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MEXICO

Statement by H.E. Lic. Hector Hernandez Cervantes Secretary of Commerce and Industrial Promotion¹

We are forced to recognize, when analysing the various elements which are united in this major event, that this is a moment of particular importance. Only yesterday, on the occasion of the 40th anniversary of the GATT, reference was made to the virtues of the organization -- and its limitations -- the problems and achievements of the last four decades, the structural framework it represents for the consideration and resolution of world trade problems and of many of the problems of development, some of its more obvious shortcomings, the prospects it holds out for us in the future and, finally, the road to be travelled.

It is not too much to say that that commemoration closed on an optimistic note, especially through the heightened awareness of the challenge posed by this moment in history, and the reaffirmation of the will and determination to act jointly to achieve the objectives and goals that have been laid down.

Today, however, we are not evaluating the organization or weighing up its virtues or shortcomings. Our agenda, routine as it may seem, obliges us to go still deeper into the realities of our economies and of our economic and social situation. It forces us to look at the actual facts, examine them, weigh them, and tackle conclusions. It requires us to evaluate whether the measures and actions we are undertaking are in keeping with and adapted to the needs of those realities, and, above all, we are obliged to exert unstintingly our political will in order to ensure that we will achieve the task we have set ourselves.

Over these forty years, we have not been able to resolve the most elementary problems of co-existence, of multilateral co-operation and of development for some and of co-ordination for others. Attempts to advance in the trade sphere are often frustrated in the financial and monetary spheres and, worse still, by domestic policies. Despite the many efforts made to establish patterns of multilateral co-operation and co-ordination, with a view to achieving the necessary minimum employment in our countries and fighting poverty, the richest country in the world is in imminent danger of a recession, and hunger stalks in the poorer countries.

¹Delivered on behalf of the Secretary of Commerce and Industrial Promotion by Lic. Abel Carrido Ruiz, Alternate Representative to the GATT.

In these circumstances, we should not be guided by the complacency of yesterday, but by the urgency of the constantly arising and, unfortunately, recurring conflicts which we have to face.

It is both impossible and undesirable to separate what I referred to as the "routine" items from the set of elements comprising the Punta del Este Declaration and the consequent organization of the negotiating plan with its various phases, since, in the final analysis, the latter are a response to the recurring problems that characterize our world and its realities today.

But before referring to the most important of these topics, I wish to make what I consider to be an important clarification about Mexico's approach to the present and future prospects of the GATT and the Uruguay Round, and about the situation I have just described, which is universally recognized and accepted.

GATT is said to be a pragmatic organization. Some say that the time for rhetoric has passed and that it is necessary to tackle problems and take action according to realistic and practical approaches. We agree - that is how Mexico wishes to act. But we must all act pragmatically and realistically, and not confine ourselves to words. The hunger to which I refer is not rhetorical: it is, unfortunately, real. Underdevelopment, whether it be called relative or not, is a fact. Abandoning rhetoric does not automatically resolve the problem of hunger, malnutrition, lack of employment and opportunities ... and so the list continues. This is not rhetoric, nor a question of principles. It is reality.

Mexico will therefore act pragmatically, and indeed, furthermore, it has already contributed to the liberalization process. I do not think I am mistaken in saying that no country, or very few countries, have at a single stroke, bound as many tariffs as Mexico. We shall continue making our "contributions" to the liberalization process, but we shall do so in a negotiated and pragmatic manner and above all with the indisputable purpose of following an additional road towards the solution of our national problems, to put an end to this poverty and underdevelopment. We are not asking for presents. But we need results for everyone, especially in order to have something realistic to present to our population.

With regard to the Uruguay Round, it is worth repeating that work has advanced satisfactorily and certainly more smoothly than expected. We continue to see the process as a whole, but this should not delay the adoption of earlier action in some areas.

The euphoria stemming from the acceptance of, and the progress made in, some areas that are new for GATT should not lead us to forget or neglect areas where, for some time, it has been impossible to reach agreements that are already overdue. I am referring, inter alia, to safeguards, textiles, tropical products, non-tariff barriers and also the problem of high and disproportionate tariffs in various sectors.

The reports of the main bodies established at Punta del Este and the accumulation of proposals that are still being tabled give us grounds for believing that we shall have ample foundations for giving concrete form to the actions we shall have to take and to the negotiating process that is drawing near. In any event, we must always bear in mind that, however important it may be to maintain the momentum and pace already acquired, this cannot and must not be done at the expense of those participants who cannot physically keep up that pace. If some cannot keep up, the solution is to help them, not to leave them behind.

With regard to the more important agenda items, and the result of the work of the past year in GATT, I should like only to raise a number of questions arising out of the Council's report.

Is the GATT consultation machinery providing everything it can and should provide? Are the mechanisms of Articles XXII and XXIII really being applied strictly and within the established time periods? Are the findings of panels being complied with in a reasonable manner and time?

In the accumulation of issues with which it has to deal and the difficulties of its procedural system, has the Council really been able to distinguish what is primary from what is secondary, what is partial from what is global?

Is it not now necessary for the Council to analyse not only each isolated issue, but the comprehensive problem created by the whole set of acts or measures that may lead to action or policies of a protectionist nature or contrary to GATT principles, and to identify trends and, if necessary, make recommendations for the future in order to curb and counteract these tendencies? The "Acapulco Commitment" adopted a few days ago refers clearly and precisely to this point.

Would it not be worthwhile giving such a new turn to the Council's work? It has a wealth of elements and information for that purpose.

On a matter closely linked with the foregoing, my country's Government attaches paramount attention to the work of GATT related to balance-of-payments measures, especially in these troubled times, and on how to increase the practicality and operationality of the results achieved by the Committee on Trade and Development. We find it somewhat disappointing that greater benefit is not derived from the work of a highly serious Secretariat of most distinguished ability, and that, for example, the results of its work for the special meetings of the Council are not given more tangible and functional form by the CONTRACTING PARTIES.

In this connection, we congratulate the Secretariat for its unstinting work and effort, especially in the preparations for organizing and putting into practice an integrated database, and we urge it to continue those efforts with redoubled intensity.

In the discussion of our agenda items over the next few days, we hope to perceive more clearly other delegations' opinions and views on the items contained in the Council's report and also on the questions we raised. Their clarification, in our view, should shed light on the way in which we are all conducting our affairs, whose day-to-day nature does not mean that they are not of the greatest importance for our countries.

It only remains for me to stress my Government's satisfaction at being part of this important group of countries, the efforts of which, during this period, as Mexico completes its first year as a GATT contracting party, have created an incentive and set a clear goal for attaining greater well-being for our populations.