

ing with 17 members of the Japanese Diet. One of the problems discussed was the matter of tariffs and trade. I reminded the Japanese that it would be much better for our future relationships if they imposed their own voluntary export quotas as far as steel was concerned in their exports to us, like they had done previously in textiles and other products.

I impressed upon them that this approach—their self-imposed quotas—would be much better than if the Congress of the United States adopted a more drastic approach which a lot of these recently introduced bills indicated might happen.

When I proposed this to my counterparts in the Japanese Diet, the reaction was, "We hope in the next 5 years we can get around to doing something about this."

Would your comment be about as explosive as mine was to the bland reply by the Japanese representatives?

Mr. PATTON. And in the next 5—

Mr. SCHNEEBELI. Would your comment be about as explosive as mine was?

Mr. PATTON. In the next 5 years, the American steel industry will be very bad off.

Mr. SCHNEEBELI. Their attitude seemed to be, "You are nice fellows and you will not do this to us."

I thought you would concur with my conclusion.

Mr. HERLONG. Mr. Broyhill?

Mr. BROYHILL. I saw this morning in the Washington Post, in an article which appeared on the comic page, I don't place any date in the article, but the article said the steel industry was looking for relief from Congress because of ineptitude over a period of years.

It said the foreign steel companies had done a much better job in research, and that you had not put aside a portion of your profits for research.

Did you see the article?

Mr. PATTON. No; but I have heard this charge made, and we have filed as part of our presentation, reports by two authorities on this charge, and this charge has no basis in fact. The American steel industry has modernized just as fast as circumstances would permit and as finances would permit. The American steel industry today is the most efficient steel industry in the world.

When you stop to consider that in America, it takes twelve and a half man hours to produce a ton of steel, and in Japan, which is looked upon as a very modern steel producing country, it takes over 17 man hours, you must realize we are efficient or we couldn't be producing on that kind of a basis.

Mr. BROYHILL. I appreciate your answer, and I am mighty glad to hear it, but I think the article I referred to is the greatest boost you could have had, because the person who wrote the column is so irresponsible that whenever he says anything, I look for the opposite. [Laughter.]

Mr. PATTON. If you read the material that we file with this committee, you will find that the American steel industry throughout the years has been progressive and alert to the new techniques coming in and has spent billions and billions of dollars to install new equipment and the best and most modern techniques in the world, and we are