

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

MTN.TNC/MIN(94)/ST/64
13 April 1994
General Distribution
(UR-94-0159)

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

Original: English

BARBADOS

Statement by the Hon. Warwick Orlando Franklin
Minister of Trade, Industry and Commerce

I join with the other Ministers and Heads of Delegations in expressing appreciation for the kind courtesies extended and the wonderful facilities provided for us on this occasion by King Hassan II and the people of Morocco.

My country Barbados, an island State of 166 square miles, and a population of 258,000, whose only resources are its people and its environment, has concluded a structural adjustment programme with the IMF, which together with the requirements for GATT 1994 has seen:

1. the reduction of our tariff;
2. dismantling of our licensing regime;
3. dismantling of our quota system;
4. removal of minimum value regime;
5. reduction of our public sector activities;
6. privatization of some State enterprises.

These drastic structural changes, in preparation for the completion and signing of this GATT 1994 Agreement in Marrakesh are taking place against a world environment in transition towards:

- globalization of production;
- formation of mega-trading blocks;
- dismantling of the communistic system;
- liberalization of world trade.

This transition has seen a number of protected national markets coalescing into one huge market place, which this process we are now taking part in would complete.

As a result of this process the only qualification for trading in goods and services is good quality goods and services at world competitive prices.

This competitiveness must be achieved by small island States like mine, despite the following constraints:

- small domestic markets;
- exorbitant freight charges;
- lack of modern technology;
- insufficient management skills;

- reasonable wages as part of our social contract;
- high debt repayment;
- uncompetitive purchases of raw materials due to small allotments;
- reduction and in most cases, lack of development funding from international organizations on concessionary terms;
- higher production cost to meet higher environmental standards;
- a shift in the geo-political axis to Eastern Europe, which now seems as the first call on concessions and assistance by the developed world.

These bold structural adjustment acts taken against the changing world environment, conscious of the constraints faced, were taken in the belief that world trade would:

- raise standards of living;
- ensure full employment;
- increase real incomes;
- expand the production of, and trade in goods and services;
- allow the optimal use of world resources in accordance with the objective of sustainable development;
- ensure developing and the least-developed States a share in the growth of international trade;

and that the World Trade Organization being established would be a creditable and strong organization providing:

- adequate support for the development of human resource in developing and least-developed countries;
- fair and just implementation and administration of the multilateral agreement;
- the provision of guidance and protection of the interest of developing and the least developed countries;

and that the developed world would:

- share existing and new technologies;
- provide investment capital;
- provide a world environment that leads to peace, progress and sustainable development.

However, despite our faith in the obtainment of these objectives small island States like mine and least-developed countries must not only have faith but a guarantee that the objectives that we have made so many sacrifices for have been obtained; and if, despite the best efforts by everyone these objectives are not obtained, a safety net must be provided to prevent the deterioration of the quality of life of our people. This net can be established by what I call "the world trade balance sheet".

This balance sheet will:

- determine all countries that have grown faster than the average of world trade over the period;
- determine those countries that have seen negative growth over the period;
- determine the contribution of those countries with super growth, toward the compensation of those with no growth.

Only if all countries are no worse off after the formation of the WTO than before, can we speak of progress and the improvement of mankind.

Barbados' position on two essential issues namely:

- trade and social issue;
- trade and environment;

is very clear.

Barbados believes that the social well-being of all mankind is the most important issue:

- reduction of exploitation of children;
- right of workers to free speech and association;
- adequate compensation for labour, as part of the factor of production;
- wholesome and safe working conditions.

Those essential working conditions carry a financial cost. It is therefore unreasonable and justifiable that countries - whose production does not include the cost of these basic human rights, should benefit on the international market by the sale of goods and services at cheaper costs. "There must be compensation for the enhancement of mankind".

On the topic of trade and the environment, Barbados like France, believes that the environment is the common heritage of mankind and can only be dealt with by international action. This belief is being demonstrated by our action in hosting the U.N. global conference on sustainable development for small island States in our beautiful Island Barbados between 25 April to 6 May.

We like Morocco extend our invitation to you to be part of this great occasion and to enjoy the hospitality of our country.

However, developed countries must be reminded that:

- they were able to use their natural resources, towards their development;
- they are the main contributors to the pollution of the world;
- they are the ones that depleted most of the non-renewable resources of the world.

Therefore, it is only natural that developing and the least-developed countries in exchange for:

- the protection of the world bio-diversity;
- the pollution of the rain forest, wet lands, and hinterlands;
- the sustainable development of their agricultural lands;
- the non-indulgence in technologies and manufacturing processes that are destructive of the environment;

expect and obtain suitable compensation towards their development efforts, by those who have reached their stage of development by the over exploitation and degradation of the world's ecology.

The primary reason for all the sacrifices which the developing and the least-developed world have made and are making are due to their belief that it would be better in the morning:

- better and improved trade;
- better quality of life;
- better environment for themselves and the children yet unborn.

Your Organization shares this dream that this new world environment will be created through improved and expanded trade.

Finally, Friday would be a great moment in time. A moment achieved by:

- cooperation;
- sacrifice; and
- understanding.

Let us today resolve to move towards a next great moment in time. When the WTO together with the other international agencies fashion a better deal for the developing and the least-developed countries by the establishment of:

- a global environmental fund;
- a global debt relief fund;
- a global world compensatory trading fund.

Seven years of efforts went together the achievement of today's agreement. History would not be kind to us if another seven is taken to develop these three funds.