WORLD TRADE

ORGANIZATION

WT/MIN(99)/ST/45 1 December 1999

(99-5265)

MINISTERIAL CONFERENCE Third Session Seattle, 30 November - 3 December 1999 Original: English

SOUTH AFRICA

<u>Statement by H.E. Mr Alec Erwin</u> <u>Minister of Trade and Industry</u>

It is a moment of achievement for us in Southern Africa that I speak after Minister Simba of Tanzania. I do not wish to add more to what he has said about our common positions in regard to the matters being dealt with in Seattle. As a member of the Southern African Development Community (SADC), we asked the Chair of the Committee of Trade Ministers to present our views. This is testimony to growing economic cooperation and integration in Africa.

I would like to address two other matters that do not relate to South Africa alone but are, I believe, fundamental to the success of the meeting here in Seattle.

As elected representatives of our people, and as servants of our citizenry, it is always worth reminding ourselves of the basics in order to retain a sense of perspective.

Our task is to facilitate a better world for our people. One of the most powerful processes that can impact on this objective, for good or bad, is the world economy and, in particular, the world trading system.

The globality of this system grew in significance from the middle of the last century and as it did so the benefits began to accrue in an uneven manner; uneven within countries and uneven between countries. The blunt truth is that the global trade system expanded fastest within the imperial relationship. Now new and equally powerful forces are at work in the process of globalization. As the knowledge-based technologies impact on the world, globalization assumes new dimensions with new possibilities and threats.

When we entered the Uruguay Round, the developing countries saw the process as being more of the same and did not combine sufficiently to ensure that the rules did not tilt toward the interests of the advanced industrial countries. Only some among us realised that the introduction of a rules-based system was in fact the platform upon which we could now build a fairer and more equitable trading system.

In this build up to a new Round, the importance of a rules-based system is very well understood. Accordingly, the objective must be to redress the imbalance of the Marrakesh outcome. This can only be done within a broad-based negotiating Round.

I am one of the many speakers - about 130 - that will speak over the next two days. Each one of us will want to express the concerns, views and aspirations of our countries. However, there is no doubt that this is not a very constructive process.

This is a problem that is indicative of the challenges of the rules-based trading system. The very fact that we are dealing with rules that can be acted on in trade means that all countries have a

./.

very real interest in being part of the deliberations. However, the very complexity of the rules means that it is impossible to negotiate effectively in a situation where every Member state contributes all the time on every issue.

How we can bridge this tension between inclusivity and effective processes that deal with the detail is a real issue that requires careful thought.

This matter is now being clouded by the incoherent response of the USA to their own domestic pressures. The right to protest is, in our view, sacrosanct. However, this should not have been allowed to disrespect our own democratic processes.

It is not clear to any of us whether this whole badly managed exercise was designed to give us some insight into the pressures that the United States and, to a lesser extent, the European Union experience. If it was, then it has convinced us that we should not allow the workings of the WTO to be held hostage to this inchoate process. It is the responsibility of the USA process to allow expression to these multiplicity of interests; they cannot hold the WTO hostage to this.

In the South African delegation we have representatives of business, labour, community organizations and government. We have worked together for months trying to accommodate the differing views and perspectives of the groups. As the democratically elected representatives of the citizens, it is government that, at the end of the day, has to articulate a position and answer to parliament.

As a new democracy, we are acutely conscious of the need to involve all our various interest groups in the complexities of trade and trade reform. We do not have agreement on all issues but we have a far better understanding of what is at stake in this complex process. This is more than can be said about the demonstrators outside over the last few days. It is clear that the USA has a lot of basic educational work to do, and they should not ask the WTO to do it for them.

The involvement of civil society is of concern to all of us in our own domestic contexts. It is not a concern for the WTO only. The challenge of how best to involve civil society is not new. When we figure out how best to incorporate the diverse concerns of civil society in our own domestic processes, we will have figured out how to incorporate their concerns into the WTO. Only through that will we make the WTO transparent.