COLOMBIA

Statement by H.E. Mr. Gillermo Alberto Gonzalez
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This session is not only giving the official seal to yet another year of activity in the GATT system, it also marks the conclusion of a stage which began in 1947 at the United Nations Conference on Trade and Employment. This title seemed to portend the world economic problems which almost half a century later would lead to the creation of the World Trade Organization (WTO).

Thus, 1994 is set to be a year of transition and constant change and therefore, hard work. As Ambassador Zutshi and previous speakers have said, the completion of the Uruguay Round negotiations is cause for optimism and pride. But, as has already been pointed out, our optimism should also be guarded, as only with our feet firmly on the ground, with a watchful eye on the delicate balance we have reached, and with the collective will that made last year's events possible will we be able successfully on 1 January 1995 to proclaim the birth of a new institutional framework for world trade. Here in Geneva in this forum we have plenty of experience of prolonged transitional periods. For this reason, the cooperation of those of us mapping out the future of GATT on a day-to-day basis here in Geneva is essential so as to ensure that back in our capitals the process of approving and ratifying the agreements is terminated as quickly as possible. The date of 1 January 1995 seems the most suitable target date for implementation.

More than ever before, Colombia believes in the multilateral system. At the root of this confidence is our active process of liberalization, modernization and economic growth. The conclusion of the Round's negotiations is undoubtedly the fulcrum and, without a shadow of a doubt, will help us to consolidate further the process of integration into the world economy.

The commitments we have all made with regard to market access, rules for the agricultural and textile sectors, trade policy, trade in services and intellectual property are not only in keeping with and match the bold efforts we have been making with regard to regional integration, but also the management of our national economy, whose performance, at the end of 1993, drew high praise from economic circles. Colombia's economic growth, disregarding the negative results in coffee, stood at 6.5 per cent last year, despite the poor performance of the world economy, the prevalence of a number of major barriers to access and the continuing decline of our products' prices on international markets.

For their part, the Andean Group, the Group of Three (made up of Colombia, Venezuela and Mexico), our recent presence in the Pacific Basin institutions (in particular APEC), the Free Trade Agreement with Chile, support for Brazil's Amazon Initiative and the hope for future integration within our hemisphere, expanding NAFTA to cover the rest of the continent, are all aspects which have been strengthened and improved, in part because they will be intrinsically linked together by the multilateral commitments made during the Round and consolidated through the establishment of the WTO. These multilateral standards and structures are factors for coherence in an increasingly complicated and interlaced system of regional agreements.
The confidence my country has in the system led us, in 1993 to have recourse to its dispute settlement mechanism on three occasions. Unfortunately, what became clear, and as we have been saying all along, was that in its present form it is inefficient. This is one more reason why the results of the Round should be implemented as soon as possible. Dispute settlement is the mainstay of the multilateral agreements. The seven-year negotiations have produced a mechanism which is stronger, for which we have high hopes, and which may become a guarantee of survival for the smaller actors at a time when, despite what GATT has achieved, protectionist forces remain unrelenting.

The founding fathers of GATT showed us the way towards free trade and alerted us to the danger of falling under the influence of the vested interests of managed trade and protectionism. The system's existence since then has been marked by the difficult struggle to uphold the principles of 1947, and these efforts continue. A great step forward has been taken by virtue of the Round, although it could be argued that there are still matters to be resolved or that in some areas expectations have not been met. But, posterity will recognize that a tremendous effort has been made to succeed.

For this reason it is extremely strange that even before formalizing the agreements, new topics including the unthinkable in a context of free trade, should be slipping in, not through the back but through the front door, and at a very high level. We fully endorse any prospect of negotiations to strengthen competition and the introduction of relevant multilateral legislation. Developing countries have for three decades relentlessly fought to address restrictive business practices, anti-monopolistic standards and strengthening the world economy through the strict regulation of competition. The same holds true for the topic of environmental policies as a factor in international trade. We have endorsed studying the complex relationship between environmental and trade policies, provided the goal is to forge positive links, promote new opportunities for employment and development for all and provide for the mutual strengthening of local and global tools to reach a common goal, namely higher levels of sustainable development. Evidently this topic should be included on the trade agenda.

Because of the wealth of contradictions involved, one area is continually misconstrued, namely what is wrongly termed "social dumping". The belief that labour costs are lower in developing countries as a result of deliberate policies to exploit workers and of unfair competition creates a smokescreen hiding the reality of international inequalities in development. Labour is cheaper for the simple reason that these are less affluent societies with very different structural patterns. By closing the door on imports of goods, using the hysterical argument based on cost differences, you bar the way to the basic theories of comparative advantage and reduce the development options open to the less privileged countries of the world. For this reason it disturbs us to hear Europe's major leaders voice such reactionary ideas, which are inconsistent with the efforts made by the community of nations in the Uruguay Round, at the Earth Summit in Rio de Janeiro in 1992, and more generally, with the efforts put into economic and social progress by the peoples of the developing world.

We must applaud the optimism raised on 15 December, remain vigilant and prudent, work hard and with dedication and above all stand behind the promise which the future of the system holds for our peoples.