

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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LUXEMBOURG

Statement by Mr. G. Wohlfart,
Secretary of State for Foreign Affairs

At Punta del Este we set ourselves a certain number of clear and precise objectives to govern our discussions throughout these four years of negotiations.

In the first place, liberalization and expansion of world trade. This implied strengthening the rôle of GATT and multilateralism in international trade relations. A renewed GATT should then have an adequate place in the international economic environment, and trade policy should have its appropriate rôle in the economic decision-making process, at all levels.

Four years on, one can state that the objectives defined at Punta del Este constituted a true vision of the future that events since then have confirmed.

A considerable number of developing countries have made sustained efforts and often painful unilateral concessions in order to liberalize their markets.

In parallel with this trend, ongoing integration of the world economies has allowed spectacular trade growth in the past several years. The most recent GATT report confirms that this will still be the case for the current year.

The Eastern and Central European countries have carried out major political and economic reforms that are naturally bringing those countries closer to the GATT and to multilateral trade rules. It is in this context that the USSR has become an observer in GATT.

There is no further need for proof of GATT's power of attraction, but we must still re-organize its content so that it can meet all expectations.

The negotiations have taken place in a favourable international economic environment. Nevertheless, certain political developments - I have in mind in particular the Gulf crisis - could jeopardize the success of the efforts made so far with a view to arriving at a global and equitable agreement. Without wishing to be an alarmist, I believe that it is here and now that we must reach a conclusion, through a last effort and reciprocal political will.

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In Luxembourg's view, the Uruguay Round must remain a highly collective undertaking to the very end. It is a common endeavour in which each participant, according to its means and possibilities, must make its contribution and take on its share of obligations and responsibilities. Only at that price will each one be able to obtain in return an equitable share of the benefits.

In the light of Luxembourg's experience, I can assure those who may have misgivings over market opening that such opening free of any complex is the major condition for sound prosperity.

Allow me to conclude with two general remarks.

First of all, it seems to me essential that our deliberations here and, I hope, a successful outcome of the Uruguay Round are beneficial first and foremost for the welfare of the citizens we must serve. In this context, ecological problems seem to me of particular importance and constitute a challenge for the years to come.

In the second place, I should like to associate myself with all those who have underlined the close link between economic development, and political and social stability in the world. No one knows which would be more disastrous in the medium and long term: the effects of a conventional conflict or those of an economic war.

Today the negotiations are in a difficult situation, but this must not be a reason for us to forget the disastrous effects that an economic war would have for all our countries in the medium and long term.