

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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VENEZUELA: STATEMENT BY MR. EDUARDO MAYOBRE, PRESIDENT OF THE VENEZUELAN  
INSTITUTE OF FOREIGN TRADE, AT THE MEETING OF THE GATT CONTRACTING  
PARTIES AT MINISTERIAL LEVEL, 15-19 SEPTEMBER 1986,  
PUNTA DEL ESTE, URUGUAY

Allow me first of all, on behalf of the Government of Venezuela, to congratulate and thank the authorities and the people of the Eastern Republic of Uruguay for their hospitality and the splendid welcome they have given us. I would like at the same time to express my best wishes for outstanding success in the conduct of these important and decisive negotiations, in the confidence that your guidance in the present circumstances is a guarantee that we shall make the headway we seek.

As an observer country, Venezuela feels bound to express its concern at the way in which the multilateral spirit inherent in GATT has drifted away in practice. The growing trend towards bilateralism has eroded the bases for genuine international co-operation, has created areas of conflict, and has led to failure to fulfil the commitments undertaken, which at the time made for dynamic growth in world trade. The abandonment of multilateralism has been seen not only in the commercial area but also in other types of relationships - finance, for example.

Today there is a consensus to the effect that for a number of years now, trade relations have been passing through a critical phase. Recession and uncertainty continue to be the main economic feature of a considerable number of countries, and there is no indication that the international community is making decided efforts to cope with this situation.

The lack of will to settle the acute crisis affecting the commodity markets, indifference in the face of the problem of external debt facing the developing countries, and the restrictions imposed on industrial sectors in which the developing countries have become competitive, have raised doubts as to the capacity of the existing arrangements to cope with the current problems. The mutual recriminations between developed countries, and the inflexible attitudes of some of them, have helped to crystallize this view. In these circumstances, we feel that the first task of the international community is to restore the credibility of the multilateral mechanisms as instruments of international co-operation. To this end, what is needed is not so much to advance into new areas as to respect the commitments already made and to solve the existing problems.

We believe that the trading system should respond to practical needs and to concrete, immediate hard economic facts rather than to vague ideological aspirations. In other words, it must face economic, political and social problems with every day that passes. With this in mind, we cannot ignore the linkage between trade and development or underrate the relationship between trade and finance. To this end, we have to reaffirm the need for differentiated and special treatment for the developing countries. It would be most unfortunate if this principle were placed in jeopardy as a consequence of the reciprocal restrictions between the industrialized countries. It would not seem improper to question the success likely to be achieved by introducing new subjects into international trade relations if we bear in mind that in the areas already included, the situation - according to analyses made by GATT itself - is one of retrogression.

Over the years, and in the various international forums, Venezuela has been one of the countries advocating multilateralism. We have promoted international dialogue and co-operation on an unconditional basis. In this respect, our views are in keeping with the spirit of the General Agreement, and we believe that it can constitute a pragmatic instrument for making headway in international co-operation. A Round of trade negotiations could be helpful in this sense, so long as an equitable multilateral spirit is maintained.

We would like to think that this meeting, and others which will be the outcome of it, will constitute a stable framework for international trade, free of the vicissitudes or pressures which may in certain circumstances prevail in some of the countries concerned. For us it is of fundamental importance that this framework should take heed of the Latin American will to advance in the direction of economic integration of the countries of the region. We also believe that it is feasible to move towards an order where the tendency towards protectionism on the part of the industrialized countries is avoided as pressure is put on the developing countries to open up their markets.

In conclusion, I would like to say one or two words about the subject of participation. As a developing country and an observer country under the General Agreement, we would like to see the Punta del Este Round opened up, without prior conditions, as was the case at the time with the Tokyo Round, to all interested developing countries. We are convinced of the importance of the work that can be initiated here; we calculate its potential scope, and we trust that an integrated view of international realities will help to make us better prepared to focus our policies and to contribute to the international co-operation efforts being made.