

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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**PORTUGAL**

**Statement by H.E. Mr. José Manuel Durão Barroso**  
**Minister for Foreign Affairs**

I would firstly like to thank His Majesty the King of Morocco for the very warm welcome with which he has honoured us in this marvellous city. I would also like to congratulate the organizers of this Conference, and especially those who have made it possible for it to happen after over seven years of intense and difficult work. I extend my warmest greetings to all of them.

The event which brings us together here today is of the greatest significance, as we wish to officially register our renunciation of protectionism and unreservedly affirm our will to create the conditions in which free trade, which we wish to extend to all nations, can be established in a context of healthy and fair competition in which greater wealth, prosperity and well-being can be assured for everyone.

Everybody knows the harm which can be done by protectionism which, during the 1930's, by closing the industrialized countries in on themselves, contributed so much to the aggravation of problems and which gave rise, along with regrettable manifestations of extreme nationalism, to the terrible catastrophe of the Second World War. Everybody is also aware of the felicitous manner in which leaders responded after that conflict in order to resolve the serious problems afflicting the nations emerging from the War.

The liberalization of international trade must objectively constitute one of the pillars of an international community which is capable of maintaining peaceful relations between its constituent States. I am certain that economic progress in which it will result will, by diminishing or avoiding tensions, make a decisive contribution to ensuring peace between nations.

It is with satisfaction that we are now able to note the importance in international trade of many countries which, for too long, played a role which was essentially confined to supplying raw materials to other countries, and particularly to the most industrialized countries in the Northern Hemisphere.

Many of these countries have succeeded in achieving spectacular progress. As a result of new technologies, this progress has often been achieved rapidly, without going through the traditional intermediary stages which were obligatory for countries in which the industrialization process started at an earlier date.

However, the development of many of these countries has created situations of inequality and injustice across the world. While in certain cases economic progress has long been accompanied by significant improvements in the social field, in other cases, as a result of the rapidity with which economic and technological progress has taken place, these social improvements have not yet been fully achieved.

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Competition between countries which are newly industrialized and those in which the industrialization process occurred earlier has therefore often taken place under very unequal conditions. Indeed, the renunciation of the benefits of social progress is very frequently the decisive element in the international competitiveness of the latest generation of industrialized countries.

In a context of free international trade, we all know that trade takes place in accordance with the principal of comparative advantages.

We also know that it is impossible for a country to enjoy comparative advantages (and, for the same reason, to suffer from disadvantages) in all sectors. However, we are ready to recognize the right of developing countries, to a certain extent, to choose between enjoying or sacrificing certain benefits of social progress as a function of their development needs.

We are also aware that respect for certain standards of behaviour, and particularly those long established by the International Labour Organisation, which have become acquired social rights over several decades, must never amount to a sanction for those who observe them. It is therefore urgent for the World Trade Organization to start working on the social dimension of international trade.

In this context, I have to refer to the problem of the textiles sector, which is a vital component of the economy of my country and which, more than any other sector, requires a just basis for competition and respect for the rules and disciplines of transparent trade.

We also have to make every effort to ensure that there is a global coherence in economic policies in order to prevent the trade liberalization measures which we have so patiently succeeded in achieving being undermined by unilateral monetary measures. On the basis of the Agreement which we are about to sign, it is therefore necessary for the World Trade Organization to constitute a solid basis for the achievement of this objective.

I would like to conclude this brief statement on a note of sincere optimism, since I am convinced that the World Trade Organization will not fail in its fundamental tasks, and especially in contributing to the monitoring of international trade with a view to a balanced and sustained growth of the world's economy.

However, for the World Trade Organization and the system which we are about to create to be able to operate effectively, it is necessary for participation to be as broad as possible. If the common objective is to achieve the liberalization and consequently a greater level of development of international trade, it is indispensable that all the nations which so wish should be included in this process, and particularly the principal trading powers, on condition, evidently, that they fully respect the rules which are now being adopted.

Now that the most ambitious cycle of multinational negotiations ever undertaken has been completed and the forum created for future negotiations, it remains for us to hope that all those who have not yet done so will soon accede to it and that together we will be able to contribute to the achievement of our objectives, namely the pursuit of progress in a stable context and the increased well-being of all the populations of the world.

In conclusion, I would like to say how much I welcome the fact that the future of our planet has been taken into account, particularly through the inclusion among our concerns of problems relating to the environment and the risk of the exhaustion or diminution of resources, which could threaten stable growth. Without such growth, the extraordinary period of expansion which we have experienced over past decades could turn out to be no more than a momentary episode in the course of the history of humanity.