

RESOLUTION

Whereas over 1,000 bills have recently been introduced in the U.S. House of Representatives and Senate, threatening tariff increases, import quotas and other non-tariff barriers against United States foreign trade, and

Whereas, our country experienced the severe impact caused by protectionism in the Smoot-Hawley days of 1930, a repeat of which would threaten to nullify a great proportion of the foreign trade gains made during the past 30 years, and

Whereas foreign trade has been called the lifeblood of the Mississippi Valley, and

Whereas our vital interest in foreign markets is matched by our constant belief in the merits of free trade, as opposed to the credo of protectionism and its concomitant crippling of the enterprising spirit of our nation since its founding, and

Whereas International House strongly believes that favorable congressional action on these bills would be extremely detrimental to U.S. world trade and U.S. prosperity, and would spur inflationary pressures, aggravate our balance of payments problems, limit consumer selections, handicap orderly commerce of supply and demand, disrupt domestic manufacturers' use of import components in their production processes, sharply increase governmental controls over trade and commerce and hence increase costs of government, and provoke retaliatory and restrictive measures by our worldwide trading partners: therefore be it

Resolved, That International House strongly condemns the protectionist measures now pending in Congress, and urges national legislators to oppose such restrictive trade legislation in the best interests of the United States and their constituents.

STATEMENT OF INTERNATIONAL TRADE CLUB OF CHICAGO, RE U.S. FOREIGN TRADE POLICY

PREFATORY NOTE

The International Trade Club of Chicago originated as the Export Managers Club of Chicago shortly after World War I. The International Trade Club, as now constituted, comprises over 800 executives, representing some 700 firms with international business interests. The companies which these executives represent are engaged in all of the major fields of international trade and investments, including manufacturers, exporters and importers, transportation companies and organizations which provide various services to companies engaged in international trade and investments.

The primary objective of the International Trade Club of Chicago is to maintain the position of the Middle West as the leader in United States world trade and to make certain that its industrial and agricultural products move into world markets. In this connection, it should be noted that the State of Illinois ranks as the leading export state in the United States with two and one-half billion dollars of exports in 1966. At the same time, the Club recognizes that world trade is not a unilateral concept, but requires that United States businessmen give adequate consideration to bringing imports into the United States from foreign countries.

It should be apparent from the foregoing that the International Trade Club of Chicago represents a broad background of business engaged in international trade as far as the Midwest is concerned. At the same time, the Club represents the opinions and thinking of these midwestern business leaders who are vitally concerned with international trade. Due to this fact, the International Trade Club of Chicago must necessarily present its views regarding international trade in general terms. Any specific statements or references could only be representative of a small portion of our membership. We have requested our members to submit individual statements to be considered at this hearing. Such statements could express specific positions regarding various facets of international trade.

I. THE FUTURE OF U.S. FOREIGN TRADE POLICY

The United States has always been a leader in the establishment of a world climate of opinion in which nations would have free and unhampered access to world markets. This position has been, to a large degree, based on the American philosophy of free trade and the right of each individual to have equal oppor-