

trade which exact such a heavy toll from consumers and producers around the world. This is essential for developing countries such as Argentina whose export earnings have been devastated by the subsidy war. And so on, down the list.

But I want to concentrate on the key systemic aspects of the Round. In the Punta Declaration these aspects are titled Functioning of the GATT System (and, inevitably, the negotiating group is called FOGS, an unattractive and, one hopes, inappropriate acronym). If the GATT system is not fundamentally strengthened there is a high probability that, over the long haul, it will continue to crumble and the gains in liberalization and growth from the Uruguay Round prove transitory. So these are the international public goods issues: there's no reciprocity involved. These public goods will either be provided by governments in active cooperation or not at all. In effect, this aspect of the Uruguay Round provides a real life experiment testing the hypothesis, now widely asserted, that international public goods will not be provided in a world without an undisputed leader.

The two vital components of GATT reform and renewal that I want to describe are first, strengthened