

on generally available subsidies, then almost every article in international commerce could be countervailed and measurement of the net subsidy on any given product would be unusually difficult. The signatories to the GATT Subsidies Code noted that "countervailing measures [should] not unjustifiably impede international trade" and that the objective of the Code was "to reduce or eliminate the trade restricting or distorting effects of non-tariff measures...recognizing that subsidies are used by governments to promote important objectives of national policy." If the United States were to countervail generally available subsidies, other countries would very likely retaliate against U.S. programs.¹⁷

The IIA has had to defend its interpretation of specificity in two recent appeals before the U.S. Court of International Trade. In a 1983 decision, Carlisle Tire and Rubber Company, the court held that two accelerated depreciation programs for equipment available under South Korean tax law were not subsidies, inasmuch as the benefits accorded under these programs were not preferential but were generally available to the whole business community of South Korea.¹⁸ The court agreed, however, with the IIA's interpretation of a "bounty or grant" as connoting some special or comparative advantage conferred on an industry or group of industries and not available to all manufacturers and producers within an industry. While the court found some support in previous case law for its interpretation, it also agreed with the IIA's submissions that to countervail widely available subsidies would lead to an absurd result and that Congress, in using the word "specific" in the act, had meant to limit subsidies to those that are preferential in nature.

In a 1984 case, the same court emphatically rejected a broad rule that generally available programs are not subsidies. It held that an income tax deduction available to companies in South Africa for employee training