

Mr. ADAMS. I think that an increasingly hard look has been taken in recent years but I do feel that this could be carried further. The United States has an advantage in the more complex and more sophisticated aspects of electronics and of the systems kinds of approach and I think in fields like the educational system and things of this kind, even in the developing nations, there are all kinds of opportunities that lie ahead for us and I do feel that we can expand our activities by a greater effort.

Mr. BURKE. Do you agree with me that many times you visit some large cities in the foreign countries, and you are rather surprised not to find many of our well-known products being sold in some of the markets, popular items over here that apparently have never reached the foreign markets?

Mr. ADAMS. I am not sure that I quite heard that, sir.

Mr. BURKE. I say are you surprised when you visit a foreign country and you find many of the products that are sold in this country and are looked upon as everyday articles that are in great demand—to find a lack of these articles in these foreign markets.

Mr. ADAMS. I think this is true. I think you have to look very carefully at the disposable income in some of these foreign countries and see how far up the scale they can go.

We regard color television here as a product wherein a large proportion of our homes in this country have television; but if you try to fit color television into the disposable income even in some of the more prosperous Western European countries, they are not ready for it yet.

It won't fit their budget situation very well; so that I think there are things of this kind that we consider commonplace here that you don't see over there, but many of the things that we see in this country, my observation has been, we see in a somewhat cruder, simpler, less expensive form there.

Many of the products that are tailored to our market are a little too rich for some of the markets abroad.

Mr. BURKE. Thank you.

Mr. ULLMAN. Mr. Schneebeli.

Mr. SCHNEEBELI. Mr. Adams, what suggested approach would you give to this Congress relative to eliminating some of these artificial barriers or indirect restrictions that we meet in some of the foreign countries? We heard testimony this morning about government restrictions in regard to the entry of power equipment. We heard discussion about residual quotas. We heard discussion about some of these artificial barriers which some of our trading partners have created.

What suggested approach would you give to this committee to meet this competition?

Mr. ADAMS. Well, I think this is a question on which I haven't the familiarity that somebody would have who had been present at the Kennedy round negotiations and at various GATT meetings and so on; but I have the quite strong feeling that if we start imposing quotas we begin to get sort of an across-the-board escalation of this kind of thing.

Mr. SCHNEEBELI. I will agree with you there, but disregarding quotas what other approaches have we? If we meet the same competition or if we have the same rules for international trade that they have, is this being unfair?