

the manufacturing process abroad; is that right?

Mr. Mitchell: That is correct, Mr. Byrnes.

Mr. Byrnes: Do you attribute that trend in part to this common Market trend, the European Common Market and the proposals for a common market in other areas? Is there any other factor that gives rise to that?

Mr. Mitchell: Basically that is it, Mr. Byrnes. In many of the Latin American countries at the moment for practical purposes it is impossible to export particularly consumer durable goods. There is a rising nationalism in many of these countries, and they are trying to industrialize, and to raise their standard of living. So that American companies, if they are going to have a part of that market at all, must invest in some form or other.

Mr. Byrnes: You don't see a great future then as far as the export of finished commodities from this country. You see that contracting, I gather, and an increase in manufacturing abroad and with foreign labor?

Mr. Mitchell: I think that is the way it will happen; yes, sir.

Mr. Byrnes: Great emphasis has been put on the fact of the importance of the trade-agreements program and all of the rest of it, and the increase in our exports, and the developing of this freer trade. I gather that you would suggest at least by your testimony that we may be getting into a period where that is going to be reversed?

Mr. Mitchell: I think that that is quite right, sir.

Mr. Byrnes: That is all."