

mentation at this time, the separate funding of the United States contribution to GATT as a part of the bill. Although we do not have to come back to the Congress as a whole on the wheat agreement, it will be in the form of a treaty, and therefore we will come to the Senate Foreign Relations Committee.

Chairman Boggs. What complaints have you had from business and industry other than certain segments of the chemical industry?

Mr. ROTH. We have really had surprisingly few. And I hope we are not being lulled into a euphoric restfulness. Originally there were some statements by the steel industry. But I think that when they look at this agreement in detail they will see that, at least in terms of the Kennedy Round, their concern is not justified. There was some concern, and there is some concern, I think, on the part of the textile industry, particularly the manmade part. In this section we had full cuts, with very few exceptions, on the table 2 years ago. But the industry's position changed from being a net exporter to a net importer. And we withdrew in the final 30 days of the negotiation two-thirds of our offers on manmade textiles.

Beyond that, although our own reductions have now been published, many companies, perhaps, have not studied them in depth. But we haven't heard very much concern. There was some expressed by the shoe industry. But here again in the most competitive areas we didn't make full offers.

Chairman Boggs. I have one question that Senator Javits wanted me to ask.

Would you comment on proposals that have been made as a result of the free trade zones among the nations of the Atlantic Community of the North Atlantic area?

Mr. ROTH. Mr. Chairman, 2 years ago, as you remember, France in effect withdrew from the Community for almost a year over the controversy on the common agricultural policy, and the negotiations bogged down really seriously. We at that time within the Government looked at all possible alternatives to a multilateral trade negotiation that would bring all barriers down. But we found that anything that we could come up with, including a free trade area excluding from the Community, was very much a second best. Because of the tremendous flow of trade between EFTA and the EEC, if there were not reductions in tariffs between those two trade blocs overall world trade would be disadvantaged.

So I would say this is one reason perhaps why we do need a period of study here, not only to look at domestic trade problems, but to allow what is happening in Europe to take its course—will the United Kingdom become a member of the Community, for instance?

Until some of these things are clearer it will be very difficult to know which way to go, and what would be the value of a particular free trade area, et cetera. But I think basically we feel strongly that in terms of total world trade, the nearest way we can do this on an overall multilateral basis the better.

Chairman Boggs. I have one final question. Do you personally feel that we have made substantial progress as a result of these negotiations?

Mr. ROTH. Yes, I do.

Chairman Boggs. Would you be so sanguine as to say you are rather enthusiastic about it, or would you be less than that?