

present U.S. balance-of-payments problems and its desire, in this context, to be apprised of possible measures directed at maintaining a favorable balance of trade for the United States.

The chamber would like to point out that the German trade and payments surplus situation is such that it exerts an adverse pressure on the German economy and the international monetary situation; and that it is, therefore, in the interest of Germany, as well, to rectify this situation by increasing imports to Germany in every way possible. This is the official position of the German Government. At a recent meeting of the National Chambers of Commerce of Germany a high German official, as well as representatives of German industry and trade, urged increasing imports into the Federal Republic of Germany.

Mr. Chairman, at this point I would like to read a telex that we received from the German National Chamber of Commerce to the German American Chamber of Commerce just recently.

I quote:

The German National Chamber of Commerce kindly requests that you devote special attention at this time to promoting U.S. exports to the Federal Republic of Germany. Please emphasize our concern at forthcoming trade hearings. At the meeting of the executives of German Chambers of Commerce in foreign countries just concluded in Hanover both the government of the Federal Republic and the German National Chamber of Commerce acting on behalf of German business agreed that German foreign trade is not a one-way street.

On the contrary, only a balanced development of exports and imports can serve the mutual interest of the trading partners. Only by adhering to basic free trade principles can we achieve success in face of protectionist trends which have created uneasy conditions on both sides of the Atlantic.

Our wish for a build up of U.S. exports to the Federal Republic is based also on the reality of current trade trends.

In the first quarter of 1968 German exports to the United States climbed considerably over the level achieved in the corresponding quarter of 1967. At the same time, German imports from the United States registered only a moderate advance.

This development of German-American trade does not conform at all to Germany's foreign trade in general. Currently German imports are rising faster than exports on the strength of the economic resurgence now taking place in the Federal Republic.

The manifold opportunities for increasing U.S. exports to Germany have therefore not been fully realized as yet. For all of these reasons the German National Chamber of Commerce is asking the German American Chamber of Commerce to do everything in its power to support American exports to the Federal Republic. We on our part will do our utmost to support your endeavors.

The German American Chamber's members are as interested in exports from the United States to Germany as they are in exports from Germany to the United States.

The chamber has always been and continues to be a strong advocate of increasing international trade. This naturally assumes a desire to eliminate all forms of barriers to fair international trade. The chamber seeks the removal of such barriers, not only in the United States, but also in Germany.

The chamber assumes that this committee is more interested in positive efforts to improve the U.S. balance of trade, for example, through the promotion of U.S. exports, than it is in actions which would restrict fair international trade.

With this assumption, the chamber would like to briefly review with the committee the trade picture between the United States and Germany and the action this chamber is now taking to encourage U.S. exports.