Congress can rectify this by eliminating the Final List and Section 402a of the Tariff Act from the statutes. Then we will get the simplification the 1956 Act sought to achieve.

American Selling Price—Much has been said and written as to whether or not American Selling Price should be used as a basis of valuation. Our organization grew out of a group of importers who got together in 1921 to oppose a proposal before the Congress at that time to assess duty on *all imports* on the basis of their American Selling Price. Fortunately, this unwise proposal was defeated. Instead, ASP was confined to the appraisement of what are now called benzenoid chemicals. Ever since that time, we have advocated elimination of ASP from the Tariff Act. Once more, we urge the Congress to delete this discriminatory and unfair provision.

Import Quotas—We have stated on many occasions that an import quota is one of the most objectionable NTB's. The most accurate characterization of import quotas, and the trouble they cause in international trade was made by your Subcommittee on Foreign Economic Policy in the Report it issued on January 5, 1956. Because it is still valid, we quote it here:

"In time of war, quotas on imports are the counterpart of necessary domestic controlled allocation. But, carried over to normal times, quotas are designed for a purpose similar to tariffs. They are worse because they may be insensitive to changes in the volume of demand, and to changes in costs of production and prices, and are almost always discriminatory in assigning shares of the market. A quota has the purpose of boosting the market price just as does the tariff. If consumer demand grows, except by specific administrative action there can be no increase in imports as even a tariff allows, and the only alternative is for the price to rise even more. Quotas imply the assignment of shares, and this inevitably means that choices must be made among countries of supply and individual traders. The opportunities for favoritism, for economic strangulation, for international hard feelings and reprisal, and for personal corruption are unlimited."

A barrier of this type has no place in our trade policy.

Antidumping Act—This has been an effective NTB in recent years. By filing a complaint of dumping, domestic industries are able to stop imports and harass importers until the Treasury Department decides whether or not there has been dumping—and this may take from several months to over a year—or until the Tariff Commission decides whether or not there has been injury to the industry involved. If we incorporate into U.S. trade policy both the spirit and the letter of the international code on dumping recently negotiated in Geneva, we will go a long way in preventing resort to the Antidumping Act, and thus eliminate it as an NTB.

Buy American Act—This remnant of the depression days of the 1930s should not be a factor in the trade policy of the richest and most powerful trading nation on earth. As we stated on a number of previous occasions, continuation of the "Buy American" Act on our statute books invites other countries to adopt similar measures, and inspires and encourages states, countries, and municipalities in the United States to emulate the Federal Government in their procurement policies. The Federal Buy American Act should be repealed. Then all other political entities in the United States will not be able to point to the existence of the Federal Statutes as an excuse or justificaion for the trade restrictive measures they are adopting with increasing frequency. Drastic measures are necessary to eliminate this drastic NTB.

State Legislation Contrary to U.S. Trade Policy—In recent years, certain states and cities have passed laws contrary to the trade policy established by the Federal Government. Examples of this are ordinances requiring retailers selling goods imported from certain countries to post signs in specified places in their stores proclaming, for example, "Japanese Goods Sold Here" or "Communist (or Soviet) Goods Sold Here." In certain cases, retailers are required to obtain a special license to sell goods imported from the Soviet Union. Other examples are state laws requiring labels naming the country of origin of imported materials in products, especially food products, made in the United States. These laws also require firms handling such products, to obtain a special license from the state for which fees ranging from $500 to $15,000 are charged. In addition, these laws require licensed retailers to post near the point of sale signs written in letters of specified size proclaiming the country of origin of the imported component in the product offered for sale.