

entirely right, these countries remain happy hunting grounds for French producers, French industrialists. And to that extent the countries do contribute to the French economy as well. I don't argue with that. But I would guess that the benefits, when you add in the amount of foreign assistance that goes in which might not go in if the closed systems didn't exist, I would think that it would be a net benefit of some value to these countries.

Representative CURTIS. I think this is something which should be evaluated the same way we judge the relationship of the satellite countries behind the Iron Curtain with Russia. Is that really a reciprocal economic deal, or do the benefits flow one way?

Mr. Chairman, first let me apologize to you for not having been able to attend these hearings, which I think are so important. But you know where I have been. I have been in the Ways and Means Committee, on which you and I serve, which is engaged in the final weeks of some months study of the social security system. To me it is an interesting thing to realize that when we are talking about welfare we are talking about a way to put people back on their economic feet. And here when we say "trade, not aid," I think we are talking about foreign aid as being a technique to help nations get on their economic feet. The similarities are economic ones, and I think they are very striking.

And then let me express my appreciation for the two witnesses for taking time out to come down here and give us the benefit of their wisdom and judgment, which is, of course, considerable in this area.

Mr. Chairman, I don't know whether it has been done before, but I would like to call attention to a study of trade restraints which appeared in the Ways and Means Committee's hearings on the Trade Expansion Act of 1962. Here was an attempt to look into the nontariff trade barriers. And I know that this kind of material is going to be valuable in this current study. (See p. 303, appendix.)

Another thing—and this I would like to suggest be made a part of the record—is "Non-Tariff Trade Barriers of the United States," a study conducted by Noel Emminger, United States-Japan Trade Council. It talks about U.S. nontariff trade barriers, and I think we need a similar study in depth of these other nontariff trade barriers.

Chairman BOGES. Without objection, it will be made a part of the record.

(The material referred to appears in the appendix, p. 345.)

Representative CURTIS. Mr. Ball, the thing that has been basically worrying me—and this is in the light of your recounting the history of the Reciprocal Trade Acts, which really have all been amendments to the Smoot-Hawley Tariff Act of 1930—is the idea that we are now out of trading material, now that we have got the tariff rates down. But I have been deeply concerned with whether we haven't in many, many instances been replacing the tariff technique for regulating trade with something that I would regard as much more regressive. I refer to the license and quota approach. And I think the Long-term Cotton Textile Agreement would give grounds for this concern.

Of course, we have had the sugar license and quota setup for some time. And we now have an international coffee agreement. We are talking about an international cocoa agreement. And they are talking about extending the cotton textile agreement to include wool and man-