

1. In order to make the program more workable, the number of advisors should be kept to a bare minimum. The roster of 250 or so technical specialists of the Kennedy Round should be reduced to no more than 50 Industry Advisors.

2. The Industry Advisors should be organized on a "sector" concept, with a minimum number of industry representatives for each industry sector. In turn, the Industry Advisors would organize contacts within their industries so that prompt and reliable data would be readily available.

3. The appointment of the Industry Advisors should be made official instead of unofficial and off the record. Among other things, this would give rise to obligations which would substantially solve problems of confidentiality. Moreover, those appointed would be experienced individuals accustomed to handling confidential information, and they could be relied upon to do so. This would result in far greater access to reliable and pertinent economic data.

4. The Industry Advisors should be called upon to participate in discussions and conferences, and in a continuing two-way dialogue on all aspects of trade negotiations. This would include counselling conferences with the Office of the Special Representative for Trade Negotiations, advisory participation in GATT negotiations, attendance at OECD Industry Committee and other committee meetings, participation in or an advisory relationship to participants at UNCTAD conferences, and participation or advisory service for regional trade organization conferences.

In our judgment, the above recommendations, if adopted and implemented, would provide an answer to the most critical problem of trade negotiations—getting depth of knowledge at the point of decision at the time decisions are being made. It would also improve industry understanding of the negotiating process, and, therefore, of the results obtained.

C. ORCHESTRATION

Another important consideration for future trade policy is a better coordination or "orchestration" of the various government information sources, such as the Tariff Commission, the Department of Commerce, the Bureau of Customs, and the many other agencies and departments involved. Under present procedures, each agency gathers and disseminates its information and views within the limited context of its own particular functions. Clearly, their horizons must be expanded to encompass the worldwide competitive and trade situation. Undoubtedly, this will require some redefinition of responsibilities and functions for each agency source.

D. STRENGTHENING OFFICE OF STR

The establishment of the office of STR under the provisions of the Trade Expansion Act of 1962 has provided an improved administrative method for handling the complicated problems of trade negotiations. The Society believes that this office should be further strengthened by the addition of personnel and resources to better cope with the many problems now before it.

E. BROADENING THE ADJUSTMENT ASSISTANCE PROGRAM

The Society endorses the Administration proposal to broaden the eligibility requirements of the adjustment assistance program and we support the principles of the tests enumerated.

We disagree, however, that adjustment assistance under these new criteria should be limited to individual firms and workers. It is our belief that the program should also permit relief for an industry through tariff adjustments whenever increased imports have been a substantial cause of serious injury or the threat thereof. This, coupled with the referenced broadened eligibility requirement for relief for industries, would enable Government to take steps aimed at avoiding the harmful effects of increased imports in their incipency. It would also minimize the possibility of the Government incurring substantial expenditures in the way of payments to individual firms or workers which would be the likely result if the Administration's program were adopted as proposed.

F. EXTENSION OF PRESIDENT'S NEGOTIATING AUTHORITY

The Society is in agreement with the Administration that there is no need, at this time, to grant the President additional powers to negotiate tariff reductions on a broad basis. The Kennedy Round adjustments are not scheduled to become fully implemented until 1972 and the question of further broad tariff reductions