Let me mention a few highlights. The external tariff of the European Economic Community was reduced on over $10 billion of its import trade, including reductions on 87 percent of its dutiable imports from the United States. Sixty-three percent of the tariffs involved in the reductions on U.S. trade were cut by 25 percent or more, and 43 percent were cut at least in half. In the Kennedy round, we made deep inroads into the trade advantages that each of the member states of the European Economic Community has in the markets of the others.

In addition to $2.7 billion of our exports to the European Economic Community that will receive more favorable treatment, $1½ billion of our exports to Canada will benefit—$886 million to Japan, $888 million to the United Kingdom, and $700 million to other EFTA countries. Altogether, as a result of the Kennedy round, more than $7½ billion of U.S. exports will receive more favorable tariff treatment in the markets of the world. While a few of the Kennedy round participants put the first 20 percent of their tariff reductions into effect on January 1 of this year, including ourselves, most of the concessions we obtained will begin to take effect on the first of this July, when the other countries will put into effect the first 40 percent; that is, two steps, of each of their tariff reductions.

Improved tariff treatment, however, is not the only benefit we will receive. We obtained agreement on an antidumping code that will insure American exporters against arbitrary antidumping action or procedures in other countries. If Congress accepts the conditional chemicals agreement which is here before this committee as a part of the bill, we will also obtain the removal of nontariff barriers restricting American automobile exports and improved treatment for our exports of tobacco. We obtained a number of other concessions on nontariff barriers: by Austria, elimination of the discriminatory aspect of her automobile taxes; by Canada, elimination of a restriction affecting fruit imports and better tax treatment for aircraft engines repaired in the United States; and liberalization of the licensing systems of certain developing countries. Finally, we obtained agreement on an international grains arrangement that will bring higher prices for American wheat exports and commit other countries to share in the cost of food aid to needy countries.

What did we pay for these benefits to our exports? In posing this question I am not accepting the view that the U.S. economy losses when we open our markets to more imports from others. Without imports we would all be the poorer. But the question is relevant because it has been our policy to use liberalization of our trade restrictions in order to obtain liberation by others. We gave and we received reciprocity.

Before the Congress enacted the Trade Expansion Act of 1962, the administration made clear to this committee that it proposed to adopt a new method of tariff negotiation—an across-the-board tariff cut, with a minimum of exceptions. The old method of negotiation, item by item, could not possibly have brought the results that the administration and the Congress considered essential. The new approach was accepted by the GATT ministers as the basic rule for the negotiation. One result, of course, was that reciprocity must be measured in overall terms. Except for a few industries where negotiations were