

Mr. Chairman,

We are living in "the best of times, and the worst of times", to paraphrase Charles Dickens. The quotation contains at least some truths that apply to the economic situation.

Our countries are enjoying sustained economic growth, surpassing forecasts of a few months ago. Yet our situation is fragile, and that of many non-OECD countries much more so.

The road ahead, especially regarding the problems of international trade imbalances and of international debt, will be difficult. Careful management is required. We must not forget that addressing these two issues will involve policy changes and cooperation by countries not represented at this table. I refer in particular to the newly industrializing and exporting economies of Asia, and the middle-income debtor countries.

The responsibility for managing the global economy is one that we in the OECD share with non-OECD countries, but the greater burden is ours. We are the primary engines of world economic activity. Our economic policy discussions, on international policy coordination, on debt, on trade, on structural adjustment and agricultural subsidies, have a disproportionate and immediate impact, for better or worse, on many other more burdened and vulnerable economies.

Given our responsibilities as leaders in global economic management, we might usefully review how we shape up, where we can take some satisfaction and where a stronger commitment to more vigorous action is required. Such a global perspective is important to us here at the OECD, and to Canada as we prepare to host the Toronto Economic Summit.

On economic growth, we can take satisfaction, albeit qualified. Six years after the last major recession, OECD countries are still generally experiencing moderate, steady economic expansion. Growth over the past year has, on average, been stronger than expected.