

businessmen who might want to initiate or increase exports to Germany, but didn't have the know-how, contacts, or facts necessary to do so.

Accordingly, the chamber has met with various officials of the Department of Commerce in Washington and New York and has worked out some detailed proposals as to how the chamber could, specifically, through its connections and influences in Germany, assist the promotion of U.S. exports to Germany in close cooperation with the Department of Commerce and businessmen of both countries.

The chamber is sure that this program will pay off, not only because of its inherent value, but because of many other factors now appearing on the economic scene. Among these factors are the following:

1. The renewed confidence in the U.S. dollar due to the apparent agreement of the administration and the Congress for the need to cut spending and increase taxes so as to stem the inflationary pattern in the United States—this will allow U.S. exporters to hold the price line and thus keep the export channels open.

2. The now apparent increasing inflation in Europe brought about by, among other things, increases in wages in Europe—thus making U.S. export prices more competitive in European markets.

3. And the most important factor—the increasing prosperity in Europe now expected to run at least through 1970, thus allowing increased consumer purchases in Europe of U.S. exports.

Accordingly the chamber respectfully suggest that this committee should allow these new economic factors to operate at least for a short period of testing, coupled with positive efforts, such as a strong export promotion program, to see the possible results before it succumbs to restrictive measures which could worsen rather than improve the U.S. balance of trade.

The chamber fears that any steps such as an import surcharge or quotas will only trigger countermeasures in other countries. As this committee knows, representatives of the United States and other countries are now studying all forms of nontariff barriers under the auspices of the GATT. We understand the U.S. representatives will make strong representations as to such barriers existing in other countries. We feel there is a good chance of removing many such barriers. This, of course, would be impossible if the United States now, itself, increase such barriers to trade.

Thank you, Mr. Chairman.

The CHAIRMAN. We thank you, Mr. Coerper, for your statement. Any questions?

Again we thank you.

Mr. Gottschalk? If you will identify yourself for our record we will be glad to recognize you, sir.

STATEMENT OF ROBERT M. GOTTSCHALK, COUNSEL, BELGIAN-AMERICAN CHAMBER OF COMMERCE IN THE UNITED STATES, INC.

Mr. GOTTSCHALK. Mr. Chairman and members of the committee, my name is Robert M. Gottschalk. I am a law partner in the firm of Gottschalk & Frankfurt, 200 Park Avenue, in New York City, and