

Ladies and Gentlemen,

I appreciate the opportunity you've given me to speak to you this evening. I take it as a recognition of the growing importance of trade for agriculture, as well as of the complexity of agricultural issues generally.

Annual meetings are usually a useful occasion to take stock of events over the past year, an opportunity to try to put some intellectual order into what can appear to be, during the year, a chaotic series of more or less unrelated events.

In the few minutes I have I would like to take you through some of the major events of the past year so that they can be seen in perspective. On that basis we should be able to see more clearly what the prospects for the immediate and longer-term futures may be.

One of the themes that marked the past twelve months is the extent of linkages between domestic and international policies. Whether in agriculture or in other sectors, these are making the development of trade policy an increasingly difficult task for all of the players on the international scene.

If we look over the past year, it is clear that the international trading system has continued to be subjected to intense pressure from many sides. The economic situation of the major trading countries, combined with international monetary and financial problems, have exacerbated the protectionist pressures that lurk at the edge of the trading system even at the best of times.

At the Punta del Este meeting of GATT Ministers last September, Canada noted that the world's prosperity over the past forty years owed a great deal to the institutions that individuals of vision established at the end of World War Two, including notably the GATT. In the forty years that have followed, however, the commitment of all countries to the GATT has been subject to all kinds of domestic pressures, and particularly so in agriculture. Governments everywhere have, for one reason or another, succumbed to the temptation to take policy decisions on purely domestic grounds, while setting aside - or ignoring - any implications for their trade interests as exporters or importers. Thus many countries have, at one time or another, acted outside of - or sometimes against - the rules of the GATT. Moreover, in agriculture, the GATT has become riddled with derogations, waivers and other forms of exceptions. Over time the authority of the GATT has been

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