PRESENTATION OF THE FORTY-SECOND ANNUAL REPORT

BY THE CHAIRMAN OF THE EXECUTIVE BOARD AND MANAGING DIRECTOR OF THE INTERNATIONAL MONETARY FUND

M. Camdessus

It is a great honor for me to address you for the first time in my new capacity. You can, I am sure, imagine my feelings: gratitude for your trust; awe about the magnitude of the challenges we face; reassurance stemming from the caliber of the Executive Board and the staff of this institution; hope that your understanding and support will match your trust . . . . These are my feelings as I seek to build on the exceptional achievements of my predecessor, Jacques de Larosière, who will go down in history as having preserved, at a crucial moment, the international financial system. I am well aware, in facing these challenges, that success will depend crucially on effective collaboration between the Fund and the World Bank, collaboration built on many of the shared goals so eloquently set out by Barber Conable.

I will not dwell longer on my own feelings. What matters at this moment is the fact that you, the Ministers of Finance and Governors of the member countries of our Bretton Woods institutions, have come together here—at a time when one of the few things we know for certain about our future is that it will depend on the nature of your cooperation. And the Fund’s ultimate raison d’être, as you well know, is to serve that cooperation.

How can we ensure that these brief meetings dispel doubts, discourage the temptation to “go it alone,” and revitalize our spirit of cooperation? For this, common ground for action has to be found. And it is a task of the Fund to help find it. Allow me, therefore, to comment briefly on the world economic situation; then to elaborate on some of the key issues we face, including growth and stability in the major industrial countries, and the problems of the poorest and the most heavily indebted countries; and, finally, to say a few words on the role of the Fund today and in the future.

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What are the salient features of the current economic situation? First, two positive points: the industrial world is now completing its fifth year of...
continuous—albeit, in my view, insufficient—growth, and for the time being inflation in the industrial countries remains under control. But problems persist that are daunting in their complexity.

— Economic expansion remains fragile.
— Few inroads have been made into unemployment and poverty.
— Domestic and external imbalances are unsustainably large.
— The external debt burden of the developing countries stands at a record level.
— Commodity prices have fallen to their lowest levels in real terms since the 1930s.
— The situation of many of the poorest countries defies description.

Fortunately, the map of the world is not uniformly gray. A good number of developing countries have been making major efforts to improve the efficiency and competitiveness of their economies, and last year the non-fuel exporters, taken together, were able to combine a further reduction in their current account deficit with a faster rate of growth. And some among the newly industrialized countries are now in a position to play a greater role in the global growth process. Some others, meanwhile, can be proud of the results of growth-oriented adjustment efforts that have been consistently applied. Still other developing countries, let us not forget, have avoided external crises and continue to make steady progress.

But it is also true that, as President Houphouet-Boigny pointed out, “no country can expect to be an oasis of prosperity in a desert of crisis.” In fact, developing and industrial countries alike are all affected by problems that have a common source: policies that are insufficiently strong—and insufficiently structural in content—to achieve sustained growth. We are facing an interlocking complex of problems which have their roots in the mistakes of the past. This should induce in us some feelings of humility, but it should also make us determined to be clearheaded, to see the problems for what they are, and to address them universally and not simply in countries seeking to use the Fund’s resources. We need better policies to be implemented on a sustained basis, and this is clear when we look at each of the three “continents” making up the special geography of the problems that face us today.

Policies in the Industrial Countries

The major industrial countries had a priority task to carry out in the first half of the 1980s: to bring inflation under control. And they succeeded. Inflation has been brought to its lowest level in 20 years, and after the deep recession in 1980–82, moderate growth has resumed and been sustained. But serious imbalances emerged, and structural rigidities of all kinds are blocking the road to more rapid growth and higher employment. These imbalances affect the
whole world, in particular through the effects on real interest rates, which are too high at present.

Looking at these countries, we find four policy imperatives:

— First, to reduce the fiscal deficit of the United States in line with the commitments made. This is crucial because of its impact on so many key areas: on interest rates in the United States and elsewhere; on the balance of payments of the United States and its take-up of external debt; on the credibility of efforts to stabilize the dollar—and, thereby, of the pattern of exchange rates as a whole; and, finally, on the allocation of savings throughout the world. Noteworthy success has been recorded during the fiscal year now ending, which is very much to be welcomed. But further significant progress will be needed in 1988 and beyond. As this task will be so difficult, no approach should be ruled out. All of us very much welcome the reaffirmation by the President of the United States this morning of the strong resolve of his Administration in this respect.

— Second, to channel efficiently the savings of surplus countries. This, of course, must not entail a repetition of the sometimes imprudent experience of the 1970s. The best safeguard is to be found in the quality of the economic policies pursued by the recipient countries through appropriate recycling, a subject to which I shall return later. Allow me here, however, to welcome the initiatives under way in this area by the Government of Japan. It goes without saying that if the surpluses remain as large as expected, further steps of this type will be needed.

— Third, to implement more vigorous structural adjustment, including measures to turn the tide against protectionism. The industrial countries must attend to the rigidities that have a tendency to beset mature economies. Let me simply note in this context that efforts in many countries to reconsider the role of government and policies intended to increase economic efficiency, such as deregulation, promotion of a more competitive environment, and introduction of greater flexibility in markets—including labor markets, a particular problem in Europe—are by no means in competition with social objectives. On the contrary, it seems more and more that such policies are crucial if such goals are to be secured on a durable basis.

— Lastly, but implicit in each of the foregoing, to achieve enhanced coordination of economic policies. This past year, with the Louvre and Venice agreements, represents a milestone. The Fund’s Executive Board has warmly welcomed these agreements—particularly the effort to achieve greater exchange rate stability, and hence better conditions for growth. It believes, however, that these goals require increased efforts by all key currency countries, and that the urgency of the matter permits no delay. The current account disequilibria must be dealt with in a way that is symmetrical. Shifts in trade flows require that domestic spending in the United States grow more slowly
than domestic output for an extended period. In the surplus countries the reverse will have to continue. Japan and the Federal Republic of Germany, the major surplus countries, obviously have special responsibilities in this regard.

The role of the largest industrial countries is crucial, but they are not alone responsible for strengthening world economic growth. The smaller and medium-sized industrial countries, as well as the newly industrialized economies, must also formulate their objectives and policies with due regard to their international implications. By promoting greater structural flexibility in their economies, they, too, can play an important role.

Restoring Sustainable Growth in the Developing Countries

If growth can be strengthened and put on a sounder basis in the industrial countries, an important step will have been taken toward dealing with the problems of the developing world. Nevertheless, the task here remains immense, especially in those countries—whether among the poorest or in the middle-income category—where the debt problem is most serious.

Let me first address the particular problems of the poorest countries. I will confine my observations today to the countries that are potential beneficiaries of our structural adjustment facility (SAF). This should not be construed to mean that we devote any less attention to the others. I am thinking in particular of India and China, which in 1985 so generously decided not to exercise their rights to draw on the SAF, and I am thinking of all the others as well.

Why did I ask that the Heads of State and Government meeting in Venice be asked to support a tripling of the resources available under the SAF? And why am I asking you today? Because I have become convinced that the situation of the poorest countries is such that the only way for the Fund to continue to support strong macroeconomic policies and structural reforms in these countries—in a manner consistent with safeguarding the Fund's monetary role—is to have resources available, specifically for this purpose, that are less costly and of longer maturity than its ordinary resources. This is why the Interim Committee expressed the hope last April that the SAF would make it possible to obtain the necessary additional bilateral and multilateral support.

A tripling of resources available to the SAF will still leave the facility playing only a small role in what must be accomplished in these countries. But that role is crucial; for it is imperative that international resources to these countries—in all forms—should be employed in the context of policies designed to restore economic balance. Would it not be most efficient, the most indispensable way, for surplus countries to recycle part of their surpluses, and for all the others to contribute somewhat more to the increased solidarity toward the poorest that they all consider a matter of urgency? I am hopeful that all countries that can do so will indicate very soon their intention to contribute to this initiative. On our part, we are aiming to proceed as quickly as possible with further consultations with potential contributors in order to conclude
these discussions within the year, in line with the wish expressed at the Venice summit.

Other initiatives in related fields are also important: the World Bank’s recent initiatives for sub-Saharan Africa; the reforms suggested by Mr. Balladur under way in the Paris Club to provide for better adapted maturities in rescheduling operations; Chancellor Lawson’s initiative to apply lower interest rates to existing official debts; and, as far as development finance is concerned, the implementation of the IDA-VIII replenishment and a general capital increase for the World Bank. Let it not be thought that these initiatives are alternatives to each other. They are not. They are mutually supportive. And even when you have acted on all of them to the best of your possibilities—as it is my strong hope that you will—the major part of the effort for the future of these countries will still remain to be accomplished, as it must, by the countries themselves. I shall return shortly to the nature of the policy efforts required.

Let me turn now to the third continent: the heavily indebted middle-income countries, whose problems most of you had especially in mind when you came here this morning. Where do we stand today? Five years ago, when we met in Toronto, the debt crisis had just erupted, and the outlook was bleak. It is still full of difficulty. But we have come far. The international banking system has been strengthened; economic growth has resumed; these countries as a group have reduced their external and fiscal deficits; and many of them have moved seriously to adjust their economies. Unfortunately, in several cases, the effort has been only partial or has been prematurely interrupted.

Over the same five years these countries have, however, seen a deterioration in their terms of trade that has had a negative impact far exceeding any advantage they may have derived from the decline in interest rates. Standards of living have declined. And flows of external financing to them have been considerably smaller than they could have devoted to productive investment.

At the same time, the burden of indebtedness, far from declining, as we hoped five years ago, has actually risen. The average ratio of debt to exports in the entire group of capital-importing developing countries reached 187 percent at the end of 1986, as against 156 percent at the end of 1982.

Since then, much has been accomplished, but much clearly remains to be done. Indeed, we must acknowledge that more time than anticipated will be required to emerge from the crisis. A crisis which passes quickly is one thing. Dealing with a crisis which becomes a persistent problem is quite another.

Under these circumstances, how can we fail to understand the anguish felt by the leaders of developing countries when confronting a world in which economic activity languishes, protectionism continues to spread, interest rates rise anew, and net external financing shrinks? What must we do to ensure that our strategy remains relevant?
There is in our strategy a fundamental element that must be preserved at all
cost: the principle of shared responsibility and its corollary, the duty to work
cooperatively. Our strategy is a cooperative one. As Barber Conable has said,
the problems of these highly indebted countries can only be overcome through
a determined partnership between debtor countries and their international
creditors. The four groups involved—debtor governments, creditor govern-
ments, international financial institutions, and commercial banks—have rec-
ognized that there can be no durable gain for anyone unless there are gains for
all. It is a strategy in which each group agrees to make its greatest possible
contribution and to accept as much risk as it prudently can in order that the
effort of each will be strengthened and the external creditworthiness of the
indebted countries restored as rapidly as possible. This will ultimately be to
the advantage of all. There is no satisfactory alternative to this approach.

What then must be done now by the various parties involved? Each must do
more and must do it better.

The governments of all developing countries have three key responsibilities,
and these are especially pressing in the case of the heavily indebted countries.
First, they have to persevere with the implementation of sound macroecono-
mic and structural policies for growth and external creditworthiness. This
obligation is inescapable, and it is, above all, in their own interest. No country
today—especially not the poorest or most indebted—can afford an economic
policy that does not seek, with the greatest possible determination, to elimi-
nate imbalances and structural rigidities. Policies which tolerate imbalances or
rigidities, regardless of the reasons advanced for them, will sooner or later
come back to haunt the poorest and undermine international solidarity.

The ingredients of strong reform programs are not cast in one mold. They
need to be tailored carefully to the unique circumstances of each economy and
to pay due regard to the country’s social and political priorities. Certain basic
requirements, though, are self-evident.

— Monetary and fiscal policies must combat inflation and promote the
mobilization of domestic resources for the development effort.

— Interest rates must be maintained at positive levels in real terms so as to
attract a sufficient flow of savings and ensure that they are put to productive
use.

— The price structure, including the exchange rate, must encourage the
efficient use of domestic resources and investment in activities which exploit
countries’ comparative advantages.

— Distorting tariffs and quotas must be removed, and outdated and ineffici-
cent structures of taxation and subsidies reformed.

Such policies, we well know, are not easy to pursue. On the contrary, it
requires the greatest political courage to introduce them and to see them
through to their conclusion. This courage must be acknowledged by those who are called upon to assess programs, so that they do not, through skepticism or unrealistic demands, undermine the actions that we all support. Then, policies must be sustained. Too often have we witnessed the damaging costs of pauses in program implementation—costs that become evident when a fresh start proves more difficult than the initial steps.

A second responsibility incumbent on the developing countries—especially those that are experiencing debt problems—is to open their doors further to foreign capital investors. Is it not paradoxical that while great emphasis is laid on promoting flows of financing that do not add to debt, all too frequently there are multiple barriers to such flows?

Finally, a third responsibility for the governments of these countries is that they must do everything they can to strengthen the spirit of cooperation and thus of mutual trust. However much demagogy may beset them on all sides, they must not permit ambiguous remarks or threats of unilateral action to raise doubts about the sincerity of their commitment to a common effort to restore sustainable growth and external creditworthiness.

The unflagging commitment of debtor countries to strong policy reforms will, of course, be extremely difficult if appropriate financing is not available for their productive investment and if growth is not restored. In countries with recent debt-servicing problems, investment has dropped from more than 25 percent of GNP to 19 percent over the past five years. True, the earlier ratio included some expenditures which were not very productive. But, at the current pace, new investment in many of these countries is barely sufficient to keep the capital stock from falling, and good projects are left without financing.

Additional financing is thus urgently needed. In what amount? There is no simple formula, either as a proportion of debt repayments, or of GNP. But where we have strong growth-oriented adjustment programs, the aim has to be to leave no good, productive investment or import without appropriate financing. With such financing, the ratio of investment to GNP will be able to grow as warranted—at rates which will vary from one country to another, taking into account the quality of their investment programs, their economic situation, and the boldness of their adjustment policies. It is in this spirit that we in the Fund analyze the financing side of programs submitted to us.

Given the need for additional external financing, how could creditors do more and better?

As for creditor country governments, it goes without saying that the four imperatives for industrial countries to which I referred a moment ago acquire even more importance in the context of debt and development. The world needs stronger growth in the creditor countries, better balance in their external current accounts, greater stability in exchange rates, policies conducive in the long run to lower real interest rates, and a rollback of protectionism. Progress
in these areas has been made, but it is slow. It equally needs to be complemented by a strengthening of international financial institutions, an increase in official flows of bilateral assistance, and more determined efforts to harmonize divergent tax and regulatory policies which impede the assembly of concerted financing packages by their commercial banks. Without this, how can we hope to restore satisfactory growth in the developing world and solve the debt problem?

As for the commercial banks, their situation has significantly improved in recent years. This is welcome for them and for the world financial system. It is welcome also for the indebted countries. A sounder banking system should be able to play a more active role in supporting countries’ recoveries and thus rebuilding the quality of banks’ existing claims and future business. As we all know, the banks have not been inactive of late. The financing plan agreed with Argentina, for example, illustrates that cooperative action among creditors and debtors can speed up procedures and expand what has come to be known as the “menu” of options offered.

The use of such techniques is essential, but I share the view of those who doubt that they will provide a full answer. Equally, though, I remain convinced that the basic answer continues to lie in cooperative actions. And I believe that for the banks to play fully their essential role in this strategy—and in their own longer-term interest—they will have to do more and do it better.

— First, the spirit of innovation that has pervaded the international capital markets needs also to permeate the area of bank debt restructurings. I see two broad guidelines for new approaches. They should be freely negotiated between debtor and creditor, and they should be market based. Departure from these principles would only delay rather than hasten the resumption of voluntary financial flows to countries that are on their way to restoring creditworthiness. The present market in sovereign debt is segmented and imperfect: the prices quoted send unclear signals to debtor and creditor alike. I would welcome the emergence over time of a broader and more transparent market—one that would reflect the changes in the credit standing of countries and lay the basis in due course to tap a wider pool of financing. No approach should be struck from the “menu” of financing options as long as it meets these conditions. Consistent with this, I would hope that the nature of negotiations among banks can evolve to accommodate greater diversity and not converge on a “lowest common denominator.”

— Second, banks should be prepared to provide greater financing. The increase in banks’ net exposure in developing countries since the launching of Secretary Baker’s initiative in October 1985 has been very modest. While in some cases this has reflected problems of policy implementation, in others it has reflected delays or shortfalls in the provision of warranted financing. It is important that there should be no question about the willingness of the banks to respond promptly by providing the moderate amounts expected from them to support good programs.
— Third, it would be most helpful if banks approached the problems of small countries and medium-sized countries in the same spirit and as promptly as they do those of large countries. One major negotiation should not be allowed to delay one or several other negotiations.

— Fourth, and finally, let me urge that decision making be speeded up. The delays which we have often seen only hamper the implementation of adjustment programs and undermine progress toward the restoration of creditworthiness. It is indefensible that in some cases, while far-reaching adjustment programs have been adopted with the international community’s support, inordinate delays on the part of certain smaller banks frustrate the completion of financing arrangements by governments and international financial organizations. International cooperation must not be paralyzed in this way.

The Role of the Fund

I would like now to turn to the role of the Fund. In a sense, this has been implicit in much of what I have already said. Let me now only highlight certain areas of key importance.

First, I believe that the Fund has a crucial role to play in strengthening multilateral mechanisms of cooperation that can promote faster world economic growth and a stable international monetary system. The Louvre and Venice agreements have opened up new areas for cooperation in which the Fund is invited to play an important part. It will do so by providing the major industrial countries with a frank evaluation of their economic policies, through the use of indicators; by drawing the attention of each of these countries to the impact of its actions on other countries; and by seeking to ensure that the interests and aspirations of the rest of the world are taken into account. We have, with the indicators, a means of giving sharper focus to the analysis, providing a benchmark against which policy recommendations can be made more persuasive, and thereby enhancing the effectiveness of multilateral surveillance, for the benefit of all.

Second, the Interim Committee in its meeting two days ago reaffirmed the Fund’s central role in the debt strategy. This is a role the Fund must play, working closely with the World Bank and continuing to adapt flexibly to the changing needs of its member countries, while adhering firmly to the principles which guide its actions under its Articles of Agreement—in particular preserving its nature as a monetary institution. What does this entail?

— That the Fund assist countries in designing economic programs, monitoring their implementation, and, if necessary, explaining them to the international community—which rightly considers there to be no finer guarantee for external financing than the appropriateness of economic policies.

— That the Fund help mobilize financing flows from other sources, and work with the other parties to the strategy to help ensure that such flows and financial relief are adequate to sustain the resumption of growth.
That the Fund also stand ready to contribute financially itself. In the current economic climate, the Fund’s own financial involvement in the implementation of the debt strategy has to remain sizable. It is possible, in fact, that greater use of Fund resources will be necessary than contemplated earlier. It is thus all the more essential that we fulfill our duty to be rigorous. It also goes without saying that we must continue to exert all energy to ensure that obligations to the Fund are discharged on time and in full; arrears are totally unacceptable in a cooperative monetary institution like the Fund. This does not mean, however, that when times are tough we should confine ourselves to collecting on our claims and burying the money in the strong box. When I drafted the original version of this speech, in my maternal tongue, using the language of my ancestors who were farmers at the foot of the Pyrenees Mountains, I wrote “burying the money at the bottom of the garden.” And I know that in Spain it would have been said, “debajo del colchón,” “under the mattress.” This is certainly the difference between a rural and an urban culture, but indeed I obey the urban culture of the translators. Burying the money in the strong box in this environment is wrong. We cannot be oblivious to the payments needs of countries pursuing strong policies that merit continued support. That would run counter to the intentions of our founders and the interests of all our members.

Among the Fund’s basic instruments for fulfilling these three aspects of its role—helping members with the design and implementation of their adjustment programs, mobilizing financial flows from other sources, and providing its own financial contribution—are its financial facilities. For the low-income countries, the SAP has a particularly important role to play. For our membership at large, the extended Fund facility was designed to provide financial assistance over a longer period to members engaged in structural adjustment, but has been used little in recent years. It has, I believe, the potential to be used more, and we will need to see what can be done to revitalize it. High on the agenda also, as the Interim Committee has pointed out, is a review of the compensatory financing facility.

The Fund must stand ready, in reviewing its procedures and its approach to program design, to draw on the lessons that recent experience has taught. One such lesson, perhaps, is that it often takes more time now than in earlier “traditional” balance of payments crises to achieve a lasting recovery. Another is that unexpected external developments beyond the control of the authorities can have disruptive effects on carefully elaborated and steadily implemented adjustment programs. In such cases, appropriate contingency mechanisms are worth considering. Yet another is that in certain cases our conditionality might lose nothing of its rigor, and indeed could gain in effectiveness, if it were predicated on a smaller number of essential variables with somewhat longer time frames. Ten years have passed since the Fund last reviewed in comprehensive fashion its policies on the conditional use of its resources, and it is time we reviewed them again. We will be doing so in the months ahead.
work of the Group of Ten and the Group of Twenty-Four provides an
important input to this process, and the new Report of the Group of Twenty-
Four has been received with great interest. We have recently had a preliminary
discussion in the Executive Board of these reports, and the Board has commit-
ted itself to rapid study of the suggestions they contain.

At the same time that we seek to nurture the major cooperative effort
required to help overcome the debt problem, we must also attend to a number
of other vital tasks.

The Fund must continue to strengthen its cooperation with two organiza-
tions. The first is the World Bank. Whatever the developing country, this
cooperation goes on daily at all levels. As Barber Conable said earlier, the
Fund and the Bank have a long history of collaboration on which to build. In
this regard, I count myself fortunate to benefit from such close and cordial
relations with him, and you may be assured that we will continue to deepen the
process of cooperation.

The second organization is the GATT. Protectionism is a growing and
progressively more harmful obstacle to growth-oriented adjustment. It is my
conviction that it threatens to undermine a considerable part of the hard-won
fruits of adjustment. Throughout the world it is wiping out the economic
advantages of efficient resource allocation and complicating the problem of
reducing payments imbalances. At another level, it is poisoning the interna-
tional dialogue. We have at hand, within the framework of the Uruguay
Round, the means to reverse this disturbing slide toward trade restrictions of
the most varied kinds. Some perhaps will feel shy or skeptical because of the
magnitude of the task in this field. . . . I suggest that they read the remarkable
lecture given by Sylvia Ostry two days ago on the occasion of the annual Per
Jacobsson lecture. It will be very comforting to them. We will do our utmost to
ensure that the efforts of the Fund and the GATT are mutually reinforcing.

It would be remiss of me to speak of the Fund’s support for its members in
the present difficult world environment without touching on the implications
for the Fund’s own financing. In this regard, I am pleased that the Group of
Ten has indicated its readiness to renew the General Arrangements to Borrow.
This is a welcome decision, for if the Fund is to respond flexibly and
imaginatively to the problems we face today, it cannot do so without the firm
commitment and financial support of its member countries.

Looking ahead to the future, it is our duty, in the same context, to pursue
our work on the Ninth General Review of Quotas. For anyone who believes
that the early 1990s may be no less difficult than the present years, it would be
imprudent not to strengthen the Fund in readiness by expanding it at least in
proportion to the expansion of the world economy, and to base its financing
again on quotas and not on borrowed resources. This is an issue that cannot be
avoided. This is why I have proposed that a substantial increase in Fund quotas
be considered. It is a matter of importance that this work proceed rapidly.
A second area of work for the future is to intensify our efforts to achieve a more efficiently functioning international monetary system. Closer policy coordination is a first step toward a better international monetary order. A good deal of progress has been achieved in the last few months, and via the best method available; I mean pragmatism and constructive experimentation. At the same time, this should not preclude more general work on the international monetary system. While it would be unreasonable to rush ahead, it would be every bit as irresponsible not to be prepared to move forward when circumstances once again were favorable. That is why I am planning to give priority to examining the international monetary arrangements that are in the process of developing and the role that might be played in this process by the SDR—which, I remind you, our Articles of Agreement would make the principal instrument in the international monetary system. This work should enable me, at some appropriate future date, to provide the Executive Board, at its request, with a number of carefully thought-out initial considerations. Meanwhile, strengthened cooperation will, I trust, have been enhanced by further fruitful experiences.

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These are the tasks before us. I have spoken to you today about boosting growth everywhere, but on a sound basis so as not to repeat the mistakes of the past. This is surely the path we have to follow in order to surmount our difficulties, particularly those of the poorest. It will require the resolute pursuit of good economic policies, cooperation among all parties, and the sharing of risks. I have proposed none of the things that our world has seen in the past and some still demand of us today—namely, unconditional, plentiful financing; unsustainable rates of growth; reliance on financing that was at times thought to be virtually risk free; and an IMF less daily involved in burning issues. This climate existed in the past, and at times it may seem a lost paradise. It was, though, a “paradise” with a dark side, for many of our present difficulties stem directly from that period. Let us turn our eyes to the future and look to the task before us. It is a difficult task, to be sure. But let us remember that many countries are taking steps to adapt to new times, and let us build on this. Let us also remember that no crisis fails to yield some opportunity. Indeed, let us seize the opportunity that the present situation offers: the opportunity to build a more trusting, more solid, and more active cooperation.