

bring about a joint effort by governments to solve the problems with which they were confronted. The result was that each country went more or less its own way in endeavouring to deal with the pressing problems of mass unemployment, under-production and fluctuating exchange rates. Instead of international economic co-operation, we had international chaos brought about by the worst manifestations of economic nationalism.

Now, we have had set up since the war a series of inter-governmental agencies dealing with the various aspects of financial and other economic relations between nations. In these agencies the countries of Europe and America are co-operating with each other and with the countries of other continents to promote conditions of stability and well-being. The one field in which the process of setting up an inter-governmental agency has not yet been completed is that vital segment of international economic relations, namely trade. We have, however, been making progress in that direction.

After protracted discussions, a Charter for an International Trade Organization was drawn up at Havana, Cuba, early in 1948. It failed, however, to secure ratification by the principal trading nations. In the meantime, however, a group of countries, which had been doing the preparatory work for this Charter, had negotiated among themselves a multi-lateral tariff agreement, known as the General Agreement on Tariffs and Trade. The articles of this Agreement incorporated most of the commercial policy provisions of the Havana Charter. The Contracting Parties to the Agreement have been meeting from time to time to consider matters arising out of its operation. In this way, there has come into being the Organization known as GATT, which now comprises thirty-five countries, including the most important countries in world trade.

Last winter the Contracting Parties undertook a comprehensive review of the General Agreement with a view to revising its provisions in the light of experience. They agreed upon certain amendments which are now awaiting ratification. They also agreed upon an organizational agreement, which, when ratified, will establish an Organization for Trade Co-operation to take the place of the present provisional organization known as the GATT.

We have to recognize that GATT is the only inter-governmental organization ever set up to deal with questions of trade on a world-wide basis. It is the only forum we have for the discussion of commercial policy questions on such a world-wide basis.