

CONCLUSION

The purpose of the last three chapters has been to describe and evaluate a set of methods designed to solve the problem of how consumers may be allowed to benefit from freer international trade without at the same time injuring certain segments of domestic industry by the resulting increase in competitive imports. The suggested solution in essence consists of a series of federally sponsored programs of orderly readjustment to economic change. Trade adjustment would have to be applied in different form in the various sectors of the economy. The three chapters have shown hypothetical applications of such program in manufacturing, agriculture, and mining. One finding is abundantly clear: No matter where they are put into effect, the trade adjustment programs would be less costly to the American taxpayer than a retention of existing tariff barriers.

Furthermore, a policy of trade adjustment would allow separating domestic economic problems from objectives pursued by this country in its foreign economic policy. Now the two areas of decisionmaking are rigidly linked via the tariff issue: virtually any constructive move on the foreign plane, in terms of this country accepting a larger volume of imports, leads to severe injury for some home industry. A readaptation program might be likened to a set of surgical hemostats clamped to blood vessels severed by the blow. The hemostats stop further loss of blood and allow sutures to be taken. In that way they expedite the healing process that sets in after the operation has been successfully performed.⁴⁷ But in order to successfully implement a policy of Federal trade adjustment, a good deal of further research is needed for the difficulties and possibilities of readaptation vary greatly among different industries. Even the three hypothetical applications described in some detail in this study constitute little more than scratches on the surface of this vital but extremely complex subject.

⁴⁷ In the metaphor the managers of the enterprises doing the readapting obviously would be the surgeons.