urged in UNCTAD (the United Nations Conference on Trade and Development) is for the advanced countries to offer preferential tariff treatment to the industrial products of the developing nations. This would make it possible, so the argument goes, for the developing countries to earn foreign exchange and accumulate the capital they so urgently need.

A strong theoretical case can be made for this proposal, yet I have never believed that it was politically realistic. Let us, for example, consult our own experience. The weaving of textiles is, after all, the classical case of labor-intensive light industry best suited to the resources and abilities of countries just crossing the threshold of industrialization. Yet, the moment that the developing countries began to send their cotton textiles into our U.S. market in any volume, the pressure from our domestic producers compelled us to restrain imports through a succession of international arrangements.

Since we have denied nondiscriminatory entry to the textiles of the developing countries on the ground that they are produced by cheap labor and thus disrupt our markets, how can one possibly believe that the advanced countries would be prepared to accord the developing countries preferential treatment for their manufactures on a generalized basis?

For it is one of the ironic facts of present day society that while we talk glibly of "trade not aid" and make speeches about the need for the developing countries to earn their own way, the advanced countries find it far easier to provide resources through gifts or long-term loans than to open their markets. The reason for this is, of course, obvious—that the opening of markets creates problems for specific and articulate groups who can translate their unhappiness into political action, whereas the burden of foreign aid falls on the taxpayer.

But if generalized preferences for the developing countries are not, as I see it, the wave of the future, what about discriminatory preferences to specific countries? Should we, for example, as has been often suggested, set up a special trading system with Latin America in which we would grant their products favorable treatment in our market while they would accord reciprocal favorable treament to our products in their markets?

This is the kind of question that cannot be answered intelligently unless we are quite clear as to the whole set of structural relations we envisage between the industrialized north and the preindustrial or semi-industrial south. This is an important question, since the rich nations can never efficiently work together in assisting the poor nations unless they reach some common agreement as to the general shape and structure of the totality of these north-south relations. We have paid very little attention to this problem, but we cannot go on ignoring it forever since pressures are building up that will require us to face it frankly.

The problem is an important one, because it raises the central question as to whether we should continue to cast our relations with the rest of the world in universalist terms or should move avowedly toward some tacitly or explicitly agreed allocation of responsibilities, which cannot and should not be disassociated from the whole question of spheres of influence. At the moment there are two existing systems of north-south relations—rarely acknowledged or differentiated. One