Trade is of critical importance to the welfare of our country, as it is to U.S. agriculture. Opportunities for expanded farm export markets are vital to our farmers, our agri-business sector, and our national welfare. We oppose the unilateral establishment of trade barriers which restrict world trade growth, including such insidious non-tariff barriers as variable levy systems and arbitrary or unfair import regulations which seriously disrupt efficient and desirable trade patterns.

The National Council has consistently endorsed the principle of trade liberalization through reduction of trade barriers, by GATT negotiations to the maximum extent possible, to the benefit of all nations through expanded world trade. We support the principle of reciprocity as a basis for negotiating trade barrier reductions, and we favor the extension of Presidential authority for continuing multilateral efforts to expand trade opportunities.

Farm commodities must also be considered as an integral part of the net reciprocal concessions made by all nations in multilateral negotiations. Even though we recognize the strong representations made and commend U.S. Kennedy Round negotiators for their efforts on behalf of U.S. farm exports, we deplore the circumstances which limited our agricultural gains to only a small fraction of gains made in industrial sectors.

The strong interest of our membership in expanded trade is reflected in the following National Council policy statement on "Expansion of Foreign Trade in Farm Products":

"The National Council of Farmer Cooperatives endorses the objectives of expanded world trade and encouragement of market opportunities abroad for American agricultural products. We recognize also that the lowering of barriers which now limit world trade may create serious economic dislocations and that adjustments in trade patterns must normally come through careful and gradual reduction of trade barriers."

Under GATT (General Agreement on Tariffs and Trade) or other international trade negotiations, expanded trade to benefit all countries is possible only if offers by all trading partners represent comparable concessions. This principle of economic reciprocity must continue to be the keystone of U.S. trade agreement policy.

The National Council recommends renewal of Presidential authority under the Trade Expansion Act of 1962 to enter into further trade agreements based on true reciprocity. Many forms of non-tariff barriers, such as quotas, embargoes, unrealistic inspection procedures, and lack of uniformity of grade regulations and tolerances hamper efforts to achieve such reciprocity and severely limit U.S. export opportunities. Negotiations toward trade agreements should be focused on reduction of such non-tariff barriers, and particularly on the variable levy system widely used by the European Economic Community (EEC).

We are unalterably opposed to the recognition of the variable levy system as a valid policy for trade liberalization, and request that U.S. negotiators press vigorously for its elimination.

The National Council is concerned over increasing use of international marketing subsidies which are disruptive of long established United States markets abroad. Such practices lead to chaotic marketing patterns which tend to allocate resources on a political rather than a most economic basis.

We recommend that United States agencies or negotiators involved in such matters view such practices wherever they exist as a serious disruption of attempts to increase world trade on a fair and equitable competitive basis and work to have such practices stopped immediately.

We favor and urge that if attempts to eliminate such unfair practices are not successful, programs providing funds already available to perishable commodity industries be used (to the extent such funds are available) to meet such unfair trade practices in order to maintain historical marketing opportunities in the markets of the world.

We also deplore those unilateral increases in tariffs or introduction of other trade barriers which have been made since the termination of the Kennedy Round negotiations. We urge that positive actions be taken by the U.S., through GATT channels insofar as is practical and reasonably prompt, to offset trade losses and damaging effects to our balance of trade through such unfair practices.

Trade agreement bargaining which is limited to farm products alone would be ineffective. Farm commodities must be considered an integral part of the broad spectrum of international trade. If we are to grant import concessions on indus-