Suspension of GATT Obligations between the United States and Czechoslovakia

Statement by Mr. Amost Tauber, Delegate of Czechoslovakia

Mr. Chairman, I should first like to thank you for giving me the floor as the first speaker in this debate, so that I can introduce my motion of order. This motion of order is based on the fact that the Czechoslovak delegation is of the opinion that item 21 of the agenda - Termination of Obligations between the United States and Czechoslovakia under the General Agreement - cannot be dealt with by our Conference because the substance of the matter is political and the Contracting Parties therefore are not competent to appraise it in any way.

This motion is an answer to the statement by the United States reproduced in document GATT/CP.6/5 of 10 August 1951, of which all the contracting parties will have taken note since then. That paper contained a series of accusations against Czechoslovakia, the falsity of which I do not propose to bring out, at least for the time being, but which, it must be said, are based only on strictly political motives which the United States invoked to be released from their commitments assumed under the General Agreement. We have called the attention of the Contracting Parties to the provisions of Article 86, paragraph 3 of the Final Act of the Havana Conference. I take the liberty of quoting this text again:

"The members recognise that the Organization should not attempt to take action which would involve passing judgement in any way on essentially political matters."

Basing yourself on one sentence in Article 25, paragraph 5, which would provide for the possibility of opening discussion on such matters, you have ruled that this item should be placed on the agenda. I shall not discuss the question as to whether Article 25 can justify such a debate - that is a matter of opinion. However I dare to believe that the United States slightly underestimates the sound judgement of the Contracting Parties gathered here, many of whom have already experienced the policy of the U.S., since that country submitted documents and endeavoured to secure a decision which would confirm the allegations included therein. The economic pretexts which might justify the United States' attempt to mislead the Contracting Parties and to involve them in the achievement of their political objectives - those pretexts, Mr. Chairman, are non-existent. What is then the basis for the American request? That basis is to be found in Law 1612, section 5 of the Trade Agreement Extension Act adopted by the 82nd Congress which aims at nothing more than finding the means of intensifying the unfriendly policy of the United States towards the Soviet Union and the popular democracies. On what did Congress base itself to ratify Section 5 which empowers the President to sever all commercial relations with the Soviet Union and the popular democracies, and to withdraw from commercial agreements which the United States may have entered into with such countries? On considerations of an exclusively political nature, Mr. Chairman. That is clearly indicated in the powers vested by Congress in President Truman as recorded in Senate Report 299 of 27 April 1951. On page 5 this report reads as follows:

"The President, if he considers it advisable, may merely suspend the benefit of such concessions so that countries which appear to be throwing off the yoke of communism may be quickly restored to most-favoured nation status."

Ref: 82nd Congress 1st Session Senate Report No. 299 Calendar No. 279
In a letter to Secretary of State Acheson, dated 1 August 1951, President Truman explained that the United States do not grant tariff benefits to a series of countries. It was then that the United States denounced the commercial treaties entered into with the Soviet Union, Bulgaria, Poland and Hungary. As to Czechoslovakia, with which the United States had not entered into any commercial treaty, Congress took it into their heads to attack her by invoking the General Agreement in order to achieve the American political objectives.

It is surprising to note with what absence of scruples a legislative body, and I say a legislative body, can violate its international obligations. Moreover this legislative body, whose task it is to deal with such important matters, has not the slightest idea of what the General Agreement is. Yes, Mr. Chairman, however incredible that may seem, in the light of the quotations which I am going to give from the minutes of a meeting of the American Congress, it is clear that this legislative body is not aware of the fact that the General Agreement is an international convention.

Senator Millikin: "The words are, 'international agreement or amendments to an existing international agreement'. The earlier language 2 years before, I think, said 'treaties or agreements'. There is nothing in there about GATT; is there?

Mr. Brown: "I thought I heard you read GATT.

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Senator Millikin: "It does not mention it; does it?

Mr. Brown: "Yes sir - 'the General Agreement on Tariffs and Trade, as herefore entered into by the United States'.

The CHAIRMAN: "He didn't call it GATT. Maybe that is what confused the matter.

Senator Kerr: "Does GATT stand for General Agreement on Tariffs and Trade?

Mr. Brown: "Yes, sir."

Ref: Trade Agreements Extension Act of 1951
Hearings before the Committee on Finance
United States Senate - Eighty-second Congress
First Session on H.R.1612
Part 2 pp.1013 and 1014.

I have taken the liberty to relate these few facts, Sir, to demonstrate that the motives adduced by the United States to substantiate their request for a release from obligations assumed under the General Agreement are of pure imagination and that such motives are essentially political.

If political differences arise between contracting parties, let them settle those in the spirit of Article 66, paragraph 3 of the Havana Charter and let the parties concerned lay the matter before the competent organs of the United Nations.

It is obvious that the Contracting Parties have no jurisdiction to deal with this matter raised by the United States nor, moreover, to judge it. That is the reason why, Sir, I invoke the right that you did not deny me on the first day of this session and I reiterate my request, in the form of a motion of order, that this item may be deleted from the agenda, because in view of its political nature it cannot be dealt with by the Contracting Parties to the General Agreement.