

assistance. And this simply has not worked, whereas the Canadian Automotive Arrangement has.

Chairman Boggs. Mr. Greenwald, on another subject, what implication, if any, does the conclusion of the Kennedy Round have for the question of the East-West trade?

Mr. GREENWALD. The results of the Kennedy Round were fairly limited in terms of East-West trade. Perhaps the major development was the adherence of Poland to the GATT. Poland negotiated for access in the course of the Kennedy Round and, therefore, there will be some impact in that sense.

As far as the United States is concerned, we already give "most favored nation" treatment to Poland and Yugoslavia, which are two of the Eastern European countries that are members of the GATT. Czechoslovakia is also in, but we have a special decision which permits us to discriminate against Czechoslovakia in accordance with our own legislation. Our law will continue unaffected by the results of the Kennedy Round.

The proposal that the President made for East-West trade legislation is one that would still be relevant and still important, even after the Kennedy Round. What he asked for, you may recall, is the authority to negotiate most-favored-nation treatment with individual Eastern European countries and the Soviet Union when it is found to be in the national interest. This is something that we would do, at least initially, on a bilateral basis. And we still think that this is an important foreign policy tool that ought to be given to the President to allow him to carry out his policies with respect to Eastern Europe and the Soviet Union.

Chairman Boggs. Again, in connection with the less-developed countries, the Kennedy Round gave no consideration at all to Latin America, is that correct?

Mr. GREENWALD. I wouldn't say that it gave no specific consideration. A number of the countries of Latin America participated in the negotiations. Argentina, for example, received some concessions from us and other countries on meat, which is an extremely important export product for Argentina. Other countries got concessions on items of interest to them. The Kennedy Round didn't have any specific provisions for any particular area of the world. It was a multilateral negotiation.

Chairman Boggs. Let me put it another way. The existing discrimination against the Latin American tropical products will continue, will it not?

Mr. GREENWALD. That is true. That is not an outcome of the Kennedy Round, but a continuing situation which we hoped we might be able to deal with in the Kennedy Round. We had authority that the Congress had given the President to eliminate duties on tropical products if other countries did the same. We weren't able to use that authority as we would have liked to use it, because particularly the EEC wasn't prepared to go further. The major discrimination against Latin America—that is, the duties on coffee and cocoa—continues. And we didn't get anywhere in trying to reduce that discrimination in the Kennedy Round. That again is one of the reasons why we were trying to pursue another route to put Latin America on the same footing as the other developing countries.