

Text of the Entente Allies Economic Pact

Official Report by British Board of Trade

The recommendations of the Economic Conference of the Allies, held in Paris on June 14, 15, 16 and 17th were issued by the British Board of Trade on June 20th. Their full text is given below. The conference dealt with, and the recommendations cover, three periods—the war period, the reconstruction period in those countries or portions of country which have been in enemy occupation, and the peace period. The substance of the recommendations is as follows:

War Period.

Co-ordination of the laws and regulations in the Allied countries prohibiting trading with the enemy.

Absolute embargo on importation of goods originating in or coming from enemy countries.

Sequestration of control of business owned or operated by enemy subjects.

Stringent measures for restriction of enemy supplies.

Reconstruction Period.

Devising of joint means to secure to countries suffering from acts of destruction, unjust requisition, the restoration of their raw materials, industrial and agricultural plant, stock and mercantile fleet, or to assist them to re-equip themselves in these respects.

Denial to the Enemy Powers, for a period to be fixed by agreement, of "most-favored-nation" treatment.

Conservation for, and interchange between, the Allied countries of their natural resources.

Protective measures against enemy "dumping" and for preventing enemy subjects in Allied countries from engaging in industries which concern national defence or economic independence.

Peace Period.

Measures to Be Taken—

To render the Allied countries independent of enemy countries in raw materials and manufactured articles essential to the normal development of their economic activities.

To facilitate and improve the interchange of their products.

To assimilate the laws governing patents, indications of origin, and trade marks, and for the adoption of an identical procedure in regard to patents, trade marks, and literary and artistic copyright which have come into existence in enemy countries during the war.

Full Text of the Recommendations.

I.—The representatives of the Allied Governments have met at Paris under the presidency of M. Clementel, Minister of Commerce, on June 14, 15, 16 and 17, 1916, for the purpose of fulfilling the mandate given to them by the Paris Conference of March, 1916, of giving practical expression to their solidarity of views and interests, and of proposing to their respective Governments the appropriate measures for realizing this solidarity.

II.—They declare that after forcing upon them avoid the conflict, the Empires of Central Europe are to-day preparing, in concert with their allies, for a contest on the economic plane, which will not only survive the re-establishment of peace, but will at that moment attain its full scope and intensity.

III.—They cannot therefore conceal from themselves that the agreements which are being prepared for this purpose between their enemies have the obvious object of establishing the domination of the latter over the production of the markets of the whole world and of imposing on other countries an intolerable yoke.

In face of so grave a peril the representatives of the Allied Governments consider that it has become their duty, on grounds of necessary and legitimate defence, to adopt and realize from now onward all the measures requisite on the one hand to secure for themselves and for the whole of the markets of neutral countries full economic independence and respect for sound commercial practice, and on the other hand to facilitate the organization on a permanent basis of their economic alliance.

For this purpose the representatives of the Allied Governments have decided to submit for the approval of those Governments the following resolutions:

A.

Measures for the War Period.

1.—The laws and regulations prohibiting trading with the enemy shall be brought into accord.

For this purpose:

A.—The Allies will prohibit their own subjects and citizens and all persons residing in their territories from carrying on any trade with:

1. The inhabitants of enemy countries whatever their nationality.
2. Enemy subjects whatever resident.
3. Persons, firms and companies whose business is controlled wholly or partially by enemy subjects or is subject to enemy influence and whose names are included in a special list.

B.—They will prohibit the importation into their territories of all goods originating in or coming from enemy countries.

C.—They will devise means of establishing a system enabling contracts entered into with enemy subjects and injurious to national interests to be cancelled unconditionally.

II.—Business undertakings owned or operated by enemy subjects in the territories of the Allies will be sequestered or placed under control; measures will be taken for the purpose of winding up some of these undertakings, and of realizing their assets, the proceeds of such realization remaining sequestered or under control.

III.—In addition to the export prohibitions which are necessitated by the internal situation of each of the Allied countries, the Allies will complete the measures already taken for the restriction of enemy supplies, both in the mother countries and in the Dominions, Colonies, and Protectorates:

1. By unifying the lists of contraband and of export prohibition, and particularly by prohibiting the export of all commodities declared absolute or conditional contraband;
2. By making the grant of licenses for export to neutral countries from which export to enemy territories might take place conditional upon the existence in such countries of control organizations approved by the Allies; or, in the absence of such organizations, upon special guarantees such as the limitation of the quantities exported, supervision by Allied consular officers, etc.

B.

Transitory Measures for the Period of Commercial, Industrial, Agricultural and Maritime Reconstruction of the Allied Countries.

I.—The Allies declare their common determination to ensure the re-establishment of the countries suffering from acts of destruction, spoliation, and unjust requisition, and decide to join in devising means to secure the restoration to those countries, as a prior claim, of their raw materials, industrial and agricultural plant, stock and mercantile fleet, or to assist them to re-equip themselves in these respects.

II.—Whereas the war has put an end to all the treaties of commerce between the Allies and the Enemy Powers, and whereas it is of essential importance that, during the period of economic reconstruction which will follow the cessation of hostilities, the liberty of none of the Allies should be hampered by any claim put forward by the Enemy Powers to most-favored-nation treatment, the Allies agree that the benefit of this treatment shall not be granted to those Powers during a number of years to be fixed by mutual agreement among themselves.

During this number of years the Allies undertake to assure to each other so far as possible compensatory outlets for trade in case consequences detrimental to their commerce result from the application of the undertaking referred to in the preceding paragraph.

III.—The Allies declare themselves agreed to conserve for the Allied countries, before all others, their natural resources during the whole period of commercial, industrial, agricultural, and maritime reconstruction, and for this purpose they undertake to establish special arrangements to facilitate the interchange of these resources.

IV.—In order to defend their commerce, their industry, their agriculture, and their navigation against economic aggression resulting from dumping or any other mode of unfair competition the Allies decide to fix by agreement a period of time during which the commerce of the Enemy Powers shall be submitted to special treatment and the goods originating in their countries shall be subjected either to prohibitions or to a special regime of an effective character.

The Allies will determine by agreement through diplomatic channels the special conditions to be imposed during the above-mentioned period on the ships of the Enemy Powers.

V.—The Allies will devise the measures to be taken jointly or severally for preventing enemy subjects from exercising, in their territories, certain industries or professions which concern national defence or economic independence.

Permanent Measures of Mutual Assistance and Collaboration Among the Allies.

C.

I.—The Allies decide to take the necessary steps without delay to render themselves independent of the enemy countries in so far as regards the raw materials and manufactured articles essential to the normal development of their economic activities.

These measures should be directed to assuring the independence of the Allies not only so far as concerns their sources of supply, but also as regards their financial, commercial and maritime organization.

The Allies will adopt such measures as may seem to them most suitable for the carrying out of this resolution, according to the nature of the commodities and having regard to the principles which govern their economic policy.

They may, for example, have recourse either to enterprise subsidized, directed or controlled by the Governments themselves, or to the grant of financial assistance for the encouragement of scientific and technical research and the development of national industries and resources; to customs duties or prohibitions of a temporary or permanent character; or to a combination of these different methods.

Whatever may be the methods adopted, the object aimed at by the Allies is to increase production within their territories as a whole to a sufficient extent to enable them to maintain and develop their economic position and independence in relation to enemy countries.

II.—In order to permit the interchange of their products, the Allies undertake to adopt measures for facilitating their mutual trade relations both by the establishment of direct and rapid land and sea transport services at low rates, and by the extension and improvement of postal telegraphic, and other communications.

III.—The Allies undertake to convene a meeting of technical delegates to draw up measures for the assimilation, so far as may be possible, of their laws governing patents, indications of origin, and trade marks.

In regard to patents, trade marks, and literary and artistic copyright which have come into existence during the war in enemy countries, the Allies will adopt, so far as possible, an identical procedure, to be applied as soon as hostilities cease.

This procedure will be elaborated by the technical delegates of the Allies.

D.

Whereas for the purposes of their common defence against the enemy, the Allied Powers have agreed to adopt a common economic policy, on the lines laid down in the resolutions which have been passed, and whereas it is recognized that the effectiveness of this policy depends absolutely upon these resolutions being put into operation forthwith, the representatives of the Allied Governments undertake to recommend their respective Governments to take without delay all the measures, whether temporary or permanent, requisite for giving full and complete effect to this policy forthwith, and to communicate to each other the decisions arrived at to attain that object.

PERSONALS.

W. K. George, who is one of the Government appointees on the Canadian Northern Railway, is President of the Standard Silver Company of Toronto.

C. R. Hosmer is back in town from a few days' stay at St. Andrews, N.B.