

MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND

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COUNCIL OF THE EUROPEAN COMMUNITIES

Statement by Mr. Renato Ruggiero,
Minister for Foreign Trade of Italy,
Presidency of the Council

1. I would like to join Vice-President Andriessen in thanking you, Mr President, as well as the Director-General of GATT and his staff, the organizers of this Conference and all those who have worked untiringly in Geneva and in the national capitals to clear up the technical problems so that we can concentrate on the great political problems involved in the conclusion of the Uruguay Round.

2. As President of the Council of the Communities, I feel bound to set our Conference within a wider political context. Since the launching of the Uruguay Round at Punta del Este, we have seen events accelerate, with political upheavals - especially on the continent of Europe - and considerable world economic changes. The Community itself is coming close to completing its single market in 1992 and has made firm decisions and commitments at the highest level favouring a further qualitative step forward in its integration leading to monetary and political union.

This Conference between 108 countries is the first negotiating session on a world scale since the end of the Cold War. The decade before us will have to be marked by a strengthening of international institutions in order to ensure peace, balanced management to the major problems of the world economic development and solidarity among all peoples. This is why we must succeed. There is not a single problem in our negotiations which would justify their failure.

We must remember that the creation and development of the multilateral trade system form one of the pillars upon which our economic development and our growing inter-dependence stand. We have no choice: we must succeed. And we must do so this week, since we know that if we defer matters, economic circumstances and the political situation will not be in our favour and a solution will become much harder, if not impossible to find. We all carry an enormous responsibility in this great enterprise of reinforcing the multilateral trade system. We must act collectively, and each of us must make his contribution so that the final outcome may be balanced, realistic, mutually satisfactory and thereby credible to our economic operators and public opinion.

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The breadth of the subjects covered by the negotiations and the diversity of interests and concerns at stake means that the hoped-for results can only be achieved if the various aspects involved constitute a single undertaking which remains global and consensual.

3. In assuming our collective political responsibilities, I am of the opinion that we should be guided by two fundamental criteria:

- (a) We must be aware that there is no viable alternative to reinforcement of the multilateral trading system. The dramatic mistakes of the past based on policies of "every man for himself", and the explosive risks which would be entailed in an anarchical system of world trade based on the law of the jungle and on might being right, bear witness to the need for an absolute refusal to slacken our vital attachment to the GATT with multilateral disciplines and rules structured around a balance of rights and obligations.
- (b) Our responsibilities as politicians also compel us to weigh carefully the consequences of the solutions which we produce, because we have a special duty to the citizens who have entrusted their destinies to us to shape the society in which they wish to live.

We must not lose sight of the fact that behind the figures, percentages, formulae and draft texts, we are actually affecting the foundations of our societies and the daily life of millions of human beings. We are not here to break up structures or to dash hopes but to respond to aspirations for a better life and to provide a multilateral framework which allows the various factors of production to flourish by mapping out a viable future for them.

This is especially true for the agricultural sector, for which solutions cannot be worked out in purely commercial terms but must also take into account the human and social dimensions. This truth applies equally to many other problems in the negotiations. For example, a balance will have to be found between the legitimate concerns of the developing countries and the interests of the industrialized countries. Similarly, a fair distinction will have to be made between policies which distort international trade and must be combated, and those which contribute to reducing regional imbalances or to innovations which create employment, and which it must therefore be possible to maintain.

4. In political and diplomatic life, there is a time for discussions and a time for decisions. The necessary discussion stage may be considered complete. The moment for decisions has arrived, and you may be sure that the Community is determined to negotiate without respite for a positive outcome to our proceedings.