Japan can grow its own soybeans, but they prefer to buy them from the United States because to them it economically makes sense.

At one time, Mr. Chairman and members of the committee, as you know, Japan grew her own raw cotton but she found that this was not to her economic advantage and so she began to buy a hundred years ago from these United States.

In not only agricultural products does America enjoy a tremendous share of the Japanese market but 84 percent of Japan's electrical imports are from the United States, 47 percent of the chemicals, another great Japanese production, 39 percent of its production in petroleum, from the United States.

Now, who are we to say that the share which the Japanese may consider disproportionate on the part of the United States is an unfair share for America, because, gentlemen, as you know, there are economic factors and the harsh realities of economics that go throughout the world and these are the factors, gentlemen, that dictate what imports will come in and what will not.

Beyond that in an industry, as a domestic industry pointed out, with almost 35,000 different units there are bound to be weak sectors and there are bound to be strong sectors so why should we impose an overall import quota on all of them?

For example, does the Japanese kimona compete with an American garment? Does a Japanese rug compete with Axminster? No. Japanese imports come in and compete with certain kinds of imports here in the United States and thus when we consider the impact of imports, as the U.S. Tariff Commission has declared on more than two occasions, the impact is selective. This is why in certain areas imports are large and in other areas small, for if the impact were overall then how does the American industry explain the fact that they are making more money now than they ever have.

Let's even look at the statistics. From the year 1966 to 1967—1966 was a peak year for American production as well as imports—by 1967 for reasons already explained imports dropped 58.3 million pounds, just imports, mind you.

In the same year domestic production, which is so much bigger than imports, dropped only 24.7 million pounds or about half of the import loss.

Certainly the impact is not overall. During the period 1958 to 1967 imports increased only 482.3 million pounds, that's all, to take perhaps 7, 8, or even 9 percent of American consumption.

During the same period the American production of textiles jumped 50 percent or by more than 3 billion pounds. We aggree with the gentlemen of the domestic industry. The American industry is probably the most efficient in the world for most of its sectors and in those sectors, relatively few, that are having difficulties the administration bill provides certain kinds of selective assistance for adjustments.

Beyond that if a large group is concerned we have a tariff commission escape clause and other provisions, but the important point to remember is imports are selective in terms of the impact upon the United States and to require all the American people to pay for the subsidy of the total industry when only a few are affected we think is