

Mr. McQUADE. I believe this is within his power, as we understand it. Representative WIDNALL. So that once the present negotiation becomes a fact—

Chairman BOGGS. Excuse me. I didn't hear the answer to that question.

Representative WIDNALL. It is within his power, I believe he said. Chairman BOGGS. He didn't qualify it?

Representative WIDNALL. You didn't qualify it, did you?

Mr. McNEILL. Mr. Widnall, if I may, the negotiation on the anti-dumping code was a negotiation whereby the President did not negotiate any changes in the Anti-Dumping Act that was enacted by the Congress in earlier years. Pursuant to the Anti-Dumping Act the administration over the years, several administrations over the years have spelled out administrative procedures. And it is in the area of administration that the negotiations took place in Geneva. And so what the President has done through his chief negotiator has been to conclude an antidumping code which provides commonality of procedure internationally which in our judgment will be of substantial benefit to U.S. exporters.

Representative WIDNALL. So that you believe under the existing law, without any further implementation, the President has the power to negotiate and further implement the antidumping legislation?

Mr. McNEILL. Assuredly, yes.

Representative WIDNALL. In view of what has been going on around the world, and keeping us more or less in a tinderbox, I would like to ask what may seem to be a simple question, and yet I think it is something that we all should know. Are there any tariff or nontariff barriers to the trade in arms between the United States and the other countries?

Mr. GREENWALD. Perhaps I can try to answer that. As far as exports of arms from the United States are concerned, they are all controlled and licensed. The State Department has the responsibility for licensing arms and ammunition under an act of Congress. I don't think any arms—ones that are on this list—can be exported without specific licensing authority.

Representative WIDNALL. I understand the licensing part of it. But do foreign countries charge a tariff? Are any payments made to the foreign countries to enable us to sell arms to them?

Mr. GREENWALD. As far as the tariffs are concerned, I think they actually have tariffs on what we call arms and ammunition. But in most cases they are imported from the account of the government, and therefore the tariffs are waived—the tariff doesn't apply—because the government is the sole importer of arms and ammunition.

Representative WIDNALL. It is sort of a frightening thing to think that for war purposes you have free trade, and yet for other commodities having to do with the growth of the country and the health of the country we have the tariff barriers. I don't think it makes any sense.

Mr. McQUADE. Well, there are two observations. First is that when you talk of free trade you are generally talking of transactions in the private sector, and in one sense all trade in arms and ammunition has a government involved. In our case we would control the export, and the purchaser would be a government.