

Remarks made by A. Bland Calder, Assistant Commercial Attache at the Annual Foreign Trade Dinner of the American Chamber of Commerce held at the American Club, Shanghai, China, at 8 p.m., Friday, May 24, 1940.

(In compliance with the Department's circular instruction of February 10, 1940 - File No. 600.1115/1222, entitled "National Foreign Trade Week May 19-25, 1940.")

Mr. President, honored guests, and American hosts:

Our custom of celebrating National Foreign Trade Week, it seems grew out of the observance of National Maritime Day, which was a day set aside by an Act of Congress to commemorate the first crossing of an ocean by an American steamship. The first observance of National Maritime Day was proclaimed by President Franklin D. Roosevelt for May 22, 1933. It commemorated the crossing, from Savannah, Georgia, to Liverpool, of the steamship SAVANNAH the first American ship to be fitted with steam engines. This crossing, which took place in the year 1819 consumed 25 days, as against 4 to 6 days in modern times for the super-liners in trans-Atlantic trade.

The annual commemoration of that significant event in our foreign commerce was a natural rallying point around which to build a program which has for its purpose the spreading widely among the people of the United States of an appreciation of the value of international trade not only in our own economy but in the well being of the whole world. Despite the fact that the United States is one of the greatest trading nations, there were sections of our public who were either uninformed of or indifferent to the significance of our position in international commerce, and there were some who held actively to the theory that the United States could well be self sufficient, that we need nothing from abroad, that we should preferably produce at home synthetically most of our now imported raw materials, and that our prosperity would not suffer if we were to refrain from selling our products abroad. It was without doubt felt necessary by foreign trade bodies in the United States to offset the effects of such thinking by greater efforts to enlighten our people generally on the subject. Hence we have Foreign Trade Week, now being celebrated by well over a thousand organizations in the United States. Not only do Chambers of Commerce, Foreign

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Trade Clubs, Export Managers Clubs, Trade Associations, Civic bodies, service clubs and others participate in the observance, but the program is carried into our churches and into our schools so that youth may become fully aware of the relation of foreign trade to our daily lives. The occasion gives American communities abroad the opportunity to meet, as we are doing here this evening, with their foreign business friends. I am quite sure that among our Chinese guests this evening and among their American hosts there are very few who are not directly or indirectly concerned in foreign trade. As I said at our Rotary Club meeting yesterday, Shanghai has its very roots in international trade. China's products are known the world over. The United States prior to the dislocations of recent years was the largest single purchaser of those products and, in turn, the leading source of supply of China's imports. Hence it is to the interest of each and every one present this evening, and our earnest hope that normal equitable trading conditions will be reestablished as soon as possible after the present world disturbances are over.

Much has been said of our Reciprocal Trade Agreements program, by means of which we in the United States have been endeavoring for some years, not by force, but by our trade with numerous countries, down the barriers to which has been making headway for the past seven years, is based upon acceptance of the theorem that no nation can expect only to sell and not to buy, that trade must be a two-way or reciprocal proposition, and that it must therefore operate to mutual advantage.

The building up of these trade barriers went on in the years immediately following the Great War of 1914-1918 to the point where the movement of trade received a severe set back, in 1929, and the economy of peoples both in the United States and abroad was severely upset. Many nations were practicing "economic nationalism", placing unnatural restrictions for various reasons, on the free movement of trade. Some countries were shutting out nearly everything except bare necessities and the materials for construction of armaments. You may recall that in our meeting together in this observance a year ago I mentioned that the compilations of the statistical office of the League of Nations showed that the quantum of world trade had nearly recovered in 1938 from the depression low to the volume of the peak year 1929, but that the character of the

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