

as H.R. 11578, 11579, 11582, 11534, and 12477) which would accord equitable access for both domestic and foreign produced textile articles to the future growth of the U.S. textile market.

These principles are as follows:

U.S. congressional policy with regard to foreign trade should recognize the desirability of sustaining our domestic economy and attaining the social and political objectives of our Nation, and should be consistent with the maintenance of resources which sustain domestic research and development and foster capital investment and job opportunities in the United States.

No foreign nation or group of nations should be accorded unlimited access to the U.S. market without regard to the consequences to the U.S. economy, any significant sector thereof, or the welfare of any significant group of U.S. citizens as represented by the stability of their jobs.

The U.S. people can properly expect and insist that their Government call upon other nations to respect the rights of the United States to foster the general welfare of its people.

The legitimate concern of other nations for their similar interests foreordains that U.S. industry cannot expect to gain unlimited access to the markets of other nations.

Maintenance of the U.S. standard of living; support for the social, political, and economic objectives of this Nation, and the cost of our international obligations result in U.S. industries bearing a heavier final cost burden than that required of their foreign competitors.

When U.S. industries meet their foreign competitors in the domestic and export markets under conditions in which the foreign industries possess a strong competitive advantage which is fostered by their governments, the U.S. Government cannot ignore these facts and widen the competitive gulf between United States and foreign industries by the unrestrained liberalization of U.S. import regulatory means without sacrificing the legitimate interests of our Nation and of its citizens.

We further recommend:

2. Government action which would enhance U.S. exports of manmade fibers and other products. For example:

First, credit for foreign border taxes.

Foreign border taxes paid by or on behalf of the U.S. exporter should be allowed as a direct credit against the U.S. exporter's income tax liability. This means that the credit for the tax would substantially increase the competitive position of the U.S. manmade fiber producer in exporting to Europe, and thus tend to place him on a somewhat more equal footing within the European market with respect to his European competitor.

Second, financing of export receivables.

We understand that purchasers in most Latin American, African, Australian, and East Asian countries demand credit terms of 180 to 270 days. The Netherlands, Denmark, Germany, France, India, and Pakistan reportedly have programs financing extended credit terms at Government expense, allowing their exporters to accept such business without penalty.

In relation to this situation, U.S. manmade fiber producers may be at a double disadvantage: one flowing from the current interpretation of our tax laws, and the other from the recent mandatory regulations on direct investment.