The Government of Haiti has set forth its viewpoint on applications of the General Agreement in document L/96. I feel it is necessary, when reaffirming the basic statements contained in that document, to add certain details with a view to clarifying the position of my Delgation in relation to the Review.

My country, considering that free convertibility of currencies and elimination of barriers to trade are some of the most effective measures for increasing production and raising standards of living, very logically brought its trade policy into step with the principles set out in the Preamble of the General Agreement.

The Agreement, through the understanding of the majority of the contracting parties and the skill of the secretariat, has undoubtedly exercised a beneficial influence over international trade. However, on many points it must be said that the Agreement, as applied, has not fully corresponded to our expectations.

The Government of Haiti clearly realized that this instrument, which was drafted at a particular period and was designed mainly to regulate world trade after a most destructive conflagration, contained many deficiencies. It had especially not escaped us that the great powers, while subscribing to the high ideals of the General Agreement, took care to remove from under the authority of the Agreement most of the sectors of their economy which were developing in a contradictory sense to the spirit of that instrument, which had, however, been founded on the principle of reciprocity and the elimination of discriminations. Yet, we had hoped that wisdom and a sound understanding of mutual interests having prevailed, these exceptions which had been temporarily authorized would progressively be eliminated, and the objectives of the Agreement attained in a short time. But we regret to say stark facts have forced us now to recognize that our hopes have been partially in vain. Not only have certain contracting parties not renounced their privileged positions, but a large number of them have openly violated the very letter of some of the Articles of the General Agreement. It is particularly regrettable to note that Member States who, having been founders of the Agreement and well-placed by reason of their economic power to give a good example, were among the first to misconstrue certain of the ideals which they so eloquently advocated.

We continue to believe of course that fundamentally what should be modified is not so much the Agreement itself, as the practice of the Contracting Parties, for, with a little understanding, the General Agreement, despite its deficiencies, might have been able to render greater service than it has done,
if the shortsighted self-interest of some, and the failure to put forward co-ordinated efforts of others, had not sometimes hampered its smooth operation. In view of the above, we are forced to try to reach a solution by reinforcing certain provisions of the Agreement and by eliminating, through clearly-drafted texts, certain discriminatory provisions - a solution which I consider might possibly have been attained under the aegis of the existing texts, had goodwill been displayed by all.

The Government of Haiti has clearly shown in document L/96 that, in its view, there is no fundamental opposition between the various trading nations of the world. In the last resort, the great trade movements can be preserved only if in the long run all participants find them to their mutual and permanent interest, but as we already said, sacrifices cannot be unilateral.

Furthermore, I must add that although the General Agreement does not contain two groups of interests which are diametrically opposed, - on the one hand, the developed countries and on the other the underdeveloped countries - concrete facts point to the conclusion that it is right to give special consideration to the particular situation of countries in course of development. Since it has been impossible, by appealing to reason, to procure all the protection required under the provisions in force, clearer and more formal texts will have to be utilized.

The Government of Haiti, following the general lines of its trade policy, will be careful to avoid any exaggeration. Only profitable industries should be protected and through appropriate supervision, these young industries should not be allowed to grow old in a long infancy. In other words, exceptions should be limited to a certain period of time, and the terms of exceptions stipulated, although a certain specific adaptability will be essential. In all things, moderation and especially good faith should be applied. The Governments should above all envisage in every case the repercussions of protective measures on standards of living and full employment, and should not allow themselves to be unduly influenced by small groups of powerful financial and political interests.

The Government of Haiti therefore proposes to support all proposals to modify the General Agreement in the above sense. It does not, however, feel that it would be necessary to make radical changes nor to alter any of the basic principles of the Agreement. These amendments should reinforce the texts of the Agreement, with a view to correcting specific deficiencies, notably as regards unjustifiable restrictions, and to authorize a body vested with the necessary powers to make appropriate recommendations, and if need be, serve as an arbitrator in cases of disputes which cannot be settled by agreement between the interests concerned.

Moreover, certain provisions for the protection of underdeveloped countries should be reinforced and widened in the spirit of wisdom and moderation I have just recommended. It would also seem to me appropriate that other articles
of the Agreement be modified to stipulate clearly the preferences, import restrictions, subsidies and other similar measures, such as temporary waivers to the principles of the GATT, and that, as such, they be submitted to frequent consultations with a view to their gradual elimination. As regards tariff reductions, a distinction should be drawn between protective and fiscal tariffs. These reductions should also apply to preferential rates, and, in the case of tariff reductions, measures should be adopted, in agreement with the States who accept these reductions, in regard to restrictions and discriminations.

What will be still more important than the amendments themselves will be the spirit of understanding in which the amended texts are applied.