Statement Made by the Hon. T.B. Illangarantine
Minister of Commerce, Trade, Food and Shipping, Ceylon
On 16 May 1963

Item I: Measures for the Expansion of Trade of Developing Countries as a Means of Furthering their Economic Development

I listened with great interest to the introductory statement made by you. I noted particularly your exhortation to us to refrain from general statements on the course of international trade or on the general problems faced by the less-developed countries. I believe these matters are quite familiar to the industrialized countries and the statements made this morning by my colleagues from the less-developed countries cover these aspects more adequately.

You have referred in your statement to the impatience of the less-developed countries; as you are aware, Mr. Chairman, the special problems faced by the less-developed countries were highlighted by the publication of the Haberler Report in 1958 and the programme for expansion of trade was initiated at the thirteenth session of the GATT held in November 1958. Since then there have

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Been a number of ministerial meetings, seven sessions of the Contracting Parties and numerous committees, including Committee III, which have worked almost continuously. When one sees that after the lapse of five years of work, the results achieved are so small, you will agree that the impatience of the less-developed countries is understandable. Like Ministers from other less-developed countries, I have come to this meeting in the hope that this Meeting of Ministers would begin a new period in the development of GATT, when the studies done up to now will result in the adoption of positive action by the industrialized countries to meet the growing problems of the less-developed countries. I am sure Ministers of the less-developed countries will be very disappointed and disillusioned about the possibilities that exist in the GATT for the solution of their export problems if this meeting did not make very substantial progress in the lowering of barriers to the trade of the less-developed countries.

On account of the inability of the industrialized countries to formulate a positive programme of action to assist the trade of the less-developed countries in pursuance of the ministerial directive of 1961, the less-developed countries took upon themselves at the last session the task of putting forward a programme of action. In our view the Programme of Action does not go as far as we would have liked it to go; the drafters of the Programme of Action had very much in mind the difficulties, political, social and economic of the industrialized countries to which you have referred in your opening address, and it is because they were cognizant of these difficulties that they drafted a Programme of Action with distant target dates and proposals that would be spread over a period of time. The less-developed countries regard the Programme of Action as realistic and capable of implementation by the industrialized countries if there was the necessary political will in the industrialized countries to do so. We are here, Mr. Chairman, to ascertain if there was this political will among the industrialized countries who have time and again emphasized their concern for the problems of the less-developed countries. We trust that the industrialized countries will be able at this meeting to translate good intentions into practical terms.

We of the less-developed countries are, therefore, here to listen to the contribution that the industrialized countries are prepared to make towards the solution of the international trade problems of the less-developed countries. I shall probably wish to make a few observations later in the meeting when I have heard the observations made on the Programme of Action by the industrialized countries. In this connexion, I should like to congratulate the President of the Board of Trade of the United Kingdom for the very crisp and forthright statement made by him in support of the Action Programme put forward by the less-developed countries. I should also like to welcome warmly the support given to the Programme of Action by the United States delegation.

Before I conclude, Mr. Chairman, I should perhaps draw the attention of my colleagues to the fact that the timing of this meeting and the decisions taken by this Meeting of Ministers would have far-reaching implications for the GATT as an instrument of international commercial policy. The conclusions
reached by Ministers at this meeting will enable us to take a view regarding what possibilities exist in GATT for redressing the tremendous problem of the deteriorating terms of trade of the less-developed countries. This, in turn, will enable us to define more clearly our attitude to the United Nations Conference on Trade and Development due to be held next year and to the suggestions that have been made regarding the establishment of an organization broader based and more comprehensive than the GATT.

In this connexion, I must say quite frankly that we have often asked ourselves what does GATT mean for Ceylon? What has GATT done for us? These questions have been asked both in Parliament and outside Parliament in Ceylon and there has been from time to time strong pressure for Ceylon to withdraw from the General Agreement. I must say Ministers of Commerce in Ceylon have found it extremely difficult to resist criticism about GATT and to provide adequate answers to justify Ceylon's participation in the work of the GATT. I hope this Meeting of Ministers will enable the Ministers from the less-developed countries to show evidence to their governments that GATT is capable enough and resilient enough to find solutions for the problems of the less-developed countries and to adapt, if necessary, its legal and institutional framework to meet the needs of our times.