

STATEMENT OF INTEREST

Most typically, those people represented by the National Livestock Feeders Association own the livestock they grow or finish in the production phase of supplying red meat for American consumers. They purchase feedlot replacement animals in the framework of a competitive market, and sell them under the same market conditions in which supply—domestic production, imports, and supplies of competing or substitute products—and the type of flow of this supply, is a most important determinant of price.

Livestock feeding is a high-risk business and the business risks inherent in such an operation are assumed by the livestock feeders themselves. It follows, therefore, that they are not only vitally interested in, but their financial well being depends upon the maintenance of a balance between meat supplies and the consumer demand in the United States at prices that are sufficiently favorable to produce a living and reasonable profit.

At numerous times in years past, profits in the livestock industry have not been reasonable and, in fact, severe losses have been sustained by those engaged. Since imports represent a percentage of that supply which is a most important price determinant, and they contribute to further fluctuation in that supply, we have a primary concern with the volume of allowable imports which come into our market and compete with the domestic production.

The situation might be less unreasonable if we had equal opportunities for the sale of our domestic production abroad, or if the countries now shipping large quantities of meat to the United States had unrestricted access to all other major trading nations, but equal opportunities do not exist in either of these cases.

MERIT OF REASONABLE PROTECTION FOR DOMESTIC INDUSTRY

Without question a grave injustice is being rendered to all who raise their voices in opposition to past and existing foreign trade policies of the United States. Often labeled as "protectionists", such persons, firms and groups have been severely criticized, on occasion, by some Government officials, by many in academic institutions, by certain professional writers, and have been accused of being "isolationists."

The true facts of the case are that many who are labeled as being "protectionists", because of their support of domestic interests, are not "isolationists" in any sense of the word; but rather, are dedicated to expanding world trade. They have not abandoned free trade as a goal in a fair and truly competitive world marketplace; but they realize that such marketplace conditions do not exist, despite what we are told. They are seeking a truly reciprocal arrangement with foreign nations which means nothing more than the establishment of the same rules of conduct for both sides.

With respect to red meat and meat products, a reciprocal arrangement requires that the United States provide reasonable protection for its domestic industry because that is what most other major trading nations continue to do, and we see no evidence of relaxation on their part. To us it is imperative that the United States establish its position similar to that maintained by foreign nations and thus provide a