

this respect, where he singled this out as an urgent problem. Speaking personally, I believe that the potential impact of manufactures from the less-developed countries on industries in the Western industrial countries has been exaggerated. I said, in a speech in New York Monday this week, that if we Western countries were to devote as much effort to trying to solve the problems of the less-developed countries constructively as we do to restricting their exports of textiles, a great deal more progress would be made in the world than has been made recently. I believe that we should be able -- and that we will be able if we take this matter seriously -- to adjust to this competition, and thereby to increase the well-being, not only of the less-developed countries of the world, but also of ourselves and the industrialized world.

I very much doubt whether a new system of preferences for the less-developed countries, in the industrialized countries, would be the best way to meet their needs. We in Canada have had some experience with preferences over the years, and I think that it is safe to say that that experience does not lead us to conclude that this method of giving help to developing countries is likely to produce the best results. There are better ways of achieving our goals. And in particular, I'm not at all attracted by some of the European ideas that are now in circulation that there might be a system of preferences hedged about by elaborate import quota arrangements. This might give aid and comfort to those who have a protectionist point of view -- I don't think it should give any aid and comfort to those of us who believe that in freer trade lies great hope for the world. And I believe that the countries in the Northern Hemisphere in particular -- which includes the industrialized countries -- must take this problem of the trade requirements of the less-developed countries much more seriously than we have in the past. Not just because of our feelings as human beings for those who are less privileged than we are, but because this is in our own long-term interest as well. There are many things we can do, and some things that we are in the process of trying to do. I believe that it would be very helpful if we made more serious efforts to get commodity stabilization arrangements -- in tropical products, for example. I had some experience myself as the chairman of the International Coffee Conference in 1962, and there, if anywhere, I saw the nature of the problem. We did work out a coffee agreement. It has worked to some extent. It hasn't worked as well as many of us would have wished, but it has been a useful arrangement.

There are other agreements -- in sugar and cocoa -- that have been under negotiation for some time. These should now be promoted, and taken seriously, and an effort made to work out arrangements to stabilize prices and markets for these commodities upon which so many of the less-developed countries of the world are dependent for their foreign-exchange earnings. I believe, too, that we should move on the trade side of these tropical products, which are so important to the less-developed countries, by moving to free trade in the main tropical products. We have established this as a goal of Canadian policy. I believe that the United States has authority to remove tariffs on tropical products, and perhaps between the two of us we can also put some pressure on the Europeans to do likewise. And I believe that we ought to couple this with improving access for other products of the less-developed countries, especially where import quotas exist today. In short, I believe that we of the industrialized countries of the world are very much at fault in not trying to bring about a major improvement in the conditions under which the less-developed countries sell their products in the world today.