5. Technological and market development since the establishment of the LTA necessitates the extension of import quotas to all textiles.

Import perspective

We do not question—in fact, we happily concede—that textile imports have increased substantially over the past decade.

At the same time, however, we believe that the national interest requires that these textile imports be put into proper perspective, and not considered in isolation by themselves.

First of all, one might well ask what imports have not increased rapidly in the past ten years. Are textiles the only ones? The answer is obvious.

Secondly, one needs to take into account that the national economy, as well as the population, have grown consistently. As a matter of fact, many economists allege that the continuing prosperity and its resultant inflation have stimulated imports. So too have strikes and threats of labor discontent.

Thirdly, even as the volume of imports have increased, so too have our volume of exports. While it may not be so difficult to identify the trade deficit in textiles, one cannot overlook in that context that the overall trade balance has been, and remains, in favor of the United States. Also, in certain exports the United States enjoys the same overwhelming trade advantage that certain other countries may enjoy in textiles.

On a world-wide basis, in billions of dollars, the United States share of international exports to foreign markets in 1967, was 23.1% for all manufacturing, broken down as follows: (1) 31.8% for transport equipment, (2) 30.2% for nonelectric machinery, (3) 25.7% for electric machinery, (4) 23.7% for chemicals, and (5) 15% for other manufactures, including textiles.

Take the case of Japan, for an individual illustration. It has been alleged that certain Japanese textiles enjoy a disproportionate share of the American market. If this in the case, it would seem to us that there are good and sufficient economic reasons for these situations.

In reverse, the dominant position of certain American exports in the Japanese import market should not be ignored. 85% of the Japanese import soybean market is controlled by the United States, 84% of its electronic computer market, 55% of its coal, more than 50% of its feed grains, almost 50% of its wheat, 47% of its chemicals, 39% of its petroleum, 32% of its cotton, etc. In the field of chemicals and computers, as in many other industries, Japan is a major producer, so it can hardly be argued that the American share of Japan's import markets is substantial only in agricultural items. Moreover, an American would hardly claim that the United States share of Japan's import market was not a "fair and proper" one.

Fourthly, it must be observed that while textile imports increased, United States textile production skyrocketed even more, thereby indicating that there may be a correlation generally between increased imports and increased domestic production.

U.S. TEXTILE PRODUCTION VERSUS IMPORTS

[In millions of pounds]

Year	U.S. production	Imports
1958	5,962.2	215.6
1959	6,834.5	333.4
1960	6,479.7	415.7
1961	6,554.3	339.6
1962	7,035.6	486.0
1963	7,239.7	493.0
1964	7,775.4	491.3
1965	8,488.9	595.7
1966	9,000.5	756.4
1967	8,976.0	697.9

Not only industry men but economists and investment brokers have categorized 1957–1966 as the golden decade for American textiles, for in this ten year period, in spite of the dramatic and substantial inroads of such textile substitutes as plastic and paper particularly, the total United States textile combine experienced unprecedented growth in production, profits, and other indications of a booming prosperity.