

Uruguay Round

Label: Uruguay Round

Author: William D. Coleman , McMaster University

Date Entered: 2005-05-09

Description In 1947, following the lead of the United States and the United Kingdom, an international treaty was agreed upon and signed whose objective was to liberalize international trade. This treaty is known as the General Agreement on Tariffs and Trade or GATT. As the international trading rules were put into practice and as more countries signed on to the treaty, problems arose and a need for changes became clear. Moreover, the original GATT did not move as far in the direction of liberalization as some states might have liked. Accordingly, there have been regular attempts to amend and update the Agreement. Because these negotiations are complex and highly contentious politically, they take a long time, usually several years, to conclude. The tradition developed then to describe these negotiations as "rounds," indicating that many meetings were involved. To distinguish one round from another, they were given names. Sometimes they were named after persons. For example, the Dillon Round from 1960 to 1962 was named after Douglas Dillon, the US Under Secretary of State who proposed the round. The Kennedy Round from 1963 to 1967 was named after US President John F. Kennedy. Sometimes they are named after places where the declaration opening the Round was made. Thus the Uruguay Round was named in recognition of the Declaration launching the Round agreed upon in Punta del Este, Uruguay in 1986.

The negotiations were concluded with a Declaration signed in Marakkesh, Morocco on 15 April 1994. It was the most ambitious of all of the rounds to date, with a large increase in the number of developing countries involved. The agreement included the creation of the World Trade Organization (WTO). Until this step, the GATT had been a loose set of agreements without an institutional home. The Charter of this new organization provided for the integration into one system of all the various parts of the GATT that had developed somewhat piecemeal since 1948. It also featured for the first time an Agreement on Agriculture and an Agreement on Sanitary and Phytosanitary Measures. It brought intellectual property issues more systematically into the multilateral system with the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). Finally, and perhaps most significantly, the Round led to new procedures for the settlement of disputes among contracting parties. Decisions made by the Disputes Settlement Body became "binding" on contracting parties to the WTO. The comprehensive character of the agreements coming out of the Uruguay Round increased significantly the global reach of the trading system and the degree of penetration of trading rules into domestic economies and policy-making. In this respect, it was an accelerating force for political globalization.

This is a pre-print version of **Uruguay Round** by **William D. Coleman** generated from the *Globalization and Autonomy Online Compendium*. The electronic original is available at http://www.globalautonomy.ca/global1/glossary_entry.jsp?id=EV.0020.