

the Europeans to give up their preferences to Africa, the way to salvation is to have them diminish their tariff barriers toward others, notably Latin America, is it not?

Mr. ROCKEFELLER. Yes. Perhaps I didn't express myself as clearly as I should have. I was thinking of general tariff reduction along the lines of the last six GATT negotiations. I do feel, and so stated, that there is a need for special preferences on a generalized basis from the industrialized nation to the developing nation as a means of helping them improve their luck.

Representative REUSS. In addition, then, to that kind of tariff cutting which you and I agree remains on the agenda, you then turn to the United States-Canadian relationship and suggest a free trade area, and you indicate the possibility of enlargement, mentioning specifically Mexico. Would you be willing to consider enlarging that concept a little bit so that if—well, maybe more than a little bit—so that it related not only to Canada and Mexico, but possibly to those members of EFTA which, for one reason or another, are not able to make the grade into the Common Market?

Mr. ROCKEFELLER. This doesn't shock me too much, though. I think it is conceivable that England would find it more acceptable to come in on that basis. And if they did, I would see no objection from our point of view to having them come in on that basis.

Representative REUSS. Doesn't this then suggest that there may well be a considerable role for tariff reduction in the years ahead as well as the reduction of nontariff barriers, the need to do something about the incipient discriminations with regard to the developing nations, and the need to see what can be done with the free trade barrier concept? In your paper as a whole you say that you don't mean to exclude tariff reducing negotiations, though perhaps of a new kind, from things that we have been discussing.

Mr. ROCKEFELLER. A new approach is what we have really been saying. I think it would either be on the basis of a regional elimination altogether, the formation of a regional free trade area of which we would be a part, or, as I mentioned before, aid to developing nations. And what I was really speaking of was a new round of GATT negotiations on a worldwide basis.

Representative REUSS. But even then, when you get all these exceptions into it, don't you think that a possible approach might be a new round of GATT negotiations, profiting by the lesson the Kennedy Round, which would try, one, to multilateralize matters by reducing those preferences, or by reducing tariffs generally; and secondly, making another attempt, whatever the chances of success, of getting the Common Market to give up some of its restrictive protectionism, and thirdly, to move, if not into free trade, at least into something which would make trade a little more free; if the Common Market wants to exclude itself from that multilateral basis, so be it, although I would by no means conclude that until we have tried it. Would you be prepared to accept a formulation along these lines?

Mr. ROCKEFELLER. If there is to be another GATT negotiation, I would have thought that it would be more productive if it devoted itself primarily, if not exclusively, to the nontariff barriers.

Representative REUSS. But where GATT is all we have got, where