

The results of the tariff bargaining in the electronics sector in the Kennedy Round were so unfair to the U. S. producers of electronic articles that the following assessment was made on behalf of all of the U. S. electronic industries in a statement filed on behalf of the Electronic Industries Association by its President with the Trade Information Committee:¹

"While it may be too early to determine the full effects of the Kennedy Round it appears, on the basis of information available, that the United States delegation gave more than it received so far as tariffs on electronic products are concerned, especially to the European Economic Community. Continuing nontariff barriers, added to higher tariffs in both the Common Market and Japan, aggravate the problem of U. S. exporters who strive to increase their exports.

"It does seem to us that American trade representatives may not have recognized the opportunities for further expansion of U. S. exports of electronic products and the consequent beneficial effect on our balance of payment. Had the tariff reductions agreed to in Geneva been fully reciprocal, both our industry and our nation would have benefitted.

"In the Kennedy Round the U. S. electronics industry entered the negotiations with generally the lowest tariffs, and after, in most instances, a 50 per cent cut of U. S. tariffs we made the greatest concessions and emerged with an even more unbalanced tariff rate structure than we had before." (p. 2)

The unfairness implicit in the comparative level of import duties on electronic products, the United States versus Japan and the EEC, is aggravated by the bordertaxes and export rebates practiced by the EEC

¹ Full text of the statement is attached as Exhibit 1.