measures. Of the major industrial countries, the United States, since 1952, has persistently exhibited the lowest ratio of subsidies to gross domestic product. In 1980, the U.S. ratio was 0.43, a decline from 0.50 in 1968. Between 1968 and 1980, only Canada and Italy noticeably increased their relative levels of subsidization (France and the United Kingdom have had extensive subsidy systems in place since the end of World War II). Canada's subsidy-to-GDP ratio rose from a low of 0.39 in 1956 to 0.87 in 1968 and to a high of 2.34 in 1980.[4]

Current U.S. Procedures

Current U.S. countervailing duty laws — contained in Title VII of the Trade Agreements Act of 1979 and Title VII of the Tariff Act of 1930 as amended by the Trade Act of 1974 -- provide procedures whereby a manufacturer, producer, wholesaler, union, group of unions, trade association, or the U.S. government can initiate a complaint against imports of subsidized products from another country.[5] Under Section 701 of the Trade Agreements Act of 1979, the complaint procedure involves two U.S. government agencies. The Commerce Department's International Trade Administration (ITA) is charged with determining whether a foreign government "is providing, directly or indirectly, a subsidy with respect to the manufacture, production, or exportation of a class or kind of merchandise imported into the United States." For its part, the International Trade Commission (ITC) is to determine whether "an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of that merchandise." If the finding is affirmative in both cases then, in the words of Section 701: "there shall be imposed upon such merchandise a