export market also. We must maintain and expand both markets (the domestic and the export) or give up on both of them. It is very important that we keep them both—not only to cotton people, but to the whole nation. This is particularly apparent in a time of great stress upon the balance of payments and upon the federal budget.

THE VOLUME AND TREND OF COTTON TEXTILE IMPORTS

From the standpoint of cotton people, it is logical to talk in terms of the raw cotton which is contained in these textile imports. The U.S. Department of Agriculture has a detailed system for converting the various classes of imported yarn, fabric, and end products into the amount of cotton which was required for their manufacture. In the attached chart, marked "Exhibit A", we have the Department's figures for the total amount of cotton which was imported in manufactured form during each of the last 15 calendar years. These amounts are indicated along the heavy black curve in Exhibit A. We have similar figures for the first four months of 1968, and these have been simply multiplied by three to get the very tentative projection for the year. This comes almost exactly to one million bales.

This chart makes it plain enough that these imports are in a powerful upward trend. They have gone from less than 100,000 bales in 1953 to a million bales or more today. It is also apparent that the imports fluctuate considerably. We see that even on an annual basis there have been several temporary reversals of the trend, but that the trend always reasserts itself and heads on upward. There was a drop-off in 1967, but it was less than half as steep as the record increase of the previous year. Now there are indications that we are in another sharp upward movement of the imports, which may carry the actual total for 1968 far above the rate of recent months, which is shown in Exhibit A.

The trend is made a little more vivid in Exhibit A by the use of a three-year moving average, which is shown in the finer of the two curves. When three-year averages are used, all temporary reversals of the upward trend disappear entirely, and it becomes consistently upward, with some tendency to accelerate. We have heard assurances in the past that somehow this basic trend was about to level off, but the assurances have all proven false. There is no sound reason to expect that it will level off or slow down or even stop accelerating in the foreseeable future unless our governmental policy toward these imports is significantly improved.

Now that these imports have reached an annual volume of a million bales or more, with a trend pointed strongly upward, they must be looked upon as one of the greatest and most fundamental threats to the whole future of American cotton. These imports now represent almost one bale of cotton for every seven that American farmers produced in the latest season, or one for every 12 produced on average over the last five years.

In the chart marked "Exhibit B", we have the import record in the perspective of our entire market. The upper curve represents domestic mill consumption, the middle curve our cotton exports, and the lower curve our cotton imports in the form of textile products. The import curve appears much lower here than in the previous chart, because a different scale was used in order to accommodate the other figures. Again the period covered is the last 15 years.[1] For the current year in each case, domestic consumption is placed at 9.1 million bales, exports at 4.2 million, and imports at 1 million.

For a long time there was a tendency in some quarters to belittle our concern about these imports on the ground that the current volume was quite small in relation to our total markets. But surely no one could belittle the problem today. Already the imports represent one bale of cotton for every four that we export, and one for every nine consumed by domestic mills. And the imports are trending strongly upward while the exports are trending strongly downward and the domestic market has no real trend one way or the other.

"GROWTH" IN THE DOMESTIC MARKET

From time to time we hear claims that the foreign exporters are merely sharing in the "growth" of our domestic market. But in Exhibit B we have the record of

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[1] The import figures are for calendar years, while the consumption and export figures are for crop years, which go from August 1 to August 1. Therefore the import figures are plotted on the time scale at the center of each calendar year and the other figures are the center of each crop year.