

are to expect continued equal and reasonable treatment, then we must see to it that the legitimate economic interests of other countries are also taken into account in the determination of our own policies here at home. An industry with as large and promising a stake in foreign markets as the chemical industry, for instance, should be aware of the intensity of the grievances abroad over the tariff barriers we have erected against the chemical products of other countries.

DOMESTIC ADJUSTMENTS

We must give further thought to means by which our domestic economic adjustments to increased trade are facilitated. It is clear that improved adjustment assistance provisions are needed to ease the plight of those adversely affected by increased imports resulting from concessions which are of more general benefit. There has been a tendency in the past to turn to protectionism when economic dislocations threatened to occur. Ad hoc measures to protect certain products may continue to be needed from time to time if emergencies come about. On the whole, however, if international trade is to be further expanded, the beneficiaries of this trade, including the United States, must strenuously resist adoption of special protectionist devices. At home we shall have to give much thought to finding the desirable balance-of-trade promoting, and protective devices designed to ease the process of economic dislocation. And finally, we should have another look at existing restrictive programs to see whether they can be adapted to the 1970's, or whether they should be gradually phased out.

In these remarks, Mr. Chairman, I have touched upon some of the problems which need to be studied in coming months. There are many more which need to be studied because, as you know, trade policy is extremely complex. In order to grasp this wide range of issues we are planning to establish a number of task forces within the executive branch, which will include consultants from universities and from industry. We intend to maintain close ties with various industry, labor, and agricultural groups around the country. Most important, we welcome your active interest in all aspects of the trade policy investigation.

Our intention is to consult Members of Congress as we proceed with the study for the President, as we did in the Kennedy Round. New steps, as Senator Javits suggested, inevitably require legislation, making it a matter of paramount importance that the views of the Congress be fully considered in the formative stages of recommendations. In this way, we can plan new steps toward increased world trade and prosperity, with the knowledge that our policies and our actions represent the best interests of the Nation as a whole.

The Kennedy Round was only a step in the march toward freer world trade. And the goal of world economic benefits must be pushed vigorously.

Thank you very much.

Chairman Boggs. Thank you very much, Mr. Roth.

For the purposes of the record I ask unanimous consent that the statement by Mr. Schnittker, Under Secretary of Agriculture be included in the record.

Without objection, it is so ordered.

(The statement follows:)