

tion has been unfair, has been inequitable; that the basic national foreign trade policy we have followed for this generation is a failure, is bankrupt, and it is time it ought to be liquidated and decently interred.

We have reached that conclusion, gentlemen, because for more than 20-odd years we have assumed that the hinge pin of our national foreign trade policy was the concept of reciprocity, that there would be a progressive liberalization of trade so that men, materials, and products would move freely. That has not happened.

For years we have pleaded with the executive agencies of Government; we have petitioned Congress for reciprocity. We have asked for decent, fair terms of competition. That has not been forthcoming.

Again and again we have been given the bland assurance and the expressed hope by administrative agencies that remonstrance in diplomatic channels would sooner or later melt away the nontariff restrictions, impediments, obstacles, and everything else which frustrates the fundamental concept of our entire trade program. That has not happened.

In our opinion and based upon our experience in industry we have less reciprocity now than we had 20 years ago. I could cite dozens of instances of the kind to which Congressman Dent referred this morning in his compilation of nontariff restrictions and impediments to trade.

A couple of months ago I was in Japan. We sought there to see if we couldn't open the door somehow or other and get American leather admitted to Japan. For 15 years the Japanese have maintained a virtual embargo against the import of leather from the United States. Our markets are free and open to Japan. They come to the United States and buy our raw cattle hides, transport them 8,000 or 9,000 miles to Japan, and then return to us gloves, industrial work gloves, radio and transistor cases, and now shoes.

In Japan I found that all of the efforts which have been made by our diplomatic representatives for years have come to naught. Quite privately a number of Japanese manufacturers came to me and urged me to plead with our Government officials to do something about the Japanese restrictions against the import of leather from the United States. Why?

Because the Japanese manufacturers realized that American leather was better value, could be purchased more cheaply, gave them the diversity, the range, the quality, the flexibility, the style which they needed to create a genuinely healthy leather products manufacturing industry in Japan, and they didn't dare to do so openly.

They were fearful that they would incur the official wrath of Japanese suppliers or Government officials. I have in our files dozens of letters from various agencies of the U.S. Government covering a period of some 14 years in which we have been assured that there is still hope for the ultimate elimination of the Japanese restrictions against the United States and the achievement of some kind of equity or normalcy or two-way street in trade.

Based upon our experience in the past 14 years, we are exceedingly doubtful.

There certainly is no reciprocity, gentlemen, in Western Europe today where border taxes and the remission of internal turnover taxes to European manufacturers provide an indirect subsidy.