

have a great tendency to cry out *mea culpa* in regard to ourselves.

We have the old puritan guilt complex and I am sort of glad we have got it but on the other hand it can get out of bounds when we fail to see what countries abroad are doing in the way of unfair trade practices.

I think by any measure the United States is by far the freest trading nation in the world today. I think it is good policy, I might add, but certainly we are fair traders if we can define what constitutes fair trade.

If you do feel that eliminating unfair trade barriers is valuable I would think that you would be supporting the administration bill, or at least wanting to keep the present machinery which we have, inadequate as it may be, to try to move in eliminating these unfair trade practices. I am not saying you are not supporting the administration bill, but I am raising this question as to whether you are.

For instance, as I have asked other witnesses: Isn't the countervailing duty machinery of great value? Can it be utilized? Many of these unfair practices you presented here I think might be eliminated through the utilization of this machinery, particularly if we would perfect it and use it.

I think it has gotten rusty because of lack of use or maybe misuse.

Mr. DARMAN. Sir, I can speak from personal experience on the subject of the countervailing duty. It has been imposed in the case of wool top some years back going back to the fifties.

I had the personal experience of being the industry witness against the Treasury Department in conjunction with Uruguayan subsidization of wool textile products coming to the United States several years ago. It was rather an interesting hearing before the Senate Finance Committee.

Briefly what was involved was this: The law we thought was clear. The authors of the law were largely still alive and serving in the Senate. In fact, following the hearing the committee adopted a resolution saying, "We wrote the law. We know what we meant. This is in violation of the law."

The State Department put sufficient pressure on the Treasury Department and indicated that they couldn't ferret out all the facts and nothing came of that.

More recently the National Association of Wool Manufacturers in going over the annual report of the International Monetary Fund noted a bald statement in the annual report which said that Uruguay was subsidizing a certain series of export of wool textile products.

We wrote the Secretary of the Treasury and said:

Here is what the International Monetary Fund, which is an objective international organization, says about these exports. Will you please in accordance with the law invoke the countervailing duty?

Our Government again failed to act. There are two missing ingredients in an approach to countervailing duties. One is that it is almost impossible to have any power of subpoena. It is left to economic attachés or Embassies abroad to try to search out the facts.

They usually come back to industry and say, "See if you can't pick it out" but the fact is that no one is put under oath and it is almost impossible to get hold of anybody's books. The second consideration