lar effects on the need for businessmen to raise the sights of their export operations. Uncertainty over the possibility that new trade barriers may be established may not be as harmful as the actual imposition of these barriers, but it is nevertheless less stimulating and less productive a trade policy premise than would be a coherent, dependable policy of consistently freer world trade.

The least desirable of the trade policy positions—new trade restrictions, the threat of new restrictions, or a climate of uncertainty on these counts even as steps are being taken to implement the Kennedy Round agreements—most regrettably happens to be the present state of our national trade policy. The impact this has had on business decisions cannot be described in any detail, except on a case-by-case basis, and such information is not publicly at hand. But there can be no doubt that American industry and agriculture are not being stimulated to go all out, as they would be by the very exacting forces of a genuinely open competitive market. The free enterprise system is not really being unleashed.

A host of formidable industries have instead unleashed massive political pressures to get imports controlled, either through limitations on foreign exports or U.S. import quotas. They are also busy as bees at many a State House seeking enactment of highly restrictive Buy American laws. These industries are plugging the wrong kind of trade policy premise into their decision-making. They and the legislators who yield to their pressures apparently do not understand the imperatives of business and national success in today's greatly changed world economy. They have apparently forgotten some of the business principles that helped build the American economy to its current preeminence in the world's economic life. If the very discouraging trade policy premises these industries prefer for themselves (which are certainly not in their *enlightened* self-interest) are adopted via legislation as trade policy guidelines which would affect all American producers in one way or another—directly or indirectly, both in our home market or in export markets—then the resultant problems would be added to these disastrous changes in our trade policy. The difficulties brought about by a show of protectionism would range from the extent of inflation at home to the credibility of American foreign trade, and monetary policies.

Such possibilities are gruesome enough without considering the implications for our national security. Many of those who demand import controls claim that the industries involved are essential to our national security. If this is the case, and it certainly is for some of these industries, then we may indeed be afflicted with national-security weakness. However, it is a weakness we should associate, not with the rising imports about which these interests complain so loudly and loosely, but rather with the appalling shortsightedness of the executives who run these enterprises. Turning to government for help may in some cases be necessary to cope successfully with increasingly difficult foreign competition. But when the help sought is concentrated on government restriction of that competition, we have cogent reasons to question the adequacy of those executives as custodians of production resources so essential not only to this country's economic well-being but also its security.

The second trade policy premise—fulfillment of the Kennedy Round agreements while avoiding additional trade restrictions—ought to be the premise which every American businessman (some, of course, more enthusiastically than others) adopts as a fixed premise—one to which he must somehow adapt his tactics and strategy in a very dynamic market. At this time it ought to be the minimum assumption as far as established policy is concerned, and until a definitive long-range policy is formulated by the Congress. But the strong pressures for import restrictions have seriously weakened even this moderate trade policy guideline so soon after the long and laborious Kennedy Round negotiations ended in what may fairly be called a successful and significant achievement.

We still face a difficult road ahead if only to get the Kennedy Round agreements implemented. The chemical industry is in the front ranks of those who block the way. It ought to be in the front ranks of those who seek full implementation of these agreements and, more than that, it should be urging new negotiations with a view to the removal of all remaining trade barriers between the economically advanced countries.

Free trade, the completely free movement of goods and capital between the developed countries, should be the trade policy premise every American producer should today plus into his decision-making equation. He should not expect free trade in the next year or two for the products in which he is interested, but rather expect that in the course of the next decade or so, trade in the products he makes will be included in the list of items not restricted by tariffs or non-tariff barriers. This is not just a hypothetical exercise. It is the trade policy goal toward which