

efforts to secure more latitude for themselves in using for their rapid economic development measures inconsistent with the basic principles of multilateral trade. These efforts concentrated on freedom to use for this purpose protective devices such as quantitative restrictions, differential internal taxation and mixing regulations and preferences between neighbouring states. At London, Australia had played the useful role of assuming leadership of the under-developed group and then when concessions to their point of view had been obtained, of persuading the group as a whole to accept the compromise. It was not possible for Australia to repeat this performance at Geneva. India showed a desire for more concessions and became the chief spokesman of the under-developed group, although in respect of preferences for purposes of economic development the chief proponents were Chile and the Lebanese-Syrian Customs Union. As a result of protracted discussions the compromise was reached of providing for protective measures for purposes of economic development with the prior approval of the Organization (Article 13) and for preferences for purposes of economic development also upon prior approval of the Organization (Article 15). The requirement of a two-thirds vote for the latter, however, was left in square brackets to be decided by the Havana Conference.

18. Another phase of the draft Charter which caused difficulties at Geneva was the provision for exceptions from the rule of non-discrimination in the case of countries applying quantitative restrictions for reasons of balance of payments difficulties. The exchange situation became more critical while the Preparatory Committee was meeting in Geneva. The United Kingdom in particular no longer found it possible to maintain the convertibility of its currency. In consequence that country, together with other European countries, sought to elaborate more precisely the exceptions from the rule of non-discrimination. The result was the redrafting of this Article of the draft Charter which became Article 23 of the Geneva draft. The provisions permitting the use of quantitative restrictions on a non-discriminatory basis for balance of payments reasons were also expanded at Geneva in that a country could not be required to change its domestic policies if the Organization considered that these policies were responsible for its balance of payments difficulties (Article 21).

19. Finally, the Preparatory Committee were unable to resolve certain questions and had to present the Havana Conference with the choice between a number of alternative solutions. These questions were: weighted voting versus one state-one vote; the composition of the Executive Board, and relations with non-Members of the Organization.

20. Concurrently with the Second Session of the Preparatory Committee, there took place at Geneva a series of multilateral tariff negotiations. Altogether there were negotiations between 127 pairs of countries represented on the Preparatory Committee. Of these negotiations 123 were concluded successfully. The results of these negotiations were embodied in the General Agreement on Tariffs and Trade, the text of which was authenticated by the Geneva Final Act signed on October 30th, 1947, by the representatives of 23 countries (the seventeen members of the Preparatory Committee plus Luxembourg, Syria, Pakistan, Burma, Ceylon and Southern Rhodesia). The General Agreement on Tariffs and Trade included those provisions of the Geneva draft of the Charter which directly relate to the importation of goods, i.e., most of the Commercial Policy Chapter of the draft Charter. It was provided, however, that nearly all of these provisions would be superseded by the Charter agreed upon at the United Nations Conference on Trade and Employment