Mr. ROTH. It is an important sort of prototype industry, and I think in terms of a review of basic trade policy that a study of this industry can give us a great deal of useful material.

Representative CURTIS. One other area.

Senator Proxmire asked whether you would be getting into direct investment and how it relates to trade. I was most pleased to have your affirmative response. I have been very much concerned.

We have not really related our foreign aid programs—AID, Public Law 480, or various development banks, loans, and so forth—to trade.

There is a slogan, "trade not aid," which I happen to agree with. I think there is a place for aid.

I think it is very important to help get nations on their economic feet. But I have been fearful that there hasn't been the kind of coordination between trade and aid.

Would this be an area that you would be exploring at all?

Mr. ROTH. As of now we had not thought that this would be a part of the study.

Representative CURTIS. Yes; and yet you have to do it in respect to the agricultural agreements where one of the hopes is that these other countries will provide more aid.

Mr. ROTH. That is true. We will certainly be dealing with the problems of developing countries.

Representative CURTIS. But it illustrates how closely these things are coordinated. I appreciate you have a problem here. You do have your jurisdiction.

But I am at least in the position where I can make these comments that somewhere in the administration or in the Congress we have to bring together, just as you did mention, the commodity agreements which are not under your jurisdiction. Yet, in so many areas, how can we readily deal with the problems of trade without having to do those commodity agreements?

Mr. ROTH. I would like to comment on this problem of the interrelationship between the various areas that affect trade. I think, certainly, one of the things that has become clear to me in the last several years, and perhaps particularly in the last 6 months, is the relationship, for instance, between trade policy and fiscal and monetary policy. And we do have a balance-of-payments committee in which all the agencies concerned are involved, so we are all aware of what is going on.

But, looking to the future, and, certainly, in terms of a study such as ours, this is an interrelated world. You cannot separate trade out from the more general economic and fiscal problems. You just can't.

Representative CURTIS. I see my time has expired. Thank you, Mr. Chairman.

Chairman PROXMIRE. Senator Miller?

Senator MILLER. Nice to see you again, Mr. Roth.

Mr. ROTH. Thank you, Senator.

Senator MILLER. At the beginning of your speech you referred to the Smoot-Hawley Tariff Act of 1930. I wonder if you could refresh my memory of that. Was that a high tariff act?

Mr. ROTH. That is correct.

Senator MILLER. It was not a quota act, was it?

Mr. ROTH. No; it was a high tariff act.