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Unlike previous meetings of this kind, the present one - for the first time in the history of GATT - is not dedicated to the launching of an ambitious round of negotiations aimed at a systematic, across-the-board exercise in trade liberalization, in a context of sound and sustained growth in the world economy.

The task we face now is that of curtailing, and hopefully reversing, that most striking trend arising out of the current economic difficulties - the stagnation and even retrogression in world trade under the impact of widespread contraction in economic activities and rampant protectionism.

What is at stake here is the very survival of the complex set of principles, rules and procedures that, whatever its inadequacies and shortcomings, has over time developed into something truly worthy of being called an international trading system.

This meeting offers us an invaluable opportunity to redress that system. We cannot fail, lest the whole edifice of international co-operation so painstakingly erected over the past decades crumble to pieces - for all other international economic flows, and therefore all other multilateral arrangements and institutions, depend, in the ultimate analysis, on the prevalence of a smooth, unobstructed system of trade exchanges.

That is why Brazil believes that one essential element in the search for success of this meeting should be a correct diagnosis of the many ills that plague the international trading system.

The duration, depth and scope of the current world economic crisis are explained, to a large extent, by the inability of national economies, especially in developed countries, to adopt the structural adjustments required by the ever-changing realities of international economic relations, as well as by the inadequacies of the international trade and financial systems, which are crucial for the developing countries' efforts to pursue their own adjustments. Wholly new situations have emerged in the recent past which are yet to be duly acknowledged and understood. They pose terrible challenges to every nation in its own domestic life, but they pose, as well, a perhaps even more difficult challenge to the management of relations among nations.

The international community, as never before, has to live up to the task of improving and supporting the institutions on which the unprecedented progress of the past few decades was based, and without which no meaningful prospects would exist for an orderly and sustained recovery of the world economy.

GATT, of course, is foremost in the concerns of us all.

The pervasive nature of the crisis has exposed some of the more critical flaws of the international trading system. But it has, above all, brought into daylight heretofore little-recognized facts that are worse than the shortcomings of the GATT system itself. I refer to the frequent violations of its principles; the distorted interpretation and application of some of its rules; the ample scope and enduring nature of derogations, making for a predominance of the exception over the rule; and the lack of political will to faithfully abide by commitments, particularly those in favour of developing countries.

The admission of this state of near lawlessness is perhaps an excruciating but necessary step in the task of salvaging the underlying principles of the GATT, which should be our main concern at this meeting.

Unfortunately, movement in that direction has been discouragingly slow. As regards improvement of the overall conditions for international trade, there seems to be a lack of firm decisions to stem the tide of protectionism in its various forms. As for the interest of developing countries, even a commitment to honour previous commitments has been impossible to obtain. What has been suggested, instead, is that developing countries undertake additional obligations - an idea that more often than not has been a tool of subtle new forms of protectionism, rather than a genuine factor in trade liberalization.

Indeed, the lack of understanding of the problems of developing countries, aggravated as they have been by the current crisis, contrasts sharply with initiatives on matters far removed both from our pressing problems and from the scope of our institution. Some new propositions would extend the principles and rules of the GATT to matters outside the purview of the General Agreement. It is suggested that this would be in the interest of liberalization of other sectors of the international economy.

In that regard, two very important considerations seem to have been overlooked. The first is that there is no reason to suppose that what is validly seen as liberalization in the field of trade in goods is required, or even desirable, in other fields. In fact, the failure of the developing countries' efforts to introduce multilateral control of restrictive business practices in the field of transfer of technology, for instance, indicates that, at best, we are talking here of two different kinds of liberalization. While one kind is now preached, the other has long been opposed.

The second is the fact that some countries are far ahead of others in mastering the resources, managerial capability and technical know-how that will shape the events of the future. The countries which are less advanced, quite understandably, refuse to be forever dependent on the knowledge and capability of others, and wish to develop their own.

Brazil, as a country seriously committed to establishing and developing an autonomous capacity in the main areas of economic activity, holds the view that it would be both unwarranted and undesirable to mobilize GATT towards the establishment of normative frameworks that might hamper the access of developing countries to international markets, or inhibit their capacity to regulate their own internal activities. If issues of great importance to certain countries are to be examined and investigated - something to which Brazil can agree in a gesture of compromise - that should be done in a format that does not prejudice the results or be detrimental to the basic interests of others.

We believe that no therapy for the current economic ills of the world will produce results if it does not include a prescription to ensure the accelerated development of developing countries. Brazil has been underlying that fact on all possible occasions, and did it in a particularly convincing way very recently, when President Figueiredo addressed the United Nations General Assembly. Abundant studies have shown that these countries' demand for imports have contributed significantly to keep the wheels of the international economy turning during the ongoing recession; but, more than that, ensuring that the young, dynamic economies of developing countries generate additional demand for imports constitutes the best way of prompting the recovery of the world economy. That, in turn, can be achieved not by asking of developing countries what they are not in a position to concede, but by facilitating the expansion of their exports. Enlightened self-interest calls for translating these economic truths into political reality.

It is incumbent upon us to concentrate on the immediate task of repairing the harm done to the system. We must begin by complying with its rules. It will become easier, then, to improve the system through a new consensus on its main objective - that of bringing about the resumption of growth in international trade and equitable apportionment of the benefits thereof to the trade and development of all. If that is the intention, our partners will always find Brazil ready to contribute its share.