surplus in 1959 the trade position improved by $420 million during the first 10 months of 1960.

It seems reasonable to conclude that the narrowing of the export surplus by over $900 million between 1955 and 1959 on account of increased imports and decreased exports of automobiles resulted primarily from decisions within the industry regarding the type of product offered for sale. The industry was slow to recognize the growing preference among consumers for smaller, more compact cars. It now appears, however, that the industry has responded to the change in consumer demand and not only has recaptured a part of the importers' share of the U.S. market but also is improving its position in export markets.

The increased imports and decreased exports of petroleum products in 1959 resulted from the rapid rate at which we are using such products, especially gasoline. The falling of exports and increasing imports of iron and steel mill products was largely, though not entirely, a result of the steel strike. The trend of exports and imports in 1960 with respect to these two commodities illustrates that trends in trade in recent years to a large degree are the result of differences in economic tempos of the economies of different countries. Temporary setbacks in U.S. exports do not, of themselves, establish the fact that U.S. exports are too highly priced.

TABLE 6.—*Exports that have increased more than the increase in gross national product, 1955, 1959, 1960 (1st 10 months)*

[Values in millions]

Product	Exports			Volume changes		Percentage changes	
	1955	1959	1960	1955–60	1959–60	1955–60	1959–60
Machinery	$1,543.1	$2,108.0	$2,385.2	+$842.1	$+277.2	+54.6	+13.1
Grains and preparations	785.8	1,183.0	1,348.0	+562.2	+165.0	+71.5	+13.9
Aircraft	621.4	611.6	1,139.2	+517.8	+527.6	+83.3	+86.3
Raw cotton	413.4	279.8	749.2	+335.8	+469.4	+81.2	+167.8
Nonferrous metal and ferroalloys	262.9	240.3	583.8	+320.9	+343.5	+122.1	+142.9
Chemical specialties	326.3	495.0	553.1	+226.8	+581.1	+69.5	+11.7
Oilseed and expressed oil	155.6	304.5	346.3	+190.7	+41.8	+122.6	+13.7
Rubber and manufactures	162.9	266.0	321.3	+158.4	+55.3	+97.2	+20.8
Industrial chemicals	132.7	205.6	262.2	+129.5	+56.6	+97.6	+27.5
Coal-tar products	60.7	83.9	139.2	+78.5	+55.3	+129.3	+65.9
Synthetic fibers and manufactures	190.6	208.6	260.8	+70.2	+52.2	+36.8	+25.0
Fruits and preparations	149.3	200.9	210.8	+61.5	+9.9	+41.2	+4.9
Paper-base stocks	79.1	83.6	136.5	+57.4	+52.9	+72.6	+63.3
Iron and steel scrap	141.1	126.6	197.4	+56.3	+70.8	+39.9	+55.9
Paper and manufactures	162.3	192.3	211.6	+49.3	+19.3	+30.4	+10.0
Meat and products	54.4	85.8	100.0	+45.6	+14.2	+83.8	+16.6
Books and printed matter	76.2	103.5	113.5	+37.3	+10.0	+49.0	+9.7
Scientific instruments	55.6	81.9	90.8	+35.2	+8.9	+63.3	+10.9
Vegetables and preparations	86.9	120.3	119.3	+32.4	−1.0	+37.2	−.8
Photographic goods	74.3	92.9	105.7	+31.4	+12.8	+42.3	+13.8
Fertilizer and materials	73.4	88.0	101.6	+28.2	+13.6	+38.4	+15.5
Railroad transportation equipment	84.1	78.9	110.5	+26.4	+31.6	+31.4	+40.1
Hides and skins	46.4	51.4	60.5	+14.1	+9.1	+30.4	+17.7
Musical instruments	25.2	34.0	35.2	+10.0	+1.2	+39.7	+3.5
Leather and manufactures	34.4	40.5	43.8	+9.4	+3.3	+27.3	+8.1
Total	5,798.1	7,366.9	9,725.5	+3,927.4	+2,358.6	+67.7	+32.0