

**V. GOVERNMENTALLY IMPOSED NONTARIFF BARRIERS ENHANCE  
THE DOMINANT COMPETITIVE POSITION OF FOREIGN PRODUCERS  
OF FLAT GLASS**

Appendix Table I presents and Appendix Table J summarizes, from Government sources, available data concerning the existence of nontariff barriers applicable to U. S. exports and export rebates applicable to U. S. imports of flat glass. Every producing country in Western Europe imposes a border tax on imports and fosters the exportation of its flat glass through the remission of internal taxes. The manner in which this system operates is illustrated by the hypothetical example given in Exhibit 3 of the Appendix. The example demonstrates why the American exporter must set a considerably higher delivery price than his European counterpart even where there is a superficial equality of access for U. S. producers to a foreign market and for foreign producers to the U. S. market as measured by the duty level.

Japan continues to hold imports of flat glass in check through a system which combines the power to require import licenses, to subject imports to quotas, and to limit the availability of foreign exchange for flat glass imports.

Under these circumstances it is essential that our Government realize that tariff concessions granted by the United States on imports of flat glass accrue to a few large monopolistic aggregations of producers in Western Europe and Japan who are quite prepared, when the U. S. flat glass industry is driven from the scene, to charge all that the traffic will bear on exports to the United States. The United States flat glass industry is already handicapped by higher manufacturing costs than prevail in either Japan or Europe, as is evidenced abundantly by the import and export trends previously discussed.

The U. S. industry is effectively precluded from gaining access to the markets dominated by the European and Japanese monopoly-cartels. Past Government policy has strengthened the competitive position of these European and Japanese monopoly-cartels in their objective to take over the United States market.