

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

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Trade Negotiations Committee

Meeting at Ministerial Level  
Brussels, December 1990

OPENING STATEMENT BY H.E. DR. HECTOR GROS-ESPIELL,  
CHAIRMAN OF THE TRADE NEGOTIATIONS COMMITTEE  
AT MINISTERIAL LEVEL, AND MINISTER  
FOR FOREIGN AFFAIRS OF URUGUAY

Brussels, 3 December 1990

Sire,  
Excellencies,  
Ladies and Gentlemen,

Allow me first of all to express on my behalf and that of all the participants in this conference our profound gratitude and appreciation for the warm hospitality that has been offered to us by the Government of Belgium and by the European Communities. These premises provide excellent logistical support for such an important meeting, and it is a great honour for us to come to Brussels, the Capital of Europe, to conclude our labour of four years.

This meeting of the Trade Negotiations Committee at Ministerial level is intended to bring to a conclusion the most ambitious trade negotiations in the history of GATT. It is therefore appropriate to recall today the vision and the objective which inspired Ministers, in Punta del Este, at the launching of such an undertaking. That vision and objective were based on five components: the significant opening of world markets so as to increase the economic space necessary to the adaptation of the world to modern economics and technology; the strengthening of rules to guide competition, at a time when the globalization of the world economy tends to enlarge the areas of competitive tensions; the better application of existing rules to traditional areas such as agriculture and textiles; the extension of these rules to new areas such as services; and - most important of all - the fuller integration of the developing countries into a multilateral, open and equitable trading system. In this last respect, it is no simple coincidence that this Round was launched at Punta del Este and named the Uruguay Round.

You have before you the report of the Director-General of GATT, Mr. Arthur Dunkel, in his capacity as Chairman of the Trade Negotiations

Committee at Official level, which he will introduce to you immediately upon the conclusion of this opening ceremony. An extraordinary amount of work has certainly been achieved, as you may see, and we render tribute to those who have made such a strong contribution to it. It is, however, necessary to face the hard realities as we begin this meeting: we confront a grave crisis. There are a number of critical decisions to be taken at the political level and upon which the entire outcome of the Uruguay Round will depend. These decisions must be taken over the next few days. Otherwise the responsibility of failure and all its consequences for the future will rest squarely on our shoulders.

It will now be our task to conclude this work. Beyond the intricacies and technicalities of this work lie a number of basic considerations which must be well kept in mind by all participants in order to bring our task to fruition.

First, during the four years that these negotiations have lasted, world trade has expanded significantly and thus greatly contributed to economic development and the ensuing creation of new jobs.

Second, the mere fact that this Round of negotiations was taking place helped to keep protectionist forces at bay and thus allowed for this growth in world trade.

Third, and most important of all, since the launching of the Round at Punta del Este historic changes have come upon the world economic scene. These changes have been propelled by an impressive movement towards market-oriented economies, leading to structural reforms in practically all the countries of Latin America, Africa, Asia, and in particular, Central and Eastern Europe. It must be stressed that the depth and scope of these reforms have had a profound political, economic and social impact. This immense endeavour and all the changes that have occurred will be imperilled and will perhaps flounder if they cannot find support through the expansion of world trade. This will depend largely on the successful outcome of the Uruguay Round.

The Uruguay Round is therefore coming to a conclusion at a time of profound changes in History of a compelling movement towards the principles and ideals which were embraced over forty years ago by the contracting parties, and which constitute the essence of the General Agreement.

The very difficulties which have faced negotiators during the Round are proof of the complexity of the task of reforming the world economic system in the mould of these principles and ideals. It is only natural that as international economic relations expand, conflicts arise out of divergent national interests. This creates tensions, which if not checked can have profound economic - and political - consequences. It is for that reason that the rules and disciplines which govern and have to continue governing world trade relations must be strengthened.

At the same time, it is imperative that these rules and disciplines be applied within an open, equitable and truly multilateral trading system, which benefits all and which is universal in character. The dangers of retreat into closed trading blocs are known to all of us. It is all too easy to effect such a retreat in times of instability and of threat of economic conflict. This must not happen.

Our task is to improve, clarify and strengthen a multilateral trading system, towards which we are necessarily moving. Since the end of the Second World War we have been striving to create the foundations of a more balanced and equitable economic order. We must now build on what has been achieved, extend it and strengthen it. The economic and political crises which are threatening different regions of the world render our task all the more urgent. Only recently the reduction in military tensions produced a fleeting illusion of greater and more reliable stability and prosperity for the world. The current events in the Gulf region have renewed political and military tensions and starkly demonstrate the fragility of the economic environment in the fast-changing world of today, as well as the inevitable relationship between political and economic events.

A great deal, a very great deal, is at stake at this conference.

Technological advances and an unbalanced and irrational concept of economic growth, without taking into account its global repercussions, have brought with them a new danger, that of ecological disaster. The struggle to restore the ecological balance, like action in many other spheres of the economy, is ultimately an ethical problem in so far as it all depends on man and is reflected in the way he lives.

The role of trade in preserving security and peace and in fostering social progress cannot be underestimated.

The success of the Round in bringing about the liberalization of world trade must be accompanied by an effort, in the appropriate forums, to achieve a stable international monetary system.

Attaining all these ends will make it possible to achieve sustained development for the benefit of all States, within a legal system that ensures the primacy of Law, based on Justice and on the respect for the great principles of the Law of Nations as they are proclaimed in the Charter of the United Nations.

That is why it is imperative that the Uruguay Round be brought to a successful conclusion. It is not an understatement to state that failure of this enterprise would be no less than a catastrophe. The responsibility for ensuring success is yours. The responsibility of the unthinkable - that is of failure - will also be yours. This is the challenge which is now before you. This is what we are here for.

Thank you.