Chairman BOGGS. Suppose you spell out simply and categorically what you propose to do in this other round.

Mr. GREENWALD. What we are trying to work out is an arrangement whereby all the industrialized countries—for all practical purposes, this means the key countries in the OECD—woulld be willing to give either duty free treatment or reduced duty treatment to the products of the developing countries. This is the basic element. It would be a temporary extension of duty free or reduced duty treatment. And how the temporary feature would be made to operate would depend upon the particular approach. Some people, for example, have been talking about this as an "advance cut," the idea being that the industrialized countries among themselves would agree to reduce their duties, the MFN duties, over a certain period of time, and that they give lower duties immediately to the developing countries. This is the idea of an "advance cut," or a "head start" for the developing countries.

Chairman BOGGS. In our case, though, again referring specifically to Latin America, in most cases the countries produce one commodity, such as tin in Bolivia, or coffee in Chile, or beef in Argentina, or oil in Venezuela, or sugar in Peru, and coffee in several of these countries. There are no tariffs there to speak of on Latin American products coming to this country, are there?

Mr. GREENWALD. Not in the United States, no. But there are into Europe, and in some cases into the United Kingdom and some of the other industrialized countries. So what we have been suggesting is that the other industrialized countries either eliminates the duties on these products of interest to the Latin American countries, or they give them duty-free treatment on these products to put them on the same basis as their African suppliers who now receive duty-free treatment under the terms of the Yaounde convention.

Chairman BOGGS. What tools do we have to induce the countries to bring this about?

Mr. GREENWALD. I think probably the major bargaining tool, or weapon, if you want to call it that, would be this idea of a generalized system. If we say we are prepared to go along with a generalized system that will meet the concerns and problems of Latin America, then we have some leverage to bring the European countries along to eliminate or reduce discrimination against Latin America.

Chairman BOGGS. My time is up.

Mr. Reuss, do you have any further questions?

Representative REUSS. I have had a chance. Thank you.

Chairman BOGGS. You are entitled to more time if you would like it.

Representative WIDNALL. I have a couple of more questions.

I think we all recognize that the process of negotiating removal or the moderation of the nontariff barriers is very difficult. Do you believe that the procedure of negotiating rounds is appropriate to reduce nontariff barriers, or should some new negotiating procedures be developed?

Mr. McQUADE. I don't think it is going to be as easy to have a large multilateral system working here. The problems oftentimes have only bilateral implications. And I don't think we would like to prejudge how it ought to be done. There are some items which might lend themselves to the multilateral treatment. For example, I think I noted in my