

I don't want to take the time of the committee now, but I would like to ask you to furnish to the committee in detail the specific steps taken to carry out the directive of section 252. (See p. 609.)

I would like to have a country-by-country analysis, of the particular restrictions these countries have that violate GATT. I don't want generalized information, such as the 14 categories of "buy Japan" items that the Japanese have, which I understand is a violation of GATT.

Ambassador ROTH. It is not quite clear.

Mr. BYRNES. You don't know whether they violate GATT?

Those categories were defined in 1963, weren't they?

Mr. REHM. Mr. Byrnes, that is a matter with respect to, as we call it, "buy national." There is a provision of the GATT which does permit, under certain circumstances—it is not unconditional, a government to impose such requirements.

As you know, we have a Buy America Act of our own. In general, I don't believe we are in a position to answer your question as to legality. We would have to look at how the Government of Japan is applying such a requirement and with respect to specific products.

Mr. BYRNES. It was in 1963 that these 14 categories were established by Japan.

Mr. REHM. Correct.

Mr. BYRNES. The net effect of that is that these products, so far as the Government is concerned, shall be bought locally, and not imported. Is that correct?

Mr. REHM. That is certainly the intent of the order.

Mr. BYRNES. In most of these categories, the purchases are restricted to purchases by the Government itself. They buy it, if there are any purchases to be made, for the domestic needs, don't they?

Mr. REHM. Yes, that is correct.

That would be one of the questions that would be germane to the issue of legality. If it is governmental procurement, it might be one thing. If it is for a private entity, in fact, it might be another.

Mr. BYRNES. This was in 1963 that this order was issued by the Japanese Finance Ministry. This is now June of 1968, and we have not even decided whether this is legal or illegal under GATT.

Where is our retaliation that you talk about? I thought that action contrary to GATT would immediately result in withdrawal of concessions, in retaliation being taken.

Here are 14 categories that are listed by the Japanese Government. They have a right to do whatever is in their best interest.

I am not angry with Japan, but I just want to find out how consistent we are.

But 4½ years later, we still haven't decided whether this action is legal under GATT or not, whether we have any right to impose withdrawal of concessions, or impost retaliatory measures.

Mr. REHM. As I understand the situation, it is not yet clear, with respect to the 14 categories you mentioned, that they have been imposed in a restrictive manner.

Mr. BYRNES. Have you looked into computers, and can you say that has not been done in a restrictive manner?

I know you are going to say they are relaxing it. That proves it was restrictive to begin with, and still is restrictive.