

sion of valuable rights. It is in these areas where suggestions have been made for intergovernmental negotiations. What we do with these rights and how we dispose of them will have a profound effect on the competitive position of the United States. Here again, there is a whole range of economic and legal problems that remain unexplored. A codification of U.S. Government practice and legislative criteria as to when, where and under what conditions the U.S. Government can dispose of such rights abroad is urgently needed.

CHANGING PATTERNS OF U.S. TRADE

A review of recent trade statistics of the United States shows that we have become primarily suppliers of agricultural raw materials, chemicals, raw and semifinished products, and machinery. We have become importers of end-use consumer products. These are shown in tables 3, 4, 5, 6, and 7.

This results from two factors. First, other countries exclude, by tariffs, quotas, variable levies, internal taxes and other devices, many of those products which we can produce economically; and, second, other countries are, in many products, simply lower-cost producers than we are. We cannot accept this challenge indefinitely unless we are given a fair chance to compete where we have some advantages. Here again, a policy of reciprocity based on conditional most-favored-nation treatment is necessary.

TABLE 3
[In millions of dollars]

	U.S. trade in food and related products, beverages, tobacco, and live animals, 1946-56 ¹			U.S. trade in chemicals, 1946-66 ¹		
	Exports	Imports	Balance	Exports	Imports	Balance
1946	2,553	1,406	1,147	471	85	386
1947	3,423	1,740	1,683	819	94	725
1948	2,871	2,003	-868	760	98	662
1949	2,587	2,087	500	755	106	649
1950	1,757	2,642	-885	711	152	559
1951	2,793	3,007	-214	972	175	797
1952	2,482	3,000	-518	802	208	594
1953	2,216	3,186	-970	799	252	547
1954	2,057	3,278	-1,221	986	260	726
1955	2,502	3,101	-599	1,073	270	803
1956	3,189	3,176	13	1,229	276	953
1957	3,165	3,467	-302	1,457	668	789
1958	2,952	3,646	-694	1,405	800	605
1959	3,172	3,649	-477	1,543	874	669
1960	3,458	3,491	-33	1,763	818	945
1961	3,716	3,521	195	1,787	732	1,055
1962	3,992	3,766	226	1,843	765	1,078
1963	4,421	3,942	479	1,922	705	1,217
1964	4,971	4,097	874	2,358	707	1,651
1965	4,521	4,013	508	2,402	781	1,621
1966	5,191	4,590	601	2,676	957	1,719

¹ 1946-56 data not fully consistent with 1957-66 data due to use of different series.

Source: U.S. Department of Commerce, Balance of Payments Statistical Supplement (revised edition) and Overseas Business Reports.