

government representatives on matters of currency equivalent, terms, time periods and means of delivery, and future contacts.

8. "We will continue and expand our efforts, as a state government, to give Washington State a face abroad; an image and identity, as an economic entity justly proud of its unique products and features of interest and benefit to traders, tourists and investors. This may be accomplished through publications, encouraged personal contact, sister community projects, and increased participation in U.S. or international exhibits abroad. Our Foreign Trade staff will increasingly be called upon to represent, under the umbrella of a state exhibit, many smaller firms new to exporting or otherwise not sufficiently equipped to participate individually or personally. Only as a state with a personal, unique identity can we rate equally with our friends in the marketplace, most of which, as sovereign nations both developed and developing, already have such identities.

9. "We wish to participate in the formulation of a policy whereby the federal government offers a federal/state share or matching formula on various taxes or incentives to exporters, foreign investors and foreign visitors, utilizing the best features of comparable programs in effect in many foreign countries.

10. "In general, we wish to suggest increased constructive state government participation in the formulation of national policy regarding matters of international trade, travel, and investment."

CONCLUSION

The national balance of payments problem, our foreign trade, our State's contribution and stake—all these factors interact with one another through the common denominators of market forces and governmental balancing attempts. We have made some proposals designed to stimulate the former and modulate the latter. It is our intent and hope to make a contribution to the formulation of a progressive long-range U.S. foreign trade policy.

At least twenty-six states have now staff personnel specifically and officially designated to deal with foreign trade matters. A number of these states make a substantially above average contribution to our national trade performance. Any significant change in federal policy regarding exports, imports, travel or investment affects these states most immediately and severely. Washington State, as one of this group, wishes and is prepared to be an active partner with the other states and the federal government in the determination of matters and policies which affect us so greatly.

Foreign trade can not exist except for the principle of reciprocity. We cannot justly call for liberalization of trade without stressing forcefully the necessity for other countries to join us in our efforts to achieve reciprocity in all trading practices and regulations. With the recent conclusion of the "Kennedy Round" of GATT negotiations the current major area of concern is the equalization of non-tariff barriers. There appears to be a natural opportunity for cooperation between the federal government and Washington State pertaining to specific commodities and market areas.

There appear to be many ways in which a new framework of federal/state cooperation and coordination in matters of trade policy, trade practice and trade promotion could be most helpful, but it will take all of us together to maintain our momentum, preserve our stake and reap our future in foreign trade potential. More than that: foreign trade may well mean tomorrow the real difference between prosperity and stagnation.

STATEMENT OF NATIONAL ASSOCIATION OF MANUFACTURERS

We welcome this opportunity to express our views as a contribution to these hearings on Tariff and Trade Proposals. It is our understanding that the Committee's concern is not only with the proposed Trade Expansion Act of 1968, H.R. 17551, but with broader questions of United States policy and the trade balance. Our comments are offered in this broad context. We believe that they have a significant relationship to the development of a sound foreign trade policy.

The National Association of Manufacturers is a voluntary organization of industrial and business firms, large and small, and located in every state. Due to the diversity of its membership and the consequent divergent viewpoints, this Association does not attempt to speak for its members on specific tariff matters. The NAM does, however, urge its members to express their views on tariff matters as individual corporations and through their respective trade associations.