barrier to international trade and the elimination thereof should be a principal objective of the United States. The U.S. should proceed carefully in this field to assure that uniform international food laws facilitate trade and do not become an effective barrier to trade.

Current efforts should be directed toward enforcement of the present GATT agreements, including removal of non-tariff barriers, so that the benefits obtained from other countries in return for concessions given by the United States may be realized. The U.S. should insist upon full implementation of all concessions granted to the United States in the Kennedy Round negotiations to assure that the benefits thereof are not nullified by the continuation or establishment of unjustifiable non-tariff barriers or other discriminatory treatment as has occurred frequently in the past. Granting of authority to make additional reductions in tariffs other than minor corrective action should be deferred until the full effect of the Kennedy Round is recognized and it appears that specific authority to negotiate further reductions is in the best interest of the United States.

The "Most Favored Nation" principle has been a cornerstone of United States foreign policy for many years. At the present time the U.S. grants equal "most favored nation" treatment to all countries (whether we have trade agreements with them or not) except certain Communist dominated countries. Contractually, the United States is entitled to receive equal "most favored nation" treatment from other GATT members. As a result of the development of various trading blocs, including the European Common Market, EFTA, LAFTA, CACM, we find that the United States no longer enjoys equal treatment which would be due as under the "most favored nation" principle, but, in effect, receives "second class treatment" by facing tariff discrimination in each of these blocs. If the current trend toward trade blocs continues, the United States will soon find itself in the position of being entirely on the outside looking in, granting favors to all, and receiving "first class" treatment from few, if any. "Most favored nation" treatment should be given only to those countries who provide "most favored nation" treatment to us. It should be withdrawn from countries who discriminate against the United States or who do not have trade agreements with the United States. The United States should re-examine the "most favored nation" principle and its present application and consider establishment of a multi-column tariff through which treatment would be afforded various countries consistent with that they afford the United States.

The following recommendations, if followed, will result in a substantial increase of U.S. fruit exports, thereby contributing materially to improvement of the present distressing balance of payments situation. We believe that the United States has failed properly to execute announced policy, to exercise authority already granted by existing legislation, and to insist that other countries live up to their contractual obligations.

We recommend that in order to expand trade, the future trade policy of the United States, and its execution, should embrace:

1. Vigorous efforts under existing laws, such as Sec. 252(c) of the Trade Expansion Act of 1962, for the removal of non-tariff barriers and especially unjustifiable non-tariff barriers; and adoption of counter measures where other nations continue those practices which call for implementation of these U.S. Laws;

2. Diligent pursuit of full implementation of all concessions granted to the United States in the Kennedy Round and earlier GATT negotiations;

3. A period of "wait and see" with respect to the granting of additional authority for negotiating further reductions in U.S. tariffs, with the possible exception of minor limited authority to correct obvious inequities which inadvertently resulted from the Kennedy Round negotiations;

4. An examination of current U.S. trade practices which may be trade restrictive in nature;

5. Re-examination of the immediate and long term consequences to the United States foreign trade from the sponsorship of the "regional blocs"; and

6. Examination of the "most favored nation" policy of the United States.

If the above recommendations are not followed, the consequences will be a decline in sales of U.S. fruits and fruit products abroad, a severe economic blow to the domestic fruit industry, and loss of the present substantial economic contribution to the United States balance of payments from fruit exports.