the movement toward implementation of the import surcharge in the U.S. cannot be checked at this moment. Japan as well as other countries in Europe is defending herself, too, isn't she? Furthermore, this is not a permanent measure but only a temporary one." To the question of the interviewer whether the U.S. machine tool industrial circles support the implementation of the import surcharge, he answered with a kind of complicated feeling, "We cannot say anything definite about it as a representative of the industrial circles in the United States. The U.S. Government cannot neglect the pressures of the Congress which is supported by the industries in the U.S." Although he understands that Japan is much smaller than the United States and unnecessarily fears the American protectionism, he emphasizes: "It may be more advantageous for Japan to let American capitals advance into Japan to produce efficient and high quality machine tools with the advanced U.S. technology and turn its products to the exports to the South Eastern nations. Japanese businessmen are afraid of the deprivation of the ownership of business by U.S. investments and furthermore, majority of Japanese machine tool manufacturers are what is called, medium and small enterprises. Mr. Morgan revealed the proposal of the U.S. financial assistance through the American Ex-Im Bank to the Japanese imports of U.S. machine tools, offering a condition of annual interest of six percent and the credit term of 5-20 years. He further stressed that the selection of subject companies to this loan has been more liberalized. "This information has not been publicized in Japan yet and I suggest anyone who is interested in obtaining further information about this matter should give his inquiries to the Commercial Counselor of the U.S. Embassy in Tokyo. I firmly believe that these revised conditions of the American Ex-Im Bank are quite favorable compared with the conditions being offered by other financial organizations in the world." He does not forget to publicize the American financial proposal as one of the measures for dollar defence in the U.S. which is now under consideration of the implementation of various export promotional measures. Especially on March 20, President Johnson appealed to the Congress to approve the U.S. Government's five years plan for the promotion of exports centering on the establishment of the export promotion fund amounting to $500 million and the necessary financial measures accompanying it. Other measures are also being considered such as increase of loan for the exports from private banks through the U.S. Ex-Im Bank. "This is not a new measure, however, the conditions have been more liberalized."

It is interesting to note that Australia also criticized the trade protection methods of the Japanese with international trade and liberalization as evidenced by the following article in the Japan Times, dated March 27, 1968: