

There can be no choice for these countries between aid and trade. They must, in the foreseeable future, be able to count on both. They feel that, because of their lack of economic power, the present world trading system is weighted against them. They argue that, as between unequal trading partners, the strict application of the laws of the market leads to unfair results. They note that the most significant advances in world trade are being made in trade between the industrialized countries. They look to an international division of labour which will leave adequate and expanding room for their products.

All these points were made by the developing countries at the United Nations Conference on Trade and Development in Geneva last year. I can only say, as I did at that conference, that the position of these countries presents us with one of the really crucial challenges of our time. We in Canada have kept our markets as open as those of any country to the products of the developing countries. We look to the "Kennedy round" to help further to expand the trade opportunities of these countries. In GATT we have now formally recognized the special position they occupy in international trade, and I should expect that ways and means of giving substance to that recognition will continue to be explored in a variety of international organs, including those which were set up as a result of last year's Geneva Conference.

The thought I should like to leave with you tonight is this: however much is being done to help the trade of the developing countries, more will undoubtedly need to be done in future. If that is done by the advanced countries acting in concert, the burden of adjustment should not be too onerous. But beyond that, it is well to remember that expanding prosperity in the developing countries means expanding world trade. It is also well to remember, I think, that the cause of world peace and security is not likely to be advanced by stagnation and disillusionment in these countries. This is the real measure of interdependence in the world today and of the stake a country such as Canada has in the broadest possible development of international co-operation.

---

S/C