Ladies and Gentlemen,

May I first of all thank you very much indeed for the great honour you bestow on my country and myself by electing me Chairman of this most important gathering of GATT Ministers. Switzerland, with its very special status in the community of nations, considers it a privilege and above all a duty to provide the best possible conditions as a meeting place for the discussion of the world's fundamental problems. And fundamental they are indeed, the items which are listed on the agenda of our session. It is no exaggeration to say that, no matter whether our work is going to meet with success or failure, the world will not be quite the same as before.

Under these circumstances, our first and foremost concern must be to live up to the sense of urgency which is expected from us and, therefore, to consider our gathering as a real working session. Accordingly, we should not waste any time with statements of a general character which would only repeat - though it might be very eloquently - well known facts and emphasize the pressing need to do something about them. Our very presence here is ample proof of our common desire, not only to acknowledge the existence of a number of urgent problems, not only to agree that they should be tackled in some way, and then to disperse, but to make practical and workable decisions on when and how they should be solved. If all of them cannot be disposed of now, we should at least set definite targets for their future handling. I am confident that you all agree this is the most appropriate method for the work we have to embark on now.

Looking out for differences in degree of impatience among us, I am sure not to be mistaken if I mention our friends of the developing countries first. There are very good reasons for their impatience. Although we have known their problems and the long list of their requests for quite a time, these problems
were still relatively unfamiliar to many of us, and the highly developed world needed a certain time fully to awaken to their urgency. Furthermore, the traditional, time-honoured instruments of commercial policy such as reciprocal tariff cuts, do not lend themselves - or are not sufficient - to alleviate substantially the situation of the less-developed countries. New ideas had to emerge and to take root. New techniques had to be devised, better fitted to provide real help. I fully realize that this kind of help is mainly meant to enable the developing countries to help themselves, and that they insist on getting it is surely very much to their credit. What is asked of the highly developed countries is a sort of "advance payment", through a generous opening up of their markets to the products of their less-developed partners, a policy which is expected to pay off high dividends in the end by a gradual increase in the purchasing power of the new countries, along with their increased possibilities of exports. We all know that this is not the only answer although it is surely a valid one; other factors have to come in, such as the diversification of production and the stepping up of trade between less-developed countries. On the other hand, these countries should not underestimate the very real difficulties which their highly developed partners meet when they are called upon to change economic and financial systems deeply rooted in national tradition and national legislation. So, a considerable amount of insight and comprehension will certainly be required on both sides. In no case, however, should this lead to a "tout comprendre, c'est tout pardonner"-attitude. The needs of less-developed countries are there, they are real and pressing, and we must take a large step forward to meet them, here and now, by concrete decisions.

Quite different are the problems facing the highly developed world, whether the bulk of their production lies in the industrial or in the agricultural field. Here, we are well past the starting point of fruitful relations; we have, rather, reached a stage which might be described as a crisis of growth - a pretty dangerous one, it must be admitted - that has to be overcome in order not only to make further progress possible, but, above all, to prevent a most regrettable setback.

Let me first note a happy development, namely the gradual elimination of unequal treatment among GATT Members. As we all know, a number of our Japanese friends' most important trade partners have recently seen their way clear to disinvoking Article XXXV of the General Agreement with respect to Japan. So, a problem that has caused much inconvenience in the past seems to be on the way to its solution.

In the relationship between highly developed countries the problems are manifold. There are tariffs high and low, homogenous and disparate, there are other obstacles to the free flow of trade, and there is agriculture. We should not be overly frightened by the weight of these difficulties. They are natural as a reflection of the varying background conditions existing in the
countries concerned. And they are surely surmountable - although some may need time to work out - if only we are firmly resolved to make the forthcoming negotiations a success. The set of problems we shall have to grapple with may be unique; but unique is surely also the chance we are offered to achieve a decisive break-through to freer world trade. It is a magnificent opportunity indeed which it would be quite unforgivable to miss.

The instrument to turn this our chance into reality is the new GATT trade conference to be held next year. Active preparations for it have already started. One of the objectives of the present gathering of Ministers is to launch it officially and to give it a good send-off by appropriate directives pointing the way to the solution of the principal difficulties.

Whether our efforts will be rewarded will ultimately depend on the attitude and the policies adopted by two or three large participants. Success or failure of this meeting and of the future conference rests mainly in their hands. Smaller countries can, no doubt, contribute their ideas, their goodwill and the limited economic power they may muster. The real test remains whether the mighty ones of this earth will not only stick to their repeatedly proclaimed determination to follow an outward looking, liberal policy in the interest of world trade as a whole and bear it out in actual fact, but also, maybe more importantly, whether they will be able, through constructive thinking and resolute action, to bridge the gap between their widely divergent views.

I firmly trust that this will be possible. It should be possible also in a field that presents particular difficulties: agriculture. I have great sympathy for the claim put forward by countries exporting mainly agricultural products that full reciprocity should be achieved between what they give and what they receive. They have put up a gallant fight for many years, using mainly dogmatic arguments, to have their cause prevail. If complete success has been denied them, there is no reason to despair. If I am not entirely mistaken, a new kind of thinking seems to develop among them, inspired much more than in the past by the concern to reach practical solutions through pragmatic methods. It would seem a promising approach to me to explore these avenues further.

This brings me to the end of my introductory remarks which I intended to be brief and factual. This is, I repeat, a working session. So let us not lose any more time and address ourselves courageously to the work before us.