

The diverse interests of the ninety-plus nations at the table make agreement difficult, at the best of times.

The easier issues have been dealt with in previous negotiating rounds.

The old, outstanding issues of agriculture and textiles remain politically difficult, to say the least.

And the new issues of services, investment and intellectual property rights move the discussions away from the concept of most-favoured nation into the more sensitive subject of national treatment.

But if we do succeed, there will be a number of beneficial consequences for the global economy.

If we can move agricultural systems from a reliance on production incentives to income security, as endorsed by the O.E.C.D. nations, prices will rise for many agricultural commodities which are critical to the financial future of debtor nations. And North American budgetary deficits could fall even further as the need for competitive subsidies subsides.

If we can reach agreement on rules for services and investment, we could complement the Brady Debt Plan by creating the potential for further debt-equity swaps and greater direct investment in less developed countries -- investment which could then increase LDC opportunities to earn much-needed foreign exchange.

And perhaps most important of all, if we can achieve tangible progress in multilateral rules, we can strengthen the links between the three mega-economies of North America, the European Community and a Japan-centred Asia Pacific. We can ensure that the Canada-U.S. Free Trade Agreement and Europe's 1992 exercise are forces for greater global trade -- not regional segmentation.

That objective, in fact, shaped the terms of our Free Trade Agreement. It is an agreement which not only builds on multilateral standards in a number of sectors -- it is an agreement which we hope can be a precedent for future global liberalization.

Will we actually make progress in the Uruguay Round? I believe we will, for the very same reason that I have confidence progress will be made in North American budget negotiations -- the fear of failure. (Because)