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It is a source of a particular satisfaction to me to address this conference today, because this first contact I make with this organization comes at a time when great things seem to be in the offing. I have been connected for many years with subjects related to GATT and, consequently, I have followed closely in the past the permanent struggle on the part of Brazil, in association with other less developed countries, in order to obtain the acknowledgement of certain conditions which afflicted us but of which other countries seemed to be utterly unaware.

The meeting of the International Monetary Fund and the World Bank in Delhi, which closed ten days ago, brought us a full realization that the long pleaded case of the less developed countries was finally meeting with the understanding we had for so many years longed for. The President of the World Bank as you may recall, went as far as stating that the most outstanding fact of the twentieth century "is the great transformation going on in the under-developed world today".

The tone of the other statements made by the Governors of the two Agencies confirmed this general belief.

The presentation of the work of the Panel of Experts whose members I warmly congratulate, gave us an opportunity to hear a most interesting explanation of views by different countries. I wish to thank you Mr. Chairman and the able secretariat headed by Mr. Wyndham White, for suggesting this discussion.

The words spoken yesterday and today around this table gave us the conviction that I had very little to add in support of our old plea and we thought for a moment that it was no longer necessary for the Brazilian representative to take the floor. On second thoughts, however, I have decided that we would put in a word of acknowledgement to those who are joining with us in clearing what seems to us to be the threshold of a new era.
Our Government right from the beginning of the activities of the GATT was conscious of the difficulties encountered by the less developed of the contracting parties and, particularly, of the unawareness of such problems on the part of countries whose importance both in economic and financial terms it would be unnecessary to stress. Consequently, the Brazilian Government had, time and again, called the attention of the Contracting Parties for the need for a strong action aimed at effectively bringing together all of the GATT members in the pursuit of the common objectives of the organization.

In fact, we should like to point out that this position taken by the Brazilian Government had been guiding Brazil's actions both in her bilateral as well as in her multilateral relations such as in her recent efforts in the Economic Commission for Latin America and, more recently, in the Pan-American Operation, a movement designed to enroll the free nations of Latin America in a crusade towards the betterment of the living conditions of 180 million people.

It is rather gratifying, therefore, for the Brazilian delegation to ascertain that highly industrialized countries whose co-operation and support are necessary for promoting the economic development of less favoured countries also recognized that such co-operation involves, at the same time, the fostering of their own interests, which were likely to be sooner or later affected by income per capita disparity between the two groups. Although the mandate given to the four experts for carrying out these studies in relation to the trends of international trade did not expressly include the treatment of economic development problems, the mere listing of the difficulties met by the international trade on primary products brought out in the report is sufficient proof that it is impossible to consider separately international trade problems, at least in so far as less developed countries are concerned without taking into consideration the problems of development of such countries.

It is a well known fact that the economic development of these areas depends on their capacity to import which, in turn, is closely dependent on exports. Such exports must be kept at a level capable of ensuring a rate of economic growth sufficient at least to check the widening gap between the per capita income levels of the less and of the more developed countries.

To the difficulties of a structural or conjunctural nature that the primary commodities exporting countries are facing, we must add now, to those not belonging to preferential areas, the establishment of the European Economic Community and eventually, of the European Free Trade Area.

Such initiatives which can be justified from a political standpoint as well as praised as an effort to improve the standard of living of large sections of the world population may result more in a "trade-diverting" than in a "trade-creation" device.
The Brazilian delegation believes that GATT constitutes the best forum for dealing with each and every problem outlined in the experts' report.

GATT, unlike some agencies engaged mostly in theoretical studies, is called upon, owing to its mission in the discipline of trade among the contracting parties, to take notice and examine the measures taken by them in fields which directly or indirectly may affect such relations.

One could go as far as saying that GATT considers its order of business in a more realistic way, taking into account for its decisions the effective possibilities offered by the interested contracting parties as well as the Contracting Parties acting collectively. It might be mentioned, in this connexion, the number of recommendations and resolutions adopted in GATT's already long history relating strictly to questions which involve interests of a few contracting parties, as well as those related to the General Agreement itself. Tariffs, restrictive trade practices, revision of the text of the Agreement, Customs Unions, free trade areas, all these questions are examined in an objective and conciliatory manner, in search of solutions acceptable by the contracting parties.

Established as a temporary Agreement, GATT survives by virtue of its flexibility in the accomplishment of its mission, for if it had tried to carry the Agreement in a rigid and inflexible way, regardless of peculiar conditions of its contracting parties, it would have lost long ago its importance as an instrument for the discipline of international trade and possibly it would have jeopardized its own existence. Consequently, the Brazilian delegation wishes to express its hopes that the report under consideration should constitute the point of departure for a new action by GATT in a field barely considered, namely the analysis and adoption of measures for solving problems of international trade and along with the impact of such problems on the economy of contracting parties. The delegation also believes that the acknowledged magnitude of this subject that offers a vital interest to many contracting parties calls for the establishment in this thirteenth period of sessions of a standing Committee to discharge that function, submitting the results of such studies from time to time to the contracting parties.

We would like to mention at this point, that we honestly hope that in future tariff negotiations the access of primary commodities to their normal markets could be made by means of global consideration of all burdens falling upon them. The Report of the Panel of Experts contains illustrations for the need of such action. Through our experience, in countries such as Germany and Italy, which tax heavily coffee imports, we are sure that the substantial reduction of such charges will greatly contribute to the increase of international trade.
Experience shows that the effort towards economic development is more effective, satisfying the needs of the countries concerned, when it is carried out in accordance with adequate planning. In an open economy such as ours it is obvious that the market behaviour of primary commodities constitutes a decisive factor towards the success or failure of the goals envisaged.

It is not less obvious that such behaviour is less dependent from the isolated action of a country than from the understanding and co-operation of all members of the international community.

The absence of such co-operation would require an added domestic effort often beyond what a single nation is able to bear unassisted, causing, in consequence, the appearance of extra-economic problems, factors of social unrest.

The Brazilian Government is firmly engaged in promoting the acceleration of the country's rate of economic growth in response to pressing demands coming from most varied sectors of public opinion. It has sought in the international field to supplement the domestic resources available for such an effort calling upon the co-operation of friendly nations always in keeping with its traditional line of diplomatic action.

Brazil hopes that such co-operation may prove itself capable of meeting at least the bare needs of its basic development. Should such co-operation fail to materialize and having in view the irreversibility of the economic development process mainly in function of its social and political implications Brazil might be driven to resort to alternative formulae so that the just and undeferrable claims of her people be satisfied.

There should not be, however, any reason for scepticism, as to international co-operation for economic development of less developed areas. The statements made on this subject during this Session by the representatives of countries which are responsible for such co-operation, and which have the means to carry it out, sound rather encouraging in this respect. They let one visualize the early elimination of the obstacles standing in the way of progress in such areas. Such statements, therefore, deserve the warmest and most unrestricted applause of the Brazilian Government which finds in them the encouragement for re-assorting its belief in the benefits of international co-operation of which GATT is undoubtedly one of the most effective instruments.