

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Trade Negotiations Committee  
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ITALY

Statement by H.E. Mr. Renato Ruggiero  
Ambassador, Minister for Foreign Trade

We are living in a period of time characterized by rapid and significant changes in the international society. The world seems less divided between North and South, between East and West, than it was even a few years ago. Our nations are more and more inter-dependent and so are the problems we face. No one can seek its own prosperity or even its own security without taking into account the problems and the expectations of all the other nations.

We share a common responsibility in the management of the world economy and in the strengthening of the international trading system.

This is why the challenges we face here in Montreal, in this appointment which represents a "mid-term review" of the Uruguay Round, are so difficult and yet so rewarding.

We are more inter-dependent, we share a common responsibility arising from the very success of the rules agreed upon more than 40 years ago, when we created the GATT and we built an open multilateral trading system. We are here to take stock of the progress which has been achieved in these two years, and our task is to formulate appropriate guidelines for the next two years of the negotiations; we must look back to the word and the spirit of the "Punta del Este" Declaration.

Italy is a founding member of the European Community. Willy de Clercq has already stated the agreed position of the Community.

I will focus on what appears to be the major objective of the Uruguay Round: to strengthen and to enlarge the GATT system. We have to adapt the existing rules to the new international environment; we have to create new rules for the trade-related aspects of new fields like services, investment and the protection of intellectual property rights.

Strengthening the GATT system requires enhancing the political status of our Institution. Drawing from the experience of the Bretton Woods Institutions, we must have more Ministerial involvement in GATT activity.

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Because of the growing inter-dependence, the management of international trade policies has a strong impact in the internal economic and industrial policies of each one of us. This is why a Ministerial involvement is indispensable.

We must recognize that the international trading system should have the same status and responsibilities as the international monetary and financial system on the management of the world economy, and the solution of such problems as the debt issue. But this requires also a coherent development of the monetary and the financial environment. Therefore, our institution must take a more direct responsibility and a more active rôle in improving the surveillance on the trade policies that we are committed to implement.

We have to give the highest priority to the improvement of the mechanism for dispute settlement. In the end, this requires that we pave the way to a compromise which would allow refraining from unilateral action, while applying at the same time the consensus rule with the necessary flexibility.

The second major objective of this new round of negotiations is to attain a better balance between the interest of different nations and groups of nations of our world.

All must participate in the balance of rights and obligations arising from the international trading system, according to their own possibilities.

Allow me at this point to recall the words of Jean Monnet, one of the founding fathers of the European Community. In facing the problems that we had to solve in building our Community, he suggested that national negotiators should not sit on opposite sides of the table, with the problems laying in the middle. His point was that representatives of different countries should share the same side of the table, and the problems should be facing them, not dividing them.

I think that we must follow Jean Monnet's suggestion when we deal with the problems of this round of negotiations.

How can we fail to achieve our aims?

The alternative to success would be a process leading to regional trade blocks: a political threat to the economic growth and to the security of each one of our countries.