The advantages would be two:

(*a*) it would introduce more credit in a credit-hungry area, and

(*b*) it could encourage trade liberalization within the area by providing a cushion against any immediate adverse balances.

The value to new trade areas in the developing countries of such a clearing pool will be so great that it can become one of our strong bargaining points, at negligible cost to us.

Representative BOGGS. I thank you very much.

Mr. MCASHAN. Mr. Chairman, one other thing.

On the plane coming up last night I had a chance to read the papers submitted by Mr. Roth and Mr. Solomon, both of which I obviously endorse as basic parts of our future trade policy.

Representative BOGGS. Thank you very much for your very fine statement.

We will now hear from Mr. Gilbert.

We are very happy to have you with us, Mr. Gilbert.

STATEMENT OF CARL J. GILBERT, CHAIRMAN OF THE EXECUTIVE COMMITTEE, THE GILLETTE CO., BOSTON, MASS.

Mr. GILBERT. Thank you, Mr. Chairman. My name is Carl J. Gilbert. I am chairman of the executive committee of the Gillette Co., but I will testify in my individual capacity.

We are concerned here with future U.S. trade policy. In the light of what has occurred in the Kennedy Round, I would think that what we need immediately is an extension of the unused authority in the 1962 act for housekeeping purposes, as Ambassador Roth proposed, a liberalization of the adjustment assistance provisions of that act and the approval by Congress of the second package on chemicals (or ASP). This seems to me a minimum at this time. And I join with Mr. McAshan in endorsing the comments Mr. Roth made before this subcommittee last week.

It seems to me that the deliberations of this committee are very timely in view of the need for early action by the Congress on the course of action proposed by Ambassador Roth. Equally important, it seems to me, is the hope that your deliberations may help to focus national attention, both in the Government itself and on the part of the public, on the formulation and appreciation of a national commitment to a long-term trade policy as a part of a considered national foreign economic policy. I suppose that there is no other area of public affairs in which there is a greater need for consistency and stability than in the broad area of foreign economic policy. The day must come when every decision—legislative, executive, and private—must be tested against the standard of its consistency with the country's foreign economic policy before taking action. We cannot expect consistency or stability so long as our foreign economic policy remains obscure, unformulated, and ascertainable only by a process of deduction from a series of ad hoc actions in various areas of national concern. This need has gone unanswered for many, many years. Our involvements in the world scene are economic as well as political and equally so are irrevocable and call for long-term policy planning of a very high order.