## MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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**Trade Negotiations Committee** 

Meeting at Ministerial Level Montreal (Canada), December 1988 Original: English

## TURKEY

## Statement by Dr. Yusuf Bozkurt Ozal Minister of State

We are all aware that the world trading system is still far from the ideal that the GATT so enthusiastically envisaged some forty years ago. There are many aspects which are not satisfactory. Moreover, the world scene is changing, calling for major restructuring in many fundamental areas, including institutional.

There is growing awareness as regards the linkage between trade, money, finance and development. There is recognition of the importance of trade policies playing a greater role in resource allocation and, as such, making it, together with the monetary and fiscal policies, an integral part of national economic policies. Such linkages require co-operative action at the national and international levels. There is also the question of protection and particularly increasing obstacles against trade oriented growth of developing countries. We believe that the GATT framework can respond to these new trends. It is precisely for this reason that the Uruguay Round is in many respects different and more important compared to the previous Rounds we have known in the past. These negotiations have the objective to go far beyond the traditional exchange of quantifiable concessions on specific subjects, and to deal with the real qualitative, disciplinary and institutional dimensions which will constitute the framework of the coming decades.

In the Meeting held more than two years ago in Punta del Este, we all committed ourselves to achieve a restructured, more balanced and more equitable international trade environment beneficial to all. The essential prerequisite of such an exercise should, no doubt, be to approach the subject with generosity and farsight rather than with exclusive self interest. No new system will hold together unless it provides equitable and balanced gains to all concerned. Asymmetry presently existing in the trade relations between developed and developing countries needs to be removed if we want to achieve a viable international trade system. It is obvious that the new system should not be geared to add more to the abundance of those who have much but rather to provide enough to those who have little.

It is only in this way, that growth and development can be promoted and consequently world trade can be expanded to the benefit of all. Therefore, in our approach to the subjects in the Round negotiations we must always keep in mind the important concept of development and growth without which we believe it will be impossible to achieve a durable and equitable new trade environment.

The pace of progress in the Round negotations has so far been higher than initially anticipated. However, divergent views and approaches continue to exist. This is not totally unexpected at this stage. But if such positions would continue throughout without any change then the prospects of achieving the objective that we have set for ourselves will be at great risk. We would go nowhere if we attempted to impose our priorities and disregarded the interests of others.

The mid-term review acquires, therefore, an importance which goes beyond a simple stocktaking exercise. The challenge for us at this stage, is to liberate ourselves from the narrow concept of exclusive self interest and approach the problem before us with a broader concept and farsight. Therefore, as Ministers we must provide the political guidance to our negotiators which is required to achieve a more balanced outcome. Unfortunately in the negotiations up to now some subjects do not appear to be proceeding at quite the same pace as some others. We should avoid a situation in which there will be a division into first and second class subjects and where selectively premised special interest arrangements will prevail upon the need of achieving a balanced outcome. The poor progress so far achieved in textiles is an illustrative example and is certainly not the only one. In our view constraints on world economic expansion would not be removed unless existing obstacles against trade oriented growth of developing countries were not removed. It is difficult to conceive how the world trade could expand if restrictions were put on the only few items from which the developing countries could generate some income to protect uncompetitive domestic industries in these sectors.

We, therefore, believe that in this Meeting we should give the message that the prosperity of all is closely linked to that of all others and that a balanced outcome in the Round negotiations can only be achieved through balanced sacrifices and respect to the genuine interests of all concerned.