

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Working Party on Structural Adjustment  
and Trade Policy

## RECORD OF DISCUSSION ON COUNTRY CONTRIBUTIONS RELATING TO EXPERIENCE WITH STRUCTURAL ADJUSTMENT

Yugoslavia  
(Spec(82)6/Add.16)

1. Introducing his country's submission, the representative of Yugoslavia said that in Yugoslavia the process of structural adjustment was a complex and permanent one. It was an integral part of economic growth and of overall economic policy; no particular adjustment policies existed. It was basically an internal process that reflected the political and economic development preoccupations of the country.
2. External factors, in particular external trade, had an influence on the adjustment process, depending on the extent to which the national economy was linked with the international economy. The influence of external factors was increasing with the growing importance of trade in the economy.
3. He said that the main economic objectives of Yugoslavia, as it was a developing country, were accelerated economic development, reduction of economic differences among the regions, increase in employment and greater participation in international trade. The national plan, which indicated the social orientation that economic policy should have, set the goals to be realized within a certain period, generally five years. Economic policy created the framework for the realization of the specific economic targets. The main economic policy instruments were measures to affect investment, prices, exchange rates, imports, etc. These policies had an indirect effect on structural adjustment by influencing the behaviour of enterprises which were the real agents of structural change in Yugoslavia.
4. Reviewing structural change in Yugoslavia over the past three decades, he said that economic development during this period had tended to be more extensive than intensive. The problems of structural adjustment that now existed were different and stemmed from the need for the Yugoslav economy to pursue a policy of intensive and qualitative development, especially to increase labour productivity and the importance of foreign trade. The process of structural change in Yugoslavia could thus be expected to be increasingly dependant on external developments.
5. Responding to a number of questions, the representative of Yugoslavia said that the influence of external trade on the adjustment process as well as the influence of domestic structural change on external trade depended essentially on the importance of foreign trade in the national economy. While the Yugoslav government intended to follow a long-term policy to increase this importance, it was also pursuing policies aimed at increasing

self-reliance in a number of sectors that had received relatively less attention in the past, such as raw material and agricultural production. He said that he would give in writing in due course statistics in response to a request for information on the extent to which the ambitious targets for the share of exports in GDP referred to on page 16 of Spec(82)6/Add.16 were being realized.