

*The Proposed Trade Expansion Act of 1968.*—This organization fully supports the proposals as outlined by the Administration in the President's message to the Congress of May 28th, 1968.

A. Since the inception of the original Reciprocal Trade Act in 1934, not only has the volume of foreign trade increased tremendously, but the prosperity and standard of living of our own citizens is unprecedented. The increase in foreign trade was undoubtedly a substantial contributor to this condition. It would be shortsighted and catastrophic to return to a trade policy of protectionism as experienced under the Smoot-Hawley Act of 1930.

B. We believe that valuation based upon the American selling price is unrealistic and contrary to the basic concept of foreign trade. Even if we grant that such procedure was necessary at the time of its inception, this is not the case today. This is a form of protectionism to a few industries and is unnecessary and unwarranted. The elimination is necessary to enable us to take advantage of Kennedy Round concessions.

C. It is inevitable that in pursuing a liberal foreign trade policy, some industries will be hurt. Increased import quotas should be used only on a case-by-case basis and only in retaliation against a country which has taken action not in the national interest of the United States. Our great industries in the textile, steel, footwear and many other fields should certainly be able, by technology and the superb management ability available to them, to meet free foreign competition. In fact, this competition will certainly act as a catalyst to keep our industry efficient and competitive.

2. We strongly subscribe to the proposed trade expansion act of 1968 as outlined by the President in his Message to Congress on May 28, 1968. We believe that the President must be given authority to negotiate and the power to cancel or withdraw privileges in foreign trade, and we also believe that he is in a much better position to accomplish this on a day-to-day basis in the best interest of our country than is the Congress.

3. In regard to non-tariff barriers, we take the same position as stated above regarding quotas. These barriers should be used on a case-by-case basis and the threat of these barriers should be available in order to improve the bargaining position of the United States.

I respectfully request that our views, as contained herein, and in the enclosure, be considered by your committee in their important deliberations regarding the enlightened national interest of our country and its people.

Sincerely,

E. M. ROWLEY, *President.*

Enclosure