

about alternative possible actions might be presented. There would be no reporting of resolutions to create a sense of progress or a facade of decision. The consequences in action would come in the public national reconsideration and the consultations regarding cooperation. The latter might, in many cases, take place in existing commodity councils or other organizations for intergovernmental cooperation. The new forum would have a coordinating and multilateralizing influence on all intergovernmental discussions related to trade.

*Principal advantages of a deliberating approach*

I will not go into any of the theoretical rationale by which this proposal can be justified. The members of the Committee will grasp most of it intuitively from their experience in considering problems of the present program.

I would like, however, to point out three outstanding characteristics of the proposed approach which make it superior to the present bargaining approach for expanding trade and serving the national interest. They may be summarized as follows:

1. It will emphasize the common interest of governments in economic expansion and trade-problem analysis—a force for peace (instead of, as now, emphasizing private business competition as a principal concern of trade policy).
2. It will supply a representative-popular-government element in the emerging international competitive-mixed-economy process.
3. It will make foreign-trade policy consistent with other foreign economic policy (instead of, as now, a source of policy conflict).

*1. Building a Structure of Peace by Publicly Deliberating Common Interest in Economic Growth*

In recent years the "bargaining" approach has retarded the creation of a structure of peace—the kind of peace that manifests itself—and maintains itself—in day-to-day economic interchanges among producers, traders and consumers. In bargaining, each government is required to adopt an irrational nationalistic posture. One must accumulate "bargaining counters". A government must publicly treat each of its actions affecting trade as helpful to its economy and harmful to the countries which ask that it be reduced. Even when a U.S. duty has become clearly harmful to the U.S., so that a member of Congress introduces a bill for its removal, the administration sometimes asks the Congress to withhold action so that the duty may be used as a "bargaining counter" in GATT negotiations.

Now, as I have suggested, this worked well for the beggar-my-neighbor barriers of the depression. As long as the barriers were so onerous as to be recognized by both sides as self-defeating and not really in any country's interest, it was a great idea to make an adversary game of getting them reduced.

But there is no point in the bargaining game if one is dealing with trade barriers incidental to desired domestic policies. (And this includes, of course, not only non-tariff trade barriers but also high tariffs on particular industries which it may be domestic policy to maintain at the expense of the consuming public.) This explains the bitterness worked up, and frequently reflected in public discussion, at the refusal of a particular government to toss onto the bargaining table a poultry policy or a sugar policy or a particular tax policy or a development policy or a petroleum policy or a steel pricing policy, etc. And the bargaining approach contemplates every domestic policy affecting trade as though it were designed primarily to benefit citizens at the expense of foreigners. Hence, it creates the public impression that the interest of one country in a given commodity trade is diametrically opposite to the interest of other countries in the same trade. It encourages private producers to seek government support in their competition with foreign rivals. It promulgates the fallacies of protectionist economics; it suggests to those who read the headlines that there is a substantial economic basis for political hostility among friendly countries.

By contrast, the public deliberating approach here proposed would constantly highlight the natural economic basis for peace. It would focus on the growing interpenetration of economic interests. The various national economies, particularly those in the private-ownership industrial countries, cannot deal with economic problems successfully without regard to what is done in others. Therefore, the effects of government action within a country would be deliberated in relation to relevant effects and actions in the entire international