of fact, if you will go back into the record 10 years ago the textile industry was saying exactly the same thing. They said if imports increased they would be forced to shut down.

Instead over the past 10 years they have become more productive than they ever were.

Mr. BATTIN. Fewer companies, however.

Mr. MASAOKA. Yes, some companies have gone down, yes, but overall the industry is strong. It is a competitive industry. It is an economic industry. It is the kind of industry America can use, but like all other huge industries, 35 house different units, there are bound to be some segments that are weaker than others and maybe we are helping the total industry by letting them get rid of the weaker elements in order to strengthen the whole.

You see, this textile industry has grown tremendously during the past 10 years in spite of the inroads of plastics and paper, and these have taken tremendous quantities away, as you know, from the textile industry.

For example, paper towels have replaced cotton towels. This alone is tremendous. As a matter of fact, without trying to be facetious, one person told me that if we got rid of the mini skirts and add 3 inches to every skirt in America we wouldn't have a textile problem of any kind.

Mr. BATTIN. I would say that might be all right. That is all, Mr. Chairman.

Mr. BURKE. It would also run into a lot of other problems.

Mr. MASAOKA. We might not be able to see them as well.

Mr. BURKE. Are there any further questions?

I would just like to point out to you a matter of trade balance. In 1961 according to the official figures the exports were $1,837 million and in 1961 the imports were $1,055 million. In other words, the United States has a plus trade balance of $882 million. In 1967 it shifted and we have a deficit balance now of $303 million, which is almost a change of $1,185 million.

In other words, the trade balance right now is in favor of Japan.

Mr. MASAOKA. I think in three of the years since the end of the war I have acknowledged that.

Mr. BURKE. I would like to ask you. Do you think it is impossible to set up a policy whereby we don't rollback imports—in fact they allow a flexible increase to correspond with the gross national product and domestic production—and this could be done without hurting say the textile industry of Japan?

How would that hurt the textile industry of Japan?

Mr. MASOKA. You are putting on kind of a straitjacket on which they could grow. For example, a Member of the Congress I think, and perhaps a member of this committee, who represents a port area pointed out that if you had this kind of quota, no matter how efficient this particular port city became, whether they enlarge her port facilities and everything else, she could only expand so much and therefore that this would discourage ingenuity. This would discourage efficiency.

Mr. BURKE. But Japan today has quotas on many products that we manufacture and, as you say, it is a two-way street. I understand the suggestion of traveling up one way of the street but the people that you represent, your association, are not traveling back the other way.