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TRANSLATION

CUBA NOW HAS AN ECONOMIC POLICY says Ambassador Justo Carrillo. The Directorate of Economic Affairs of our Foreign Office is the instrument of a firm nationalist commercial policy. At the Ancey Conference we began to fight for the expansion of foreign trade. The Washington negotiations and the Agreement on Payments with Spain. At Forquay the defense of the Cuban tariffs will continue.

A new type of diplomacy more practical than ceremonial, more expressive of the national needs than of minor intrigues has been tested as a natural effect of the last war. The old imperialist system in which international relations were like a silly ballet with the ministers of the large nations as the leaders and the representatives of the small nations as mere members of the chorus has been followed by a world shaken by the active participation of all the States in the organization of juridical and economic affairs. The old inequalities of opportunity among the nations still subsist but no one discusses an intent to reduce them to a possible minimum.

Located on the crossroads of contemporary routes and conflicts Cuba could not remain aloof from the new diplomatic methods. At the Ancey Conference - April to August 1949 - delegates of our country won the respect of their colleagues by defending the preferentials that protect its sugar production by withdrawing from its meetings when they became assured that traditional rights of the islands had been disregarded, threatening to obstruct its industrial development.

This attitude, most unusual in Cuban diplomacy, made those in the know believe that we already had in our country an economic policy of firm national orientation; and in November of the same year that presumption was confirmed at the Fourth General Assembly of the United Nations wherein Minister of State Hevia stated that "our efforts to maintain industries already created have been obstructed in an environment of misunderstanding." He declared that "international agreements should not increase the wealth of some countries at the cost of others of slightly developed economy," "nor is it possible for international understanding to exist wherein some countries have great prosperity in a community of impoverished nations."

This was not a mere opposition, more valiant than effective, to the old lack of balance in external world trade, excessively enhanced for the benefit of the larger powers. At the Third

Latin American Economic Conference held last June, our delegates presented a substantial contribution to the report that has been called "The Decalogue of the Economic Development of Latin America," setting forth the adequate means for maintaining, stimulating and developing all the productive activities of its countries and foreseeing the convenience of "applying protectionist measures to that end."

Carried out by an organ which has been founded only 18 months and which functions with a minimum of personnel and resources -- the General Directorate of Economic Affairs of the Ministry of State -- this firm nationalistic economic policy applied for the first time at the Ancey Conference on Tariffs and Trade, will have another chance of being defended at Torquay, England, where a Cuban delegation will wage its second battle in September for a more just commercial interchange between nations and for a proper "place in the sun" for their country.

No one as much as Ambassador Justo Carrillo Hernandez, a proper representative of the new diplomatic school who is the head of the Directorate of Economic Affairs, can inform the readers of Bohemia on a matter which so directly affects all Cubans, even though few of them realize this and it is erroneously considered too dry a subject for them to understand.

When the reporter appeared at the small building occupied by the Directorate of Economic Affairs at the entrance to Vedado, he was well aware of the biography of one of the youngest, most capable and enthusiastic members of the Foreign Service of Cuba. He is aware of the fact that his designation as spokesman for the national interest in economic matters is supported by a responsible and continued dedication to the improvement of his country since 1930 when he entered the University Student Directorate.

But different from others who do not fail to use the word "revolution" as an emblem for easy picking, Dr. Carrillo takes greater care in his present responsibilities than in the glories of the past. Hardly had the interview started when he went fully into the subject brought up by Bohemia's emissary: the role played by the Directorate of Economic Affairs. Without using technical language Dr. Carrillo tells us:

"Our office has as its principal object to formulate and apply a purely Cuban international economic policy, oriented toward the expansion of our foreign trade. Naturally exports depend to a great measure on certain internal factors such as the development and diversification of national production, for which reason this last named purpose is also a part of our duty. Finally we are interested in taking advantage of the benefits that may be derived from the organizations of international economic cooperation.

"The facts are the best proof of how the Directorate has served these three purposes. At the Annecy meetings the participation of Cuban industry on the international market and in the internal consumption was carefully defended as regards our main product, sugar, whose preferentials on the American market were then running a great risk. The withdrawal of our delegation when the intransigence of other nations became evident led to bilateral negotiations at Washington wherein the island's most important customer adopted a more comprehensive attitude. There we negotiated tariff protection for the industry of tires and inner tubes, leading to a just participation by the Cuban factories in the internal consumption of our country. Another proof of the correct application of the nationalistic policy adopted abroad by the present administration is the agreement on payments recently concluded with Spain, which put the commercial interchange with that nation back to normal"

And being anxious to give the readers of Bohemia some of his opinions, he went on to speak of the victories recently obtained in Washington and Madrid:

"The application of the so called escape clause of the Geneva Agreement, as an end to lengthy negotiations at the American capital, allowed the Cuban Government to increase the import duty of three products essential to the internal industry: tires, nylon stockings, passementerie and ribbons. This was granted in exchange for reductions on other articles which Cuba purchases on the American market but which does not affect any fundamental productive item of the island, the tariff increases allowing the development of three essential industries.

"As to the Agreement on Payments with Spain, this has provided evident advantages for Cuba: it guaranteed our cigars a potential market of three and one-half million dollars per year, which business was at a standstill until the agreement was concluded; it assured the payment of more than three million dollars for merchandise sold to Spain; it released thirteen millions of cigars that had been frozen during 16 months at Santander and suppressed the abusive taxes established in Spain against the passengers of Compañía Cubana de Aviación. In force for a period of two years the agreement has opened the way for a broader trade agreement in 1952 wherein all the interests of both countries would be taken into consideration."

The response of this action among the producing classes of our country are cited by him bringing to mind recent social occurrences. Special mention was made of the homage tendered the President by the National Association of Cuban Textile Manufacturers on the 2nd instant at which the Directorate and the Ambassador were specially mentioned; the Executive Committee of the Industrialists Association has unanimously granted the Order of Commercial Merit for 1950 to Dr. Justo Carrillo Hernandez in recognition for his work at the head of the

Directorate and the Union of Cigar Manufacturers on the 22nd of last month rendered homage to the President, the Ministers of State and Agriculture and the Director of Economic Affairs for the recent agreement concluded with Spain.

He then takes up the subject of the struggle abroad for an increase in native wealth.

"Until the Directorate of Economic Affairs was created, Cuba lacked an adequate administrative organ to determine the amount and kind of aid that it should receive from International Organizations such as the Economic and Social Council of the United Nations and its Inter-American Council, the International Bank of Reconstruction and Development and the Food and Agriculture Organization, all being entities which have as their purposes to furnish technical assistance, financing and distribution of basic products to under-developed countries.

"Handling a request of Banco Nacional the Ministry of State succeeded in having the Inter-American Economic Council send Professor Alfonso Rochaca, a specialist in agricultural credit, to Cuba, who advised by members of the Bank and of the Ministry of Agriculture is studying the basis for an Agricultural Credit Bank which is to be created in the near future. And very recently the Directorate of Economic Affairs has requested the technical assistance of the Food and Agriculture Organization for the development of a plan which takes in all the phases of the economic sector, from planting to markets, including by-products, preserves, storage, classification and industrialization."

The newspaperman then asks what will be the guiding purposes of the Cuban delegation at the Torquay conference.

"Although Cuba is carrying on bi-lateral negotiations on trade with several countries -- says Dr. Carrillo -- such as the textile tariffs in Washington, the Permanent Treaty and Agreement on Payments with Uruguay, the revision of the Trade Agreement with Argentina and other similar negotiations with Chile, Haiti and Italy, it is very interested in the coming conference in England wherein our country will negotiate with all the countries of Europe and revise the list of concessions granted and received at Geneva in 1947.

"At the Torquay Conference discussions will continue on the General Agreement on Tariffs and Trade approved at Geneva three years ago and discussed at the 1948 Annecy meeting. There we propose to discuss the following points:

1. To stabilize our trade with Europe by encouraging tariff negotiations with several countries of the old continent that are short on foreign exchange for the purchase of our products and which can buy them if by mutual agreement we arrange for their exports to Cuba.

2. Tariff negotiations tending to obtain adequate protection for numerous Cuban industries, such as the textile industry.

3. Similar negotiations with the United States and other countries leading to the obtention of a substantial reduction of the duties on our export products in each of said markets.

4. Adjustments in the preferential system in force between Cuba and the United States since the American Government has received requests for the reduction of duties on sugar and other products to the benefit of some countries that are coming into the General Agreement on Tariffs and Trade, a fact that affects the margins of preference enjoyed by Cuba in the neighboring market."

Dr. Carrillo clears up a point regarding his official status:

"At first sight the condition of Resident Ambassador seems contradictory, but it has the specific function of directing our whole international economy. It is obvious that that task can be handled from the nation by being in daily and careful contact with the problems, internal as well as external, which arise in the defense of its wealth. However, the Director of Economic Affairs must travel abroad on every occasion in which special negotiations require that he do so, such as that which will take me to England where the Fifth Meeting of the Contracting Parties of the General Agreement on Tariffs and Trade is to be held."

His closing remarks regarding what his office has done were as follows:

"I believe we have done everything possible. However there is yet much to be done. I have often asked myself if with the small personnel that we have -- 39 persons among officials and employees and only 10 of them specialized in this work -- the whole foreign trade of the Republic can be adequately looked after. It is true that we have never lacked the wise orientation and support of the President and his last two Foreign Ministers, Messrs. Hevia and Dihigo. We count on them to carry on our task."