

barriers and other practices or devices which distort or prevent such international business competition should be minimized, eliminated, or offset.

(b) A prerequisite to healthy international business competition is effective and uniform international antidumping standards and procedures. A realistic definition of dumping is also needed; this means one that weeds out anti-competitive practices and does not ban competition from suppliers whose home market prices are higher than those prevailing in other markets.

2. Aluminum Trade Policy

(a) Sector negotiations are recommended as more suitable to the complex and diverse character of aluminum foreign trade than are conventional negotiations which deals simultaneously with many industries.

(b) In the tariff area, there is the unresolved problem of the increased disparity between United States and E.E.C. tariffs on ingot as a result of the Kennedy Round. Ingot is the largest single aluminum export and import category in international trade.

The United States is also at a tariff disadvantage, as against the E.E.C., with respect to semi-fabricated aluminum products. The distortion between United States and E.E.C. tariffs is especially serious in the case of etched electrolytic capacitor foil, a highly strategic aluminum product.

The reconsideration of these tariffs is recommended as a step towards more equitable aluminum foreign trade conditions.

(c) The thorough review and overhaul of Census Bureau classifications used to report aluminum foreign trade are strongly recommended. For a long time there has been a need for better classifications and data. Kennedy Round tariff changes and the continued rapid changes of the international aluminum picture make the drastic improvement of Census Bureau aluminum foreign trade data a critical necessity.

(d) The key to aluminum trade promotion is the industry's continued product and market development efforts, at home and abroad. More equitable foreign trade conditions are needed to permit this developmental work to continue.

Recognition must also be given to the fact that when foreign investments essential to competitive foreign operations are discouraged, the likelihood is that United States aluminum exports are also being discouraged. Such will be the case if the mandatory controls on foreign investment are not relaxed at an early date.

A. Basic Principles

The Aluminum Association approach to foreign trade policy is based on these principles:

1. The United States aluminum industry should have the same opportunity to compete with other suppliers in foreign countries as their aluminum industries have to compete here. Attention is called to the comment made by the Canadian-American Committee*, in connection with its recommendation for the development of rules for international competition:

"We may well find that our greatest immediate concern is no longer the degree to which international trade can be made free, but the degree to which the resulting competition can be made both real and acceptably fair."

Admittedly, it is not easy to determine or maintain conditions of fair competition, but that makes it no less essential to healthy foreign trade.

2. The United States aluminum industry should have freedom of growth internationally. The aluminum industry has been growing world-wide. It continues to expand its capacity to produce, as well as its markets. The United States aluminum industry should have the unrestricted opportunity to participate competitively in such growth.

The increasingly international character of the aluminum industry has made the freedom to compete internationally inseparable from the United States aluminum industry's freedom to compete domestically. In this connection, it should be noted that seven member companies of the Aluminum Association are wholly-owned or substantially owned affiliates of five major foreign aluminum companies with headquarters in Britain, Canada, France, Germany and Switzerland. Conversely, many other members of the Association, with United States headquarters, have subsidiaries and affiliates with aluminum producing or fabricating facilities in foreign countries.

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