

put and prices for some products. These may be regarded as short-run costs to the economy made necessary by our concern for economic progress of the less developed countries. It should be said, however, that unlike foreign aid, adjustments to increased imports do not constitute a resource loss for the economy but rather make possible, in the longer run, increased welfare through lower prices to the consumer and a better allocation of our total resources for maximum output value. Nevertheless, increased imports may very well represent real loss or hardship for individuals and communities, even though the loss may be balanced by gains elsewhere in the economy. For this reason, a national trade adjustment program is not only desirable from the standpoint of equity, but is to be favored as a means of increasing support and understanding of the need for commercial policies which will promote the welfare and growth of the poorer countries of the world.¹³

The implementation of an adjustment approach to import liberalization is a very complicated one. As anyone acquainted with the activities of the U.S. Tariff Commission is well aware, it is frequently difficult to determine the extent of injury (if any) to an industry resulting from increased imports. Nevertheless, since the law requires that tariffs or other restrictions on imports be imposed wherever a case of serious injury to domestic industry is proved, it should not be too difficult to go a step further and provide other forms of relief for such injury, and more importantly, measures for speeding the adjustment of our economy to increased imports.

¹³ For a discussion of the mechanics of the adjustment approach, see "The United States and World Trade," final report of the Committee on Interstate and Foreign Commerce, U.S. Senate, June 26, 1961, pp. 155 ff.