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ARGENTINA

Statement by H.E. Mr. Guido Di Tella Minister for Foreign Affairs, International Trade and Worship

I should like to express our sincere gratitude to the Government and people of the United States, particularly those living in Seattle, for their generous hospitality and for providing the setting for this Third Ministerial Conference of the WTO.

Although the Government I represent will be transferring power within ten days to the new authorities elected by popular vote, to be headed by Dr. Fernando de la Rúa, I can assure you that the delegation of the Argentine Republic is fully determined to maintain the priorities and approaches it put forward in the preparatory work for this Conference. The number and rank of the representatives of our society who have come to this meeting, as well as the opinions canvassed in consultations over the past few months, clearly reveal the high degree of interest, priority and consensus regarding the agenda proposed for the next round of negotiations.

We all hope that at this Conference it will be possible to agree on the most efficient way of strengthening the WTO. Experience tells us that the only satisfactory response to the challenges of the globalized world and the serious impact of the financial crisis, still present in ours and other regions of the world, is to keep markets open and afford each other growing opportunities for trade and investment. This must be the round that will create a modern dimension to development and ensure that the developing countries can truly benefit from the advantages of trade liberalization.

It is difficult for our country to remain quiet about the attitude of some of our main trading partners regarding the Marrakesh commitments and the direction that the future negotiations must take, especially after paying a high price to arrive at such agreements. To Argentina, which consolidated the obligation to preserve its generous unilateral opening of trade in goods and services, as well as to provide a comparatively ambitious degree of protection for intellectual property, the protectionist obsession discernible in the proposals of some of the most prominent members of the OECD seems neither acceptable nor rational. Those members should be at the forefront of this new stage in the liberalization of trade, and not disrupt the process.

This remarkable political paradox cannot make us forget that we must use the negotiations to correct, as laid down by the Agreement establishing the WTO, the unacceptable imbalances and the lack of fairness that still persist in the system. The greatest of those imbalances is the discriminatory and unambitious treatment which characterizes the market access rules and conditions that apply to agriculture. No other trade sector, not even highly penalized textile products, is subject to so much uncertainty and penalization after five decades of the multilateral system.

For Argentina, where agricultural exports account for over 50 per cent of export earnings, correcting this imbalance is a matter of State. Agriculture with low prices and no opportunities for expansion is an attack on its economic viability. In the face of this threat, we frankly cannot

understand or accept the grounds put forward by certain pro-OECD countries when they seek irresponsibly to block a far-reaching renegotiation of the Agreement on Agriculture.

The advocates of these ideas are fuelling uncertainty in the world food supply, and this will then be wrongly attributed to alleged market defects. They will say that the crisis they are fomenting demonstrates that security in food supply and food sufficiency must be synonymous, even in the case of the industrialized economies which practise aggressive mercantilism in trade with endless surpluses. In view of the undeniable drama of hunger experienced by many regions throughout the world, to impose a logic geared to agricultural disciplines which seek first to adopt subjects such as preservation of the rural landscape as a universal lifestyle, seems to us at the very least to be frivolous and far removed from minimum standards of civilized cooperation and solidarity.

The ultimate expression of this protectionist approach is the so-called multi-functionality of agriculture and the host of accompanying excuses, with which attempts are being made to perpetuate the existence of subsidies that distort production and trade. We have similar reservations about the explanations by those who are blocking the approval of disciplines on agricultural export credits in flagrant non-compliance with a legal obligation and as a clear attack on the incomes of rural producers throughout the world, including those working on their own territory. On what moral authority can those who have been deliberately sabotaging this negotiation for over two years demand good behaviour from the other WTO partners regarding their remaining obligations?

Dear colleagues, we are here to adopt decisions which will strengthen, not destroy, this system. Argentina wishes to make a constructive contribution so that this will be the final outcome of our work. We sincerely hope that collective efforts will achieve this goal
