of textile plants abroad. The governments of textile-exporting nations have adopted various methods of subsidizing textile manufacturing.

The Japanese, for instance, employ special aids for their textile industry, consisting of export insurance arrangements, special foreign exchanges policies, special tax measures such as a favorable depreciation rate applicable to exports, low-cost export financing, the subsidization of overseas trade promotion, and subsidies to protect the consolidation and modernization of the industry.

In his message to the Congress on May 28, 1968, the President also said: "Other nations must join with us to put an end to nontariff barriers." The example I have just cited with respect to Japan is a classic case of an effective nontariff barrier to U.S. textile competition.

The barriers erected by overseas nations to the sale of American textile products take many ingenious forms, involving, among other things, taxation, financing, advertising, quota arrangements, distribution, product content. While the Congress has no voice in the internal policies of our trading partners the executive departments should nevertheless exert maximum effort along the line indicated by the President to induce foreign export nations to receive American products on an equitable and reciprocal basis.

I am hopeful, as this committee approaches the drafting of legislation to regulate our international trade, that serious consideration will be given to the conditions prevailing in the textile industry and other basic industries forming the bedrock of our industrial capacity.

I hope that the sound trade principles embodied in the Mills bill may find expression in the Trade Expansion Act of 1968. Let us make international trade truly reciprocal. Let us abolish the one-way street to which the President has referred.

At a time when the Nation has been forced to make drastic changes in our traditional international monetary policy it is all the more mandatory that the Congress take a realistic look at some of the import conditions that have jeopardized the job opportunities of thousands of our people and which have been a contributing factor in diminishing our gold reserves.

I strongly recommend that the Congress provide in the Trade Expansion Act of 1968 more effective methods of securing relief for American industry seriously threatened by imports.

The history that industry has had with the Tariff Commission under existing law offers little hope for effective relief in the future. The law should be explicit. There should be no authority, implied or otherwise, in the Trade Expansion Act of 1968 that will give the Tariff Commission, or any executive department of the Government or independent agency, the power to bargain away the jobs of the American people on the grounds of international political expediency.

"Reciprocity and fair play are the essential standards for international trade," said President Johnson in his message to the Congress on May 28, 1968. I hope this great committee will report a bill which embodies the spirit of the President's declaration.

The Chairman. We thank you, Mr. Whitener, for bringing your statement to the committee. Are there any questions of Mr. Whitener?

We thank you, sir.

Mr. Whitener. Thank you.