

And during our recent emergency when we had to open up the LTA to allow certain yarns and certain fabrics to come in should these be placed under quota if they can be helpful to our military?

I could go through a list where certain management decisions were made by the United States to go out of certain lines. These are the cheaper, less expensive cloths, and so on and the Japanese importer brought clothes in so that the poor and disadvantaged could get something to wear.

Why should things like this where American management made a decision for greater profit be penalized to the disadvantage of our poor? These indicate I think gentlemen, that impacts of imports are selective. They are not general. These indicate that most textiles do not need to be placed under quota because they are not competitive here in the United States.

As a matter of fact, we made one proposition to the Trade Information Council which we would like to suggest to the committee. Since overall import quotas of this type are a tax upon all the American people and since they may invite some kind of retaliation which could be very difficult for America to surmount if the long-term arrangement is to be continued or if other import quotas are to be imposed not on textiles, but on any product, we believe that the Government has the responsibility to the people of the United States, the taxpayers and the citizens, to oversee the production, the management, the operation, of that industry, and the companies to see that they do not violate the public trust which is inherent in the imposition of an import quota.

Thus, gentlemen, if I may briefly summarize, we believe that the economic facts do not justify an overall import quota on all textiles. We do not believe that our country's best interest or the best interest of our national security or of even the textile industry itself is served and we suggest that if there are any selective difficulties with industry the administration bill and existing law will take care of those problems.

Thank you, Mr. Chairman.

(Mr. Masaoka's prepared statement follows:)

STATEMENT OF MIKE M. MASAOKA, WASHINGTON REPRESENTATIVE,
ASSOCIATION ON JAPANESE TEXTILE IMPORTS, INC.

INTRODUCTORY COMMENTS

My name is Mike M. Masaoka, Washington Representative for the Association on Japanese Textile Imports, Inc., a New York trade association headquartered at 551 Fifth Avenue whose members handle more than 70% of all Japanese textiles exported to the United States. On behalf of its members, may we express our appreciation for this opportunity to appear before this Committee and to express our views regarding pending trade legislation.

Admittedly, we have a vested interest in the promotion of textile imports, for Japanese textile exports to the United States in 1966 amounted to \$420 million and in 1967 to \$347 million. Nevertheless, we believe that a freer, nondiscriminatory trade policy for the United States, not only for textiles but for all other products, is clearly in the national and international self-interest. For the net trade balance has always been in our favor since the end of World War II, not to mention the economic stimuli that competitive imports provide the American consumer and industry.

Accordingly, we endorse and urge the enactment, with certain amendments if possible, of the so-called Administration's trade package, H.R. 17551, the Trade Expansion Act of 1968, "To continue the expansion of international trade and thereby promote the general welfare of the United States, and for other pur-