

would befall America's long-term prospects for balance-of-payments equilibrium.

5. *General Agreement on Tariffs and Trade*.—In the longer range, the national chamber recommends that Congress instruct the Office of the Special Representative for Trade Negotiations to review the adequacy of the present General Agreement on Tariffs and Trade in specific areas. Revisions could be proposed which would enable: (a) Negotiation on such discriminatory and trade-diverting policies of member nations as border taxes, export subsidies, and other nontariff barriers; (b) wider future use of "sector" or industry-by-industry negotiations for more "balanced bargains" (such approaches would embrace both tariff and nontariff barriers); (c) new mechanisms for more effective relationships with state trading countries, with the aim of involving these countries in free world multilateral trade machinery (this would not only expand peaceful trade between divergent economic systems, but would also serve to further decentralize state economic authorities); and (d) consideration of establishing a new Business and Industry Advisory Council (BIAC) to the GATT, along the lines of the BIAC to the Organization for Economic Cooperation and Development (OECD). Such a Business and Industry Advisory Council would enable the leading private enterprise organizations within each GATT country to monitor the GATT proceedings on a systematic basis, report back to their members, and similarly advise GATT negotiators on trade expansion policies. This BIAC-GATT could satisfy a growing need for systematic communication on trade policy between Parliaments and business communities throughout the industrialized world.

Finally, Mr. Chairman and committee members, the national chamber is convinced that for the United States to reverse its traditional course of reducing barriers to the free flow of trade and payment and that the views of the National Chamber of Commerce are matching restriction for restriction in the trade field would not only be retrogressive but self-defeating.

Thank you.

Mr. FULTON. Thank you, sir.

I would certainly like to say that I think this is an excellent statement and that the views of the National Chamber of Commerce are always welcome.

Mr. CERR. Thank you.

Mr. FULTON. Are there any questions?

I certainly want to thank you and your colleagues for your appearance before the committee today.

That being the last witness, the committee will be adjourned until 10 a.m. tomorrow morning.

(The following letters and statements were received, for the record, by the committee:)

DEPARTMENT OF STATE,
Washington, D.C., June 18, 1968.

HON. WILBUR D. MILLS,
Chairman, Committee on Ways and Means,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: The Department of State has received from Carlos Sanz de Santamaria, Chairman, Inter-American Committee on the Alliance for Progress, a statement which he has prepared in connection with the current public hearings before the Committee on Ways and Means on tariff and trade proposals.