

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

**MTN.TNC/MIN(94)/ST/32**  
12 April 1994  
General Distribution  
(UR-94-0114)

Trade Negotiations Committee  
Meeting at Ministerial Level  
Marrakesh (Morocco), 12-15 April 1994

Original: Spanish

**ECUADOR**

Statement of His Excellency Mr. Alfredo Pinoargote Cevallos  
Permanent Representative to the United Nations Office  
and Other International Organizations at Geneva  
(Speaking as an Observer)

The extraordinary political and economic changes of the last decade have driven the international community to devise a new order which, as it acquires shape and structure, causes upheavals that sometimes give the impression that it is turning into a new world disorder. But these are natural characteristics of any beginning, for out of chaos comes order, out of darkness comes light, and at a time when challenges and anxieties are rife, the successful conclusion of the Uruguay Round is an historic landmark enabling our hopes for a better world to drop anchor in a safe port.

What constitutes this powerful anchor of stability for political and economic reform is the specific weight of trade in the form of energy channelled multilaterally, for the same energy uncontained and unchannelled has been a prolific source of conflicts, political uncertainty, social unrest and global instability. It could be asserted that reason has prevailed over force since most of the world's nations have multilaterally agreed a new framework for international economic relations, and in this endeavour the influence of the Director-General of GATT in his capacity as Chairman of the Trade Negotiations Committee has been decisive. Accordingly, the delegation of Ecuador wishes to place on record its appreciation of the vigorous leadership of Mr. Peter Sutherland who has inspired the main trading partners to honour their moral commitment to humanity.

However, the dynamism specific to economic interests is beginning to show ominous signs that will have to be faced with integrity and resolve by the developing countries and the major industrialized countries. It must be borne in mind that a multilateral framework such as the one devised, while it can provide a guarantee for the fulfilment of healthy expectations of progress, can also be exploited by negative influences that seek to legitimize hegemony and protectionism. For one vital factor in the globalization of economies is structural adjustment, undertaken reluctantly, though ultimately with great vigour, by the developing countries. Consequently, in some areas a paradox is emerging: the higher standard of living of the rich countries is endangered by the poor nations' readiness, achieved at great sacrifice, to compete, which has prompted a kind of backtracking among the instigators of free competition who now see themselves threatened by a developing world irrevocably committed to competition. That is why the multilateral trading system provided for by the WTO must always be a two-way street, a transaction of mutual benefit, without the stronger retreating again towards the obscurity of protectionism, under blazing banners such as eco-dumping and social dumping, to justify their deviating to unilateralism which not only harms the interests of developing countries but, what is worse, directly impairs a multilateral system which must be invigorated and enriched by structural adjustments in the richer countries in order to prepare a clear field for free competition.

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Unfortunately, not only are there clouds on the horizon, but the vast package of Uruguay Round trade agreements contains black holes, stains which stand out because they are inconsistent with the essential principles of a free market, and the delegation of Ecuador, our country being the world's largest exporter of bananas thanks to a sustained effort of more than half a century which enables us to sell a better product at a more competitive price, wishes to place on record its profound disappointment that the Final Act contains as an annex an agreement which fails to meet the basic requirements set by the Round for tropical products and which, in addition, is incompatible with the General Agreement. Ecuador considers that such flagrant discrimination cannot be maintained in a modern and fair system of free trade. Accordingly, as a country which is in the process of acceding to the GATT, which has been associated with the Uruguay Round multilateral negotiations and which may be an original member of the World Trade Organization, Ecuador states its legitimate aspiration to see the banana import regime of the single market of the European Union become a trade instrument which benefits all parties and is consistent with the GATT. We make this statement because we believe firmly in the immense possibilities of dialogue as a fundamental tool for international relations and as the only suitable means of trade negotiation, particularly as the Marrakesh Ministerial Meeting is offering the civilized world as from today the well-defined structure of a World Trade Organization.

Lastly, we express our firm hope that this new pillar of the Bretton Woods institutional triad - the International Monetary Fund, the World Bank and the World Trade Organization - will really achieve the essential goal of bringing economic prosperity and political stability to the international community, and we believe that our hopes can only be fulfilled on the basis of a joint endeavour in which the saying that the best deal is one in which all the parties feel they have made a good profit is borne out for developed and developing countries alike.

Ecuador will try to contribute, to the best of its ability, to the achievement of those objectives as a member of the World Trade Organization.