But then these are not questions of principle. They are questions of how clever we are in negotiations.

As I said, there are many products in which we are certainly competitive with the best of them, but when you have a product like that you confront some other kind of an impediment to exports.

For instance, Japan doesn't permit any American cars to be imported, and yet they cry to high heaven that we are not giving them enough opportunity to increase their exports to the United States. So I think it becomes really a question of tough, hard sell, diplomatically, rather than the discriminatory approach to policy.

I do think that some of the rules of the road need to be reviewed, such as those in GATT, to see whether they serve our purpose or not. An instrument like GATT was instituted in 1948 primarily to help the ravaged European continent, and it was part and parcel of the Marshall plan concept. They needed help so we gave them a lot of concessions. Many of the trade negotiations after that gave them tariff concessions in the United States in return for bindings on their part; in other words, a promise not to increase their tariffs, and we lower ours. But that was during a period when the theory was you have to help Europe in order to get them up on their feet.

So perhaps we ought to review some of these instrumentalities that were devised for a different period, but you know tradition has a strong hold on our thinking and it is very difficult to review these. This is true of NATO. It is true of troop commitments in West Germany. Twenty years after the war we are still looking over the hill with muskets on our shoulder. Is this the right tactical or strategic weapon in the area in the present context of Europe? What I am coming to is this: the problem is not merely a question of tariff rates. The question is really one of major economic policy changes brought about by these evolving trade blocs. We have to develop bargaining instrumentalities that will permit us to get what we need at this time.

Mr. Collier. Of course you speak about the discriminatory approach. Reviewing somewhat briefly the report issued by the U.S. travel task force to the President, it is punctuated with discrimination, in my opinion, inasmuch as it is going to provide foreign tourists discounts of every nature on motels, hotels, travel allowance, that American travelers do not enjoy. And in the final analysis, while it seems to me this is good Madison Street window dressing, the fact also remains that if there is any loss involved in encouragement through discounts by an airline or by any other establishment, it is going to be reflected in tax revenues on profits that normally would go to the Treasury on the one hand, and if not, then certainly the American traveler is going to have to pick up the tab for the discounts extended to foreign travelers by the very nature of the profit motive of a business operation. This deeply concerns me when we get into the area of discrimination.

Mr. Danielian. Well, for a worthy national purpose I guess there are many things we can afford to do and I think that getting European and other nationalities to visit the United States will help us on our balance of payment, and is very important.