

I am concerned that this trend shows no sign of abatement. In fact, the American Iron and Steel Institute reports that during the first 4 months there has been a 51-percent increase in the tonnage imported and that imports for this year will reach about 16 million tons. With nothing to interfere with this trend, the industry fully expects this total to reach the intolerable level of 23 million tons by 1970.

The threat to our national security is becoming readily apparent; but as the senior Senator from Indiana pointed out in an article recently printed in the Congressional Record: "If we wait until the national concern is apparent to everyone, it may be too late then to redress the long-term impact on our balance of payments of a steel trade account seriously out of balance. A ratio of steel imports to consumption of 20 percent or 30 percent may permanently impair the ability of the steel industry to respond to a rapid increase in both military and supporting civilian requirements during the time of national emergency."

The Senator points out in his article that, following his steel import hearings of June 1966, the Senate Finance Committee spent 18 months studying worldwide steel competition. Its principal point, he observes, is that a continued rise in steel imports weakening the domestic steel industry would confront the United States with a possible national ordeal.

"What do we mean by 'national ordeal?' Let me make it clear that America's defense is dependent upon preventing subsidized, below-cost foreign steel production from eroding our capability of fulfilling emergency demands in this country.

"I agree with the Finance Committee Steel Report that 'no private enterprise industry can, in the long run, survive in competition with foreign industries that have become instruments of government,' unless its own government lends assistance against subsidized import and against obstacles to exports."

Unless some action is taken to restrain the import of steel into the United States, I strongly fear that the pressures of the expanding capacity of the steel-producing countries in both the Eastern and Western Hemisphere will seriously jeopardize our own industries and, inevitably, our economic position in world trade.

For all of these reasons, I hope that the committee will approve this bill so that the Congress may act favorably on it during this session.

Mr. Chairman, I believe the significance of this situation in regard to the country's economy is dramatically underlined in an article in the June 1968 issue of Fortune magazine. The article, entitled "The Trade Winds—the Competition Position of the United States," states, in part:

"Among the shocks, strains, and insults inflicted on the U.S. economy in recent months, perhaps the most ominous of all has been a drastic turn for the worse in foreign trade. Beyond its unpleasant short-run effects, this sudden deterioration in the U.S. foreign-trade position has grave implications for the Nation's economic future.

"For many years now, the United States has relied on a hefty surplus in merchandise trade with the outside world. This surplus has served to offset, to the extent of several billion dollars a year, the chronic deficits in various other sectors of the U.S. payments ac-