

Frankly, I am a little mystified, Mr. Chairman, how many bricks we import because we can't carry bricks too far before the transportation cost makes importation or transportation uneconomic, but that is one of the industries which it is claimed is affected by imports.  
(Mr. Watson's prepared statement follows:)

STATEMENT OF ARTHUR K. WATSON, CHAIRMAN, EMERGENCY COMMITTEE FOR AMERICAN TRADE

Chairman Mills and members of the Committee, my colleagues and I are pleased to testify here today on behalf of the Emergency Committee for American Trade. With me are Mr. William Blackie, Chairman of the Caterpillar Tractor Company, Mr. T. I. Wilson, President of Boeing Aircraft, and Mr. Robert Purcell, Chairman of the International Basic Economy Corporation. I am Chairman of the Board of IBM World Trade Corporation and am speaking today also as Chairman of the Emergency Committee, and I am also currently serving as President of the International Chamber of Commerce.

As its name suggests, the Emergency Committee was formed in response to the serious threat which has recently been posed to the 34-year-old reciprocal trade agreements program. Our 53 members represent major segments of the manufacturing, banking, merchandising and publishing sectors of the American economy. We did not have time enough to obtain the approval of every member for this statement. We do believe that the views expressed herein accurately express the consensus of our Committee. They are based on public statements agreed to by members and on continuing communications with them.

We have joined together in the Emergency Committee—and we are here today—because of our conviction, as businessmen, that a substantial and growing volume of two-way trade, based on reciprocity, is essential to the economic health of the United States. We are not free trade theorists. We recognize that some American producers may be facing unfair competition from imports and that some American exporters, including members of the Emergency Committee, are being discriminated against in foreign markets. We recognize also that the Ways and Means Committee is concerned, properly so, about the decline in the U.S. trade balance.

We hope to deal with these and related issues straightforwardly and practically. We believe that they can be resolved within the tested framework of a multilateral trading system and an expanding world economy.

I want to make it clear at the outset that our companies have a tangible economic stake, amounting to many billions of dollars annually, in this system. We believe that for American industry trade means increased sales, profits, and lower unit costs . . . that it means job opportunities for our workers, who are among the best-paid in the United States and therefore in the world . . . that trade is a spur to the technological advancement on which America's economic progress so heavily depends.

While we are here frankly to defend our own economic interests, we believe that the national interest is likewise identified with a liberal trade policy. Parenthetically, I might say that it is regrettable in some respects that the reciprocal trade agreements program has come to be known as a "liberal" trade policy. This is an adjective that may lose as many votes as it wins. The important thing is that the reciprocal trade agreements program is entirely consistent with the principles of the Free Enterprise market economy, and it should commend itself to the economic conservative no less than to the political liberal.

The members of the Emergency Committee are convinced, on the basis of practical experience, that two-way international trade is a powerful engine of economic growth. We have witnessed the effect in our own companies and industries.

For example, among the members of the Emergency Committee are the nation's largest aircraft makers. Boeing, McDonnell, Douglas, Lockheed and United Aircraft. One member company, Lockheed Aircraft Corporation, exported \$249.3 million worth of products in 1967 and imported only \$13 million. It employed an estimated 8,000 to 10,000 employees in export business that year.

Overall, jet aircraft and parts are one of the nation's largest exports, totaling \$921 million in 1967, up from the total of \$226 million of five years earlier. In his statement to this Committee on June 4, Secretary Wirtz estimated that 60,000 jobs in the aircraft industry result from this export business.