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

My country is among those which have not been able to give unqualified support to the group of recommendations which a large number of other countries proposed during the preparatory work for the present meeting for submission to the attention of the Ministers.

I think that I should explain my country's position once again here.

Madagascar is a developing country associated with the European Economic Community; at present it disposes of part of its exportable production under special systems established before independence and maintained in force since then in order to remedy the harmful effects of disturbances in the world economy in recent years.

We consider that these special systems are not reprehensible *per se* and that, on the contrary, they have had a salutary effect in the very difficult period which the world economy is encountering, at least in certain sectors, and should continue until such time as they can be replaced by satisfactory alternative solutions at world level.
Madagascar is not opposed to freedom of trade. In agreeing to certain provisions of the new association convention recently negotiated with the European Economic Community, it resolved to integrate itself in the world economy; such integration, however, must be effected gradually so as to prevent it from running counter to the ultimate objective which is acknowledged and sought after by all, namely, the economic advancement of the developing countries by all appropriate means.

Increased export earnings, which will make such advancement a reality cannot be achieved by all without exception, in identical conditions, by means of immediate establishment of absolute freedom of access to markets for tropical products.

Such freedom of access would certainly make possible increased foreign exchange receipts, particularly if accompanied by other measures likely to stimulate consumption of these products.

It is, however, only one of the measures to be taken in order to achieve complete success.

At the present time it can not be either completely adequate or sufficient.

It postulates a prior reorganization of markets - which in recent years have undergone profound upheavals in certain sectors on account of technical and scientific progress, paradoxical though this may seem.

So long as order has not been restored in world production and trade in this sector, freedom of trade can not be a universally effective measure.

Indeed, it could not ensure the stable and satisfactory outlets and prices which are afforded by adequate and steadily improving export earnings.

Furthermore, competition can not operate satisfactorily unless certain balances are established and unless all producing countries can face it on equally competitive terms.

These essentials are far from being met.

The characteristic feature of the present state of affairs so far as the developing countries are concerned, is the diversity of their situations and the considerable differences existing in their economic levels.

Until these disparities have been eliminated, competition would be catastrophic for many countries and would result in grave hardships.
Complete freedom of trade can therefore only be introduced gradually, as consistent with the current situation and special needs of certain countries concerned.

It must not be permitted to hamper their economic advancement on a sound and balanced basis, until such time as they can be fully integrated in the world economy without suffering harmful effects.

If this is to be achieved, none of the multiple and complex problems connected with development must be neglected. They must be examined and resolved globally, if we wish truly to succeed and obtain lasting results.

The time has not yet come when a market economy can be completely restored everywhere. The most highly developed countries will no doubt continue to dispense with it in one sector, that of agriculture, for as long as is necessary to protect certain national interests. What is still essential in that sector is certainly also essential for certain producing industries of the less-developed countries; it would be unrealistic not to acknowledge this and to want to transform everything brutally, without allowing for certain transitional processes which are indispensable.

One sometimes has the impression that there is complete or almost complete agreement in the world on the overall measures to be applied, but that the desire to see certain positions of principle prevail fosters the hasty adoption of partial measures whose only effect will be to satisfy the impatience of a few countries.

The task to be accomplished is immense, however, and it requires exceptional efforts over a very long period. In particular, the diversification of economies is a lengthy process.

It would be jeopardizing our chances of success to refuse to tackle all the problems, neglect certain individual interests, legitimate though they are and fail to take account of certain essential factors, among which time and aid are of primary importance.

I have noted with satisfaction that the proposals submitted to this meeting of Ministers include measures other than those relating to trade, and among them, action to strengthen the framework and adapt the rules of GATT in order to enable it to carry out its tasks more completely and more effectively.

I hope that these proposals will result at an early date in a set of measures which, applied in a harmonious and progressive manner, will make it possible to accomplish, to the advantage of all, this unprecedented task of ensuring the economic advancement of the developing countries.