

GENERAL AGREEMENT ON
TARIFFS AND TRADE

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RECENT DEVELOPMENTS IN INTERNATIONAL TRADE AND THEIR
CONSEQUENCES FOR GATT, AND STATUS OF IMPLEMENTATION
OF THE 1982 MINISTERIAL WORK PROGRAM

STATEMENT BY THE REPRESENTATIVE OF THE
REPUBLIC OF KOREA AT THE MEETING OF
THE COUNCIL ON 17 JULY 1985
(AGENDA ITEM NO. 2)

The Republic of Korea Delegation supports the convening of a Senior Officials Meeting this September to work out consensus for the agenda and modalities of the New Round of trade negotiations. It wishes to avoid the impression that GATT is in impasse. After all those consultations and meetings, all those expectations and publicity around the globe in connection with the New Round, our GATT is facing some critical situation for its future.

Under the circumstances, there have been submissions from a number of contracting parties that have enabled the Republic of Korea to judge that such Senior Officials Meeting is now justified. Evaluation and deliberations on them are to be the task of the Senior Officials Meeting in its search for a consensus on the agenda and the modalities of the New Round. There is a clear need for such a Senior Officials Meeting, especially because no consensus regarding the said agenda and modalities has emerged yet.

As a developing country, the Republic of Korea believes that implementation of the Work Program is far more important and urgent than the negotiation on trade in services. At the same time, it will be looking into that question closely to see if there are elements of positive interests for developing countries in general, and for itself in particular.

The Republic of Korea wishes to reiterate our demand that protectionist pressures must be resisted while the process of the New Round is in motion. Against all odds, it is continuing to open its markets, while some others are narrowing theirs. This cannot go on indefinitely. There must be a standstill of further protectionist measures, and the process of roll-back on the existing ones must never be halted.

There are increasing pressures to resort to the abuses or misuses of GATT provisions and MTN codes for protectionist purposes. In fact, if the

GATT system is deliberately misused, it can make havoc of free trade. Like any other laws and regulations, GATT is not immune to abuses. Invocation of legality should not be used to condone actions that would strangle free and fair trade practices.

Mr. Chairman, the Republic of Korea believes that inherent in the concept of free and fair trade is the recognition of imbalances in the economic capabilities of developed and developing countries. In the field of capital, manpower, technology, information gathering and processing, and perhaps in the entire spectrum of economic competition, developing countries face a tremendous handicap. Even the availability of cheap labour is to be viewed as a liability rather than an asset.

Thus, it will be the challenge of the New Round to formulate a fair and just framework of trade so that benefit of trade in goods and services are equitably shared by developed and developing countries.

Finally, the Government of the Republic of Korea will participate in the Senior Officials Meeting and in the subsequent New Round, because, as a developing country heavily dependent on trade, the absence of a New Round will be tantamount to more of a negation of its national interests and interests of other developing countries than an affirmation of them. The alternative to the New Round will be the continued stagnation in the Work Program implementation, the intensified upsurge in protectionist pressures with potential catastrophic implications for free trade, and the missing of fresh new opportunities to reshape and revitalize the multilateral trade system in behalf of all developing countries.