

**General Council Meeting  
March 3, 2020**

**Statement by India - Delivered by Ambassador & PR to the  
WTO**

***The importance of market-oriented conditions to the World Trading System - Communication from the United States***

We thank the United States for their submission. The proposal is being examined by capital and we will revert with detailed comments.

2. We are curious, like many others in this room about the intention behind this proposal, which, at this stage is not clear. Some of the terms used in proposal are not clearly defined. The nature of State's actions and the category of enterprises falling under its scope are also not elaborated. Because of its prescriptive nature, the proposal has stirred up the old market versus State debate.

3. Chair, the debate over market versus State has been settled a long-time ago and State intervention in economic activities occurs in every country of the world without an exception. While it is not our intention to go into this debate, we would like to draw attention to some of the questions it has raised. The proposal seems to assume that all state interventions are bad for markets and overlooks instances where state interventions have enabled markets to function better. Do we need markets only for market's sake or we need markets that work for welfare and development? Also, should WTO be making prescriptions and monitoring development models and economic systems of its members who may be at different levels of development ? These are important questions which need to be answered.

4. India has been striving over the past three decades to pursue pro-market, pro-competition and transparent policies. However, State interventions have been warranted to address market failures, given the significant need to pursue pro-poor, pro-welfare, and pro-equity policies and bring more than 250 million people out of poverty. While doing so, we have been mindful of the need to achieve a fair balance between the market and state interventions.

5. As a founding member of the WTO, India believes that WTO's core objective remains promoting sustainable development, 'in a manner consistent with the needs and respective levels of economic development' of its members. State or market are only the instruments for achieving this objective and the decision of which one to choose when, should be best left to the wisdom of the

Members. The focus of the WTO should be to use trade to create conditions of welfare and development.

6. I thank you, Chair.

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