GENERAL AGREEMENT ON TARIFFS AND TRADE

Meeting of Ministers

STATEMENT MADE BY MR. ALI DIAROUMEYE,
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Item I: Measures for the Expansion of Trade of Developing Countries as a Means of Furthering their Economic Development

I should like to thank the Chairman for allowing the spokesman of the observers for the Republic of Niger to take part in this discussion. I should also like to thank all the eminent speakers who have shown special interest in improving the standard of living of our peoples by promising to help us to develop our exports. The development of exports of agricultural products is the most important condition for raising the standard of living and achieving economic equilibrium in the young States.

Agricultural production accounts for 99 per cent of Niger's exports in terms of value, and under the Three-Year Plan the equipment effort should lead to a rapid rise in agricultural output, resulting in constantly growing surpluses which would have to be disposed of on foreign markets. My country is obliged to import in order to overcome its present lack of basic infrastructures, and in order to ensure its economic independence, it must sell to its trading partners a greater volume of agricultural and livestock products at prices ensuring equitable remuneration for producers.

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Our principal objective is twofold: increased volume in the context of stable prices. It is a difficult target to achieve, for reasons which are many but can be summed up as follows. In Africa there is a development of nationalism in customs and fiscal matters, tending towards excessive protection of domestic production, regardless of the capabilities of each geographical zone; this is mainly due to the fact that the States draw up production programmes in a strictly national perspective, without considering traditional flows and the necessary spirit of rationalization. At the world level, the gratuitous increase in agricultural productivity in the most highly industrialized areas brings considerable competition for similar tropical products, and sometimes the latter are faced with greatly reduced markets.

The recent expansion in soya production to the detriment of other oils, illustrates the danger of such a policy. In most cases the only result for the industrialized countries practising it is a limited increase in their national income, based on very diversified production. On the other hand, the developing countries are frequently dependent on a very limited number of agricultural products, due to natural factors and in particular climatic conditions, the influence of which can only be overcome by massive investment, and this cannot be achieved when capital and long-term loans are lacking.

Let us take by way of example the case of Niger, which at present can only hope to export cereals, leguminous products and cattle to neighbouring countries, and oilseeds and a limited quantity of cotton overseas. Any shrinkage of outlets or any drop in the export prices for one of these key products adversely affects the national income to a degree which, in the case of groundnuts (which account for 80 per cent of the value of exports, according to official statistics) could amount to a veritable disaster. In these circumstances, the Government of the Republic of Niger considers that the possibilities for economic growth of the developing countries depends on an improvement of trade practices along the lines of the efforts made in GATT, in particular reduction of customs duties and internal changes, and elimination of quantitative restrictions. In this regard, a special study should be made of the case of the African countries, in the context of the current plan for regional economic organization.

On first analysis, it appears that an essential step would be to establish in Africa one or more free-trade areas for agricultural products, affording the greatest possible degree of free movement for such products, and to harmonize factors of competition on a regional basis. With regard to the elimination by industrialized countries of measures for the artificial development of agricultural and livestock production, and the elimination of practices which disrupt normal terms of international trade, it would be possible to harmonize production programmes according to geographical areas, and taking account of consumption trends, by establishing special groups within GATT to study production prospects and market trends for the principal categories of similar products of tropical and temperate origins, and to make periodic recommendations thereon. Such standing groups would develop the work now being done by the Special Group on Trade in Tropical Products.