The attempt to find solutions on a piece-meal basis has been one of the reasons for failure in the past. The achievement of an expanding volume of trade and rising standards of life throughout the world call for effective international cooperation in respect of each of the important phases of economic policy concerning employment, economic development, commodity arrangements, restrictive business practices, state trading, customs administrations, as well as the level of the more direct barriers to trade. One of our principal tasks will be to maintain the consistent purpose throughout this wide and complex field of international collaboration. While we should, as far as possible, seek to accommodate the differing situations and the legitimate aspirations and needs of the various nations of the world, we must not, on the other hand, resort to expedients and indulge in incompatibilities which would destroy our general objective."

I then went on to say that no country in the world has a more vital interest in the success of our deliberations than Canada. We have been blessed by nature with an abundance of natural resources which the industry and skill of our people have developed to create surpluses of which the whole world stands in need. It is only through the cooperation of other countries that we can assure our people of a better way of life by exchanging our surplus products for those surplus to other lands. In this way we can make our contribution to a better way of life for the peoples of these lands.

We who have participated in this Conference have been impressed with the spirit of accommodation which certain delegations have shown to meet the wishes and particular interests of other countries. This is indicated by the extent to which the Draft Charter which we have approved to-day differs from the original Draft Charter which the Government of the United States presented to the First Session as a basis for discussion. The Canadian delegation was in general prepared to accept the compromise that emerged from the First Session even though there were more qualifications and provisions for escape from the basic rules of international commerce than we would have liked to have seen incorporated in an International Trade Organisation Charter. Here at Geneva efforts have been made to broaden these escape clauses. If these efforts had been successful there would be little left of the basic rules under which an International Trade Organisation can operate effectively. Fortunately, this danger has been realised by the majority of the delegations. The result has been the submission to this Plenary Session of a Draft Charter that should form a generally acceptable basis for the eventual establishment of an effective organisation.

We consider unfortunate the distinction which has so often been made between developed and under-developed countries. We do not know to which of these two categories Canada belongs since no Canadian will admit that the development of Canada has reached completion. It is true that the different countries represent various stages of development and that nothing should be done which would prevent the further development of any country. It is necessary, however, to realise that in this process of development each country requires the cooperation of other countries. This cooperation can only be attained in full measure if we can agree upon a set of rules which will prevent any one country from acting in a manner that prejudices unduly the interests of other countries. That is what we have been

endeavouring to attain here. Our discussions have demonstrated that no one country, even in its own interests, should pursue a particular policy without regard to the interests of other countries. Any further attempt to upset the balance which has been obtained between the interests of all countries would jeopardise the foundation of the structure we have been engaged in erecting. Each country should realise that there are practices which they have been adopting which must be modified in the general interest of cooperation among countries.

Taking the Draft Charter as it was presented to us to-day, we see that the document represents in many respects an advance over the Draft Charter which resulted from the work of the First Session and the Drafting Committee. Nearly all the chapters have been improved both in respect of form and substance. There has been a better adaptation of the rules to the realities of to-day. Thus it has become clear that what we are endeavouring to establish is a long-term set of criteria and rules for the conduct of international trade which will be fully effective only when the world recovers from the essentially short-run effects of the war. After an upheaval of that magnitude it would be too much to expect that the world should escape the many maladjustments which major wars always entail. These maladjustments in part are derived from the great dependence and responsibility which has to be placed for some years upon the productive capacity of those countries whose production was not impaired by the war. Until the other countries restore their productive capacities to normal it cannot be possible for us to have equilibrium in the exchange of goods which will permit us to apply fully those rules that are in the long run essential to the cooperation of countries for the common good.

It is this greater realisation of the realities of the present situation that has enabled us to improve the balance of payments

clauses in the Draft Charter. In the view of the Canadian delegation there has also been an improvement, both in form and substance, of those parts of the Charter which relate to State trading, subsidies, restrictive business practices, inter-governmental commodity agreements, and the organisation of the International Trade Organisation. While we appreciate the reasons which have led to changes in other parts of the Charter, we fear that too often there has been a tendency to place on the future Organisation the settlement of difficulties which should have been resolved in the Charter itself. The future International Trade Organisation is one which offers much hope for the world. We would not like to see it have to shoulder tasks which might bring it into discredit if these tasks were beyond the capacity of any organisation to perform.

The attitude of the Canadian Government towards the new draft of the Charter is not likely to be different substantially from the attitude adopted towards the draft that emerged from the First Session of the Preparatory Committee and the Drafting Committee. In introducing the Budget for the present fiscal year in the Canadian House of Commons on April 29th, our Minister of Finance had this to say about the Draft Charter:

"There are in the proposed trade charter a good many qualifications and escape clauses applying particularly to the vitally important parts of the agreement that relate to quantitative restrictions on trade. Good arguments can be made, and are made, for each of these. But we must guard against the danger that if too many of them are included in the Charter, the sum and substance of them all, taken together, may undermine many of the positive benefits which the Charter is intended to give to each of the agreeing countries."

I cannot conclude my remarks, Mr. Chairman, without making some reference to how much we all owe to you for the manner in which you have presided over our work and have continued to give us the benefit of your long experience and your unfailing tact. I cannot omit also a reference to the high standard of efficiency attained by all branches of the Secretariat under the able leadership of Mr. Wyndham White.

Finally, I feel that we have been very fortunate in having the privilege of conducting our deliberations at Geneva. The example which Switzerland has given us of co-operation between diverse racial groups and the combination of a high standard of living with liberty for the individual has been an inspiration to many of us in the task on which we have been engaged. I am sure we are all very grateful for the hospitality we have enjoyed from the authorities, both of the Canton and Republic of Geneva and of the Swiss Confederation.

CHAIRMAN (Interpretation): I thank the First Delegate of Canada for his statement. I will now call upon the First Delegate of China.

H.E. Mr. WUNSZ KING (China): Mr. Chairman, Ladies and Gentlemen, I wish first of all to add my name to the list of admirers of our Chairman, whose high qualities of leadership have made this Conference a success. I wish also to add a word of warm tribute to the Executive Secretary and the members of the Secretariat, and all my colleagues, for their co-operation in the work of this Conference.

It is indeed a source of satisfaction that after almost five months of unceasing work the Charter of the future International Trade Organization has gone through its second reading. One more milestone is therefore registered on the long road to the final goal of a balanced and expanding world economy. I feel

sure that all of us gathered here today have reason to be proud of our contribution and achievement at this second stage. With all its drawbacks and imperfections, the Draft Charter is an admirable document with which to start our work at the World Conference.

The full, frank and penetrating discussions which took place during these long months of sweat and toil by the lakeside of Geneva have helped to put in proper perspective some of the intricacies involved and some of the difficulties inherent in the problems with which the Members of the Preparatory Committee were confronted. The participating countries have brought to Geneva, as they had brought to London, at least two different conceptions on the basis of which they approached the problems in different ways. One of the conceptions is that the only road to world prosperity is through the universal application of the policy of free markets, according to which the Charter should contain as many such provisions as possible as will ensure access of traders on equal terms to markets, products and productive facilities. The other conception seeks to emphasize the attainment of full productive employment and the fostering of economic and social development as the prerequisite for the expansion of international trade. These differences in conceptions have inevitably resulted in differences in the ways of approach and emphasis. While an honest attempt has been made to harmonise the divergencies of views which emerged from time to time in the course of the deliberations, the fact remains that the first conception seems to pervade and dominate the Charter as it stands in its present form.

Again, the main idea underlying the endeavour to draft a Charter such as the one now before us is doubtless to prepare a blue-print for a new pattern of thoroughfare for international traffic which should be broad enough to accommodate different

modes of transport, free of all types of obstructions and barriers. This is, of course, an excellent idea, but at the same time it appears rather difficult to understand how the maintenance of some of the existing trade barriers is to be tolerated on realistic grounds, whereas in the same breath all future restrictive measures of similar character are to be discouraged or prohibited altogether, even for the legitimate purposes of economic development.

So far as my country is concerned, Mr. Chairman, I feel I should tell you that China is at present facing great economic and financial difficulties, which are mainly due to long years of war and enemy occupation. The post-war years have witnessed an ever-widening gap in her balance of payments, and the difficulties arising therefrom have been accentuated by a large deficit in the balance of trade. At a time when we badly need a wide range of essential imports which would provide us with some of the minimum requirements we had to forgo during the war years, and which would help us in our immediate tasks of reconstruction, let alone the development plans, we have had to tighten our belt still further so as to reduce the gap between imports and exports. Even at the present low level of imports, we might have to carry through the current year with an unfavourable trade balance to the extent of something like fifty per cent of the last year's deficit, unless our export position materially improves in the coming months. Moreover, the task of rehabilitation to make good our war damage is far from complete, and the plans for urgent **relief** and immediate reconstruction, not to mention those for long-term industrialization purposes, have yet to be implemented.

I wish to assure you once more, Mr. Chairman, Ladies and

Gentlemen, that my country wholeheartedly welcomes the initiative and efforts to create a world trade organization whose aim is to attain not only the negative objective of removing obstacles to the free movement of goods and the mutual exchange of services, but also the positive objective of promoting higher standards of living, full employment and general economic development. And it is precisely with this object in view that we would like to have the opportunity of examining more carefully those stipulations in the Draft Charter which, quite contrary to the intentions of the original authors, might have the unfortunate effect of increasing instead of mitigating our present difficulties, or hindering our future economic and social progress, or perpetuating the stage of economic under-development in which we find ourselves today.

In making the foregoing remarks, I do not intend to criticise any one of the delegations which took part in the discussions of the Draft Charter in Geneva and in London. I am simply telling you some of the plain truths. I believe the time has come for some plain speaking on our impressions about the Charter now that we have concluded the second stage of our work. I hope that the remarks I am making and those which my colleagues have made and will make will be helpful to those who will attend the World Conference in Havana.

The discussions we had in London and in Geneva were more or less on a technical level, but when we bring our Magna Carta to Havana, our discussions will be held and our decisions will be taken on a higher level. There in Havana, I am confident that we shall have the benefit of some leadership which will be actuated by altruistic motives, with full realisation of the importance of economic progress and stability as one of the main factors for the maintenance of international peace and security, and guided by the principle of fair dealing on which President Truman laid stress in his speech at Baylor University in February, 1947, the speech to which our Chairman referred. I therefore wish God-speed to our Draft Charter.

Thank you.

(Interpretation):

CHAIRMAN: I thank the First Delegate of China for his statement, and I now call upon the First Delegate for Cuba.

MR. S.I. CLARK (Cuba): Mr. Chairman, Fellow Members of the Preparatory Committee, Ladies and Gentlemen:

It is a great pleasure for me to express, on behalf of the Cuban Delegation, its satisfaction with the successful conclusion of

the strenuous and complicated work, in which we have all shared alike during the four months and a half dedicated to the revision of the Draft Charter for the International Organization of Commerce.

Some members of our Delegation thought, more than once, that it would be impossible to reconcile the naturally divergent points of view of eighteen nations. For if it is true that they represent the bulk of world economy, it is also true that they brought face-to-face the problems and interests of agricultural, industrial and commercial countries; highly-industrialized and under-developed states; the strongest and weakest countries from the financial point of view; as well as the producers and consumers. In spite of all this, we have defended with vigor our technical points of view. We have fought gallantly for the legitimate interests of our countries, and, to the credit of the delegations here represented, we have been able to reach agreement on almost all fundamental issues. Except for a very few points, on which we have reserved decision until we are in a position to benefit by the wisdom and co-operation of the other nations of the world, we think that we are presenting to the international public opinion a document of high and technical value.

The Charter has the advantage of presenting to the statesmen and technicians, as well as to the middle man, the man of production and the labourer, the purposes, objectives and undertakings of the International Trade Organization. It correlates the importance of demand, production and employment in the expansion of trade and betterment of economic conditions of life. It has emphasised the permanent value of the economic development of the nations and the influence of capital investments in the achievement of the common objectives.

The commercial policy set down, is the most daring effort to reduce the high tariff barriers, to eliminate the preferential rates, the tax discrimination, the quantitative restrictions and other restrictive business practices ever jointly undertaken by so many nations. To try to co-ordinate systems elaborated through centuries of selfishness and mistrust is, by itself, a great work. In the attainment of these lofty objectives, much has been accomplished, but more will have to be done.

The Cuban Delegation has had to reserve the position of its Government in relation to certain principles of internal taxation, elimination of preferentials and protective measures with respect to national production. It is our hope that when we meet again at Havana, in view of the many accomplishments here and with the added vigor of the nations invited to the World Conference, it will be possible to understand our viewpoint on these vital questions. We assure those with whom we have worked here, as well as those who will meet with us later for the first time in this enterprise, that we shall have an open mind to their arguments.

We realize that our work has not been perfect. It is the result of compromise in many cases. It is the consequence, in others, of the violent agitation of a world whose economy is at boiling point, shaken not only by the inheritance of the world war, but the fears of the postwar too. Yet, it has been a noble effort. The Geneva Draft is only a "working paper", but it is intended to implement the manner of attaining higher standards of living, full employment and conditions of economic and social progress and development, facilitating, through the promotion of mutual understanding, consultation and co-operation, the solution of the problems of international trade.

On rendering our modest contribution to this gigantic effort, we have had in mind always the needs and interests of our people, and also those of the other smaller nations and under-developed countries not represented here. If we have not done more, it is simply because we could not.

We have finished the Charter discussions. We will continue now the work of the tariff negotiations, directed to the signature of a General Agreement on Tariffs and Trade, in order to show that the International Trade Organization is an instrument capable of producing realistic results. We hope, we earnestly desire, that at the end of the tariff negotiations, we will be able to express ourselves as we do now. With the good-will and mutual understanding of all, pessimism must disappear.

Gentlemen, we have worked, and are continuing to work hard, but at this time I should like to take the opportunity to remind you that if there has been any success in relation to the vast preparations of the Charter of the International Trade Organization, it has not only been by virtue of the efforts of the Delegates, but due to the magnificent and untiring support of the Chairman, the Secretariat and all the other men and women in this beehive of the Palais des Nations. To them, our deep and heartfelt gratitude.

I thank you.

CHAIRMAN (Interpretation): I thank the First Delegate of Cuba and I now call upon M. André Philip, First Delegate of France. M. Philip's speech will be translated after it has been delivered.

M. André PHILIP (France) (Interpretation): Mr Chairman, Fellow Delegates: After four months of very arduous work we have reached today a first result in our task. I think we can be proud and congratulate each other for having reached this stage since it was reached only after many difficulties and obstacles in our way had been overcome.

The text we have now prepared for the Havana Conference is extremely important and it also constitutes a compromise between various interests, various conceptions and various doctrines. But it is a very constructive compromise. We can bring to Havana something which is really new and something which is workable in practice. And it was not so easy to achieve agreement between us, because in our Conference Sessions each of the nations represented here feels on the one hand the necessity for constructive cooperation, but each nation at the same time finds itself confronted with so painful and so difficult a problem that it has a tendency, under the pressure of public opinion, to envisage the solution to this problem in a national rather than an international framework at the outset.

But there is also the realisation, more and more widespread among the nations, that we are all in the same boat, and that the problem with which we are confronted must be solved by international solution. We must solve this problem all together, or else we shall all reach chaos and disaster.

In this four months we have realised this task through goodwill and determination of us all and through the very good work put in by our Secretariat. I wish also to pay tribute to the qualities of our Chairman, whose compulsory action never lacked in time of need and in difficult situations.

Now we have succeeded in presenting to the Havana Conference a text which is precise in its aims and at the same time realistic and constructive in that it shows the means to achieve these aims.

I said that this Charter was precise in its aim, and the first aim, of course, was the development of international trade and the exchange of goods. This first aim was the starting point of our work: our work arose from the necessity of removing barriers and the excessive protection which was one of the causes of our miseries after the last War and which even endangered the world peace. But we can say that the development of international trade and exchange is not an aim in itself: it is not sufficient to have the aim - we must also provide the means of achieving the aim, and that is even more important. The supreme aim we pursue is the raising of the standard of our people, the achieving of full employment of all productive resources, the development of production, and the increase of the income of all the peoples.

Thus we established at the start the indispensable connection between the economic and social fields. As we all know, the economic measures which might be taken are only important when they create the framework for the development of all human beings everywhere, and to achieve its aim our Charter is indeed a realistic document, as it has taken into account difficulties which exist at present and which may arise in future, and it has provided the means of overcoming the difficulties.

Some of our colleagues may even think that perhaps we have taken the difficulties too much into account, but I for one believe that the draft Charter, in this respect, constitutes a marked improvement on the efforts which were made between the two Wars. Efforts were made to develop trade, and high ideals were propounded; but whilst these ideals were very high, the obstacles were not, perhaps, sufficiently foreseen, and the result was, as we all know, that when the crisis of 1929 - 1931

arose, all the drafts - all the nice papers which had been prepared - collapsed, because the world was suddenly faced with a serious unforeseen situation which led each nation to try desperately individual solutions hastily applied, which finally aggravated the lot of us all.

Our text is therefore an improvement, insofar as it realizes the difficulties, present and future. It is thus a structure which is realistic and which takes all possible obstacles into consideration. We foresaw the day when the present crisis of insufficiency and lack might develop, and when a new crisis might come, as we have known in the past, and we have posed as a principle the principle of collective responsibilities of all nations, whether they might be in a deflationary situation or the reverse, and also posed the principle that any decision that might be taken in time of crisis must be taken in conference. We took into account the difficulties and the needs - the special needs - of newly developed countries. We took into account the special case of countries which were ruined by the War and which are faced by the problem of reconstruction and rehabilitation. This is done by Articles 21 to 23 of the Charter. We have allowed such countries to apply quantitative restrictions and temporary measures in order to face their special difficulties, and in that respect I would be very glad if I could share the opinion expressed by my Belgian colleague when he wished that it would be possible to reduce the delays which the Charter has given in that respect.

I would be very glad to share his opinion, because that would mean that the reconstruction and rehabilitation of those countries is going on more speedily than we think at present. But thinking of the past I would not like to be too optimistic, and recent experience has shown also that a too hasty return to freedom and a removal of controls may make nations run the risk of going against the general interest.

The text we have prepared provided rightly for steps to be taken for reconstruction which would be gradual, in order to realise the aims which we have defined as explicitly as possible, but taking into account the possible difficulties, and that of finding the means to overcome them.

There is one essential means to overcome difficulties, and that is to create a really international and efficient and responsible Organization; and in this connection we have provided for the consultation of the Organization, for its authorization in some cases, and for its intervention whenever there are new developments in industrial organization, agreements on basic commodities and so on. We have thus provided a possibility for recognising to some extent a part, at least, of the national sovereignties in favour of the international organization we are proposing to create.

I believe that the development can be pursued and that the obstacles can be removed only if we create a real international institution enabling us all to transfer some of the powers we have respectively economically to such an international organization; and I agree with what my Australian colleague said when he said we had created a skeleton. We have really created only, for the time being, a framework; now we have to instil life into that skeleton. We have to ask our various governments to show the will to realise this task, by giving the necessary authority to the Organization which will arise from the Havana Conference, and by going speedily towards the ideal we have propounded by the realistic means we want. We also want to have, as soon as possible, this General Tariff Agreement for lowering barriers and developing exchanges in goods and investments. I think that by our common efforts and goodwill we shall make from that Charter a living reality.

CHAIRMAN: I thank M. André Philip for his statement, and now call upon the First Delegate for New Zealand.

Mr. J.P.D. JOHNSEN (New Zealand): At the conclusion of the second session of the Preparatory Committee the New Zealand Delegation desires to put on record its appreciation of the friendly and tolerant tone of the discussions and of the effort which has been made to write the Charter in a form acceptable to all types of economies. We believe that, as a result of this effort, the Charter in its present form is a better and more realistic document than it was before.

It is, however, a more complicated document than it was before, and in the last week or two revised texts of particular Articles have come forward so rapidly that it has been difficult for the smaller delegations, and more difficult still for their Governments, to give these Chapters the full consideration and analysis they deserve. Moreover, since all parts of the Charter are inter-related, many of the recent revisions require a re-examination of other Articles. In our own case, these difficulties have been increased by the fact that Wellington is a long way from Geneva. That is why it has not been possible for us to indicate definitely our attitude to some provisions of the Charter. The Preparatory Committee can, however, be assured that in the period between now and the World Conference the present text of the Charter will be thoroughly studied in New Zealand with due regard to the urgent need that our work here should be brought speedily to a successful conclusion.

In the latter stages of this Session of the Preparatory Committee our work has been made more important by critical economic developments in the world as a whole. It has been made more important because manifestly the Governments who have taken the lead in the attempt to reconstruct the world trading

system are running a race against chaos. Everything that has happened in these last three months has emphasised the need for an Organization such as the I^TO, through which problems of trade and employment can be dealt with and solutions found which will promote the welfare of all countries.

But recent economic events, besides making our work more important, have made it more difficult. We have at this Conference written a set of rules for world trade. Whether these rules are entirely appropriate to the confused and difficult economic situation in which so many nations now find themselves is not certain. To say this is not to accuse the Preparatory Committee of lack of realism. Particularly in the last few weeks there have been drastic revisions designed to make the Charter a more workable document in the light of current economic realities. Whether these revisions have been adequate we do not know, since none of us can know what will happen in the next few years - or indeed months. It is, therefore, necessary to recognise that, while the objectives and the broad principles of the Charter must be adhered to, some of the detailed rules will need to be administered with caution and understanding in the early years of the Organization in dealing with particular situations.

The New Zealand delegation desires in conclusion to express the hope that the protracted and difficult work of the Preparatory Committee will bear fruit at the World Conference, and that the Charter in its final form will be acceptable to all countries as a basis for co-operation in the task of raising standards of living through the development of economic resources, the maintenance of full employment, and the expansion of world trade.

CHAIRMAN: (Interpretation): I thank the delegate of New Zealand for his speech and will now call on the head of the South African delegation.

Dr. J.E. HOLLOWAY: The great battle of Geneva is over. The New York draft of the Charter has emerged from the rough handling to which it has been subjected, greatly increased in volume, somewhat materially reduced in substance. Some articles have achieved an obesity, alarming in so young an infant.

It was inevitable that after lengthy commercial and military warfare much room had to be found for compromise. It was more important to establish modest rules for international commercial good conduct than to reject what was within reach because one could not get more. Throughout the conference the South African delegation advanced the view that no irreparable damage to the main objective would result from making concessions to the difficulties in which particular countries find themselves, as long as there was no derogation from essential fundamental principles. Time is a great healer and the patient has been seriously weakened by the strain to which it has been subjected. Protective foods are for the time being more important than the robust regimen of an athlete, sound in mind and limb.

But it is an essential condition that the whittling down of fundamental principles should not proceed to lengths that threaten a reversion to the inter-war jungle phase of international economic relations. The draft Charter is uncomfortably close to that danger point. Any material weakening by the World Conference of the present precarious balance, any further exceptions and escape clauses, may make all the difference between modest success and complete failure.

These remarks refer to the balance of forces inside the proposed organisation. There is, however, another aspect of balance which is

of cardinal importance for its success. That is the balance or unbalance inside the economic world which this Charter is intended to serve.

In my remarks at the opening of this Conference I referred to three stages in the drafting of economic peace treaties - the Bretton Woods Agreement, the American loan to Britain and the World Charter on Trade and Employment. It is clear now that I was too optimistic in assuming that the task could be completed in three stages. There is a fourth, more fundamental than any of these because it governs them all. It is the creation of a sufficient measure of basic equilibrium in the mass as a whole to enable it to serve as a platform on which these instruments can be operated. It is now painfully clear that that basic equilibrium does not exist in the economic world of to-day.

There is a wide gap to be bridged between the economies which were stimulated and strengthened by the war and those which were run down in the course of victory. Before that gap is bridged the Charter can work but imperfectly and haltingly. That gap was caused by the far-reaching changes in the economies of various countries made for good and sound military reasons in order to win the war. These changes required the stimulation of the production of some countries, the capital disinvestment of the industries of others. The destruction of capital equipment by aerial bombing and military operations created a need for industrial development beyond the range of the destructive engines of war. In the countries near the actual area of the clash of great armies, the construction of airfields, military hutchments and other military works became more important than the construction of factories. In the countries where armies clashed the destruction of factories was frequently more important than their preservation. I need not elaborate. Everyone is only too painfully aware of the facts.

The broad result is that there exists a vast disequilibrium which must be corrected before normal competition in commerce between nations becomes possible, - the competition which is postulated by the draft Charter.

Bretton Woods, the Loan Agreement and the Draft Charter have a set of principles in common. Many names are given to their different phases: multi-lateralism, non-discrimination, free convertibility, stable currencies, most-favoured-nation treatment, non-restrictionism. In substance they form part of one whole, the freeing of those economic factors which operate for the welfare of mankind. In the long run negation of these principles means economic war. They are an essential element in the attempted reconstruction of world economic relations in the long run.

But how soon, and in what measure, can these principles be introduced? The three instruments referred to all rest on a basic assumption - the assumption that there exists in the world a sufficient measure of basic equilibrium to enable them to work. They are all calculated to correct deviations from the mean. They are not calculated to bridge the wide gap to which I have referred.

This basic unbalance cannot be cured by the instruments we have been trying to fashion. It must be cured before these instruments can work properly. It would be wisdom to recognise the fact that unless in the early stages of the proposed organisation the Articles of the Charter dealing with exceptions - particularly the exceptions relating to restrictions to safeguard the balance of payments, - unless these articles are to become the most important articles of the Charter the basic unbalance between the economies stimulated by the war and those damaged or shattered by war must be removed by special measures.

I would say, in conclusion, Mr. Chairman, that the Draft Charter, and the conduct of the tariff negotiations envisaged therein, contain a large element of faith - faith that Members will not only take advantage of the large scope given to their exports by other Members but will likewise make room for the exports of other Members in their own economies. If this faith is not amply justified, we shall indeed have laboured in vain.

As to you, Mr. Chairman, I would like to pay the tribute which is due to you.

CHAIRMAN (Interpretation): As I have no speakers remaining on my list, I will adjourn the Meeting.

The next Meeting will take place tomorrow morning at 9.30.

I would like to remind Heads of Delegations that the Meeting fixed for six o'clock today will take place at 5.30, for the examination of outstanding tariff questions.

The Meeting is adjourned.

The Meeting rose at 5.5 p.m.