

Strengthening the GATT System

Despite - or perhaps because of - the unpropitious economic and political mise en scene for the Punta meeting, the agenda for the Uruguay Round is the most comprehensive and ambitious in the history of GATT. The negotiating groups which were established last January cover the full range of items necessary to improve market access. They deal with agriculture as a central concern for the first time in 40 years. They cover multilateral disciplines for trade-related intellectual property rights, trade-related investment measures and international trade in services. They will update and strengthen GATT trading rules and GATT itself as an institution. In addition, they provide for a mechanism to resist new protectionist measures and phase out existing ones over the course of the Round.

All these agenda items are important. A major round of liberalization would provide a welcome stimulus to world growth. An improvement in the trading rules governing temporary import protection or "unfair" trade practices would greatly enhance predictability and hence improve the investment climate. A successful negotiation in agriculture would reduce the grotesque distortions in