

ceiling if for no other reason than to, for instance, during this interim period have some lever in our negotiations.

That is all I have, Mr. Chairman.

The CHAIRMAN. Mr. Burke.

Mr. BURKE. Mr. Hobbs, I was wondering if you could inform the committee what percentage of increase in exports for heavy electrical equipment took place between the years of 1961 and 1967?

In other words, how do the figures on exports compare for the year 1967 with the year of 1961? Has it increased, or decreased, or what?

Mr. HOBBS. On imports into the United States?

Mr. BURKE. No, exports.

Mr. HOBBS. Exports from the United States?

Mr. BURKE. From the United States.

Mr. HOBBS. They have gone up slightly, Mr. Burke. We do not have the precise figures. We can supply those for the record if that would be helpful.

Mr. BURKE. What I am trying to find out is if your figures on exports compare favorably to the figures on imports coming in?

Mr. HOBBS. The figures on exports of this particular type of equipments have over the years, including the years up through last year, exceeded the import figures, I believe, but the exports are at least 70 percent financed by U.S. dollar assistance, either AID funds, or Export-Import Bank loans.

In other words, the exports are related to dollar financing and are predominantly to the underdeveloped areas. Without U.S. Government dollar assistance in making those exports they would be cut by at least 75 percent, in my judgment. We are complaining principally about the countries that have the money to buy but won't buy from us.

Mr. BURKE. In other words, the developed countries that manufacture their own heavy equipment are not buying from us.

Mr. HOBBS. They are not. They refuse to buy from us; that is correct.

Mr. BURKE. Thank you.

The CHAIRMAN. Mr. Curtis.

Mr. CURTIS. Mr. Chairman, this discussion is moving into a very important area. It is true in the Kennedy round that practically nothing was done about these nontariff barriers and the "buy National" provisions of all the countries.

In my judgment this is certainly an area in which there needs to be some work done. I would like for the record to point out article III, section 8(a) of GATT:

The provisions of this article—

This provides for, in effect, fair trade—

shall not apply to laws, regulations, or requirements governing the procurement by governmental agencies of products purchased for governmental purposes and not with a view to commercial resale or with a view to use in the production of goods for commercial sale.

In other words, all of our Buy American Acts, as well as buy British, and buy French, and so forth, are exempted from the GATT provisions. There are two ways we could go.