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SPEECH TO BE DELIVERED BY MR. ARIOSTO D. GONZALEZ AT  
THE FINAL PLENARY SESSION, ON BEHALF OF  
THE URUGUAYAN DELEGATION TO THE CONFERENCE ON TRADE  
AND EMPLOYMENT AT HAVANA

As Dr. Cesar Charlone, head of the delegation of Uruguay, has had to leave Havana, the privilege on recapitulating the ideals and objectives of which he spoke at the beginning of our arduous but hopeful task has fallen to me. It is my privilege at this Plenary Meeting, at the close of more than four months of unceasing work, to express briefly, in a way compatible with the character of this meeting, our impression of some of the fundamental aspects of the text we have drafted.

In periods when economic and commercial life are seriously disorganized or in periods of transition, a great number of complex factors lead us to abandon the principles, systems and practices hitherto in force, and there emerge as correctives and solutions, ideas, plans and methods designed to save the institutions in danger and to re-establish the normal working of international trade. One such programme is that which, after the lengthy and exhaustive process of examination and drafting by statesmen and technical experts of acknowledged preeminence, will be submitted for the consideration of governments and parliaments under the name of "The Charter of Havana". There is no gain saying that the establishment of rules, limits and conditions, the creation of channels for the unceasing flow of commercial production and trade, the circulation of which has so often been barred by apparently insurmountable obstacles of the most varied, unclassifiable and unforeseeable character, is a vast and ambitious programme. It is a programme so difficult and of such doubtful practical application that it might seem to sceptics like the work of the dreamers in Aristophanes' immortal play "The Clouds."

So every great reform has appeared, in the uncertain light of the dawn.

Uruguay followed with a lively interest and with understandable anxiety, the work at London, New York and Geneva, and in Havana we have co-operated in a wholeheartedly constructive spirit to ensure that the text which would emerge from the frank and full discussions in this Conference would correspond, in its actual wording and in the spirit behind the wording, in what it says and in what it does not say, in what is permitted and what is forbidden, to the requirements and the conditions of the heterogeneous and varied reality which it is designed to control and direct.

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It should be said clearly and frankly that with the inevitable limitations of a work which is the result of numerous compromises between different points of view, tendencies and requirements, the Charter of Havana is a substantial improvement on the Geneva Draft. The Geneva Draft has been replaced by a wider and more flexible text, more readily adaptable to regional requirements and to the individual economic characteristics of the various countries of the Organization. The hermetic, rigid, standardized formulas which distorted reality to make it fit their over-narrow and sophisticated requirements, have given place to wider formulas of a fuller and less precise kind, which regard local peculiarities and characteristics as perfectly legitimate and justifiable. A too fragmentary and partial way of looking at problems, has been replaced by a wider vision with an understanding of the difficulties which are the determining cause of measures which cannot be revoked without serious disturbance. The diversity of economic, political and social phenomena has been matched by a more flexible standard, more easily adjustable to each individual and specific situation. Since the world is not a mathematical entity, how could it be confined within a geometrical formula?

The Charter of Havana marks a step forward from previous drafts, along the road which must be travelled if we are to achieve the perfection we desire. It may, however, be rightly criticized for a certain excessive predilection for detailed regulation which attempts to be all-embracing and to confine the most varied subjects within strict rules and specific provisions. With its numerous precepts levelled like loaded rifles, its infinite number of rules, exceptions and safeguards, it gives the impression of a vast but too abstruse effort lacking the sober precision which, in a short, flexible, lucid text, would cover present day reality and the reality which for ever emerges for the uncertainty of the future.

Throughout the Charter appears as its dominant characteristic and distinguishing mark, the slender hope of establishing a formula for multilateral free trade at a time when multilateral payments are impossible. The text itself recognizes that we are living in a time when, at least until 1 March 1952, exchange controls, quantitative restrictions and discriminatory practices will have to be maintained in force as inevitable solutions. We are, therefore, approving a solution for a problematical future when the uncertainty, the crises and the difficulties of these dramatic years full of urgent necessity, have been replaced by more favourable times and when normality and order are possible again. Of the five years for which the present provisions of the Charter are to remain in force, there will be four at least, admitted to be exceptional by the Charter itself and included under the special provisions drafted to legalize the unavoidable contradiction

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between the letter of the Charter and real life, which will remain, through the ineluctable logic of harsh circumstance, outside the scope of inapplicable ordinances.

Multilateral trade and multilateral payments, the free play of trade and the elimination of barriers and selective and discriminatory measures, are ideals the practical realization of which seems to us for the moment only a distant hope to be confirmed or denied by the unforeseeable future.

If these hopes become fact, then, as now, those countries which have not achieved full economic development but which are striving hard to do so, with the justifiable and resolute effort appropriate to the fulfilment of a high social purpose, must guard against upsetting their plans for development. By utilizing their own resources, by developing their natural riches and raw materials, by introducing more efficient and advanced technology, tools and means of production, they must stimulate the development of their agricultural and manufacturing industries in order to free themselves from economic uncertainty and ensure full employment, raise their standards of living and make social justice a reality. In making this a reality, there is a primary duty to which all the economic and commercial plans which are to be applied must be subservient. It is a wise and far-sighted policy not to forget these essential obligations.

The Charter recognizes in terms which have acquired undeniable precision, that tariffs are a legitimate means of defending domestic industry against the competition of imported articles; but it must be pointed out again that in certain circumstances - the present among them - tariffs are not enough. They must be supplemented by the selective use of foreign exchange, by the defense of the means of payment, by a reasonable limitation of imports so as to avoid squandering savings produced by hard work or sacrificing national production. We must foster and encourage the process of industrialization, following the example of those countries which in spite of their decades of development continue to protect by various methods their industries large and small.

The delegation of Uruguay fully understands all the difficulties which have arisen in the work of improving the provisions of the Charter; we do full justice to the ideals, the principles, and the motives of those delegates who have secured the acceptance of standards which the delegation of Uruguay has been obliged to oppose. I am not going to recapitulate here the differences with which I have so often dealt at length, but I do want particularly to emphasize that the delegation of Uruguay did not consider the consolidation of a certain type of preference applying to the meat-trade justified, since preferential treatment of this kind is not now being put into effect. Nor do we regard the text of Article 75 on the composition of the Executive Board as satisfactory.

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It is in keeping with the democratic structure of Uruguay and the principles upheld by the Uruguayan delegation at the Conference of San Francisco, that we have continued to advocate that this governing body be elected on an egalitarian basis.

The Havana Charter is a venture fraught with difficulties. In applying it in practice, a most important, perhaps a decisive, part will be played by the first organization which will have to encounter the initial difficulties and obstacles and lay down the lines along which it will begin its work. A charter of such complex structure and with such far-reaching contents and scope, cannot be established without encountering a combination of the obstacles inherent in the period of adaptation and adjustment and the inevitable opposition of vested interests, established practices and routine.

An understanding spirit in the face of varying situations, a determination to apply the Charter in conformity with its principles but without forcing or wrecking the machinery, must be the measure of its possibilities of effectiveness and action in the future.

Among trade practices there are many factors which combine to prevent its development. Many are deep-rooted and difficult to extirpate, but others, perhaps more numerous, are mere formalities answering purposes which can easily be eliminated. The League of Nations, through its technical bodies and special conferences, worked towards the standardization of customs classifications and valuation, a universal tariff nomenclature and the elimination of burdensome and useless requirements and formalities. The new organization will find here a wide and fruitful field and any work it carries out, while it may perhaps be unostentatious and unpretentious, will be effective and of continual daily usefulness.

Gentlemen:

In this hospitable and friendly city of Havana, we have lived through many days of labour and anxiety; but at times when we were oppressed by fatigue and disappointment, it seemed to us that the gentle touch of an invisible hand gave us fresh inspiration and encouraged us to continue faithfully to carry out our difficult task. Those of us who believe that man is not flesh alone nor a mere ephemeral economic unit were comforted by the remembrance of those men who, in similar circumstances, passed by the same road and fought against similar difficulties. Our great predecessor was Jose Marti, delegate plenipotentiary of Uruguay to the International Monetary Conference of 1891, of which he left, in that lofty style, a study written by the hand of a law-giver and a statesman. From the heights of time and glory the apostle has watched, now as then, to see that our hopes were borne along by favourable winds.

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