The launch of the Uruguay Round: A boost to the open development of international trade



Enrique Iglesias
Former Minister of Foreign Trade of Uruguay

Note: The original text was provided in Spanish

The Uruguay Round was launched following intense negotiations within the General Agreement on Tariffs and Trade (GATT), with the GATT Director-General, Arthur Dunkel, playing a key and active role in taking the negotiations for the new Round to a developing country.

He was supported to great effect by the Ambassador of Uruguay, Julio Lacarte Muró, who proposed Uruguay as the venue for the launch. It was the first time that a GATT Round would be held in a country that was part of what was known at that time as the "third world".

As we know, the objectives of the Uruguay Round were particularly complex. Agriculture was to be included in the negotiating process and discussions initiated on trade in services and intellectual property rights.

In addition to those key objectives, other aims were to reform the dispute settlement mechanisms and improve the integration of developing countries into the global trading system.

It was by no means an easy process, with difficult negotiations that eventually led from the launch of the Round at that initial meeting in Uruguay to its culmination years later in Marrakesh (Morocco).

This was a major step towards the liberalization of global trade and on the path to the progressive integration of all the countries of the world into international trade.

It was the first time that a GATT Round would be held in a country that was part of what was known at that time as the "third world".

But the most significant and tangible outcome was the creation of the World Trade Organization (WTO) in 1995, which replaced the GATT that launched the negotiating Round in Punta del Este, in Uruguay, in 1986.

The objectives of the Uruguay Round were particularly complex. Agriculture was to be included in the negotiating process and discussions initiated on trade in services and intellectual property rights.

That process was not easy. Very important and highly controversial steps were taken there, but, in the end, the goodwill of all the participants led to the launch of the Round that would give rise to the WTO.

Trade liberalization has always been and will remain a sticking point when it comes to reaching agreements, but it is a key element in upholding free trade, which offers all countries the advantages of a negotiating environment of increasing trade openness.

Thus, the creation of the WTO was a key outcome. As the negotiations moved forward, they were expanded to include monitoring systems and mechanisms to address the various disputes that, of course, always exist around trade in goods and services.

Difficult challenges continue to arise today. The momentum of the work initiated by the GATT has stalled as a result of, *inter alia*, negotiation and dispute settlement mechanisms that have proved to be less dynamic than was hoped. This has certainly been a worrying setback that could lead to the end of the Organization created.

Today, we see how the agreement that was eventually reached in Punta del Este is being limited by new negotiating barriers. However, the world must continue to pursue negotiations in which international investment and trade play a central role.

Deviating from the necessary path of increasing international agreements that we set

The goodwill of all the participants led to the launch of the Round that would give rise to the WTO.

out on in Punta del Este in 1986 to ensure healthy international economic growth would be a major setback.