can often be achieved in a manner that does not sacrifice the gains from international trade.

The changes required to obtain these trade benefits are primarily modifications in domestic policies. Easing trade restrictions will only be a byproduct of these domestic changes. This means, of course, that negotiations with the purpose of modifying simultaneously both internal and external policies are necessary. As the Kennedy Round discussions of the world agricultural problem have indicated, successful negotiations of this type are, however, most difficult to achieve. Thus, we face a formidable task in any further efforts to expand significantly the benefits of trade. Some of the most serious distortions in world trade are the indirect consequence of domestic policies, yet these are the kinds of measures that are the most difficult to modify. Only if there is a general desire among the major trading nations at the highest political level to modify these policies will such negotiations succeed. Furthermore, it may be that the main push of any efforts to change these domestic measures must be directed initially more at harmonization than at significant liberalization. Suggestions to standardize and harmonize various trade restricting measures on a sector approach have met with some success in the present negotiations and may be a useful approach for future negotiations. Then, as harmonization is achieved, it may be easier to reduce the trade-restrictive impact of domestic policies.

(3) *Making the negotiating process more effective*

(a) *The level of economic analysis supporting the negotiators.* Despite some important progress made in the Kennedy Round, the level of economic analysis involved in trade negotiations must be regarded as inadequate. Billions of dollars of sales and thousands of jobs are affected by any extensive tariff cutting operations yet our negotiators have only the roughest of ideas as to the effects of these cuts on import levels, employment, profits, and so forth.

On paper the steps outlined in the Trade Expansion Act for securing this information look impressive. The President is directed to furnish the Tariff Commission with a list of items that may be considered for duty reduction and the Commission must within 6 months "advise the President with respect to each article of its judgment as to the probable economic effects of modifications of duties or other import restrictions on industries producing like or directly competitive articles." In preparing its advice the Commission is directed to take into account numerous economic factors affecting each article. Furthermore, the Tariff Commission must hold public hearings as part of the process of arriving at its advice. The President also seeks information and advice directly from the various departments of the Government and even holds public hearings of his own on items that might be affected by duty cuts.

For the Tariff Commission to hold public hearings and prepare a detailed, sophisticated analysis in 6 months of the probable economic effects of duty reductions on each of some 4,000 items, in addition to carrying out its other duties, is an impossible assignment. The same holds true with respect to the advice from most other departments. Neither the Tariff Commission nor the various departments possesses a staff that is adequate in size for the job outlined in the Trade Expansion Act. But the problem is more than one of size. Except for a few