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Please allow me a short summary of the subject matter I have developed "in extenso" in the position document that contains the thinking of my Government on matters of concerted international trade policy, and to comment very briefly to you on the all important event that brings us here today.

1. When in November 1981 the CONTRACTING PARTIES, under the chairmanship of Argentina, decided to convene the present period of session at ministerial level, they did so in an unprecedented effort to strengthen the multilateral trade system.

We were aware at the time that the system was being deeply undermined by growing protectionist trends and also of the "fallacy of believing that in economic phenomena, and particularly as regards the facts of international trade, formal equalities pre-suppose substantial identities".

2. This viewpoint is reflected in the attitude of some industrialized countries which - in open contradiction to the juridical and political meaning conveyed in Part IV of the General Agreement - seek to demand, from developing countries "an expanded commitment within GATT".

My Government will not recognize the concept of "graduation" in our agreement.

3. A topic which I have dwelt on in my position document and which I shall only mention shortly here is agricultural trade. A considerable part of our exports derive from farming. Hence the gravity of the situation implied by the fact that our traditional customers have not only closed our access to their markets - not being exceeding to complying with their commitments under the General Agreement - but also set up an agriculture which is "artificially enriched" by formidable "financial fertilizers", thus attaining production levels which by far overrun the oft-repeated arguments on food security.

This situation has moved them to place their surpluses by subsidizing their exports too, thus displacing efficient producers from their traditional areas of trade, taking more than an equitable share of the market, and subsidizing through resources transferred from countries who find themselves forced to compensate for their structural sin of enjoying relative advantages - has set an ominous example.

Other contracting parties have also begun to move along the same path, convinced that inflexibility in the commercial attitude adopted by the European Economic Community to all appearances can only be counteracted by a non-declared war in a sector which is vital for us.

4. We do not approve of following this path and hope to find multilaterally concerted solutions. We have strongly advocated for the creation of a committee to adequately consider this issue, albeit emphasizing that it is not the formal framework we are interested in... This only serves to convey to the "domestic front" a hopeful message which in practice does not lead anywhere. For us, what this committee does is far more important than the committee itself.

5. I think we should be all concerned with the "pseudo-pragmatism" with which we override conflictive issues.

When we cannot or do not want to make progress on specific matters, we resort to two tangent alternatives to overcome the opposing difficulty by adhering to form through the creation of mechanisms lacking in substance, or by resorting to a postponement of any decision on the matter through the novel system of transforming a "contract between parties into a seminar for economic research".

6. A point which merits careful consideration is the ledged "quasi-repeal" of the most-favoured-nation clause, accomplished through a dichotomy implicit in the existence of commitments undertaken in the agreements adopted at the Tokyo Round and to the rights and obligations binding the parties to the General Agreement.

We contend that nobody "per se" has proprietary rights over any article in the agreement and that, whether a member or not of the "minor agreements" that interpret specific articles, all contracting parties are subject to obligations and enjoy rights as a function of the "major agreement".

7. Our conception of the agreement as an indivisible unity has prompted us to seek a clear implementation of the procedure to resort to Article XXI. In our view this Article could not be invoked to justify attitudes at variance with the agreement as a whole. Actually, it is a question of principle. If we want to strengthen the multilateral system of trade we must review all the "subjective cracks" which impairs GATT credibility.

We also maintain that nothing justifies the resort to commercial measures to exert political coercion upon sovereign States.

8. The international economic situation, which is a serious one, requires a thorough therapy, and not only superficial palliatives or reiterated declarations of faith in the virtues of a multilateral system of trade whose array of pharmaceutical drugs appears to have been overcome by a persistence of the "protectionist fever".

9. (i) In extremely difficult times, the proper thing to do is to act realistically and imaginatively; with a realism that imposes not to continue resorting to "pious lies" which perhaps temper the concern of our tax-payers, but which do not help to improve the situation. Such realism implies a recognition of the existence in international trade of dimensions, sub-systems and singular problems.

(ii) It is this and nothing else that is reflected by North-North misunderstandings; North-South difficulties, East-West peculiarities and South-South co-operation. It is true enough that in GATT the contracting parties do not group together in accordance to a certain latitude in development geography, or their location on a socio-economic ideology chart. Still, such phenomena do occur, and it is not realistic to refer to equalities that in essence do not exist.

(iii) Such inequalities may also be observed in the mechanism for dispute settlement procedures. GATT not being an international pseudo-tribunal of supra-national characteristics - as it is sometimes wrongly assumed - the efficacy of said mechanism rests on the deliberate will of the parties whose power to retaliate is not symmetric.

(iv) I think it is important to point out that what takes place at other international fora - where some believe that the confrontation is growing - has a direct bearing on the results of this meeting.

(v) Perhaps we should collect all the material available to the international community - including the General Agreement, and take action on something seen to be dangerous by many... by calling a world conference on trade.

The fact is that within our present system there are so many exceptions, waivers, reservations, impossibility of assuming commitments to derogate measures that oppose the agreement, persistence of "grey areas" difficult to justify in terms of prevailing norms, that perhaps we must seriously think if the time has not arrived for us to do some soul-searching taking us back to square one - a base-line from which we can start building a more fair and transparent order in trade, capable of generating development.

10. We cannot continue to wait for a "structural readjustment", nor should we attempt to disguise the weak political will evinced by developed countries in the matter of tariff escalation by arguing that the subject is technically complicated".

11. If GATT does not solve problems that date since long time back, I firmly maintain that it is in no position to tackle the new and delicate chapters encompassed by international economic reality.

12. Many of us developing countries are worried about the difficulty of drawing up a correct prognosis of our trade, through being ignorant as to whether our industrial production will be arbitrarily penalized in its access to certain markets, by having compensatory duties applied to it on the basis of unilateral criteria, incomplete national data and unclear procedures which disregard the actual domestic taxload, which are all the more serious since we have not as yet resolved the conflicting matter of safeguards.

13. GATT is an instrument for permanent negotiation in support of specific interests which should emerge strengthened from this meeting.

14. The interests of my Government in international trade issues are clear. We try to avoid new divisions within the market. We want to avoid disloyal competition by those who, through huge subsidies, exceed the possibilities of placements by "naturally efficient" countries. We want our manufacturing exports to be free from quantitative restrictions, tariff quotas, voluntary self-restrictions, residual restrictions, and the whole panoply of protectionist measures that by conditioning and limiting our trade, negatively affect the obtention of the necessary resources with which to provide for the welfare of the Argentine people.

15. We believe in the need to strengthen the multilateral system of trade.

We believe the said system has to be analyzed, assessed and eventually reviewed and restated.

We believe that juridical equalities are not enough to overcome substantial inequalities.

We believe developing countries are called upon to play a significant role in international trade; and thus generate expansion and growth in world economy as a whole.

We believe that the trade possibilities of said countries are curtailed when it is compulsorily attempted to reclassify them according to their degree of development, and when they are compelled to play the rôle that dominant members in the Agreement wish to assign to them.

We believe in the unity of the system and in the dangers of breaking it up into micro-systems that harm its cornerstone, the most-favoured-nation clause.

We believe agriculture to be no exception to the rules governing GATT. It deserves priority consideration so as to recover lost time and damages inflicted on international trade in that sector and on naturally efficient producers. We believe that production subsidies and agricultural export subsidies by countries or groups of industrialized countries are a fact... but not a "necessary evil". It is our belief such practices should cease.

We believe that the adoption of economic sanctions as a means of political coercion inflict grievous harm on the credibility of the system.

We believe in the need for a genuine "structural readjustment" so that the obsolescence of some sectors of the industrialized world should not be hedged by protectionist permissiveness safeguarding them from the competition of a growing efficiency in the developing world, or from the relative advantages offered by the economic geography of the latter.

I believe we should not postpone solutions through meaningless actions... whether they be institutional or academic.

16. I would like to conclude by noting, once more, that the present international economic crisis cannot and should no longer persist.

As Statesmen we have the duty - which is also our privilege, to fully accept the challenge of this hour, and to search for a new formula so as to have trade become a fit instrument to relaunch international economy in a framework of trade freedom.

The 1980s should set a historical landmark in international economic relations; and if our General Agreement enters the obsolescence of things which have had their day but which no longer exist... then we shall be compelled to begin all over again.

My Government, focusing on realism, by resorting to imagination and firmness, has expended every means and seconded every initiative to overcome the impasse.

If we have met with no success, it has been due to the intransigence of those who, while sharing to a considerable extent in the diagnosis over the crisis, yet do not come up with the corresponding solutions.

On our side, we intend to continue proposing them, and if need be, to engage in the search for new ones.

As I mentioned before, we may have to go over the 1948 exercise again, albeit this time, under the inexcusable duty of not failing then.