First of all, I would like to extend my sincere congratulations to you on your election to the chairmanship of the Ministerial session of the CONTRACTING PARTIES to GATT. With your able leadership and foresight, I am confident that this session will come to a successful and fruitful conclusion.

I am pleased to have this opportunity to address the pressing question of world trade. We have seen during the past two decades that open international trade is a key to sustained growth. Trade opens vast markets to each nation's enterprises. It carries technology and innovation around the world. It spurs each nation to greater productivity.

Today, however, the world market is not opening up; instead, it is being choked by a growing accumulation of restrictive measures. The trade rules are no longer seen as fully effective, nor generally complied with. The trading rules set under the General Agreement on Tariffs and Trade are increasingly ignored or evaded.

In the industrialized nations, unemployment remains high and growth is still relatively weak. This inevitably inhibits imports of primary commodities from the third-world countries which saps the dynamism and potential for further development of those countries. In the developing world, there is also a shortage of the domestic and external resources needed for growth. In some countries huge foreign debts threaten to abort recovery before it can begin. If the trend toward trade restriction continues, the sustained economic growth we seek will become impossible. And deteriorating trade relations will also create new political tensions, if that already has not happened.

We need to agree to adopt a better trade policy and practice. The alternative is a new commitment to open trade. Expanding trade will be essential in achieving growth. The basic aim of the GATT is also to liberalize world trade and place it on a secure basis, thereby contributing to economic growth and development and to the welfare of the people of the world.

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International trade and financial arrangements have also become increasingly strained. Exporters are struggling to preserve their shares of shrinking markets in the face of new and often unexpected competitors. Over the past years the reliance on contingency measures such as emergency action, anti-dumping and countervailing duties continued, with exports from developing countries being a frequent target. Preferential access for certain developing countries under the GSP has been somewhat reduced. Export-subsidy competition in agricultural trade has intensified between some trading partners. There is a lack of respect for the rules and principles of the multilateral trading system. Trade retaliation has become more prevalent and is more readily applied.

Reciprocity is being observed in a much more bilateral context, with little regard to earlier commitment in favour of developing countries. It is against this background that the Ministerial session of the CONTRACTING PARTIES to the GATT is now being held.

During the discussions at the Preparatory Committee meetings we have touched upon a number of issues which are the basic obstacles to international trade liberalization. Of all the subject matters discussed at the Preparatory Committee we attach great importance to substantial improvement in the areas of trade liberalization, agriculture, tropical products, treatment for developing countries, natural resources, textiles and safeguards. We strongly believe that the Ministerial meeting would be able to set clear guidelines on each subject matter for successful negotiations.

Before I conclude, I would like to thank the Government of the Republic of Uruguay for its warm hospitality and admirable arrangements made for this very important meeting. This splendid complex is a symbol of Uruguay's contribution to the more open and fairer trade policies and systems for a better future of the world.