

*Can a foreign trade policy be regarded as wise, balanced, or in the national interest which in the face of an inability on the part of one of the Nation's basic industries to participate on any but a very minor scale in world exports, opens wide the domestic market to the foreign industry so that it may extend its domination, already enjoyed in other world markets, to the only market available in significant degree to the domestic industry?*

The third point of observation in determining the future prospects of the U. S. flat glass industry in the light of the Nation's existing foreign economic policy involves a closer look at the composition of U. S. foreign trade in flat glass. By a systematic examination of the origin and destination of U. S. foreign trade in flat glass, additional insight may be gained concerning the competitive position of the U. S. industry. Table G in the Appendix provides the facts required for such an examination.

The principal sources of demand for flat glass are in building and home construction and in automobiles. The principal demand for new building and home construction and automobiles is centered in the developed countries.

The dramatic fact which emerges from the data in Appendix Table G is that the United States has a significant deficit in its foreign trade in flat glass with developed countries (Europe and Japan) and, apart from Canada, only very limited success in exporting to the less-developed countries of the world. The United States industry exports less to all of Europe than it does to South America, but its exports to South America are so small that its status as our large export market outside of Canada eloquently restates the recurrent theme of this analysis; namely, that world export markets are no haven for U. S. production being preempted on a massive scale from the domestic market by rising imports from Europe and Japan.