

Mr. CONABLE. In other words, Russia grows most of what she needs for her own purposes?

Dr. HORNE. Yes. Russia has a net export balance of cotton.

Mr. CONABLE. Thank you.

Mr. BURKE. Thank you, Dr. Horne.

Thank you very much.

Dr. SAYRE. Mr. Chairman, may I comment on the question of the effect on agricultural exports in general?

I think obviously price, availability, and quality in how we have to compete with our agricultural exports in world markets whether it be cotton or food. I think Dr. Horne is completely correct that where they need our various food items certainly if they have the funds or otherwise can provide currency or credit to get them, that they will continue to buy.

I think, too, that in the future expansion of our agricultural exports that the principle that is being outlined here in terms of cotton imports to this country is related to providing still for those imports to share a portion of our growth, but not take all of our growth.

In reverse, if we can share a part of the growth in food markets around the world with our farm products, then I don't believe our farm products will get in trouble from that standpoint, so that I think this principle that is being worked toward here is a very sound one and obviously will not affect our farmers in general.

Mr. BURKE. I think that you are correct, and I believe that the wrong impression is in the minds of some people who are apparently laboring under the illusion that somebody is asking for a cut in the imports. None of the industries that have testified here have asked for that. They have merely asked for a quota set on a flexible growth and percentage of the American market and not cutting down in their production overseas.

All we are asking, I believe, is just to stop the acceleration that seems to be taking place and for the life of me I cannot understand where the objection is. I can't understand it.

If we were trying to set up high tariff walls and everything else, I could understand why they were using all these epithets about protectionism and all these other things that they are saying, and massive retaliation. Massive retaliation about what? About allowing them to have a share in the market with an expansion that will go along with both without destroying our industries here?

I think this is a fair proposal to make, and for the life of me I can't understand any of these witnesses who seem to indicate that, if we try to set a fair formula in existence, that there is going to be massive retaliation.

If we were setting up high tariffs and reverting back to 30 years ago when they did set up these tariff walls, I could understand this feeling and the statements that they are making, but I don't think anyone has a gun at anyone's head here.

I think we are trying to be fair and help these countries out. I know that I would say that the Japanese people should feel very happy that this is the type of proposal that is being made here, not the type that could be made if conditions got progressively worse.

I want to commend you gentlemen for your statements here.