

Mr. GREENWALD. Well, I hesitate to try to give you a definitive answer at this time. The conditions in our law are questions of domestic legislation. There are provisions in the international agreement that I mentioned that would lay down the conditions under which you can legally, in an international sense, apply export controls for short supply. I don't have the agreement with me, and I would want to obtain legal advice on that question.

Representative DELLENBACK. Again, Mr. Chairman, I close with this point being brought to the attention of the Chair, because I know how thorough you are of building a record of these factors, and I think again it would be very important to our negotiations, or to our negotiators, prior to the February 20 meeting, to have resolved this legal question of the possible cross-application of the Export Control Act and any of our other international agreements.

Senator MORSE. It will be helpful to us, Mr. Secretary, if you have prepared by counsel at the State Department, in cooperation, I would assume, with counsel to the Commerce Department, a memorandum that bears upon the point that Congressman Dellenback raises. It might also treat the point that you have raised, which really adds up to some reservation of the testimony of Secretary Nehmer earlier this evening. The committee heard nothing from him about any qualification of the Export Control Act in regard to any agreement that we have entered into in respect to GATT.

So I would like to have this clarified for the record.

(The following information was subsequently received from the State Department:)

RELATIONSHIP OF THE APPLICATION OF THE EXPORT CONTROL ACT OF 1949, AS AMENDED, TO PROVISIONS OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE

During the testimony of Deputy Assistant Secretary Joseph A. Greenwald on the subject of the impact of increasing log exports on the economy of the Pacific Northwest, a question was raised whether the provisions of the Export Control Act could be applied without violating the provisions of the General Agreement on Tariffs and Trade.

The imposition of quantitative limitations on exports of softwood logs would be consistent with the obligation of the United States under the General Agreement on Tariffs and Trade (GATT) if the control falls within some exception to the obligation in article XI:1 to refrain from imposing quantitative restrictions on exportation to other contracting parties to GATT. The exceptions which may be relevant in this case are specified in articles XI and XX.

Article XI:2(a) contains an exception relative to "critical shortages". It excepts: "Export prohibitions or restrictions temporarily applied to prevent or relieve critical shortages of foodstuffs or other products essential to the exporting contracting party." Article XX contains exceptions relative to "short supply" and "conservation." It provides that nothing in the GATT shall prevent the adoption by any contracting party of measures:

Regarding short supply

"(j) essential to the acquisition or distribution of products in general or local short supply; *Provided*, That any such measures shall be consistent with the principle that all contracting parties are entitled to an equitable share of the international supply of such products, and that any such measures, which are inconsistent with the other provisions of this Agreement shall be discontinued as soon as the conditions giving rise to them have ceased to exist. * * *

Regarding conservation

"(g) relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption; * * *

Article XX contains the general provisions, applicable to both subparagraphs (g) and (j), that such measures are not to be applied "in a manner which would