

we should give this idea consideration. A universal tariff classification is obviously desirable and I am sure it would be very helpful to us in the Government and those in business to be able to use statistical data without having to go through complicated and tortuous comparisons of nomenclature. On the other hand, our present tariff was designed to meet our needs. So, the issue is important enough, I think, to merit our consideration in coming months.

Now, Mr. Chairman, I have briefly identified a number of trade policy issues which seem important to us in the Department of Commerce. There are others, of course. We will be following these hearings closely and we will do everything we can to cooperate with this committee in its examination of our foreign trade policy. We expect your deliberations to make an important contribution to the Nation's assessment of the next steps in this field.

Representative Boggs. Thank you very much, Mr. McQuade.

I think before going into questioning we will hear from Mr. Greenwald.

Mr. GREENWALD. Thank you, Mr. Chairman.

I would like to apologize for the fact that Mr. Solomon is not able to appear this morning. He was particularly looking forward to it. I think he attaches a great deal of importance to the work this committee is doing and particularly wanted to be present here to participate in the discussion.

I think you already have the rather lengthy statement which was prepared for Mr. Solomon. It wasn't his intention to read you that lengthy statement. And I will follow his own purpose and just comment very briefly, summarize it very briefly, extemporaneously, if that is all right.

Chairman Boggs. We will incorporate the statement in the record, without objection.

STATEMENT OF HON. ANTHONY M. SOLOMON, ASSISTANT SECRETARY OF STATE FOR ECONOMIC AFFAIRS, DEPARTMENT OF STATE

U.S. FOREIGN TRADE POLICY AND THE DEVELOPING COUNTRIES

INTRODUCTION

The developing countries, as that phrase is now commonly used, consist of well over 100 political entities. There are marked differences among them in size, population, degree of industrialization, and economic growth—so much so that it is misleading to speak of them in aggregate terms as though they were a homogeneous group of countries. But they do share certain characteristics in common: their per capita income is low; their level of industrialization is low; a large part of their labor force is engaged in agriculture with low productivity per acre and per man; and they all want to modernize their economies. Indeed economic growth has become a symbol of national worth and dignity. In human terms, the overwhelming majority of their people face the kind of grinding day-in, day-out, year-in, year-out poverty that leads to the "harsh, brutish and short" lives which is the prevailing condition in most of the world. (Table 1.)