

import duty on automobiles was reduced in the Kennedy Round from 6.5% to 3% *ad valorem*, a factor which can only serve further to stimulate the importation of automobiles and an increase in the share of the U. S. market accounted for by foreign-produced vehicles.

The sluggish demand which has resulted from these circumstances is being filled increasingly by foreign supply of flat glass. Domestic policy, influenced by the Nation's general foreign trade policy, is working hand in hand with the specific foreign trade actions directed to flat glass to injure the flat glass industry and to destroy the jobs of thousands of its employees.

CONCLUSION AND RECOMMENDATIONS

Past and present U. S. foreign trade policy and its administration have stimulated U. S. imports of flat glass and strengthened the competitive position of foreign-produced flat glass in the American market to a degree that makes foreseeable — indeed, imminent — the discontinuance of production by the smaller U. S. manufacturers of flat glass and the transfer of future plant capacity and employment by the larger manufacturers to foreign countries.

The principal beneficiaries of this U. S. policy and administration have been the foreign organizations which have a monopoly or which through a cartel dominate the production and sale of flat glass in the United Kingdom, Western Europe, and Japan. The superior competitive strength and the anticompetitive measures of the foreign producers have been facilitated in their operation within the American market by export rebates, while the home markets of these groups have been kept relatively immune from U. S. competition through border taxes and concerted pricing policies of the foreign producers.

An essential and basic U. S. manufacturing industry, that engaged in the production of flat glass, will have no alternative under a continuation of such policies and administration but to terminate a portion of the manufacturing