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At a time of severe world recession we need to take counsel together.

Peoples of every country want a higher standard of living - and for some the need is dire indeed.

And many of us suffer the tragedy of unemployment and want work for those who are without it.

It is tempting to think that because the demand for goods exceeds the world over is insatiable, and because factories ~~are~~ stand idle, there ought to be some grand design, some magic formula which would transform world trade and satisfy the aspirations & ambitions of those we represent.

In our complex and untidy world, no such tidy solution exists.

Part of the problem within each of our own countries is to run our economies in such a way that one group of people can identify or respond to the wants of others.

~~It a line of world news is~~

~~kept from a conference such as ours~~

And part of the task between countries is to keep open the channels of trade, the means of exchange and the flow of capital, so that producers in one country may find work by selling to consumers in another.

The problems that afflict us are complex and their causes varied

recession itself

changing patterns of trade as new industrial countries enter world markets

increasing population demographic change

technological advance

mounting expectations because each sees how others live

It is against this background that we shall be discussing 'protectionism' ~~and~~ debt problems and the report 'Towards a new Bretton Woods'.

I do not believe that the creation of new international institutions will solve our difficulties. After all, we already have them and we did not at the



Nothing will do. We are from the need to manage  
~~the economy on our own~~ the economy on our own  
conditions only well, ~~and~~ - together with the  
value of the IMF if ~~significant~~ debt <sup>reduction</sup> ~~is~~ required.

~~And~~ in solving our own problems we must  
have regard to the effect on others. ~~High interest~~  
High interest rates have made new difficulties for  
many an ~~struggling~~ economy in both the developed  
& developing world alike.

~~And~~ we often see further progress further  
promoted  
by ~~strictly~~ <sup>strictly</sup> ~~adopting~~ <sup>adopting</sup> ~~monetarism~~  
~~and~~ international institutions like I.M.F. will  
be able to do this by creating new ones.

- 1) New institution - no need - present
- 2) - Fixed exchange rate - not possible because  
not running economies the  
reversing way
- 3) But we institutional adaptation in spirit of  
founded by Bretton Woods - in concluded  
for others.



# World Economic Problems

~~Most of us are responsible for~~

At a time of world recession, hopes from a conference such as ours tend to run high. ~~Many~~ ~~countries~~ The people of every country ~~are~~ want a higher standard of living (and for some the need is ~~great~~ <sup>dire</sup> indeed) and ~~many~~ <sup>most</sup> want more work for ~~those~~ <sup>those who are without it</sup>. Some feel that because the demand for goods ~~is~~ <sup>is</sup> so great we could over it if just and ~~that~~ <sup>that</sup> ~~people~~ <sup>people</sup> ~~and~~ <sup>and</sup> ~~factories~~ <sup>factories</sup> ~~and~~ <sup>and</sup> ~~mill~~ <sup>mill</sup> that there ought to be some grand design, ~~some~~ <sup>some</sup> ~~major~~ <sup>major</sup> ~~formula~~ <sup>formula</sup> which would transform ~~the~~ world into and satisfy the <sup>demands</sup> ~~desires~~ of those we represent. That as we all live by doing things for one another there ought to be some major formula for getting everyone to work and for getting & distributing the goods produced. ~~That of course~~ <sup>is</sup> just a nice lofty ~~idea~~ <sup>vision</sup> ~~which~~ <sup>which</sup> ~~ignores~~ <sup>ignores</sup> the responsibility of meeting the ~~bottom~~ <sup>which raised</sup> ~~needs~~ <sup>needs</sup> ~~of~~ <sup>of</sup> ~~people~~ <sup>people</sup> with the goods produced, and part of our problem in our several countries is how to run our economies in a way which enables one group of people to identify & respond to the wishes of others.) And between countries part of the task

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It is tempting to think that because the demand for goods and services the world over is insatiable, and because factories stand ~~in~~ idle - there ought to be some grand design, some magic formula which would transform world trade and satisfy the aspirations and ambitions of those we represent.

In our complex and untidy world, no such tidy solution exists.

Part of the problem within each of our own countries is to run our economies in such a way that one group of people can identify and respond to the wants of others.

And part of the task between countries is to keep open the channels of trade, the means of exchange and the flow of capital, so that producers in one country may find work by selling to consumers in another.

/ The problems

The problems that afflict us are complex and their causes vary:

- recession itself
- changing patterns of trade as new industrial countries enter world markets
- increasing population and demographic change
- technological advance
- mounting expectations because each sees how others live

It is against this background that we shall be discussing 'protectionism', debt problems and the report "Towards a new Bretton Woods".

I do not believe that the creation of new international institutions will solve our difficulties. After all, we already have them and we didn't at the time of Bretton Woods.

Nor can we revert to a fixed exchange rate, countries just do not run their own economies in a way that allows the exchange rate to stick.

But we can take our existing institutions, the IMF, the World Bank and adapt them in the spirit that inspired the founders of Bretton Woods.

We can each run our own economies in a prudent way and in the steps we take to correct them have regard to the effect on others.

/ And where

And where debtor countries do take the action required by the IMF, some countries here can see that there are sufficient funds to help them through.

I believe that this approach will enable us to make genuine progress by the time we meet again, namely by managing our own national economies well and by strengthening the authority and scope for action of the international institutions.