are matters that can affect exports. There are other Government programs that can affect imports into this country as well as our exports to third markets, such as grants and subsidies, especially to stimulate exports.

There is another group of trade problems of the other-than-tariff type that must also be subject to concentrated attention. I have in mind the area known as restrictive business practices, or problems of unfair trade practices, such as combinations in restraint of trade, which essentially have to do with creating fair marketplace conditions.

In addition, there are areas such as international patents and copyright protection, where national practices should be harmonized and internationally codified in order to equalize and stabilize these basic business laws.

There is another area, where the costs of doing business may be severely affected by various governmental programs, that should be given consideration in future trade negotiations. Wage differentials in context with productivity should be treated as an element affecting trade negotiations because they may reflect an unfair competitive burden on U.S. producers.

Finally, there is the very complex problem of our trade and aid policies toward the economically disadvantaged, developing countries. In our attempt to find the proper solutions to these problems I believe that the basis of consideration should be to permit such countries to manufacure and to sell to us those products that they are able to produce efficiently, such as the processing of raw materials to more finished stages. The tariff structures of industrialized countries often contain built-in differentials that permit the free importation of raw materials but tax, by means of a higher tariff rate, the same materials in processed form. These tariff differentials can therefore adversely affect economic development.

Incidentally, these apply to most developed countries. The United States has got some of these, and other countries do the same.

Removing discriminations against the exports, and the industrial development and diversification of the developing countries, should be our first concern. Only then should we take the step toward other special measures on behalf of the developing countries. We are all aware of the proposals that have been made to establish tariff preferences for the developing countries. The political case for preferences on the part of the developed for the developing countries has been argued effectively. But the economic case is much less clear. Is it logical to adopt, for political purposes, an economic program that will not have the expected economic consequences in terms of real benefits for developing countries' exports?

I urge that the United States and other industrialized countries give very careful scrutiny to the economic case for tariff preferences and other special trade measures for the developing countries. It would seem to me that the first steps in helping such countries has only been taken partially.

One such area is commodities. Commodity agreements for cocoa and coffee and other basis materials, cocoa, sugar, copper, are merely devices to organize international markets along mercantilist lines. I believe that the stabilization of prices is important, both for buyers and