

Assure that log purchases from the United States do not deprive U.S. producers of log supplies needed to maintain their economic health and well-being;

Broaden the areas from which logs can be drawn. This would include areas in other countries as well as in the United States;

Facilitate the establishment of U.S. firms in Japan to carry on a mutually profitable forest-products trade;

Establish regular meetings of forestry experts to exchange information and views on such vital matters as forest management practices, sources of supply, potential demand, and markets for forest products; and

Create better understanding of long-term prospects for log supplies and exports which would be mutually advantageous to both countries.

In our view, Mr. Chairman, this program would enable us to meet the needs of our industry, the U.S. balance of payments, U.S. overall trade policy, and United States relations with Japan in an equitable way and without serious repercussions upon any interest.

Thank you.

Senator MORSE. Thank you, Mr. Secretary.

Senator Hatfield.

Senator HATFIELD. Mr. Greenwald, I appreciate the succinctness and clarity of your testimony. The questions I have to ask really are more interpretive in some ways, and, also, to ask for added material.

First of all, on page 1, where you list the four fundamental interests which should be considered in this problem of log exports—three listed on page 1 and one ending up on page 2.

In reference to these fundamentals, how do you weigh them? Do you give equal weight to each one? And, secondly, if there appears to be conflict as to the fulfillment of each one, how do you resolve the conflict?

Mr. GREENWALD. Well, Senator, this is an extremely difficult question. I don't think you can really quantify each one of these considerations. At least not in any statistical terms. And I would hesitate to try to put them in order of priority.

I think the way a decision of this nature has to go is that there is one that, I assume, we are all interested in, and that is the U.S. national interest. All these factors, we believe, go to make up the final decision which can only be made, at least as far as the executive branch, by the President, where the national interest lies.

Each agency of the Government has its own particular point of view which is brought to bear on any and all of these elements.

We don't look exclusively at the foreign-policy aspect, and we assume that other agencies that are more interested in the domestic side would look at that exclusively.

We have to take all of them into account and try to determine where the U.S. national interest lies. But I really think that nobody has ever tried to quantify it. In spite of all the efforts at computerization and everything else, I am afraid that you really can't take an issue like this and try to assess weights to each one of these items and say this is first, this is second, this is third; and you have to try to find a juncture of all of them that will serve the national interest.

Senator HATFIELD. This is precisely the problem that we face; is it