

While the subject of export financing may not be within the purview of this committee, we believe the Congress should express its endorsement of competitive U.S. source financing as a key element in the future foreign trade policy of the United States.

In summary, I believe I have described the magnitude of the aerospace industry's annual business and its broad potential to increase the Nation's favorable balance of trade. In our view, a realistic free trade attitude expressed by the Congress, precluding protectionist legislation, will bolster the Nation's present and future position in world markets.

Our position in support of a free trade policy by the United States dates back many years, and as recently as May 21 we responded to another opportunity to express the industry's collective views on matters of tariffs and trade before the U.S. Trade Information Committee. I would like to submit a brief prepared for that committee, entitled "U.S. Trade Policy and the Aerospace Industry" for inclusion in the record.

The industry is convinced that the balance-of-payments problem will not be solved by any short-term measures which may restrain our free enterprise system from pursuing international markets. Nor will it ever be solved in this decade if import quota legislation in any form is adopted as a national expression of trade policy. If we were to do so, we could promptly and rightly expect retaliation that would make a shambles of any free trade concepts and an end to trade expansion.

We must work toward reciprocal elimination, not only of tariffs, but also of the multiplicity of varied nontariff barriers.

In short, for the aerospace industry to make a maximum contribution to our national trade surplus requires only a reaffirmation and extension of existing policy and practice.

Thank you very much.

(The brief referred to follows:)

U.S. TRADE POLICY RECOMMENDATIONS BY THE AEROSPACE INDUSTRY FOR THE U.S.
TRADE INFORMATION COMMITTEE

Position Paper of the Aerospace Industries Association of America, Inc.

"FUTURE OF U.S. FOREIGN TRADE POLICY"

This paper is submitted under the provisions of the Notice of Public Hearings, "Future of U.S. Foreign Trade Policy" appearing in the Federal Register of December 15, 1967. (Docket 67-4)

Spokesmen for the industry are:

Karl G. Harr, Jr., President, Aerospace Industries Association, Inc.	Introduction.
Ronald C. Cox, Treasurer, Douglas Aircraft Company and, Assistant Treasurer, McDonnell Douglas Corporation.	Export Financing.
Frank E. Hedrick, President, Beech Aircraft Corporation.	General Aviation Aircraft.
G. W. Taylor, Area Director—International Sales, The Boeing Company.	Transport Aircraft.
Robert G. McCune, Director, U.S. Government Programs, Eastern Region, Lockheed Aircraft Corporation.	Military Exports.
Arthur J. Burrows, Assistant to Vice President, Avco Lycoming Division.	Competitive Trends.