

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## EXPANSION OF TRADE OF LESS-DEVELOPED COUNTRIES

Statement by the Representative of Indonesia  
at the Meeting of the Council on 27 February 1962

On studying the report of Committee III, one cannot but have the conviction that GATT is entering an important phase in the history of international trade which promises a better future for the countries of the world, and in particular for the less-developed nations whose economic development at present depends largely on the earnings they receive from the export of raw materials or semi-processed goods to the economically advanced countries.

For the last three years Committee III has been continuously exploring factors and facts which hamper the export trade of the less-developed countries. On the basis of its findings, the Committee has made recommendations to the CONTRACTING PARTIES that the industrially advanced countries should remove obstacles to the trade of less-developed countries. GATT is now entering the period of implementation of these recommendations. This might be called the period for action. The less-developed countries look upon the GATT as the most important international organization for closing the widening gap between the developing countries and the economically advanced nations, and are focussing their fullest attention and hopes on this period of action. We cannot help stressing again the importance of international trade to the implementation of our economic development plan to ensure the welfare of our more than 90 million people.

As has been said time and again, the less-developed countries, in order to accelerate their economic development and finance development projects, need to expand their foreign trade and increase their foreign exchange earnings. The less-developed countries would prefer to rely on trade rather than on aid, since they consider that trade gives rise to earnings, while foreign aid creates obligations. By this we do not mean to belittle foreign aid, but we consider it only as a supplement and not as a main source of earnings or revenue. Even the establishment of a fund to pool international resources in order to assist the development of less-developed countries cannot be regarded as a substitute for foreign trade earnings. Against this background it cannot be sufficiently stressed that expansion of trade, resulting from the removal of barriers, which would not be too great a sacrifice for the industrial nations, is of paramount importance to the less-developed countries.

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My delegation has observed with great interest the determination and seriousness on the part of various delegates at this meeting to tackle the problems contained in the report of Committee III. And I should like to suggest that existing and future working groups dealing with these problems should not indulge too much in technical details or procedures, but should always bear in mind the urgency of the problems. In this connexion my delegation welcomes the proposal put forward by the United States delegation to set up a special group on trade in tropical products.

I should now like to touch upon a subject which, in the view of my Government, has an important bearing on the trade of less-developed countries. With regard to the establishment of economic groupings having a specific regional character, I am instructed by my Government to appeal to these regional groupings to avoid adopting trade practices which are harmful to the trade of third parties. In conclusion, my delegation wishes to make an urgent appeal to other delegations to convey the impressions and spirit of this meeting to their respective governments.