

more precise and thoughtful discussion on this subject in the country by the administration. We are ultimately going to find the right posture for this country in the coming months only if we have such a discussion. I have not been terribly impressed with what I have heard thus far. Again, I don't mean your statement. I feel you have made a very fine statement here today, and I very much enjoyed your comments and responses to questions. I am referring to the administration generally.

Mr. TROWBRIDGE. Thank you, Congressman. I might comment briefly. There is no question the definition of the word "peaceful" or the definition of the word "strategic" is one of the toughest things in this whole argumentation.

We who have the Export Control Act responsibilities, in looking on these things on a case-by-case basis as we do, wrestle with these definitions all the time. I had a personal experience some time back which might illustrate the difficulty.

One day on a hillside in Korea a Chinese soldier threw a grenade in my direction. It didn't go off. I took it apart. I was curious. I looked in the handle, pulled something out. It was a piece of newspaper with gunpowder used as a fuse. I opened the newspaper and it was from Sacramento, Calif. That wasn't strategic as newspaper, but it sure felt strategic when I opened it up. The end use very often determines the problem here.

I think when we talk machine tools, are machine tools strategic or are they peaceful? Well, I happen to think that if the Soviet Union decides to go into the automobile industry in a big way, and devote very large resources to the creation of a private-automobile kind of economy, with roads and with repair shops and service stations and all the other things, I think this kind of development is the kind of use of their resources that is probably very good, from our point of view. I would rather see them creating that kind of consumer-goods economy than using it for strategic purposes. And for that reason I think we could and should sell them machine tools to go into a plant to make automobiles.

This is the kind of case-by-case determination that you come down to very often, and often this difficulty of semantics and determining really what the word means and what the end use is is a very real part of the problem, and I think we do have to talk this out.

We tend—we, the United States—tend to look at this question in the economic and political context. When it comes to our export controls we are a member of an international group that has decided upon a list of items. We have a second list which is our own unilateral control list, and we review that to see how realistic it is, but it is considerably more than the internationally agreed list.

We do work with basically the NATO allies group, to see to it that items on the international list are up to date, are added if we can convince them that this is a new element that really is strategic and should be controlled, or as they become less and less important, the opinion is we ought to take them off, to agree to taking them off. But these is the effort to work with our allies, to get a certain community approach as far as exports go.

I think we are going to hear a lot more about this whole question of trade contacts. I think there are some economic advantages. We are losing business in the competitive trade field. I think indeed there