

The bargaining process has come to embody the worst of both worlds. It is negative toward the idea that a particular trade intervention might be necessary in order that the market process may best serve the public interest, but it accepts with little question the necessity for increasing a particular barrier (regardless of the domestic public interest) in order to hurt a foreign country which will not reduce one of its barriers to which we object. If the Kennedy Round had difficult going from time to time, criticism of supposedly wrong action by this or that government or official usually missed the point. The whole public posture of the negotiations was one of protectionism.

GOVERNMENTS REMAIN "POISED" TO REINTERVENE

It is not surprising, therefore, that one result of the bargaining process is a good deal of direct discouragement of trade expansion. There is a public fear that reducing a barrier will hurt. Thus, the escape clause of U.S. legislation and article XIX of the GATT provide for restoring a barrier if it results in increased imports which hurt. The great new adjustment assistance approach has not yet altered this basic problem. The government is considered responsible for increases in foreign competition caused by technological or other change. Governments seem to remain poised to pounce with additional restrictions of one sort or another whenever a trade item shows signs of expanding substantially. This not only keeps down expansion in items regularly traded but also discourages the expansion of trade where special effort is required—as for products of relatively small producers without elaborate marketing organizations and not able to afford campaigns to open foreign markets. Trade under a reduced barrier is thus not freer at all. It may be less costly, but the barrier to expansion usually remains. In fact, in the discussion of injury from trade-barrier concessions, it is almost as though governments felt that the reduction of a duty was in itself the concession and that the expansion of the trade was something of an abuse.

IN THE TRADE EXPANSION ACT, CONGRESS CONTEMPLATED ELIMINATION OF SOME TARIFFS

All in all, therefore, the bargaining technique is a poor instrument for further progress toward eliminating unnecessary trade barriers. To use it for barriers other than tariffs, meanings must be so twisted that the process comes into public ideological conflict with itself. If, as here proposed, there were a shift to the technique of identifying barriers (or portions of barriers) which were not needed in the public interest and then eliminating them—not as a matter of bargaining away imagined advantages but through jointly and publicly applying criteria, rules, and principles to get rid of what is disadvantageous, it is to be anticipated that the adversary attitudes of the protectionist bargaining process might recede and there would be set up an attitude tolerant of dynamic competition and trade expansion.

It seems significant that, in the Trade Expansion Act of 1962, the Congress expressed its intention to proceed toward the elimination of a number of tariffs—those on manufactured products where there is