

I.C.I.T.O. : EXECUTIVE COMMITTEE

Second Session

ICITO DISCONTINUES EXAMINATION OF
SWISS TRADE PROBLEM

One of the tasks given to the Interim Commission of the International Trade Organization by the Havana Conference was to consult with the Government of Switzerland concerning the effect of the Havana Charter on Switzerland's trading position.

Switzerland does not suffer today from balance of payments difficulties. She exports a great deal to countries in such difficulties. The Havana Charter will allow these latter countries to restrict their imports within certain rules. If they take this action, the effect may be to threaten Switzerland with unemployment, particularly if at the same time these countries seek to direct their exports to the Swiss markets when they sell for "hard" currency.

As it stands, the Havana Charter does not state what Switzerland may do to safeguard her interests. This problem could not be examined in detail at the Havana Conference. Therefore the Interim Commission of ITO was authorized to take it up with the Swiss Government.

At the Second Session of the Executive Committee of ICITO, held from the 25 August to the 17 September 1948 at Geneva, an ad hoc working group, under the chairmanship of Max Suetens, Belgium, (Chairman of ICITO) was established in order to make arrangements with the Swiss Government looking towards the implementation of the Havana Conference decision.

The working group's initial plan for an enquiry to be conducted by experts in cooperation with a person familiar with the Swiss economy to be nominated by the Swiss government was not acceptable to the Swiss representative, M. Walter Stucki. The working group was therefore empowered - and its terms of reference were agreed on September 15 by the Executive Committee - to discuss the various aspects of the question with representatives designated by the Swiss Government and also to obtain expert advice, with a view to submitting its report to the Executive Committee at its third Session.

Following its consultations with M. Stucki, the working group concluded that they could not, at the present time, usefully address further questions to the Swiss Government with a view to framing any precise conditions and relaxations on which the Swiss Government could enter ITO. They decided that, while the way should remain open for consultations at any time between the Swiss Government and the Executive Committee on the initiative of either, no good purpose would be served by nominating expert advisors to study the problem of the Swiss economy and no further meeting need be held prior to the Third Session of the Executive Committee.
