

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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DOMINICAN REPUBLIC

Statement by Mr. Miguel Sang Ben
Technical Secretary of the Presidency

On behalf of the Dominican Republic I wish to congratulate you on having finally completed the Uruguay Round negotiations. I also wish to express, on my country's behalf, my thanks to the Kingdom of Morocco for serving as host to this highly important event in this beautiful city of Marrakesh.

This moment in history is one of unrepeatable opportunities which my country will do everything in its power to seize. It is an opportunity to tighten bonds that have firm roots in history, such as those between the Kingdom of Morocco and the Dominican Republic.

Five hundred years ago, as you know, several contingents of immigrants from the Iberian Peninsula, mainly from Andalusia and the Canary Islands, settled on the island of Santo Domingo. These were the areas where the Moroccan influence, both cultural and ethnic, was greatest.

Now, 500 years later, when this important Meeting is taking place in the city of Marrakesh, I can only wonder at the lively influence of Moroccan culture on our music and on our more traditional architecture, which with the expansion of tourism is newly in fashion.

Like Morocco, the Dominican Republic too is a country with a strong commercial bent, a natural bridge between continents. In describing how we shall take advantage of the opportunities opened to us by the conclusion of the Uruguay Round, I am bound to point out that my country is already the bridge between the world's two chief markets: that of North America and that of the European Union. This privileged situation for the purpose of attracting foreign investment is due to our active participation in the United States Caribbean Basin Initiative and in the European Union's Lomé Convention IV, to which we acceded in 1989.

We in the Dominican Republic are fully aware that compliance with the Uruguay Round Agreements is the main way to consolidate and widen the access achieved for our exportable supply. We know that this will entail drastic institutional changes. In particular it will serve as a compulsory frame of reference for the coherent functioning of government bodies and of their economic policy design.

We shall not regard these obligations as a price to be paid for our status as a contracting party to GATT and a Member of the incipient World Trade Organization. On the contrary, they are a most important component of the overall competitiveness of the Dominican economy.

It is clear to us that countries' capacity to attract and retain investments which strengthen their competitive position depends essentially upon the State's ability to apply coherent economic policies

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and to ensure effective representation of national interests. In this respect the Uruguay Round Agreements, although of limited scope in some areas, constitute in my country's opinion instruments of the first importance in promoting its social and economic development.

When we participated in the Uruguay Round with our offers of market access and of services, our negotiating strategy was influenced by a clear long-term view of the role which three key sectors would play in the competitiveness of the country's other export-oriented activities.

As everyone may see from our offer of services, the Dominican Republic has consolidated total openness in its sectors of tourism, telecommunications, value added and, more particularly, transport in all its modes, including support services.

The competitiveness of our exports of goods cannot be maintained unless long-term conditions are created for rendering transport services more competitive. The anti-competitive practices of the shipping conferences, for example, have meant additional payments equal to 15 per cent of the cost f.o.b. of our exports of goods, including those of the successful free export zones or offshore processing industries located in the country.

Can we contemplate, within the next 10 years, the erosion of the access achieved through preferential schemes such as the Multifibre Arrangement when we have to pay transport costs that in practice represent an additional tariff of 15 per cent?

If we are to seize the opportunities which international trade offers us in the future, negotiations on the liberalization of shipping must be begun as soon as possible. This is a demand we support in all regional forums of negotiation, free trade and integration in Latin America and in particular in the newly formed Association of Caribbean States, which will include 38 States and territories of the Caribbean and Central America in addition to our fellow G-3 countries of Colombia, Mexico and Venezuela.

On my country's behalf we earnestly entreat our fellow Ministers from developing countries to withstand the tremendous bilateral pressures to increase the scope and coverage of the protection of industrial property: pressures that seek to go beyond our obligations under the Agreement on TRIPS.

We cannot give way on this matter unless we obtain concessions in other areas of equal importance. The liberalization and deregulation of transport services by the developed countries, and their ultimate eligibility for the anti-trust legislation in force in most developed countries would be, in our view, a concession of the greatest value to our countries. If we ask for this with the same vigour, I am sure we shall obtain it.

This leads us directly to the so-called "new topics" that are insistently raising their heads in all our statements. It will not be possible to take real advantage of the benefits of free trade in services unless we take up the subject of competition policy. The transport sector, already mentioned, is an important example, but only one of many cases of special relevance to the competitiveness of even our countries' exports of goods, including even those of the developed countries.

Our country wishes to participate actively in the new negotiations on liberalization of trade in telecommunications. We are perhaps the only ones to have liberalized a basic service, data transmission. Here again, however, we face the problem of uncompetitive market structures, a speciality of countries whose State-controlled economic systems have not survived the course of history.

This is the subject to which the developed countries will have to give top priority in order to restore the growth of their economies. This will be particularly important in helping to solve the

essentially domestic problems of their labour markets. All the attention paid to the new subject of trade and social sectors seems, as we understand it, to be based on a false premise.

The shortcomings of the labour market in the developed countries would seem to be due to differences in the regulation of that market in the developing countries. What has this to do with accelerated technological change and the concomitant continuous elimination of unskilled jobs in developed countries?

We developing countries are keenly interested in job creation in the developed countries. Only through the growth of consumption by the labour force of the developed countries shall we be able to export more. We want their problems of long-term structural unemployment to be solved. But that will only be possible if the attention is focused in the right quarter, and not on the alleged harmfulness of the irrelevant mirage that has been contemptuously dubbed "social dumping". Instituting disciplines concerned with trade and social sectors will not increase the growth rate of employment in any country.

To end my statement I would emphasize that the many opportunities being created for our countries can be exploited only within the framework of an effective World Trade Organization. In many cases, such as those mentioned, it will be necessary to continue negotiating as soon as possible. But the achievements recorded with regard to multilateral disciplines can be secured only by a WTO which prevails over the monster of unilateralism and which, where necessary, eliminates restrictive trade practices and promotes sustainable development with lapsing into green protectionism.

On behalf of the Dominican Republic we congratulate King Hassan II for providing such a superb setting in which to get this new chapter of international trade off to a happy start. I congratulate all of you and thank you for your kind attention.