

Thus, there are health and sanitary regulations (which sometimes burst out in controversy when abuse is suspected but, for the most part, go forward from day to day without difficulty), standardization of technical specifications or qualities, overlapping taxation, patent regulations, postal service, telecommunications, insurance rates, traffic laws, etc. There is a continual exchange of information and visits by officials concerned with hundreds of fields of government activity which can affect trade. Intergovernmental consultation and coordination is a pervasive fact in international trade.

A NUMBER OF IDEAL OBJECTIVES ARE SERVED BY SUCH COORDINATION

Thus far, the argument that U.S. foreign trade policy must contemplate some continuing coordination of intervention in trade relations among national mixed economies has been made largely on the basis of the traditional economic ideal objective of maximum efficiency—production of the greatest possible income from available resources. It is evident, however, that intergovernmental coordination of trade intervention is also necessary (and undertaken) to serve other ideal objectives significant in prevailing U.S. opinion and relevant for trade policy. Some of these objectives are even more important than maximum production. Thus, under usual circumstances in our affluent society, minimizing intergovernmental economic conflict and maximizing individual freedom in trading are both probably held to be of greater importance in foreign trade policy decisions than is maximum production. In addition, a good deal of importance as an ideal objective is given to the maintenance of economic growth and full employment—and even to providing a certain minimum of basic food for people (including foreigners) who are in absolute want. None of these objectives, nor an acceptable balance among them, can be properly served by the Government of the United States acting alone within its area of jurisdiction. All of them require intergovernmental coordination and, as necessary, collaboration.

BUT FOREIGN TRADE THEORY AND POLICY HAVE BEEN HOSTILE TO COORDINATION

Yet when discussion turns to foreign trade as such, U.S. policy statements tend to revert to the old language, “disencumber trade from government barriers,” which stems from the archaic model of separate, laissez-faire national economies whose governments prevent trade and do not talk to one another on economic matters. To the extent that Cordell Hull’s emphasis on the peace objective is considered, it is indirect or negative—the maintenance of peace by not letting the governments deal with the contested trade questions. In the resultant confusion, the officials focusing on the trade program are often pitted against those working on some of the coordination programs mentioned above. By a mysterious process that at times seems compounded more of faith and fear than of reasoning from facts, the trade officials take the general position that freeing trade tends toward that efficient distribution of resources dictated by the doctrine of comparative advantage and that, therefore, acts of government affecting trade result ipso facto in a decrease in national income. In that ideology, there is