

(the Havana Conference) when that Charter entered into force. The General Agreement on Tariffs and Trade is now being applied provisionally by all of the signatories of the Geneva Final Act with the exception of Chile.

21. The same questions which had given rise to difficulties at Geneva confronted the Conference at Havana with its main problems. It had been hoped that, because the Preparatory Committee represented a cross-section of the different types of economies, agreement upon the basis of the Geneva draft of the Charter would be reached fairly speedily. It was hoped that a delegation such as that of India, which had accepted the Geneva draft subject to confirmation by the Indian Government, would use its influence with the delegations from the other under-developed countries to secure their acceptance of the compromise reached at Geneva. These hopes proved to be abortive. Just as Australia lost its leadership at Geneva because it had accepted the compromise reached at London, India was unable, and, as it turned out, unwilling, to assume the leadership of the under-developed group at Havana. The Indian Minister of Commerce came to Havana prepared to play this role, but, when he heard the speeches at the opening plenary meeting, he decided the best tactics for India would be to wait and see what further concessions would be granted to the Latin-American countries, all of whom were clamouring for more freedom for economic development.

22. The Latin-American countries dominated the first part of the Havana Conference. The fact that the Conference was being held in a Latin-American country gave them a great advantage. They were able to unite on the issue of the recognition of Spanish as one of the working languages of the Conference. They made full use of their numerical advantage. Except for the last four weeks of the Conference they were able to act as a solid bloc. This more than anything else threatened the success of the Conference which for three months was in jeopardy.

23. These three months proved that the Conference was held not only in the wrong place but also at the wrong time. The Latin-American countries had become disturbed over the implications for them of the Marshall Plan. They felt the fairy godmother of the North was deserting them in favour of Europe. Their acquaintance with socialist ideas had converted them to a form of international socialism in which the richer countries were under an obligation to the poorer countries to promote the economic development of these countries and to raise their standard of living up to that of the richer countries. Some of them even went so far as to deny the right of the richer countries to assist in the reconstruction of the European countries because these countries had once enjoyed prosperity at the expense of the under-developed countries.

24. The Latin-American countries had developed many new industries during the war. It became clear that they wished this process of rapid industrialization to continue. It also became evident that they feared the effect on their new industries of the revival of European competition. The concept of economic development became confused with the desire to use protective measures to support industries recently established. References were heard to the importance of some factory because it belonged to a relative of the President of the country. The Havana Conference was held on the eve of the Bogota Inter-American Conference, at which the Latin-American countries intended to press for "a Marshall Plan for the Americas". Thus much of what transpired at Havana was a dress rehearsal for Bogota.