

Mr. Chairman, as many colleagues have already pointed out, OECD countries have been successful in sustaining economic growth, at generally low rates of inflation, over this recovery, now entering its fifth year. However, we must face the fact that there are some serious problems yet to be resolved in the world economy. I would like to address the role that international trade must play in the resolution of these problems. I will also speak about the crisis in agricultural trade, the need to reform agricultural production policies and the importance of dealing effectively with agriculture in the GATT. These are vital issues on which we must make progress if we are to achieve our mutual objectives.

Last September at Punta del Este, we were optimistic that we had turned the corner in our struggle with international trade problems. Today - only eight months later - a new sense of crisis surrounds international trade relations. We are engaged as individual countries in an increasing number of bilateral trade disputes and we observe an increasing tendency to resolve trade disputes by circumventing GATT rules. Mr. Chairman, these measures undermine the multilateral trading system and our accomplishments at Punta, including our important undertakings on standstill and rollback.

Reaffirming those commitments and ensuring the success of the Uruguay Round will require that we as Ministers show strong leadership to the negotiators in Geneva, to the business sector and to the international community. In my view the OECD has a vital role to play in trade policy generally and also in relation to the negotiations in Geneva. The OECD is an extremely valuable forum for consensus building and, as you will recall, Punta del Este was largely an exercise in consensus building. Today, at this OECD Ministerial, we have an opportunity to reaffirm the Punta political commitment and thereby contribute to the success of the Uruguay Round.

How can we make that contribution? First, we should make very clear the strength of our commitment to liberalizing trade and to a successful MTN. As Ministers, we