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This year's session of the CONTRACTING PARTIES coincides with the 40th Anniversary of GATT. No doubt throughout its forty years of existence this organization has played an important rôle in the development of international trade and liberalization of the post-war world economy. It has also been one of the international organizations that has always shown the need for its existence and maintained a certain dynamism and vitality. That is no reason for any complacency, however. Much still remains to be done by this organization in the field of international trade, both for the present and for the future trade environment.

This is all the more important since in recent years GATT's credibility has been eroded and we must strive together to restore it. For some time now, world trade has been faced with erosion of the multilateral trading system, a growing wave of protectionism, proliferation of grey-area measures, and increasing recourse to bilateralism and selectivity which is incompatible with the non-discriminatory trading system. All this against a backcloth of a world economic situation that is not encouraging and is beset by serious imbalances and growth problems, as underlined in the secretariat report "International Trade".

In this gloomy picture, the Uruguay Round of multilateral trade negotiations constitutes a good occasion to establish a more balanced international trading system and to reconstruct a more disciplined and equitable GATT system as the guardian of free trade.

This aim of improving the international trade environment and of reconstructing and revitalizing the GATT system faces us with an historic challenge. It is essential that all contracting parties refuse to yield to national egoism or blind opportunism. One must never forget that prosperity based on the chronic poverty of others is condemned to be unstable and temporary. One must abide strictly by the principle that in international trade, everyone must have the right to survive - not merely the strongest ones. To be credible and durable, any new international trading system must recognize the interests of everyone and establish a just and equitable balance of rights and obligations.

In this new process of reconstruction we must, in order to draw the necessary conclusions, take into consideration the factors and practices that have eroded the credibility of the GATT system.

We must recognize the increasing importance of interdependence between national economies and the major sectors of the world economy, and the need to restore full confidence. Most recent developments have once more confirmed the need for this.

We must recognize that it is essential for us to make firm, resolute and sincere efforts to correct imbalances in the international trading system. In this context, particular attention will have to be paid to aspects of fundamental relevance to the problems currently facing the international economy and world trade, such as growing protectionism and continuing erosion of the multilateral trading system, with consequent and increasing recourse to bilateralism, proliferation of grey-area measures, selectivity, non-observance of the principles of the non-discriminatory trading system and disregard for the legitimate difficulties of developing countries. The widening gap between developed and developing countries, further aggravated by increasing protectionism, must be approached seriously and in proportion to the danger it implies for rebuilding a fair and equitable trade environment and a sound and durable GATT system. One must also recognize - and act in consequence - that protectionism disrupts the environment and erodes the very basis of GATT. Until it is overcome, the objective of trade liberalization will not be achieved. The strong parties must not and should not be allowed to use the means deriving from their economic superiority against developing countries to impose restrictions on the latter's modest export possibilities, thereby jeopardizing not only the survival of the developing countries but also the growth of world trade. Nor should one forget that, particularly during the phase of structural adjustment by developing countries to prepare their economies for the free-trade system, the rise in protectionism can also cause a downturn in the economy of those countries.

Notwithstanding Turkey's limited means and the unfavourable world economic environment, our country has not hesitated to embark in recent years on major structural adjustment and on liberalizing its foreign trade and making major reforms in its entire banking, fiscal and exchange system so as to allow the national economy to operate with free play of market forces. In the course of this courageous programme, which is fully consistent with the GATT objectives, most of the difficulties that Turkey has encountered have unfortunately been attributable to restrictive measures adopted against Turkish exports, mainly by contracting parties whose trade is substantially in surplus with Turkey and which generally speak out in favour of trade liberalization. Since the success of such an undertaking, embarked on by a developing country in the direction of GATT objectives, constitutes a gain not only for Turkey but also for world trade as an example, it is difficult for us to explain this paradox, all the more so that the interests at stake for our industrialized partners are minimal having regard to the modest levels of Turkey's exports.

The paradox is such a discouraging attitude toward a courageous initiative, which, on the contrary, deserves encouragement provided one is sincere as regards the principles proclaimed.

It remains our hope that this new round will lead to a new international trading system, fair and equitable, in which such paradoxes will have no place.