

While discussing the trade policy studies to be undertaken by the administration, I would suggest that there is an alternative that should perhaps be considered. Would not the most effective method of studying our foreign trade policy in its proper context be a much broader Foreign Economic Policy Commission, which has adequate financial backing to hire an independent staff and secure outside studies from external sources, hold hearings in various parts of the United States and abroad, and publish its own studies? My concern is that we attempt to create a policy that is farsighted as well as oriented to problem solving in the near term.

There is another kind of study that should be undertaken either within or outside the Government. There has never been an effort to find out what the economic effects of tariff reductions really are. Five rounds of tariff negotiations have been undertaken since World War II without any thorough attempt to document their effects on world trade. The sixth and most far-reaching, tariff negotiation has just concluded, and it has been accomplished with the best statistical resources and equipment that have ever been employed. This wealth of statistical data should be used to study the economic effects of the tariff cuts just completed. This would necessarily be a long-term effort because the tariff cuts are staged over 5 years. But it should, at some stage, be undertaken.

One of the great achievements of the 1962 Trade Act was to establish the organization needed to conduct trade negotiations, the Special Representative for Trade Negotiations. I am convinced that the Special Representative for Trade Negotiations, created by the Trade Expansion Act as a position responsible directly to the President and with confirmation by the Senate, was the proper means of carrying out the mandates of the 1962 Trade Act. I think it has brought much greater independence and much more scholarship into the conduct of our trade negotiations.

I am pleased to see that the continuation of the Office of the Special Representative has been budgeted for this fiscal year. Even though the Trade Act's delegation of negotiating authority has run out, there is nothing in the Trade Act to suggest that the Special Representative should cease functioning, and instead of allowing the function to wither, increased responsibility should be given to the Special Representative for conducting foreign trade relations. The impending legislation to give the President some "housekeeping" authority in this area may be an appropriate place to redefine the functions of the Special Representative and strengthen his office.

Ideally, I would like to see us move toward a method of administration used by the British and other governments. That is, I believe we should ultimately create a Department of International Economic Affairs headed by a Cabinet Secretary. This Department would combine functions in the trade area trade and monetary policy, including development aid, that now are scattered throughout the Government in many different agencies.

Finally, what of the congressional role in such decisionmaking? It is understood, of course, that the President has the power to conduct foreign relations, and it is equally certain that the Congress has the power to regulate interstate and foreign commerce. There is obviously