

# GENERAL AGREEMENT ON

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## TARIFFS AND TRADE

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CONTRACTING PARTIES  
Forty-Fourth Session

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### JAPAN

Statement by H.E. Mr. Yoshio Hatano  
Ambassador Extraordinary and Plenipotentiary

The forty-fourth session of the CONTRACTING PARTIES of GATT is being held while all the delegations are being engaged in the intense work of the Uruguay Round negotiations towards the Ministerial Trade Negotiation Committee (TNC) meeting in Montreal. Since the ultimate objective of the Uruguay Round is, in the view of this delegation, the reinforcement of, and the progress in, the multilateral trading system, I should like to avail myself of this opportunity to address the CONTRACTING PARTIES in order to underline Japan's conviction on the crucial importance of the multilateral trading system, as well as Japan's basic stance towards the Mid-Term Review.

While the importance of the multilateral trading system is often stressed in public speeches and in the talks among the leaders of the world, the reality sometimes betrays the fine words. When one observes some signs which run counter to the principles of the multilateral trading system, one wonders if everybody really understands how much we owe to the system, which is too often mistakenly taken for granted. Sometimes one has even an impression that some people are sceptical of the benefits which can be brought about by the multilateral trading system. The danger of unilateralism, bilateralism and regionalism is a reality against which all the contracting parties have to fight most urgently. Under these circumstances, it is essential, in Japan's view, that each and every contracting party refresh the full recognition as to how critically important a rôle the multilateral trading system plays in preserving dynamism in the world economy and in sustaining the economic development of the world. Although free competition sometimes requires people to go through serious efforts of adjustment, such efforts in their totality eventually become the source of further economic development.

The best example which underscores the fact that economic development is facilitated by the multilateral free-trading system is the marvellous economic development of the Newly Industrialized Economies, or "the NIEs", during recent years. The fact that the NIEs are sustaining a high level of economic growth is not only contributing to the activation of the world economy and the macro-economic structural adjustment, but it is also providing a great encouragement to other developing countries. Japan is convinced that it is necessary to maintain and promote the present world economic development, and it is essential therefore to safeguard and strengthen the multilateral free-trading system. No economic development free from hindrance is achievable without the existence of a free market.

To construct a truly open multilateral free-trading system through the strengthening and the improvement of GATT: this is what the Uruguay Round negotiations are all about.

This means that the vital interests of all the participants, developed and developing, hinge upon the success of the Round. All the participants, whether they are developed or developing, are therefore asked for their wisdom and efforts commensurate with their individual stage of economic development with a view to achieving the success of the Round. Japan, for its part, will make all possible efforts for the success of the Mid-Term Review in Montreal.