

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Trade Negotiations Committee

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Brussels, December 1990

FRANCE

Statement by Mr. Jean-Marie Rausch,
Minister of Foreign Trade

We are meeting today, as we agreed we would just over four years ago in Punta del Este, to try and conclude the work which, while it has generated and still nourishes many hopes, has also been the source of deep concern.

The time has come to assess the extent of the changes, upheavals and revolutions that have occurred in the world.

We are now meeting in the heart of a stronger and more vigorous Europe on the move towards the Single Market. The Community is increasingly becoming a focal point of economic and monetary stability. Today, Europe can boast not only economic but also political strength and can rejoice at having a unified Germany among its ranks: yesterday's elections are the most eloquent symbol of this.

Europe today is outward looking. Indeed, all the Community's partners stand to gain from the creation of the Single Market.

We shall also continue to strengthen our links with our neighbours from EFTA and Central Europe, the Mediterranean countries and our ACP friends. In Eastern Europe too, the changes have been of consequence.

The constraints that were besetting the peoples of Central Europe have been eased and after having been deprived for so long of political freedom, those countries are now also discovering economic freedom and with all its advantages and risks.

Elsewhere, many developing countries are turning away from State intervention and control, and trying to encourage free enterprise. I welcome such developments.

Yet there is still cause for concern. World economic growth, under the threat of rising energy costs and tension in the Gulf, has begun to slow down.

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All this underlines the significance of our present undertaking which, I recall, is not to make fundamental changes to the GATT but to adapt it to present and future realities. For whatever the prophets of evil may say, the present system works well. The GATT Annual Report on International Trade has just reminded us that, this year again, international trade in goods has increased by 6 per cent. Since 1980, the volume of world trade has risen by 50 per cent. It would be a grave mistake to forget this essential fact: the General Agreement has been a useful instrument and we must seek to adapt and perfect it without changing it radically.

We must improve it by integrating the sectors that have been left aside in the past - agriculture and textiles - by seeking to introduce discipline in the sectors of the future - services - and in the intellectual property sector, to meet the needs of accelerating trade and globalization of the economy.

In all these sectors, we must draw up programmes for credible and well-balanced reform.

We must identify simple ground rules and abide by our initial objective of ensuring the security and predictability of trade. As I look through the 400 pages of the document before us, I have the feeling that this objective has been forgotten. The GATT is conceived for commercial, industrial and agricultural operators in all countries. It must be clear and comprehensible if it is not to be a source of continual squabbling among experts.

We would be doing the system a disservice by encouraging an increasing number of dispute settlement procedures and retaliation measures.

If we are to achieve success by the end of the week - for that must be our common objective - we must be realistic. That will not be easy, for it is often far easier to take comfortable refuge in the abstract and theoretical. But realism does not mean a lack of ambition - witness the building of the European Economic Community, which is the result of a thousand compromises and a thousand small steps taken over more than thirty years of living together.

Being realistic means recognizing that over and above our common interest in organizing international trade, we have different ideas as to the way our economies should be run.

Macro-economic imbalances, monetary instability, the persistent problems of debt and development are as many reminders of the weight of reality.

So we must show realism but also responsibility. For each of us, our first responsibility is to our own country and cannot be shirked if our own programme is more ambitious therefore more likely to have repercussions domestically. But we are also citizens of the world, and of a world that we would like to be a better and more harmonious place. We must strike a balance between these two responsibilities. I am determined and confident that we will.