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STATEMENT BY H.E. DR. MOSTAFA EL SAID,
MINISTER OF ECONOMY AND FOREIGN TRADE OF EGYPT

On behalf of my Government may I congratulate you for your election to chair this important and crucial meeting. May I also extend my sincere thanks to the Swiss Federal Government and the Canton de Genève for the courtesies extended to all of us.

I need not repeat, in detail, what has been stated by many speakers before me, concerning the deep and prolonged crisis of the world economy. In many countries growth rates are low or negative, there is growing unemployment and a climate of uncertainty enhanced by persistent inflation, high rates of interest and volatile exchange rates which seriously inhibit investment and structural adjustment and intensify protectionist pressures. The difficulties created by this crisis are very critical for many countries, particularly the developing ones. What is even more disturbing is the failure of many governments to respond adequately to the challenge of the crisis. In the field of trade, restrictions have increased and a growing proportion of them have for various reasons been applied outside GATT disciplines; thus seriously undermining the multilateral trading system.

In such a serious situation, we, members of the GATT are meeting on a ministerial level with full intention to reach solutions. History will not forgive us if we have failed to meet our responsibilities towards world recovery and trade expansion.

A programme of actions has to be agreed upon. The first is to reaffirm our commitment to abide by GATT obligations and to support and improve the GATT trading system. This will contribute vigorously to the further liberalization and expansion of trade based, in principle, on mutual commitment, mutual advantage and overall reciprocity and the most-favoured-nation clause. The basic and legitimate interests of the developing countries should be fully taken into consideration which would require favourable treatment in certain fields. In this context we welcome statements by leaders of developed countries confirming their adherence to an equitable multilateral trading system and their rejection of protectionist pressures.

Next, it is time for the developed countries to take the long-delayed steps to readjust the structure of their economies, on the basis of a new pattern of world division of labour consistent with the objective of industrialization of the developing world and with the factor endowment of both the developed and developing countries.

In this context, developed countries have to recognize the importance of textiles and clothing for the trade prospects of developing countries and have to enter into immediate negotiations with the intention of bringing about the full application of GATT provisions to this sector of trade.

Textiles and clothing are ailing industries in many developed countries. Such industries must not be protected or financially assisted. The only assistance governments could offer is to help phase out those ailing industries within a well formulated programme for structural readjustment.

Also, developed countries have to admit the urgent need to find lasting solutions to the problem of trade in agricultural products with the aim of achieving the objectives of the General Agreement, including Part IV, and with due readiness to accept structural readjustment that may be necessary.

All of us are aware of the problems and hardship involved in making those readjustments and particularly their implication for the question of unemployment. Nevertheless it is in the interest of the world as a whole, if the gains of free trade have to be reaped, that such structural readjustments have to be implemented. The acceptance of the principle of gradualism and less work hours per week in the developed world may also help in achieving our aim more efficiently and with less hardship.

To sum up my view on this point, I would like to emphasize that the developing countries did contribute to the large expansion of world trade since the Second World War through their development programmes, and they were importing with no restrictions large amounts of capital goods and food. To be able to finance further expansion, which is beneficial for the developed countries, they have to be granted free access of their new manufactured and semi-manufactured goods into the markets of the developed countries and the necessary structural readjustments have to take place.

Members have raised many important issues which have been discussed by the Preparatory Committee for our Ministerial meeting, as well as by the Council. May you kindly permit me to outline briefly my Government's views regarding those issues.

First: we find ourselves in agreement with the conclusions reached and recommendations suggested by the Preparatory Committee and the Council regarding the issues of tropical products, tariffs, quantitative restrictions and other non-tariff measures, MTN agreements and arrangements, structural adjustment and trade policy, trade in counterfeit goods, export of domestically prohibited goods, export credits for capital goods, forestry products and non-ferrous minerals and metals, exchange rate fluctuations, dual pricing and rules of origin.

Second: we have strong feeling against selectivity in applying the safeguards clause of the General Agreement. We also feel the need for an improved and more efficient safeguards system. Further studies have to be carried out to provide for greater predictability and clarity of the system with the aim of preserving the basic principles of the General Agreement.

Third: we do recognize the importance of new issues in the international economic relation. Such issues need to be well defined and intensively studied in an appropriate framework so as to achieve the maximum positive effect on world economy and to achieve the mutual benefits of the developing and the developed countries:

"GATT has many problems to solve in the field of (merchandise) commodity trade, and it may be appropriate, for some time to come, to concentrate on them."

The challenge is great, but the history of the world is, in a sense, the history of challenges and of overcoming them, sometimes through great suffering and hardship but sometimes through intellectual effort. I hope that our intellectual power will be wisely used this time.

Permit me to thank all those who have prepared for our meeting, permit me to thank, in particular Ambassador DASS, the Chairman of the Council, Ambassador McPHAIL, the Chairman of the Preparatory Committee and Mr. Arthur DUNKEL, the Director-General of the GATT as well as his efficient staff.