

DEPARTMENT OF STATE
BRIEFING PAPER

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FACT SHEET: GATT - URUGUAY ROUND

I. CHALLENGES AND OPPORTUNITIES

- o The Uruguay Round is the most ambitious and technically complex trade negotiation yet undertaken.
 - Progress thus far has been encouraging.
- o But, to maintain and expand world trade we must:
 - commit ourselves to establishing a truly open market in agriculture, putting place a specific timetable for eliminating all trade barriers and budget-busting subsidies;
 - secure GATT coverage of new areas like services, trade relying on intellectual property protection and trade-related investment measures; and,
 - insure that the newly industrializing economies (NIE's) shoulder responsibility commensurate with their increased prosperity.
- o Substantive discussions of these key negotiating areas are underway, but are proving difficult.
- o A successful Midterm Review at Montreal (December 5-8) is critical for reinforcing political commitments made at Punta del Este.
 - If trade ministers are to bridge outstanding gaps at Montreal, we must make some breakthroughs on agriculture and in the new areas to show the world trade community our determination to end this Round well.

II. OUR THEMES

- o U.S. has demonstrated recently its commitment to free trade and the GATT system by:
 - vetoing a protectionist textile bill; and,
 - significantly diluting protectionist elements in the Omnibus Trade Act which also provides our authority for the Uruguay Round trade negotiations.
- o A productive Midterm Review at Montreal will contribute measurably to the prospects for success in the Uruguay Round.

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working visit of U.K.
Prime Minister Thatcher