

It is indeed this unique conjuncture of circumstances -- the major imbalances in the world economy and the onset of a new technological revolution -- which represents the double aspect of interdependence, the magnification of vulnerability and opportunity. The opportunity is that the information-technology revolution creates the potential for a quantum leap in overall productivity and growth which could ease the transition to a more sustainable pattern of external balances and global debt. This could be the way back to the longed-for virtuous circle. But it is contingent on the structural change necessary for its diffusion both at home and internationally. And therein lies the vulnerability. For the risks of impeding adjustment are magnified by this technological transformation. The information revolution, again uniquely, entails a trend to ever-greater international integration of production, services and markets. In this way it provokes further resistance to changes in the international division of labour. As we shall see, this was a major consideration in the launch of the Uruguay Round to which I now turn.

The Uruguay Round

The Uruguay Round was, as I have said, launched in Punta del Este in September 1986. The event was rightly