have a more adequate estimate of costs and benefits; these aspects were outside the terms of reference for the ITC study, and one could argue that the question of the impact on concentration and the conditions of competition would not be clearly within the ITC mandate.

The same ITC study looked at the OMA's on colour television. The impact on domestic employment, on prices, on imports are estimated, in much the same fashion as for steel and non-rubber footwear. One particularly interesting impact of the OMA's on colour television is noted:

> During the OMA period, five additional foreign firms built colour television assembly facilities in the United States and produced sets here. There were only four such firms in the United States prior to the implementation of the OMA's. Therefore, it is likely that the OMA's accelerated foreign investments in the U.S. colour television receiver industry.[27]

The creation of a motive for foreigners to invest, and thus get inside the protective barriers, is a not uncommon feature of the managed trade and contingency protection system. Another example would be the decision by Volkswagen to build a plant in the congressional district of the congressman (Congressman Dent of Pennsylvania) who had launched an anti-dumping proceeding against imported automobiles; in due course the case was dismissed.[28]

The U.S. Federal Trade Commission has been active in trying to identify the costs of protection for U.S. industries, and active in filing briefs before the USITC (and the U.S. Court of International Trade) in import relief cases. The Bureau of Economics has published two studies, both by Morkre and Tarr (as cited above). The 1980 study examined the case of CB (citizen band) radios, an "escape clause" action, colour televisions, sugar, non-rubber footwear, and textiles and textile products. Given the different mandate of the FTC — different, that is, than the ITC remit — the focus is on costs and benefits, not just the assessment of whether the assumed benefits did appear. The principal conclusion is as follows (with regard to the combined effects of tariffs and quantitative measures):

> The empirical results support the theoretically predicted differences between tariffs and quantitative restraints. Tariffs were imposed in the CB radio and sugar industries; these two losses to the economy (called inefficiency costs) are less than 25 per cent of the costs to consumers. The remainder of consumers costs go to the U.S. Treasury as tariff revenue and to domestic producers. In non-rubber footwear however, a quantitative restraint in the form of an OMA was imposed with the result that over 50 per cent of consumers' losses are lost to the economy as well. The difference is foreigners expropriate the scarcity rents that, with a tariff, would otherwise go to the U.S. Treasury.
>
> The overwhelming result of these case studies is . . . that the costs of protection invariably exceed the benefits. In some cases, witness footwear and CB's, the costs are 25 or more times the benefits. To those familiar with similar studies in particular industries, these results should not be surprising.[29]