

Mr. Secretary, what, in your opinion, is the strongest bargaining position we could be in in connection with those February 20 meetings? I recognize you refer to this not as a confrontation but a chance to sit down and discuss and talk over mutual goals; but at the same time we are talking about going into a bargaining session with them, and how do we enhance the U.S. bargaining position vis-a-vis the Japanese?

Mr. GREENWALD. Well, Congressman Dellenback, I think that some of the same factors that exist on our side exist on the Japanese side.

For one thing, I think the Japanese are just as desirous as we are of continuing good trade relations.

I think that if they—as we have tried to convince them—share our view that there is a problem, we ought to work on it together. I think our experience with the Japanese in a number of other mutual problems has been that it has been possible to work something out. And I think there may be a mutual desire on both our parts to see if we can't solve this problem without restrictive action on either side and without the kind of difficulties which might conceivably arise if there were unilateral actions. So perhaps I think the best thing going for us on both sides is a desire to achieve a mutually acceptable, and satisfactory result that both sides can accept and will be in the interest of both sides.

I think that this is the main—I won't call it bargaining factor—underlying element in the negotiations. I think it is something that the Japanese are pretty well aware of. If they weren't, as a number of people have said, they will have a chance to read the transcript of these hearings, and if they haven't been aware of it before, they will be. There is a serious problem, both economic and political, in the Pacific Northwest.

I think the first meeting we had gave us a good opportunity to lay this problem out. In addition, I think there were informal discussions that took place outside of the meeting with some of the people who are now participating in this hearing. I think that it has been very much brought to their attention that the U.S. Government, as well as the industry and Members of the Congress, considers the problem one which needs a solution. And I think they recognize it is not in their interest, no more than ours, to have to end up with a restrictive and unilateral solution.

Therefore, they, for that reason, will also be seeking a mutually satisfactory solution.

I think this is the main thing we have going for us, and I hope that will be enough so that we can reach a mutually acceptable solution at this meeting. They certainly have agreed that they are prepared to go beyond the exploratory discussions of the last meeting.

Representative DELLENBACK. Do you feel that this meeting is apt to lead on to other meetings, not in the sense of having reached proposed solutions at this meeting, and then going on with them as some of your points of objectives contemplates, but do you visualize, as one of the underlying and firm objectives for these February 20 meetings, underlying all six of these particular points, some definite firm agreement?

Mr. GREENWALD. Yes, sir. This is what we hope for. As far as we are concerned, the forthcoming meeting is one to find solutions to the problems. This is what we will be seeking when we go to Tokyo.