

CONCLUSIONS AND RECOMMENDATIONS

Whatever steps may have been taken in the Kennedy Round negotiations to keep in touch with various industries, in order to establish that the proposed tariff modifications might not unduly injure them, it is apparent that the procedure has not been as effective as it should have been. There was little justification in appointing industrial representatives or "technical specialists" in certain industries for consultation during the negotiations, if they were not to be kept apprised of proposals applying to their respective industries. If an industrial representative can not be trusted with supposedly confidential information, his usefulness is largely negated. It is certainly desirable that instead of serving as a standby for special information, in many cases not consulted at all, he be at least an observer in the negotiations affecting his industry. Without direct knowledge of the balancing of proposals in the course of the negotiations, he can hardly be of real service in pointing out the practical business facts involved. There should be very much closer coordination between our negotiators and our business representatives. Actually, some degree of actual participation by such representatives should receive serious consideration.

As indicated in the discussion of statistics applicable to our foreign trade, the conclusions that might be drawn from statistics which have not been appropriately chosen could be seriously in error. It is certainly to be hoped that the government statistics applicable to foreign trade will be arranged to present the situation more realistically. Furthermore, in order that international statistical comparisons may be more accurately drawn, including tariff comparisons, a real effort should be made toward the adoption of an international uniform tariff classification.

Antidumping procedures in this country have received undue emphasis as preventative of an unwarranted import restriction. Consequently the stricter enforcement of antidumping abroad has apparently been opposed as primarily a non-tariff barrier and its easing considered desirable to aid our exporters. Antidumping procedures, however, should more generally be considered a means of combatting an unfair trade practice in international trade. A new approach is required, so that we may stop the dumping of imports in the attempt of certain exporters abroad to gain a foothold in our markets by unfair and demoralizing pricing practices.

Finally, in view of the almost obvious fact that a number of our industries have been, and will be unnecessarily injured by the reduction in our tariffs under the trade agreements, the remedial procedure under the Trade Expansion Act should be substantially strengthened. When an established, essential industry in this country is injured by unneeded imports, it is of little benefit to train and relocate its disemployed workers and to offer loans for purposes which could not possibly save the industry. It is also shortsighted to encourage foreign industries to displace domestic industries to a material extent when they cannot be counted on to serve our requirements in times of national emergencies. Sections 301(a) and (b) (industry petitions for relief), 351 (Tariff Adjustment), and 352 (Orderly Marketing Agreements) should be made more effective in stopping actual and potential injury to industry by providing reasonably definite criteria which would serve as presumptive evidence of injury.