

the possibilities of the new technology in terms of benefit to low-income people—with private enterprise doing the job and getting the profit. The costs of the adjustment assistance required would be negligible by comparison with the benefits. A scheme for sharing the costs, or making them a charge on the successful expansion, would be relatively easy to work out. Such reasonable intergovernmental discussion has been prevented by the adversary bargaining technique. The bargaining has obscured the common interest in using a new protein-production technology to serve people. Instead, it set the leading countries of the free world against one another in high-level public recrimination.

D. Congress can give a lead toward understanding

Both the failing consensus and the deteriorating negotiating atmosphere cry out for a lead to be given toward public understanding of trade problems in their fullest dimensions. Moreover, the lead in that reasonable direction is needed urgently as a basis for a new consensus behind a program for seeking growth-oriented solutions to the disturbances to production, trade and marketing which it is natural to expect to become more and more frequent in a dynamic, competitive world.

One way to start would be for the Congress to formally request the President to explore this matter with other governments and report the results for consideration in drafting next year's legislation. Such a signal from the legislature of the world's greatest economic power would have a dramatic effect—at home and abroad.

II. ESTABLISHMENT OF A POLICY OF DELIBERATING TRADE PROBLEMS OPENLY

Introduction

The Public Deliberating Proposal was inspired in considerable part by observing, over the years of the present trade agreements program, the failures and successes of the improvisations tried for dealing with trade problems and amenable to solution through the trade-barrier-bargaining approach.

In retrospect, it is apparent that most of those problems were not due to beggar-my-neighbor protectionism but were associated with *national* efforts to deal with the problems of a rapidly growing world economy. This will be even more true of the trade problems of the future.

The Committee is familiar with the problem areas: Agricultural incomes and output, distributions to needy foreigners, levels of employment and wages, market disruption, monopolistic pricing and production practices, the overall rate of national economic growth, threats to public health, depressed areas, monetary instability, capital movements, taxation patterns, and so on. Although actions to deal with such problems often affect trade and are called trade barriers, there is no *a priori* case that discontinuing them would expand healthy trade and production—even after allowing for a period of adjustment. Efforts to bargain them away produce reciprocal bitterness. Yet no one government, working without any foreign cooperation, can carry them out entirely successfully. Therefore, each of the problems must be discussed among the interested governments in some way. Many of them are—in the FAO and commodity groups, in the OECD and ILO, at the UNECOSOC, in the IMF, and so forth. They are even discussed at the GATT—although GATT's bargaining atmosphere tends rather to discourage than to advance intergovernmental problem solving.

My proposal is for a format of trade discussion which would complement other intergovernmental economic discussion. It is designed both to remove the nuisance left over from the beggar-my-neighbor era and to enable governments to serve domestic policy purposes successfully with as little harm to foreign interests and as much dynamic trade creation as possible. As a convenient word for comparing this approach with the "bargaining" approach, I describe it as "deliberating".¹

The following description presents one possible format for applying the principles of the proposed approach.

¹ Some earlier relevant statements are as follows: "A Format for Intergovernmental Discussion of Trade Barriers in a Dynamic Environment," *Compendium of Papers on Legislative Oversight Review of U.S. Trade Policies*, Committee on Finance, U.S. Senate, February 7, 1968, pp. 666-675.

"The Restructuring of Foreign Trade Negotiations," *Issues and Objectives of U.S. Foreign Trade Policy*, a Compendium of Statements, Subcommittee on Foreign Economic Policy, Joint Economic Committee, Congress of the U.S., September 1967, pp. 65-96.

Rethinking Foreign Trade Policy, Washington, February 1966; and revised text of the section, "A Way to Start," July 1966.

"Some Considerations and Proposals Regarding Agriculture in U.S. Foreign Trade Policy: The Search for a Coherent Approach," Stockholm, June 17, 1965 (manuscript).