

Among Japanese manmade fiber textiles which, we have been told, cannot be exported and sold successfully in the United States even after the five-year Kennedy Round tariff reductions are achieved, include such fabrics as vinylon staple fiber; satin, shioze, and fujiette rayon fabrics; nylon and twill synthetic fabrics; and synthetic fabrics for industrial uses.

As we commented earlier, of all United States textiles those of manmade fibers have the least reasonable economic excuse for requesting import quotas, based upon their competitive status in this country and in the world.

And Japanese manmade fiber textile exports are such that the justification for asking for import quotas are even less compelling.

Of incidental interest in this connection may be the data concerning Japanese imports of American manmade fiber yarns and fabrics. In 1966, the total dollar value of United States manmade fiber yarns exported to Japan was \$2,324 thousand and in 1967, \$1,453 thousand. In fabrics for these same years, it was \$489 thousand in 1966 and \$749 thousand in 1967.

Import quota effect

All of the specific import quota bills currently pending to impose absolute limitations on United States imports, and most—if not all—of the general omnibus import quota measures that would include textiles, are based solely upon imports.

No consideration is given as to whether these imports have had any adverse or salutary impact on competitive American products or on the overall textile complex generally. Or, any projection as to the future consequences of textile imports.

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Furthermore, although negotiated arrangements and agreements now in force are to be determined subsequently or recognized in these bills, there is little question that the textile exporting countries are aware of the special circumstances of these discussions and consequent pacts. They readily understand that what is contemplated is not truly negotiations in the diplomatic sense between "equals" or "near equals."

The whole setup is strictly one-sided. Foreign governments find themselves in the somewhat awkward situation that unless they "capitulate" to United States terms, they may suffer such drastic consequences that they are eliminated as factors in the American textile market. In a sense, this may well be described by some as "economic blackmail", by others as akin to having a loaded weapon directed against one's head, with the understanding that unless there is a "surrender", one is simply triggering his own demise.

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The procedures and other vital matters are not set forth in the proposals definitively. For example, one wonders how the breakdowns for textiles will be accomplished. Will it be on the basis of fibers, or on stages of manufacture, or on commodities, or on end uses?

And, as difficult as the specific textile imports quota proposals are to understand, the general comprehensive imports quota measure is even more complicated, unclear, and confusing.

If so many problems as to definitions and administration are to be left to executive discretion, not only would an impossible burden be placed on the Administration but also tremendous responsibilities, with the potential for intensive pressures from both domestic and foreign sources looming as a major factor.

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Moreover, based upon their rather grim experiences with the LTA, where unilateral United States interpretation of "market disruption" and imposition of "restraint levels" have indicated how far American protectionism may go, textile exporting nations know that such arrangements and agreements, though perhaps intended to be temporary expedients at the time, too often extend into permanent law.

Accordingly, to try to measure what might happen to certain textile imports in general and from Japan in particular if the import ceilings were based on the average of such imports for the 1961-1966 period, as established in the specific textile import quota bills, we attempted to ascertain these averages for the designated six years to compare with 1967 imports.