

Senator HATFIELD. Do you think there is a point at which logs supplied from Russia would have a political influence or economic influence over Japan and having, say, looser ties with the United States and stronger ties with Russia?

Mr. GREENWALD. Again, I don't think it is possible to quantify it and say there is a certain point at which the policy of Japan might change. It is only one point of a broader picture of the economic and trade relations between the trading partners, and it would only be part of an overall effect. I wouldn't suggest that a certain level of the log dependence upon the Soviet Union is going to lead to a shift in Japanese foreign policy. This would obviously be an extreme view, and I certainly would not put that forward.

Senator HATFIELD. Mr. Greenwald, I am glad to have you clarify that because by introducing this point into this testimony, on this subject, and at this time, might lead the casual reader to think that you were suggesting that if Japan did not continue to obtain logs supplied in the United States and had to turn to greater dependency upon Russian supply, that this might have some influence upon Japanese internal political structure, or political philosophy, or political commitments.

Mr. GREENWALD. I am saying not that alone and not a particular level of imports of logs. But the trade relationship, the whole economic and political relationship between two countries, between Japan and the United States, depends upon a whole variety of factors. This is merely one. And I think it is a consideration that has to be borne in mind. But it isn't the trigger that is going to make the difference in a change of policy. It is one aspect of it, and we have a broad range of problems with Japan, and they have a whole range of problems with us. The fewer problems we can have, the better our relations will be, and the more reliable partners we will be in both trade and foreign relations.

Senator HATFIELD. I infer you feel that economic trade relations tend to develop friendlier political relations, therefore, actually could not trade relations between free countries and Communist countries tend to bridge some of the lack of political cooperation and political understanding, or misunderstandings, that we may have, or lack of communication? Don't you think that trade could become that instrument of leading to better understanding between the free and the Communist world?

Mr. GREENWALD. Yes, sir.

Senator HATFIELD. Then, in the middle of that page, you say, "We should be seeking to solve this problem through trade expansion, not through the imposition of trade barriers."

I believe you editorialized a bit in the oral presentation, that it should be based upon expansion and not restriction. Didn't you use the word?

Mr. GREENWALD. Yes, sir.

Senator HATFIELD. Let me just make sure that you understand what I have heard my colleague say many times, and I have said, we do not consider this an either/or situation. And I hope that you do not feel that we are implying that it can only be solved by restriction, or that we are committed either to exclusive restriction or to expansion. In other words, we are not for a total barring of trade with Japan or of trading logs with Japan. What type of restrictions we have been talk-