

Competitive foreign suppliers must have full and fair opportunity to serve all our markets, consistent with international rules which allow for action to prevent domestic injury. Failure to provide fair access will only lead to greater skepticism and even cynicism. This in turn would strengthen the hands of the proponents of protectionism and narrow reciprocity.

Let us make no mistake of what is at risk. A turning away towards more protectionist policies and actions by the major trading blocs could, as we learned in the 1930s, have a catastrophic effect on the global trading system and on the economic wellbeing of all of us.

There is another more sophisticated argument which does not seek to deny the economic benefits of freer trade. It is that the level of economic integration which we have achieved imposes upon us an unacceptable degree of international intervention in our domestic societies. In other words, it limits to too great a degree the scope for domestic action.

Those who favour this argument seek to turn the clock back to a simpler era. As attractive as it may be to some, turning the clock back is impossible. We have gone too far — and rightly so.

Economic
health, political
security
inseparable

We are living in a closely knit world where we must all cope together, for our economic wellbeing as well as our political security are inseparable. Unilateral attempts to redefine the rules or the principles of the trading system cannot succeed and can do much harm.

The lesson to be drawn from this is that real understanding and mutual support between trade partners will be crucial as our economies continue to pass through this difficult time. Certain restrictive measures have been necessary in all our countries and may well be unavoidable in the future.

In facing up to these problems, it is imperative that major trading countries demonstrate the sensitivity and will necessary to produce mutually satisfactory solutions. If we do not work together to alleviate these pressures, the consequences could be disastrous.

We must all bear in mind that trade relations are not only a matter of applying rules mechanically and blindly. They are a matter of policy — of judgment and sensitivity to imponderables. We must take account of each other's difficulties and not just our own.

We must also be aware of our responsibilities to the world. We must elevate the debate above dangerous mutual recriminations, misunderstandings and resentments. The overriding nature of our common interests must lead us to sharing responsibility for solving the major issues facing us.