ment in lieu of personal appearance before the Committee on Ways and Means of the United States House of Representatives (the "Committee"), scheduled for Monday, June 17, 1968.

The Chambers' chief purpose is to further the development of trade between France and the United States, and to foster economic, commercial and financial relations between these two countries. The Chamber's current membership includes about 300 Active Members, all of whom are businessmen and corporations in the United States. In addition, the Chamber has approximately 1200 Associate Members, numbering approximately 150 members in the United States and the balance in France.

The Chamber therefore represents American and French businessmen who have a substantial interest in trade between France and the United States. All the Associate Members in France are interested in exporting French products to the United States. Many of the Active Members in the United States export American goods to France or are service companies and banks deriving substantial benefits from the United States export trade.

It is appropriate, at this juncture, to point out that the balance of trade between France and the United States not only weighs heavily in favor of the United States but, during the past few years, the United States share has singularly increased. In fact, the trade ratio last year was almost two to one in favor of United States exports. In 1965, the United States sold to France $971 million worth of goods while France's exports to the United States were valued at only $615 million. The following year, 1966, American sales to France for the first time exceeded the billion-dollar mark and were again more than $300 million greater than French sales to the United States. Last year, 1967, France's purchases from the United States amounted to $1.025 million while French exports to this country fell to $690 million, thus showing an excess of $335 million in favor of the United States.

What is even more significant is the fact that, last year, in proportion, each Frenchman bought for $20.50 worth of American goods while each American spent only $3.45 on imports from France, the per capita ratio being thus six to one.

These figures illustrate the favorable position of the United States in its trade with France.

With the proposed asymmetrical and accelerated application of the concessions granted at the conclusion of the Kennedy Round, the outlook for higher American exports to France is even greater and the balance of trade between the two countries should improve further in favor of the United States.

Because we have much experience in foreign trade, we know that there is an absolute co-relation between imports and exports. The present imbalance in the French-American trade is undoubtedly hard to face for France, but apparently is still at a tolerable level. We believe that the proposed restrictive measures investigated by the Committee would indirectly have an adverse effect on the export trade of the United States. First, the source of currency available in France for importing American goods would be considerably reduced. Second, retaliation would seem inevitable. There are private interests everywhere in the world which smart under the competition of the American goods. If private interests have their way in the United States, the gate will be open for a flood of restrictive legislation everywhere which will harm American exporters more than the domestic protectionists will benefit.

The Chamber strongly believes that international commerce is essential and that it should flow, unobstructed, in both ways between nations.

For these reasons, the Chamber views with deep concern the imposition of *all* restrictive trade barriers, irrespective of their form, nature and origin, as they would be a step backward from the beneficial results achieved during the Kennedy Round of negotiation.

Additionally, the Chamber having examined the proposals known as the "Proposed 'Trade Expansion Act of 1968'" approves the principle of Section 401 to the effect that the American Selling Price system be eliminated.