

GENERAL AGREEMENT ON

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TARIFFS AND TRADE

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COUNCIL

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COUNCIL CHAIRMAN'S CONCLUDING REMARKS

At the close of the Council's regular meeting on 19-20 October 1988, Mr. A.H. Jamal (Tanzania), Chairman of the Council, made the following concluding remarks.

I would like to share with you a few reflections, which I make entirely on my own responsibility.

First of all, I do not believe that an ambitious and sweeping set of measures will necessarily develop GATT's potential for securing the interests of the international trading partners -- present and future. It still takes two to trade with each other, and it is this bilateral mutuality of interest that has been sought to be placed in a multilateral set of rules. It is the semi-conductors, the screwdriver production processes and the new manifestations of accelerating technology that will hold the centre stage of the GATT, while developing countries struggle with opportunities to manufacture textiles and other secondary industry production in an effort to extricate themselves from dependence on commodities in an environment which is not very congenial to them.

In the GATT corridors, Council chambers and committee rooms, the word which repeatedly surfaces is "transparency". While it is true that any representative can declare an interest to be an observer in a panel proceeding or to participate in a working party, the fact is that for most developing countries, their representation in GATT necessarily has to be minimal, due to the limited resources available to them for full and effective participation.

There will be too much temptation to negotiate and settle outside the GATT in a bilateral process, and then to seek sanctification within the GATT framework. In such a situation, many developing countries will find that in practice, they will be left out -- their eyesight will be a more limiting factor than lack of transparency per se. Voices such as those of Ambassador Hill of Jamaica or Ambassador Rashid of Bangladesh are almost certainly the early signals of many developing countries' voices which will be heard increasingly in the future, so as to ensure these countries' effective participation in the multilateral process embodied in the GATT system. Such participation should lead to a steadily less asymmetrical global trading relationship. As long as there is steady, balanced economic growth registered around the world, the GATT can look forward to the time when it will have accommodated the increasing interest of developing countries.

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On the other hand, while it would be irresponsible to talk ourselves into a recession, at the same time it is evident that the global community has not yet synchronized its affairs sufficiently to avoid such a possibility. It is my belief that the GATT will find its severest test still ahead of it -- in the next five years -- and that its best insurance could well be to expedite the accommodation of the interests of many more developing countries effectively and in practical terms.