

Coudert Bros. in Brussels, Belgium. I am a member of the board of directors of the Belgian-American Chamber of Commerce in the United States, Inc., which is a New York corporation with principal offices at 50 Rockefeller Plaza, New York. I am also counsel to such chamber and it is in this latter capacity that I appear before you.

The CHAIRMAN. If you have to omit any part of your statement in order to comply with our very rigid situation today, do so with the understanding that the entire statement will appear in the record.

Mr. GOTTSCHALK. Thank you very much, Mr. Chairman.

The Belgian-American Chamber of Commerce in the United States, Inc., is an organization composed of Both United States and Belgian members. Included in its membership are some of the most prominent U.S. corporations and financial institutions.

In this presentation today to your committee, our chamber believes that it is serving both the best interests of its members and the interest of the United States.

The Belgian-American chamber strongly supports the proposed Trade Expansion Act of 1968 as submitted to the Congress and referred to the House Committee on Ways and Means on May 28, 1968, at the request of the administration. Our chamber also endorses, with admiration for its clarity and substance the message of the President accompanying its submission.

The Belgian-American chamber desires to respectfully submit its own thoughts for your consideration.

I. It is clear today that the purpose and ultimate success of the General Agreement on Tariffs and Trade and of the Kennedy round is to reach a "fair" balance of trade. This is not what is too often referred to as a "favorable" balance of trade, but rather the level at which reasonable trade relationships exist between participating nations.

The definition of a "fair" balance of trade must of necessity include times when the balance of trade will favor one nation as against another, and times when certain segments of the industry of one nation will benefit more than others from its exports or suffer more than others from imports. These are not evils but inevitable consequences of the development of free trade and are a part of the environment within which nations may nurture their best productive capacities and efficiencies for the benefit of themselves and others.

It is when and where the suffering begins that the greatest care must be exercised to refrain from being tempted to resort to protectionism as a solution to localized problems within the economy. The aim, where suffering does occur, is to meet the problems in constructive patterns including, where necessary, governmental assistance within the economy itself.

The development of a fair balance of trade must be paralleled by a determination to improve the efficiency and competitive strength of all industries.

The overall competitive success of the United States in the world market during the last five decades should provide enough evidence that the United States has nothing to fear in this respect. The United States without a doubt is recognized as the technological leader in the world and as the innovator of managerial advances which far exceed the capabilities of any other nation.