

produced only for internal use. One must also question the necessity of ASP when, in 1964, \$300 million of benzenoid products were exported as opposed to \$50 million worth of imports, of which half did not compete with any American-made product. Protective tariffs for the affected industries will not be eliminated entirely, rather just brought in line with the rest of the U.S. tariff schedule.

I subscribe to the old adage, "No man is an island"—neither is a nation, today. We abandoned the policy of isolationism a half century ago; America must not become an island unto itself. Our country and its people deserve the benefits of the free intercourse of goods, services, and ideas among nations.

Primarily, I desire to come before this committee because I understand that in the legislative process there is sometimes a tendency to listen to those who have the intense immediate interest and a long memory rather than to be quite as concerned with a broad base of persons and of industry which depends much more realistically upon this import-export trade.

Of course I understand, at a time when balance of payments is very much on the negative side and even balance of trade is now on a more or less swap-out basis, practically even, with respect to exports and imports, that there is of course a tremendous temptation to do something in the direction of protectionism. But I wish to urge upon the committee what I believe to be the interest of my district and of the Nation and that is that merely because at the present time with the increase of imports and the depression on exports caused by the present inflationary situation, merely because this adverse balance exists now does not mean that to restrict imports is going to improve the total situation.

I think we must look at what has been the normal situation over most of this decade, particularly around the midpoint of the decade when our balance of trade has fluctuated around a \$4½ billion favorable balance.

If we should reduce our imports by some quota arrangement, or by certain types of tariffs at this time, we certainly can immediately expect the same action on the part of our trading partners elsewhere because we have been the leaders in free trade.

We have been the leaders in the Kennedy round of reduction of tariffs, and we have been greatly the beneficiary of that process.

Therefore, if we reverse the picture particularly at a time when our exports are dear and at a time when retaliation would be quite easy and would probably be rather permanent, because the industry of other nations would be geared, of course, then, to a kind of a self-sustaining balance which might ultimately close the door to exports for a long time in the future, we would be reducing our advantage in exports much more than we would be increasing our advantage with respect to manufacturing in this country as against concerns which import in the Nation.

For this reason it appears to me that once this door is open and then we change the direction from free trade toward protectionism, we will have greatly injured our presently healthy developments with respect to free trade, and I think that that would be very disastrously reflected in the Harris County and Houston area.