

These are strange arguments to us, particularly as they relate to meat and meat products. We find it hard to understand how anyone, least of all our own Government officials, can sincerely tell us we must not consider reasonable protection for domestic industry when that is exactly what many other trading nations are doing. They don't always call their nontariff trade barriers quotas, but the numerous restrictions they employ have the same effect, and may be even more damaging because we can't always be sure exactly what they are going to be.

If it is illegal for the United States under GATT to establish reasonable quotas which continue to allow foreign nations access to our markets, why is it not illegal for these same foreign nations to restrict imports under a multitude of barriers, some of which, and at times, allow no access at all?

It is claimed that during the Kennedy round the United States received concessions on items of interest to agriculture valued at \$866 million, cost, insurance, and freight basis, and gave concessions valued at \$860 million, cost, insurance, and freight basis.² Of special concern to the National Livestock Feeders Association is the additional pressure on domestic producers which will result from the tariff concessions granted by the United States on canned beef, fresh pork, lamb, certain prepared meat products and meat extract, wool, hides and skins, and the binding of duties on canned hams at 3 cents per pound. In most cases, the United States cut tariffs in half on the meat and other animal products mentioned above; and there cuts are for real since the United States employs no other barriers against them.³

On paper, the United States did receive some minimal concessions, but what these will amount to in actual practice is doubtful, since the countries involved, with the possible exception of Canada, can still restrict said exports from this country by means other than duties.

Even before the Kennedy round results could be analyzed, the EEC established an export subsidy on canned hams amounting to about 25 cents per pound, in face of the U.S. agreement not to increase the minimal import duty of 3 cents per pound. This is a concrete example of how much stock can be put in the dollar value placed on claimed concessions to U.S. agricultural products, from the standpoint of "real world" results.

It is clear that the United States came out on the "short end of the stick" in the negotiations involving livestock and meat products, and the domestic feeders, ranchers, and related industries face the consequences of increased imports with no assurance of reciprocal treatment.

Following the negotiations, it was reported by the Foreign Agricultural Service that:⁴

One of the major disappointments in the Kennedy round for the United States was the failure of the participants to negotiate better access for fresh, chilled, and frozen beef into major world markets such as the EEC. Although the United States does not have a large export interest in this kind of beef, freer access to other world markets is important for the U.S. livestock industry. Closed markets for beef elsewhere mean greater pressure from foreign suppliers on the U.S. market.

² "Report on Agricultural Trade Negotiations of Kennedy Round," FAS-M-193, FAS, USDA, September 1967.

³ "Report on U.S. Negotiations, 1964-67 Trade Conference," vol. II, pt. I, Office of Special Representative for Trade Negotiations.

⁴ Foreign Agriculture, weekly magazine of the U.S. Department of Agriculture, Foreign Agricultural Service, Oct. 9, 1967.