

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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BOLIVIA

Statement by Dr. Mario Reyes Chavez
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Bolivia is honoured and privileged to take part in the most important multilateral event of the end of the 20th century, thanks to the warm hospitality of the Government of Morocco.

It is an honour and a privilege because we have brought here with us the same spirit of cooperation and integration that imbued our ancestors from the very moment when, in 1825, we became a sovereign and independent republic.

As our statesmen have quite rightly said, we are a small country but we have a universal mission. We are well aware that the peace and prosperity of nations depend on the attitude adopted by their leaders towards the world around them. No country, be it a superpower or in the third world, can guarantee stability on its own; for that both large and small countries must show reciprocal respect and understanding when dealing with the problems of the human race.

But what are those problems?

Poverty, despair, crime, and environmental destruction are not unique to rich or poor countries. We are all equally guilty and victims, to a greater or lesser extent, of these scourges.

In the face of hunger, people have resorted to uncontrollable mass migrations. In answer to desperation there is drug addiction against which repressive measures are powerless. And as the environment is destroyed, we engage in industrial restructuring and technological development which must be transferred internationally.

When in 1947, shortly after the end of the Second World War, countries set out to find mechanisms guaranteeing orderly reconstruction, there were visions of a new world order firmly rooted in a manageable monetary system, a suitable source of finance and a global system of trading relations.

The International Monetary Fund, the World Bank and a World Trade Organization, which failed to survive, were born of these efforts. The Havana Charter had powerful detractors who finally agreed to the establishment of the GATT, an incomplete mechanism for multilateral negotiations which originally served the rich countries.

It took 47 years for us to realize that we can make up for past mistakes.

We are now witnessing the dawn of the often envisaged World Trade Organization which must complement and strengthen the highly complex process of guaranteeing a coherent monetary system and a financial mechanism which encourages productive investment, without which trade, instead of

generating economic activity, will remain prey to speculation or serve as a discriminatory instrument used for purposes of obstruction.

The World Trade Organization, together with the United Nations Conference on Trade and Development (UNCTAD) and other United Nations bodies, will have to work towards the construction of a new international order based on equality and justice.

The world has embarked upon a process of globalization. Communications are bringing us into closer contact. People's needs have gone beyond primary necessities. Emulation, fashion and styles are creating an almost universal society in which production, distribution, investment and consumption go hand in hand.

Commercialism, which led to a remarkable upsurge in trade, has now reached saturation point. It is no longer a question of selling more, in accordance with the postulates of mercantilism or of justifying the division of the world on the basis of alleged comparative advantage in order to create an unfair order, with the production of raw materials relegated to some countries whilst others enjoy the benefits of technology.

Experience has shown that the world economy is fragile and that the poverty of one geographical region can easily spill over to another. In other words, it has been shown that an economic system designed to profit some while working to the detriment of others inevitably becomes a means of self-destruction.

For all these reasons, our country is much concerned at the renewed determination to promote unilateralism, which may ultimately hold back efforts aimed at multilateralism.

Bolivia, like most developing countries, has had to contend with unequal trade, unfair practices, manipulation and the sharp fall in the price of its exports, trade restrictions, the high cost of transport and services, difficult access to technology, and other problems. Added to this, there is the fact that Bolivia has no direct access to the sea.

Despite these difficulties, we are enthusiastic and optimistic participants because of our conviction that in an interdependent world, isolation is not the way out for any society. We are aware of the limitations of the commitments we are going to make at this meeting but confident that the difficulties and problems will be resolved through active participation, direct negotiation and constructive dialogue.

Aware of this truth, we are convinced that one of the major initiatives of the Uruguay Round has been the proposal made to the Community of Nations that it establish a multilateral trade organization and ratify the important results of the negotiations on access to markets in goods and services.

The tariffication process, designed to replace discriminatory restrictions, and the commitments gradually to remove subsidies for agricultural products, although unsatisfactory to us in view of the excessively long time-scale involved, at least mark a step forward in an area which threatens the interests of developing countries. We are concerned that their results may take the form of tariff percentages that prohibit access to major markets for our agricultural products.

We endorsed the Agreement on Sanitary and Phytosanitary Measures once they ceased to be an exclusively unilateral tool of governments and became part of a system of multilateral disciplines and we hope that the Agreement on Technical Barriers to Trade will not be used by developed countries to introduce unjustified barriers to trade through the back door.

We are pleased to see that the Anti-Dumping Agreement concluded at the end of the Tokyo Round has been enhanced, by endowing it with a more precise methodology, that customs valuation procedures are being standardized and that preshipment inspection systems include a procedure for the settlement of disputes.

With regard to trade in services, we are convinced that in view of its growing importance, the planned multilateral negotiations will herald a significant liberalization process. Nevertheless, we must warn against the dangers of non-productive investments that seek to revive practices of the past, substituting for the old colonial relationship between countries producing raw materials and countries exporting manufactured goods a similar relationship between countries producing goods and those providing services.

We stress the importance of intellectual property rights related to trade, beyond the innovations of the Uruguay Round. Nevertheless, we would also like to point out that this Agreement should not become a subterfuge for restrictive and anti-competitive practices which limit the activity of enterprises subjected to possible limitations imposed by those granting manufacturing licences.

Finally, we enthusiastically endorse the adoption of a new integrated dispute settlement system in the sphere of trade in goods and services. Without this mechanism, small countries would be at the mercy of the large countries' every whim. A legal system will be valid and durable as long as standards are respected. A periodic trade policy review will be the best guarantee of observance of the agreements.

I wish to conclude by emphasizing that however perfect, transparent and predictable international trade may be and however perfect its institutions and standards, nothing will be as successful in making it more equitable than the will of those who have assumed and will assume responsibility for representing nations at the conferences, and on the committees and councils of the new organization, in which the challenges of the new world economic order will have to be taken up.