

[From the Mandate, Bulletin No. 282]

(5) H.R. 587. Adjust tariffs to protect American businesses from price advantages foreign producers gain through lower wage costs (Rep. Pucinski, Ill.). Under this bill, the lower the wage rates in foreign nations, the higher our tariffs, to equalize competition.

Following are brief arguments "For" and "Against" which we asked our members to read before voting:

5. Arguments for H.R. 587: Many key American industries face serious problems due to increased imports from low wage areas. They've been forced to fire a significant number of their workers. Fact is they're simply unable to compete with areas where wages are only a fraction of those in the U.S. This bill doesn't aim to put U.S. international trade policies back in the "model T" age. It is a moderate, reasonable approach to getting a fair break for our businessmen and workers. All other nations protect their own. We should do no less for our own.

5. Argument against H.R. 587: A lot of tears have been shed over the plight of the poor American producers who suffer due to low wage cost foreign imports. But not enough thought has been given to the fact that many of these people haven't been doing much to help themselves. They've forgotten that trade goes to him who produces what consumers want. They've forgotten how to merchandise aggressively. Atop this, too many American workers have forgotten the meaning of "an honest day's work for an honest day's pay." Not all of them, but many.

The results of this poll were:

5. H.R. 587. Adjust tariffs to offset lower foreign wage costs:

	Percent
For -----	76
Against -----	16
No vote -----	8

[From the Mandate, Bulletin No. 285]

(3) H.R. 2575. Require treasury department to complete its investigations within 120 days of complaints that foreign producers are selling goods at lower prices in the U.S. than in other nations (Rep. Dent, Pa.).

Following are brief arguments "FOR" and "AGAINST" which we asked our members to read before voting:

3. Argument for H.R. 2575: Existing law permits American firms to seek relief when foreign producers dump goods in the U.S. at cut prices. Complaint can be made to the Treasury, which investigates, and if it finds the facts warrant action forwards the information to the Tariff Commission. The Tariff Commission can then enact special tariffs on these goods to restore fair prices. Trouble is that the Treasury Dep't is so slow that serious damage is done U.S. firms before it reaches its decision. In one industry where complaints were made, it required an average 15 months before acting. This bill would speed matters by placing a time limit on the Department.

3. Argument against H.R. 2575: This bill doesn't offer a cure-all for American firms which feel they are being hit by unfair foreign price competition. It merely seeks to shorten the period in which Gov't agency decisions on complaints must be made. It has a good aim, but is very unrealistic. To begin with, the facts in one situation may be more complex than in another and may demand more time and attention. Who can say that 120 days is enough time for the job to be done in all cases? Further, it overlooks the fact that this is but one duty of the Treasury Dep't. The agency can't be expected to drop all other work when it receives complaints of unfair competition.

The results of this poll were:

3. H.R. 2575. Put time limit on actions concerning charges of cut-price foreign competition:

	Percent
For -----	76
Against -----	16
No vote -----	8

CONCLUSION

As to the attitude of small business toward international trade, responses to The Mandate polls, which experience suggests reflect generally the views of small business as a whole, indicate the following convictions:

1. That Congress itself should exercise greater interest in and authority over international trade agreements, and that the authority of the Executive in this area be correspondingly curtailed; and