of high-quality Danish products which fetch higher prices from U.S. consumers than domestically produced products. This is justifiably so. In the case of raw mink fur skins, it is a case of supplying quantities and colors primarily used for the trimming trade as distinguished from the fur garment trade. There can be no doubt from a careful reading of the Tariff Commission report on raw mink fur skins that U.S. production of such skins, usable by the trimming trade, is not adequate to satisfy the requirement of U.S. women's apparel manufacturers. In the case of most other commodities it is simply fair-and-square competition in quality products produced efficiently by Danish agriculture and industry. A further trade handicap as proposed by these quota bills is bound to severely damage a happy commercial relationship to the advantage of no one.

Our great country would make a fatal mistake if it scuttles the very recent Kennedy round agreements, which Denmark, among other countries, worked so hard to help make a success.

We urge that your committee reject the concept of automatic quotas and remain faithful to the principle of free trade as represented by the Kennedy round. The balance-of-payments problem must, of course, be solved. We realize that. But we are hiding our heads in the sand if we believe that automatic and indiscriminate limitations on imports can provide a solution, especially when it comes to Danish-American trade relationships where the trade balance is so strongly in favor of the United States, that in 1967 the United States sold 54.5 percent more goods in dollar value to Denmark than Denmark sold to the United States. We hope that this committee and the Congress, in its wisdom, will find a solution that will not backfire, as we are sure the imposition of import quotas would do.

It may be of interest to this committee to have some facts as to how Scandinavia in the past has contributed to the solution of the balance-of-payments problem, and what plans it has for increasing its contribution toward that problem. This is merely one example I mention.

In the 22 years since it began operations to the United States, Scandinavian Airlines, in which Denmark has a substantial investment, has bought or ordered approximately $600 million worth of American built aircraft. When its currently contracted-for reequipment cycle is completed in 1971, SAS estimates that it will have spent over $300 million more here than its projected earnings in America during the same period; that is, 22 years.

This massive contribution to the U.S. balance-of-payments position includes other multi-million-dollar purchases of ground support and electronic data processing equipment. But it does not take account of possible orders to be placed in the next 3 years for additional U.S.-produced aircraft and electronic items.

At the same time, SAS has been a pioneer in the promotion of tourism from Europe to the United States and has joined with the other airlines in offering lower promotional fares for Europeans coming to the United States.

Thus, the United States produces high-performance aircraft and the Scandinavians buy them. The Danes produce high-quality foodstuffs, and the Americans pay premium prices for them. That is, from