

III

PROHIBITIONS OF IMPORTATION AND EXPORTATION.

(FREE MOVEMENT OF RAW MATERIALS—EXPORT DUTIES)

The Trade Barriers Committee,

after re-stating the policy adopted by the Congresses of the International Chamber of Commerce as far back as 1920 and 1921, (1) and

having examined the draft agreement prepared in 1925 by the Economic Section of the League of Nations as a basis for an international conference in view of the abolition of prohibitions and restrictions of importation and exportation ;

having analysed the reports received from the National Committees ;

convinced that the one and only obstacle to the immediate and universal abolition of prohibitions of importation and exportation resides in the persistent instability of certain currencies ;

a) **Abolition of Prohibitions of Importation and Exportation.**

being led to believe that the exceptions provided for in Article V of the draft agreement prepared by the Economic Section of the League of Nations, might lead to abuses,

declares itself :

in favour of the conclusion at the earliest possible moment of an international convention for the abolition of prohibitions of importation and exportation on the lines of the draft agreement prepared by the Economic Section of the League of Nations, but without the exceptions provided for in Article V.

Should the contracting countries not be able to forego these exceptions, the Trade Barriers Committee proposes that Article V remain in force only for three years, and that its validity be not extended except by the decision of a new international conference specially called for that purpose.

b) **Free movement of raw materials.**

convinced that the free movement of raw materials must be assured, and

that therefore

prohibitions of exportation should be abolished ;

States should not impose export duties the effect of which is to discriminate between the various countries employing raw materials ;

Such export duties should not affect the employment of raw materials by the industries of countries imposing them and

the Trade Barriers Committee urges that as a counterpart of the free movement of raw materials, countries importing them should grant reasonable and favourable tariff treatment to the manufactured goods of countries exporting both raw material and goods manufactured therefrom.

(1) Paris Congress (1920) "That the International Chamber of Commerce express the wish that import and export embargoes should gradually be revoked as soon as the internal conditions of each country will permit ; that in any and every case, such embargoes should not apply to goods about which proof can be furnished that such goods were shipped or forwarded prior to the date on which such restrictions were enacted ; that to provide for goods which could not be shipped prior to such date but concerning which proof can be furnished that regular and lawful contracts had been entered into prior to such date, special licenses should be issued under strict supervision and guarantee ; and that the procedure above outlined should be followed in territories under mandatory rules".

London Congress (1921) "Whereas every tax on export of raw materials must necessarily increase the cost of production and thereby hinder economic development and prevent economic restoration ; and

Whereas it is desirable, as far as possible, to put a stop to rivalries between nations in their search for raw materials, to stamp out the cause of economic conflicts which may threaten peace, to do away with the natural inequality arising from the fact that the riches of the world are unequally spread over its surface, and to assure the rapid restoration of the world's commerce ;