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HUMPHREY TERMS TRADE BILL PASSAGE "CROWNING ACHIEVEMENT"
OF 87TH CONGRESS

Senator Hubert H. Humphrey, the Democratic Whip, terms the passage of the President's trade bill "the crowning achievement of one of the most productive, creative and responsible Congresses in our peacetime history."

In an address before the Savings Bank Association of the State of New York, meeting in Washington, D.C., Wednesday, Senator Humphrey noted that the United States is now the "greatest trading country in the world," and looks forward to a developing increasingly effective trade partnerships throughout the world, thanks to the President's new powers under the Trade Expansion Act of 1962.

"Among these trading partners, none will be of greater importance to us in the future than the new community of nations rising across the Atlantic, the European Economic Community," Senator Humphrey pointed out.

"I am confident that within the foreseeable future there will be in Europe an integrated economy comprising from 250 to 300 million people with a productive capacity approaching our own."

M O R E

"What the President has proposed, and what every American should welcome, is a discussion between the United States and Europe -- once its unity has been established -- as to ways and means of forming a concrete Atlantic partnership."

"We need a true Atlantic Charter for the Sixties and Seventies.

"If we pursue this course, then the West will have found nine-tenths of its answer to the Communist threat."

SPEECH TO THE SAVINGS BANKS ASSOCIATION OF THE STATE OF NEW YORK

by Senator Hubert H. Humphrey

October 3, 1962

Ladies and Gentlemen:

When the Senate approved the President's

Trade Expansion Act of 1962, two weeks ago, the vote

was hailed in some sections of the press as the ^{ADMINISTRATION'S} "biggest

victory of the 87th Congress." Yes, it was a big victory--

one of the biggest in my fourteen years of service in the

United States Congress. Let me hasten to add that it was

not the President's only victory of the 87th Congress!

Rather, it was ~~perhaps~~ the crowning achievement of one

of the most productive, one of the most creative, one

of the most responsible Congresses in our peacetime

history.

The Trade Expansion Act of 1962 is not yet

part of the law of the land, but it soon will be.

After leaving the Senate unscathed, the bill went

to a House-Senate conference committee. There, I

regret to say, a provision was ~~stuck~~ stuck out which would

have allowed the President to give most favored nation

treatment to certain Communist-dominated countries,

notably, Poland and Yugoslavia. This could have serious

economic effects on Yugoslavia, which depends on its

thriving trade with the United States and other Western

countries to avoid being drawn into the stifling economic

atmosphere of the Soviet bloc. Much as you and I disapprove

of the repressive features of Dictator Tito's regime, we

surely can perceive that a Tito, *found even partially to the West, in better* who talks and trades

exclusively with Khrushchev. I am sure that all of us

wish to see the right of self-determination restored to

found even partially to the West, in better
more
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file

the oppressed peoples of Eastern Europe and other Communist-held areas. If so, we are acting contrary to our principles if we help condemn these people to economic vassalage, to dependence upon Moscow. If we want to pursue a real "no-win" policy, here is one ready-made. I hope that by the opening of the 88th Congress next January, we will have a better idea of where our true best interests lie and will be prepared to take corrective action.

Having said this, I assure you that the President will retain his tremendous legislative victory of September 19. Of all issues before the nation this year, the President's trade program had the broadest bipartisan and public support. Was this because the American people wanted to see its industries

ruined and its commercial centers blighted--which was the result prophesied by some fearful spirits? Was it because Congress wanted to abdicate its privileges to an all-powerful Executive, as others maintained? Quite the opposite. As one State Department spokesman said in August, American support for the Trade Expansion Act of 1962 rested "on the solid basis of what we conceive to be enlightened American self-interest."

Ladies and gentlemen, enlightened American self-interest has been the motivating force of all the great accomplishments and decisions of our Republic since the Declaration of Independence. Indeed, this principle spans almost two centuries of American history--from the Declaration of Independence of 1776 to the recent "Declaration of Interdependence" by President Kennedy on

July 4, 1962. Nothing less than enlightened American self-interest could have won the support for the trade bill ~~for~~^{of} my distinguished colleague, the Chairman of the Senate Committee on Finance, Senator Harry F. Byrd of Virginia. The same is true of the Congressmen and Senators on both sides of the aisles who voted overwhelmingly for American prosperity.

One factor has done more to determine the favorable outcome of this debate than any other. I am speaking, needless to say, of that mighty achievement of the human spirit known as the European Economic Community or, in simpler language, the European Common Market.

Without our fully realizing it, the movement toward European economic and political unity has snowballed until today it is one of the most prominent

Proceeding gradually--and not without controversy and heartache--the Common Market has evolved into an economic trading bloc which already stands on its own feet as a formidable economic entity. In view of this development the United States has had to consider vigorous measures--measures not of reprisal or resistance but measures of adjustment and accommodation. Foremost among these has been the President's "Trade Expansion Act of 1962", a progressive new departure from the old Reciprocal Trade Agreements Act.

I would like to discuss three aspects of the measure which I feel are of outstanding importance. These are the necessary additional authority granted to the President, the economic opportunities available

to us in the European Common Market, and the trade adjustment assistance program.

With regard to the first--the new authority which this act would delegate to the President:

There are those who charge that the Trade Expansion Act would result in the full and complete abandonment of the constitutional authority of Congress to regulate tariffs. This act would do nothing of the kind. What it does is to continue for a limited fixed period the delegation of authority to set tariff rates within limits defined by Congress and with well-established safeguards that has been in effect since 1934. The Trade Expansion Act does increase the President's authority to reduce tariffs in negotiations designed to achieve reciprocal benefits and increase trade. But the Congress has clearly defined in detail the procedures necessary to develop a negotiating

list of goods and by which various items may be reserved from negotiations. The Congress has also retained the right to review the President's decisions on escape clause actions and to overrule these by a majority, not a two-thirds vote as exists in current legislation. It could well be argued that these limitations are more detailed and more stringent than under the reciprocal trade program.

The United States has not achieved its commanding position in foreign trade by cowering behind high tariff walls. We began long ago to negotiate down our trade barriers and let the commerce of the world come to our doors. In return for our concessions, other nations have made it possible for our own goods to reach their markets more easily. The results of these reciprocal moves are ^{easy} ~~easy~~ to see; the United States is now the greatest trading country in the world, ~~our imports~~

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Among our trading partners none will be of greater importance to us in the future than the new community of nations arising across the Atlantic, the European Economic Community.

The six present members of the Common Market already have a population approximating our own and a gross national product about half ours. Negotiations will shortly be resumed looking toward membership of the United Kingdom in the Common Market; and several other European countries have applied for membership. I am confident that within the foreseeable future the result will be an integrated economy comprising from 250 to 300 million people with a productive capacity approaching our own.

These European countries are now experiencing the explosion of demand for consumer and other goods we have long known, and this will continue. If we are really interested in selling, and I believe we are, there is tremendous opportunity there, for someone will have to sell a great deal of merchandise before the Community reaches our level of saturation in certain consumer items.

The Trade Expansion Act will provide more flexibility and strength at the bargaining table for American agriculture, as for other branches of American industry.

Unfortunately, in the field of agriculture there are certain well-known protectionist tendencies at work in the Common Market itself. Already, thanks to the strenuous efforts of the Secretary of Agriculture in alliance with the highest echelons of the State Department, the Common Market has agreed to keep the door open for continuing negotiations on certain agricultural commodities which constitute a vital

portion of our annual exports to Europe.

The road ahead is going to be difficult.

There is no easy solution to our problems.

But the Trade Expansion Act will enable the

United States to make concessions in order

to obtain concessions; it will also enable

him to increase duties, if necessary, as a

further bargaining tool to regulate trade.

This is why I salute the legislative endorsement

of a liberalized trade policy which does justice

to every segment of the American economy.

As an inalienable part of his program,

the President envisages broad safeguards to

American industry. However, in cases where

unavoidable damage through imports is suffered by companies, farmers, and workers, the trade bill provides effective trade adjustment assistance---in the form of financial help and training to displaced workers or advice, tax benefits, and loan guarantees to businessmen and farmers.

This is a subject in which I have been interested for some time and about which I feel very strongly. Several years ago the President, then a Member of this body, and I sponsored proposals for an adjustment assistance program. In July 1958 the then Senator John F. Kennedy, Senators Douglas, Javits, Neuberger and

I introduced amendments that would have added a trade adjustment assistance program to the 1958 renewal of the Trade Agreements Act. It is, therefore, with a sense of satisfaction that I see this bill before us today incorporating such a program---a program which has now been accepted as an integral part of the trade bill.

I supported this program because I feel it adds to the import side of an expanding trade policy a new approach consistent with that applied to the export, or negotiating side. I say "adds," for the bill retains the traditional technique

of restricting imports through tariffs and quotas when the President, acting on the advice of the Tariff Commission and other informed sources, determines that such restrictions will best prevent or remedy injury to a domestic industry.

And it adds:

First. A new dimension for firms; authority to extend technical; financial and tax assistance; for workers; readjustment allowances, training, and relocation allowances;

Second. A new flexibility---ability to tailor assistance programs to the real needs of individual firms and workers and

to aid industries through a combination of all
available means of assistance; and

Third. A new initiative--constructive adjustment which will convert the competitive forces generated by imports into positive energy stimulating our growth and prosperity.

conditions.

Through the help of the United States and the marshaling of its own genius, Europe has more than regained its prewar prosperity. The necessity to guard Western civilization against Communist imperialism has made close allies of countries which only a few years before had been at each other's throats.

NATO has given each country a sense of contribution to the common Western defense effort. Above all, the eyes of Europeans have been opened to the economic possibilities of cooperation. Through

trial, error, and patient persistence,
through the experience of the Common
Market, the European Coal and Steel
Community, Euratom and other institutions,
nations have learned that their pooled
efforts far outweigh their individual
capacities.

As a result, the goal of political
unity has been an implicit and explicit
corollary of European cooperation in the
economic sphere. In applying for full
membership in the Common Market, Great
Britain, too, has in effect resolved to
merge her separate political destiny with

that of her continental neighbors. To do so required a great effort of will, a conscious divorce from exclusive imperial tradition. Even today, conflict rages in the chancelleries of Europe as to the nature and the timetable of European unity: Should Europe be a closely knit fraternity of club members prepared to accept all the rules of membership and abide by the collective will? Or should it be, as in the French view, a looser union of "fatherlands" in which each country surrenders a minimum of sovereignty while retaining a maximum of national grandeur. Should the European club

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be made exclusive, for the sake of a more perfect and efficient union, or should weaker, smaller nations be allowed to partake of the advantages of membership even though constitutionally or otherwise they are unable to shoulder the full political burden of membership?

These are the questions facing the architects of European unity today. They cannot be resolved quickly, nor is there any guarantee that they will be resolved at all. It should be clearly understood, however, that they are the last remaining obstacles to the formation of a single political entity

numbering close to 300 million souls, with an economic and military potential equal to or surpassing our own. Furthermore, there is a firm will in Europe to overcome all problems.

Given this will to cooperate in Europe, it was singularly appropriate that President Kennedy should have chosen the Fourth of July in Philadelphia's Independence Hall to make his historic call for a declaration of interdependent between the United States and a united Europe.

The President left no doubt that he conceives of a partnership between Europe and America which would consist of more than sentimental ties and less than the ties between vassal and suzerain. The

proposed relationship would be one of equality---a relationship in which both Europe and the United States could provide for the common defense, promote the general welfare, and carry out their mutual obligations for the emerging nations and the underdeveloped areas of the world.

The President likewise left no doubt that a United Europe must not become a "third force" counterpoised between the United States and the Soviet Union.

In short, what the President proposed, and what every American should welcome, is a discussion between the United States and

Europe---once its unity has been
established---as to "ways and means of
forming a concrete Atlantic partnership."

Already, this partnership exists in more
or less solid form---in the shape of
institutions such as the Organization for
Economic Development, the Development
Advisory Group, NATO, and others. But
the West needs a much more comprehensive,
a much more reliable instrument of

cooperation, ~~the more so as relations
between North American and Europe become
less multilateral and more bilateral.~~ We

need a true Atlantic Charter for the

sixties and seventies.

Whatever happens, I can assure you that the United States will put its relations with the new Europe on the bedrock of enlightened self-interest, which has served us so well in the past. The United States will neither withdraw from Europe nor will it seek to reestablish its wartime and ~~immediately~~ postwar hegemony over Europe. It will cooperate closely with Europe while the latter works out a solution of its constitutional and institutional problems. If we pursue this course, despite all the setbacks and disappointments which we may encounter, then the West will have found nine tenths of its answer to the Communist threat.

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if not the most prominent--feature on the international landscape. The accelerated momentum of the European idea has taken the United States somewhat un-awares, despite our warm sponsorship of European integration ever since World War II.

In the immediate postwar era, the United States must have appeared, in relation to Europe, like a mother hen standing guard over a brood of frightened, wet bedraggled chicks. Exhausted by mankind's greatest conflict to date, Europe was in no condition to stand up by itself to aggressive communism or to give itself the needed impetus to economic recovery.

Now all that is a thing of the past. Yesterday's chicks have come of age. Individually, the nations of Western Europe have demonstrated enormous productive and

to benefit our agricultural areas.

The act itself is a ray of hope, a bright shining light which must be put to use before we can gain by it. It is like a waterfall, which is a great potential source of energy, but without the power plants it cannot provide light for the smallest bulb.

The Trade Expansion Act of 1962 will give the United States the flexibility it needs to deal with other nations on trade access matters, including agricultural trade. But with its passage we must devote our full efforts to market development, which is one of the big challenges and opportunities for putting the Nations agricultural abundance to use.

The teamwork which has developed so rapidly and so well in recent years between Government and the private agricultural and trade organizations must

continue and be coupled with the greatest ingenuity and skill in order to take full advantage of the potential that exists. It is highly interesting and significant that foreign markets are going to expand much more rapidly than markets in our own country.

in expanding exports and expanding imports, and we have prospered because of it.

Six nations on the European Continent have elected to capitalize on the opportunities afforded by an expanding trade policy and are now eliminating all duties and other barriers to trade with each other. These six countries have established a trade adjustment assistance program to help their firms and workers adjust to an increase in competition which is far greater than any possible under the provisions of the Trade Expansion

Act. Tariffs on all nonagricultural products traded among the Common Market countries have already been cut in half, yet the adjustment assistance program has been used in only one case; and the six Common Market countries are prospering as never before.

The Trade Expansion Act with its trade adjustment assistance program embodies these policies which have been proven by experience. It is in short, the national approach to the ageless issue of import competition.

The Trade Expansion Act is a comprehensive program of adjustment to the radically changed world economic pattern of the 1960's. Although primarily designed to cope with the challenge of the Common Market, the trade bill will be of material assistance in our relations with our traditional trading partners in Latin America and the Far East, whose interests we have not forgotten.

The Trade Expansion Act is only our first reaction to the European Common Market and it is a reaction to only one aspect of the Common Market; namely,

its importance to the continued health and vitality of our foreign trade. Statesmen on both sides of the Atlantic have frequently maintained that the logical result of European economic integration is a wider political unity, perhaps a United States of Europe capable of playing a role in world politics equal with that of the United States and Soviet Russia. Political unity looms as the culmination of a process of which the Common Market is the first and most significant step.

The last few years have seen the almost miraculous fulfillment of these

Speech

Speech to the ~~National Savings and Investment~~ ^{Bank's Association of}
the State of New York.

By Senator Hubert H. Humphrey

October 3, 1962

~~Ladies and Gentlemen:~~

When the Senate approved the President's Trade Expansion Act of 1962, two weeks ago, the vote was ^{n.a.} hailed in some sections of the press as the "biggest victory of the 87th Congress." Yes, it was a big victory-- one of the biggest in my fourteen years of service in the United States Congress. Let me hasten to add that it was not the President's only victory of the 87th Congress! Rather, it was perhaps the crowning achievement of one of the most productive, ^{Constructive} ~~one of the most~~, creative, ~~and~~ ^{and} responsible Congresses in our peacetime history.

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the oppressed peoples of Eastern Europe and other Communist-held areas. If so, we are acting contrary to our principles if we help condemn these people to economic vassalage, to dependence upon Moscow. If we want to pursue a real "no-win" policy, here is one ready-made. I hope that by the opening of the 88th Congress next January, we will have a better idea of where our true best interest lie and will be prepared to take corrective action.

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ruined and its commercial centers blighted--which was the result prophesied by some fearful spirits? Was it because Congress wanted to abdicate its privileges to an all-powerful Executive, as others maintained? Quite the opposite. As one State Department spokesman said in August, American support for the Trade Expansion Act of 1962 rested "on the solid basis of what we conceive to be enlightened American self-interest."

Ladies and gentlemen, enlightened American self-interest has been the motivating force of all the great accomplishments and decisions of our Republic since the Declaration of Independence. Indeed, this principle spans almost two centuries of American history-- from the Declaration of Independence of 1776 to the recent "Declaration of Interdependence" by President Kennedy on

July 4, 1962. Nothing less than enlightened American self-interest could have won the support for the trade bill ^{law} of my distinguished colleague, the Chairman of the Senate Committee on Finance, Senator Harry F. Byrd of Virginia. The same is true of the Congressmen and Senators on both sides of the aisles who voted overwhelmingly for American prosperity.

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Without our fully realizing it, the movement toward European economic and political unity has snowballed until today it is one of the most prominent

if not the most prominent--feature on the international landscape. The accelerated momentum of the European idea has taken the United States somewhat un-awares, despite our warm sponsorship of European integration ever since World War II.

In the immediate postwar era, the United States must have appeared, in relation to Europe, like a mother hen standing guard over a brood of frightened, wet bedraggled chicks. Exhausted by mankind's greatest conflict to date, Europe was in no condition to stand up by itself to aggressive communism or to give itself the needed impetus to economic recovery.

Now all that is a thing of the past. Yesterday's chicks have come of age. Individually, the nations of Western Europe have demonstrated enormous productive and

managerial capacity. Some countries--such as West Germany and Italy--have expanded their economies at a rate more than twice that of the United States. Others, such as politically troubled France, have used their internal resources so effectively that U.S. experts are inquiring as to whether the European success story can be emulated on this side of the Atlantic. Over-shadowing all other achievements has been the flourishing European Common Market--that great area of progressively freer trade which now comprises six nations in the industrial and cultural hearts of Europe.

Proceeding gradually--and not without controversy and heartache--the Common Market has evolved into an economic trading bloc which already stands on its own feet as a formidable

own feet as a formidable economic entity. Early this year, the Six agreed upon their transition to the second stage of the Common Market which means the eventual formation of a genuine free trade area with a common external tariff policy and no internal trade barriers. In view of this development the United States has had to consider vigorous measures--measures not of reprisal or resistance but measures of adjustment and accommodation. Foremost among these has been the President's "Trade Expansion Act of 1962", a progressive new departure from the old Reciprocal Trade Agreements Act.

In the past, the trade agreements program, which has been extended on 11 occasions under both Democratic and Republican administrations, has contributed immeasurably to the strength and growth of our economy and to the economies of our free world trading partners. It has become a true national policy. The Trade Expansion Act retains the basic principle of the trade agreements program--that the growth of open and nondiscriminatory trade is beneficial to all nations--but provides the means to implement this principle in the light of the challenges and opportunities facing us in the 1960's.

I would like to discuss three aspects of the measure which I feel are of outstanding importance. These are the necessary additional authority granted to the President, the economic opportunities available

to us in the European Common Market, and the trade adjustment assistance program.

With regard to the first--the new authority which this act would delegate to the President:

There are those who charge that the Trade Expansion Act would result in the full and complete abandonment of the constitutional authority of Congress to regulate tariffs. This act would do nothing of the kind. What it does is to continue for a limited fixed period the delegation of authority to set tariff rates within limits defined by Congress and with well-established safeguards that has been in effect since 1934. The Trade Expansion Act does increase the President's authority to reduce tariffs in negotiations designed to achieve reciprocal benefits and increase trade. But the Congress has clearly defined in detail the procedures necessary to develop a negotiating

list of goods and by which various items may be reserved from negotiations. The Congress has also retained the right to review the President's decisions on escape clause actions and to overrule these by a majority, not a two-thirds vote as exists in current legislation. It could well be argued that these limitations are more detailed and more stringent than under the reciprocal trade program.

The United States has not achieved its commanding position in foreign trade by cowering behind high tariff walls. We began long ago to negotiate down our trade barriers and let the commerce of the world come to our doors. In return for our concessions, other nations have made it possible for our own goods to reach their markets more easily. The results of these reciprocal ^{easy} moves are ~~easy~~ to see; the United States is now the greatest trading country in the world; our imports

have increased tenfold, from \$1.4 billion in 1933 to \$14.4 billion in 1961, while our exports have multiplied 12 times, from \$1.7 to \$20.1 billion.

There is no segment of our economy which does not in some way benefit from foreign trade. There can be no doubt that the present trade agreements program has served this country well. But this 30-year-old law shows the strain of coping with the trade of the sixties in terms of the thirties. Now is the time to replace the old trade agreements mechanism by a plan tailored to today's realities and tomorrow's expansion. We must act quickly if we are to retain our leadership in our relations with our free world trading partners.

Among these trading partners none will be of greater importance to us in the future than the new community of nations arising across the Atlantic, the European Economic Community.

I have heard it said that while we welcome the emergence of the Common Market, it creates problems for us. It does create problems, but it will create a great many more problems if this bill is not enacted. Consider for a moment the tremendous economic potential opening up on the European continent for American producers, who know no equal in producing for a mass market. The six present members of the Common Market already have a population approximating our own and a gross national product about half ours. Negotiations will shortly be resumed looking toward membership of the United Kingdom in the Common Market; and several other European countries have applied for membership. I am confident that within the foreseeable future the result will be an integrated economy comprising from 250 to 300 million people with a productive capacity approaching our own.

These European countries are now experiencing the explosion of demand for consumer and other goods we have long known, and this will continue. If we are really interested in selling, and I believe we are, there is tremendous opportunity there, for someone will have to sell a great deal of merchandise before

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the Community reaches our level of saturation in certain consumer items.

With the passage of the Trade Expansion Act, we will have the machinery to further expand our agricultural exports. With this expansion we will be taking the most desirable, the most efficient, the best of all possible roads to reducing and eliminating our own agricultural surpluses--raising the income of our farmers and those dependent on farm income for their livelihood--and helping our less fortunate friends abroad who are suffering and dying because they have little or nothing to eat.

But the passage of this act, does not carry with it an automatic increase in agricultural exports, just as it does not mean more sales abroad for industry. It can be our most important legislative measure designed

to benefit our agricultural areas.

The act itself is a ray of hope, a bright shining light which must be put to use before we can gain by it. It is like a waterfall, which is a great potential source of energy, but without the power plants it cannot provide light for the smallest bulb.

The Trade Expansion Act of 1962 will give the United States the flexibility it needs to deal with other nations on trade access matters, including agricultural trade. But with its passage we must devote our full efforts to market development, which is one of the big challenges and opportunities for putting the Nations agricultural abundance to use.

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Unfortunately, in the field of agriculture there are certain well-known protectionist tendencies at work in the Common Market itself. Already, thanks to the strenuous efforts of the Secretary of Agriculture in alliance with the highest echelons of the State Department, the Common Market has agreed to keep the door open for continuing negotiations on certain agricultural commodities which constitute a vital

portion of our annual exports to Europe.

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And it adds:

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Second. A new flexibility---ability to tailor assistance programs to the real needs of individual firms and workers and

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to aid industries through a combination of all available means of assistance; and

Third. A new initiative---constructive adjustment which will convert the competitive force generated by imports into positive energy stimulating our growth and prosperity.

How then can we best adjust to the impulse of foreign trade? We can best adjust if we adopt policies which experience tells us will succeed. And in formulating these policies we can profit from our own experience as well as from that of other countries.

Since 1934 the United States has pursued a trade policy which has resulted

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in expanding exports and expanding imports, and we have prospered because of it.

Six nations on the European Continent have elected to capitalize on the opportunities afforded by an expanding trade policy and are now eliminating all duties and other barriers to trade with each other. These six countries have established a trade adjustment assistance program to help their firms and workers adjust to an increase in competition which is far greater than any possible under the provisions of the Trade Expansion

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its importance to the continued health and vitality of our foreign trade. Statesmen on both sides of the Atlantic have frequently maintained that the logical result of European economic integration is a wider political unity, perhaps a United States of Europe capable of playing a role in world politics equal with that of the United States and Soviet Russia. Political unity looms as the culmination of a process of which the Common Market is the first and most significant step.

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NATO has given each country a sense of contribution to the common Western defense effort. Above all, the eyes of Europeans have been opened to the economic possibilities of cooperation. Through

trial, error, and patient persistence, through the experience of the Common Market, the European Coal and Steel Community, Euratom and other institutions, nations have learned that their pooled efforts far outweigh their individual capacities.

As a result, the goal of political unity has been an implicit and explicit corollary of European cooperation in the economic sphere. In applying for full membership in the Common Market, Great Britain, too, has in effect resolved to merge her separate political destiny with

that of her continental neighbors. To do so required a great effort of will, a conscious divorce from exclusive imperial tradition. Even today, conflict rages in the chancelleries of Europe as to the nature and the timetable of European unity: Should Europe be a closely knit fraternity of club members prepared to accept all the rules of membership and abide by the collective will? Or should it be, as in the French view, a looser union of "fatherlands" in which each country surrenders a minimum of sovereignty while retaining a maximum of national grandeur. Should the European club

be made exclusive, for the sake of a more perfect and efficient union, or should weaker, smaller nations be allowed to partake of the advantages of membership even though constitutionally or otherwise they are unable to shoulder the full political burden of membership?

These are the questions facing the architects of European unity today. They cannot be resolved quickly, nor is there any guarantee that they will be resolved at all. It should be clearly understood, however, that they are the last remaining obstacles to the formation of a single political entity

numbering close to 300 million souls,
with an economic and military potential
equal to or surpassing our own. Furthermore,
there is a firm will in Europe to overcome
all problems.

Given this will to cooperate in Europe,
it was singularly appropriate that President
Kennedy should have chosen the Fourth of
July in Philadelphia's Independence Hall to
make his historic call for a declaration of
interdependence between the United States
and a united Europe. President Kennedy
drew a consistent parallel between the
experience of the United States in forging a

workable Federal constitution out of the raw material of independence and the slow, sometimes painful stages by which a similar process would have to take place in Europe. Yet he left no doubt that he expected the European movement to be crowned with success, and equally clearly, he staked out the claim of the United States to have a special, beneficial relationship with Europe.

The President left no doubt that he conceives of a partnership between Europe and America which would consist of more than sentimental ties and less than the ties between vassal and suzerain. The

proposed relationship would be one of equality---a relationship in which both Europe and the United States could provide for the common defense, promote the general welfare, and carry out their mutual obligations for the emerging nations and the underdeveloped areas of the world.

The President likewise left no doubt that a United Europe must not become a "third force" counterpoised between the United States and the Soviet Union.

In short, what the President proposed, and what every American should welcome, is a discussion between the United States and

Europe---once its unity has been
 established---as to "ways and means of
 forming a concrete Atlantic partnership."
 Already, this partnership exists in more
 or less solid form---in the shape of
 institutions such as the Organization for
 Economic Development, the Development
 Advisory Group, NATO, and others. But
 the West needs a much more comprehensive,
 a much more reliable instrument of
 cooperation, the more so as relations
 between North American and Europe become
 less multilateral and more bilateral. We
 need a true Atlantic Charter for the

sixties and seventies.

Whatever happens, I can assure you that the United States will put its relations with the new Europe on the bedrock of enlightened self-interest, which has served us so well in the past. The United States will neither withdraw from Europe nor will it seek to reestablish its wartime and immediately postwar hegemony over Europe. It will cooperate closely with Europe while the latter works out a solution of its constitutional and institutional problems. If we pursue this course, despite all the setbacks and disappointments which we may encounter, then the West will have found nine tenths of its answer to the Communist threat.

END



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