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POLITICAL COURAGE, NOT POLITICAL RHETORIC, IS REQUIRED TO CONCLUDE
THE URUGUAY ROUND, SAYS ARTHUR DUNKEL IN NEW REPORT

"Political leaders everywhere have come to accept that the Round is something too big and too important to see lost. There is a sense of political responsibility which stretches from the poorest to the richest countries suggesting, finally, a willingness to table concessions, modify objectives and make deals in a manner which will bring us to a final Uruguay Round package. However, it remains to be seen if, this time round, political rhetoric is to be complemented by political courage."

This is stated by Arthur Dunkel, Director-General of GATT, in his introduction to GATT Activities 1990¹, published today. "There is no doubt

¹GATT Activities 1990 is available in English and will shortly be available in French and Spanish. It can be obtained from the GATT Secretariat, Centre William Rappard, 154 rue de Lausanne, 1211 Geneva 21, or through booksellers. In the United Kingdom, orders should be placed with HMSO, P.O. Box 276, London SW8 5DT, and in the United States with UNIPUB, 4611-F Assembly Drive, Lanham, MD 20706-4391. Price SwF 20.

that we have a window of opportunity to conclude the negotiations this year", he adds.

Mr. Dunkel points out that many developing countries, as well as those in Eastern and Central Europe, have taken unilateral measures to liberalize their trade policies. "Even the largest traders have made some contribution to this process much of which has been undertaken in anticipation of a final successful conclusion of the Uruguay Round." Mr. Dunkel also highlights the large number of accession negotiations leading to very substantial trade policy reform commitments by new members. "The GATT system offers a framework of support for integration into the world economy and, at the same time, a source of positive outside pressure to achieve much needed domestic reform."

The failure to conclude the Round had injected uncertainty and insecurity in GATT's framework for international trade, according to Mr. Dunkel. "For instance, while the disputes settlement system has continued to be called upon frequently as a means of resolving bilateral trade disputes, the recent record of implementation and, in some cases, adoption of panel reports has been a source of great concern", he says. Major traders felt unable to adhere to panel findings, which were based on existing GATT rules, until the conclusion of the Round. "In the eyes of some contracting parties, it has given the impression that there is one law for the most powerful members of GATT and quite another for all the rest."

Mr. Dunkel also draws attention in his introduction to the question of the mutual impact of trade and environment policies: "Many trade disputes are already surfacing which owe their existence to differences between trade and environment objectives ... We are faced with the need to consider the extent to which the General Agreement, as it is now, can adequately cover the requirements of governments to pursue environmental objectives using policies which sometimes may affect trade but which do not degenerate into protectionism with another name. One thing is clear, however, that the world's capacity to deal technically and financially with environmental

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challenges can only be helped by the reforms and potential for growth and development offered by a successful conclusion of the Uruguay Round."

GATT Activities 1990 reports on every aspect of GATT's work during 1990 and in the early part of 1991. It covers the many disputes brought to the GATT for resolution, the work on new accessions, the Tokyo Round committees and activity related specifically to the developing countries. The Publication also gives a detailed account of the work in the Uruguay Round negotiating bodies and looks at general trends in international trade performance and policies.