

others, outright subsidies and grants are used to keep a sufficient domestic base available. Unfortunately this has never been true in the cordage field. Yet, without cordage products, much of the essential support for products and equipment made from protected mobilization base facilities will not be available within our country. Yet, all our industry is asking in the way of help is the opportunity to continue in production.

Unfortunately, information on military requirements for cordage products in wars of various sizes is classified and, therefore, is not available to us. We are certain that they could be made available to your Committee. Certain facts that are apparent as to the effect of the decrease in production capacity are revealed from the relatively modest increase in demand for cordage required for the Vietnam war. The requirements have indeed increased but in relation to those of World War II are not significant. Yet, this somewhat modest increase has caused problems for the domestic producers of rope in supplying promptly their commercial users such as the shipping industry and others indirectly involved in war-supporting activities whose demand has also increased.

The development of a demand such as was known in World War II would certainly force the country into overall industrial mobilization. Unfortunately, there is not sufficient capacity of trained manpower or productive machinery within the Cordage Industry to meet such an increased demand. It will be argued by some that with our modern facilities some of the "twine" spinning plants have the capacity to be converted to the making of rope. Mechanically this may be true, but practically it is untrue. The same pressures that would require the increased production of rope would result in a marked increase in the demand for farm twines to meet our new emergency requirements.

Over the years, the Cordage Institute has endeavored, on national security grounds, to obtain the relief established in the Reciprocal Trade Act to bring about the establishment of quotas to help maintain its production capacity. The predictions made by the industry as to the decline in capacity which would occur if something was not done to control imports have unfortunately proven to be true. The Agency within the Administration which administers this section has been so impressed by the never changing opposition of the foreign countries expressed through our State Department and by the theories advanced by the exponents of "free-trade" that these petitions have always been rejected. Since the present law has not met the needs it is reasonable that the Congress re-evaluate the security implications of increased imports in general and on the textiles and cordage imports in particular.

The Congress has in the past established a workable format in controlling imports by ratifying the Laurel-Langley Treaty with the Philippines. This was done in 1954 and the Congress assisted the Philippines by assuring them a segment of the United States market and at the same time limited the amount of such imports by establishing a fixed quantitative quota on several products of the Philippines including hard fiber ropes. Unfortunately, the decline in demand for hard fiber ropes, due to the advent of synthetics in the market, has made the quantitative quota much too large in relation to the remaining domestic market and it must be re-evaluated during the discussions presently being conducted between the United States and the Philippines in reference to a possible extension of the Treaty. The point is that those who object to quantitative limitations overlook the fact that they are both a help to the foreign producer and importer and at the same time a protection to the United States producer.

We are aware of the Administration's desire that no restrictions be placed on imports into the United States in any field. However, we believe that such a broad position which any normal businessman would be inclined to support must be examined in the light of special situations. We in the Cordage Industry of the United States are doing all that we can through research and improved efficiency to remain competitive. If our efforts on which much energy and considerable funds have been spent were effective, certainly we would not be asking for protection. Since the record shows that our continuing efforts are not sufficient to meet the price levels at which foreign rope manufacturers are selling then other relief must be found. To us it only makes sense that this relief take the form of Congressional assurance that the major portion of the United States market is kept available for domestic producers.

Much has been made by the Administration and by those interested in promoting foreign trade that for the United States to impose any restrictions