

AN INTERNATIONAL TRADE TRIBUNAL

By

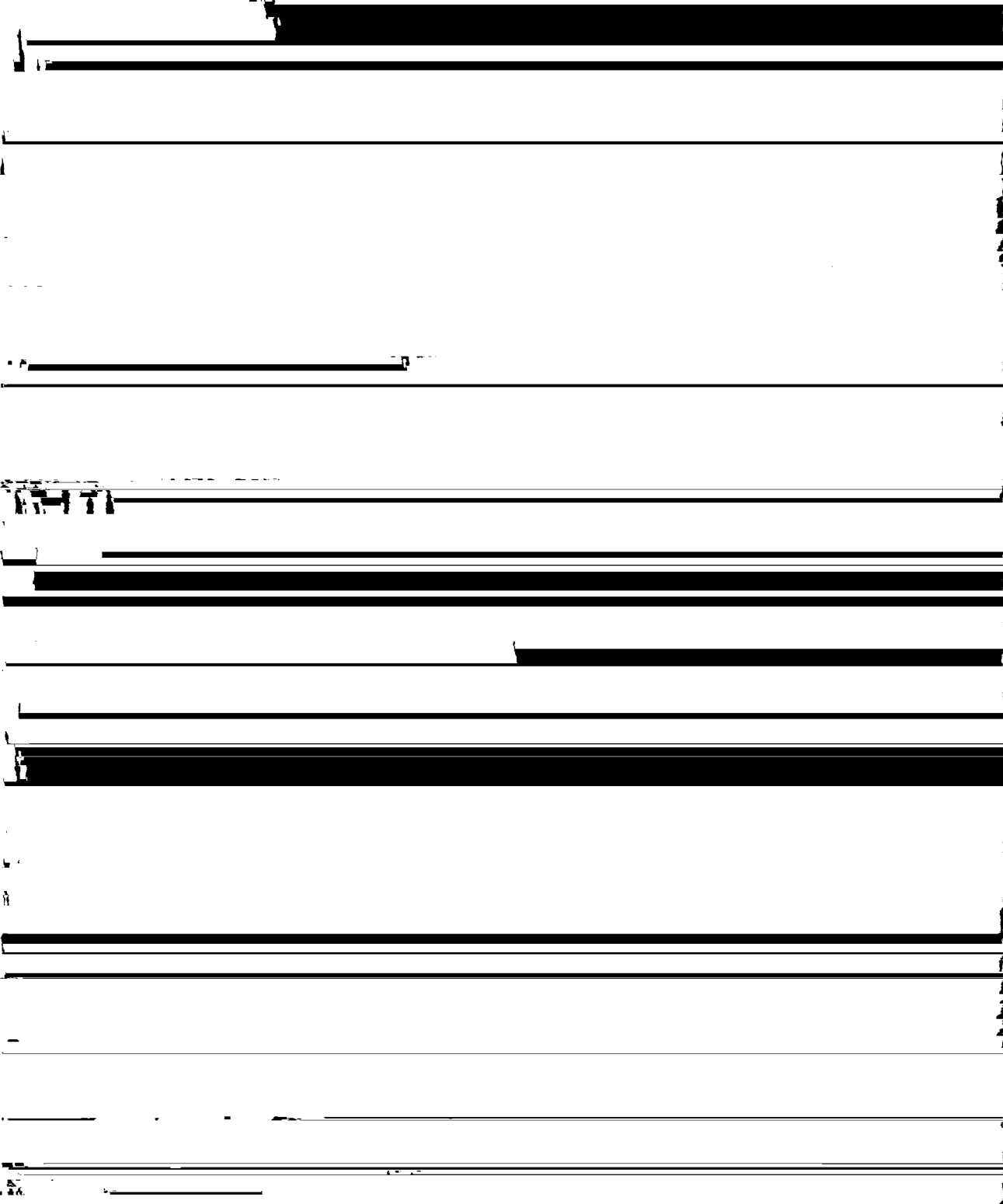
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Horsemen.

Since changes in human nature are so slow as to be almost imperceptible, it is safe to say that ~~most of the nations where the struggle is on~~ will come

forth from this debacle as they did from the last one, with treasuries so depleted that self-preservation will drive them again in the wrong direction unless there is a purposeful and helpful plan at hand. There is reason to believe that nations singly, together, and individuals in groups, will again turn ~~toward dangerous nationalism, will demand increased tariffs, will put forth~~

Europe, as well as Pan American conferences where plans were considered.

gested become a reality, at least in part. On Mr. Wilson's return to Washington he called my attention to the phrase heretofore quoted from the Covenant of the League, and stated that he thought that this language was a sufficient foundation upon which to build a World Trade Tribunal.

It may be asked why we need a Trade Tribunal when we already have the League of Nations and the World Court. Experience has apparently determined that aside from non-controversial matters the League will remain essentially political. Trade disputes or conflicts cannot be settled in a political atmosphere. To understand this we need but compare the handling of a controversial subject by Congress and by a tribunal created by

Congress but divorced from its direct control. An example in point is the investigation made several years ago of the power interests of the United States, which was begun by our Senate but finished by the Federal Trade

ment of a "permanent international agency" to effect reduction of trade barriers.

There is left what is perhaps the most difficult and far-reaching problem of seeking to eliminate the schemes and methods by which great groups, frequently supported by nations, seek to and do control and choke the channels of commerce despite the fact that tariff barriers may have come down and exchange rates arranged.

Imagine this present war over, a mad scramble for markets, and copper selling at a world price of 8¢ per pound. Tomorrow morning there is a meeting in Brussels of all of the copper interests of Europe and Africa. They know what production they have on hand. They determine to raise the price, but they don't want competition from our continent. So at the same hour, on their initiative, a meeting is held in New York City of the copper interests of this hemisphere. A cable from the Brussels group says that the price of copper in Europe today will be 10¢ a pound and the American interests may have a proportion of the contracts at the price named. Now assume that the American interests accept the terms and establish the same price in the western hemisphere. With this proposal repeated day by day the price advances until it reaches 24¢ a pound. At that price a buyers'

wholesaler to retailer to ultimate consumer to set up a buyer's resistance

Such a situation might exist in almost every line of industry where there is a cartel price control or division of territory. The very fact that a tribunal was keeping up currently, and giving out monthly, and internationally, such information, by radio broadcast, would certainly be a prophylactic in the international business world just as it has been when certain of our government commissions have been unfettered in informing our American people.

A World Trade Tribunal could be invaluable to tariff-making bodies of respective governments. Especially ought it to be so to the Congress of the

is being shipped to the United States annually from Denmark, and also from the rest of the world at the time when this war ends. Assume that Germany then has not the buying power to take over all the butter that is now being shipped from Denmark. Denmark in seeking a market for this small surplus ships 3,000,000 or 4,000,000 pounds for sale over here. Let us suppose an inquiry of fear from our farm organizations against this move, even though





high-minded a nation as that of the Dutch people. Jules Backman, in *Commerce and Finance* of August, 1938, is authority for the following: He stated that it has often been said that the Dutch are a thorough people. When they finally decided to resort to the use of restriction schemes after years of opposition, they did a complete job. Their experience with the control of hogs is a case in point. The control provided for, among other things, a tattooing of the ears of the pig population in order to facilitate control over the marketing. When widespread counterfeiting of these tattoos occurred,

very great importance, a quorum of three could sit, the tribunal would be expected to make a selection of representatives of nations whose nations were not directly interested in the issue to be tried.

did the rest. Perhaps after some years of struggle such a tribunal might play a similar part in the international world.

The time I believe is ripe for a tribunal, to be considered and developed ~~now~~ in preparation for the day when the European war shall end and the

world will again be faced with the problems of reconstruction and trade adjustment. And may I repeat that in such a tribunal I see an instrument of peace a means by which the nations of the world and the people of the

world may be able to adjust their commercial differences without resort to force or arms, a means which should further good will among nations in the place of misunderstanding, bitterness and recourse to war.

