

opposition to import quotas on electronic articles, has analyzed the presentation of the Parts Division and concludes that a case for quotas on imports of consumer electronic products and parts has not been made.

QUOTAS SHOULD NOT BE IMPOSED WHERE THERE IS NO IMPORT-CAUSED SERIOUS INJURY TO THE DOMESTIC INDUSTRY CONCERNED

The accepted standard to determine whether quotas on imports should be considered is—

“... where the *objective* data pertaining to domestic production and sales, exports and imports show that an industry is being seriously injured by imports ...” (Consumer Products Division's Statement.)

When data are “selected”, “computed” or otherwise “tailored”, they are not objective. And not one iota of objectivity is added to such data by clothing them in travelogue rhetoric.

In our statement to the Committee on Ways and Means we presented the objective data relevant here. For convenient reference we restate these data here:

	1965	1966	1967
Electronic industries:			
Sales.....	\$17,507,000,000	\$20,606,000,000	\$22,132,000,000
Exports.....	\$1,155,432,000	\$1,446,736,000	\$1,775,626,000
Imports.....	\$506,770,000	\$744,767,000	\$830,231,000
Balance of trade.....	+\$648,662,000	+\$701,969,000	+\$945,395,000
Exports as percent of sales.....	6.6	7.0	8.0
Imports as percent of sales.....	2.8	3.6	3.7
Electronic components:			
Sales.....	\$4,695,000,000	\$5,709,000,000	\$5,486,000,000
Exports.....	\$328,550,000	\$440,436,000	\$486,801,000
Imports.....	\$111,380,000	\$174,106,000	\$174,990,000
Balance of trade.....	+\$217,170,000	+\$266,330,000	+\$311,811,000
Exports as percent of sales.....	7.0	7.7	8.8
Imports as percent of sales.....	2.3	3.0	3.1
Consumer electronic products:			
Sales.....	\$3,641,000,000	\$4,493,000,000	\$4,324,000,000
Exports.....	\$40,257,000	\$46,256,000	\$46,609,000
Imports.....	\$287,919,000	\$335,004,000	\$449,927,000
Balance of trade.....	-\$247,662,000	-\$338,748,000	-\$403,318,000
Exports as percent of sales.....	1.1	1.0	1.0
Imports as percent of sales.....	7.9	8.5	10.3

Source: The table was prepared from data contained in the Electronic Industries Yearbook, 1968, prepared by the Marketing Services Department of EIA.

These data are taken unadorned, unmodified, and unqualified from the official Electronic Industries Association source. We have not refined them. We have not selected some data and omitted others. We have not otherwise offered an incomplete picture. We have presented all of the relevant data in a “let-the-chips-fall-where-they-may” approach.

With this as prologue, we turn now to an analysis of the Parts Division's argument, and the data they proffer in support thereof, that quotas are needed on imports of consumer electronic products and parts in order to protect U.S. manufacturers of electronic parts from serious injury due to imports.

THE ARGUMENT OF THE PARTS DIVISION IS BASICALLY ERRONEOUS

The Parts Division argues that since the only imported articles which it wants regulated are consumer electronic products and components thereof, analysis of the merits of this request must be restricted to domestic sales, exports and imports of this narrow class of articles. They insist that those charged with analyzing their claim of import-caused serious injury must not take into account U.S.-produced parts and components which are sold domestically or which are exported for use in making non-consumer electronic products.

Thus, the Parts Division opens its argument by stating that there is

“... no single ‘industry’ known as the electronic industry. Instead, a group of distinct industries is referred to as the ‘electronic industries’ because the articles they manufacture have one thing in common—the utilization of an electronic circuit.”