

the lines that the expectation, that within 5 years their requirements of us would go to approximately 5 billion board feet. Are you able to amplify this or confirm it, or deny it, or add anything to it?

Mr. McCracken. I would only say that I have heard these figures, too, and everything I know about the demand picture would tend to verify them and make them conservative.

Representative DELLENBACK. Even this estimate of 5 million board feet, you would say might be conservative?

Mr. McCracken. If anything. Every estimate the Japanese have ever given that we have ever heard about in this program has tended to be conservative.

Representative DELLENBACK. May I go back to the suggestion you made, in view of this picture, that you would not tie the estimate, you would not tie allowable amount of exported round logs to a certain board footage of finished lumber or other wood product. Would you limit the export to Japan of finished lumber or other wood products at all?

In other words, you have suggested to us that you might permit the export of about 1 billion board feet of round logs. Would you feel that it was a proper stand for America to take, to say that over and above this billion board feet of round logs, Japan shall get no other wood product from us, or would you place no restrictions beyond that?

Will your only restriction be on round logs?

Mr. McCracken. My only restriction recommended, Congressman, would be on the round log.

Representative DELLENBACK. Beyond that, you would permit them to come into the marketplace and buy what they could for shipment of plywood, lumber, or whatever else it may be?

Mr. McCracken. I would. I would caution, as I think we have in our statement, that because of their great demand in Japan, there may be some severe market problems in the United States in terms of the price level for plywood and lumber in these items. This is the significance, truly, I think, Congressman, in terms of the dialog you had with Mr. Graves in terms of supply.

But, at the moment, we could only recommend that restrictions apply to round logs.

Representative DELLENBACK. This is a great point you are now speaking of, Mr. McCracken, that caused me some concern, because I noticed in both your testimony and from the earlier testimony of Dr. Graves, and other testimony that we have had, that we realize their ability to pay prices which are high by our standards, and I wanted to be clear what it was you were recommending to us.

I read you now as saying that you are not recommending any export recommendations, of any other nature, on any other wood product, over and above the basis of one billion feet of round logs.

Mr. McCracken. The answer is "No."

Mr. NETZORG. Mr. Chairman, Dean Graves has a problem of catching a plane, so that he may return to Syracuse to teach tomorrow.

Senator MORSE. The dean is excused.

Mr. NETZORG. Thank you very much.

Senator Morse, we are sorry that we have to run the hearings late tonight, but we have to meet our schedule.