a vinyl shoe technology which the U.S. producers have not seen fit to exploit. The American industry is built on the leather shoe, but there are not many countries of the world that can afford leather shoes as can the affluent sectors of the American economy. The underdeveloped portion of the American economy needs the same type of products that are made for the less affluent nations of the world.

Statistically, an impressive picture of a tide of imports can be painted by stressing the quantity of vinyl shoes, but when their role in the market is examined they have virtually to be excluded from a serious examination of areas of competition between imported and domestic products. There are other products often included in statistical aggregates that are altogether non-competitive—for instance, sponge rubber sandals (zories), imports of which amounted to 27 million pairs in 1967. They compete with the U.S. barefoot industry.

EVILS OF QUOTAS

It is hard to believe that the sponsors of quota legislation have considered deeply their significance for the conduct of the trade of the United States. Such controls are either worldwide, which means an unseemingly scramble to get under the line; or they are by countries, which gives to some authority the unenviable task of determining not only a fair historical basis, or what changing conditions call for recognition. The normal working of economic forces is abandoned. The normal changes in trade patterns resulting from economic development and the varying economic trends within all the countries concerned no longer determine trade patterns, and there is substituted a fallible human judgment exercised through ponderous bureaucratic machinery. On both the import side and the export side, someone is going to have to decide to whom the country's quotas are allocated, or else there will be an unseemly and uneconomic scramble to bring in goods before they are wanted in the market. There is no possibility of complete fairness in such allocation. If goods are brought in to meet exigencies of the quota, market forces are again ignored, unnecessary charges for warehousing are incurred, and ability to style to the market is impaired.

This whole process is particularly difficult and odious when consumer items are involved, and even more so when apparel is involved, which is highly subject to whims of fashion. It is impossible for a store buyer or the importer to plan intelligently, and everyone concerned suffers from inability to use imports flexibly as a market resource.

We cannot state too strongly the concern of footwear importers over the prospect of having to conduct their business under controls of this character. Consider the problem of a buyer who goes to the Far East, as is frequently done, and visits four different sources, i.e., Japan, Korea. Taiwan, Hong Kong, or to Europe, and visits the United Kingdom, Italy and Spain. Buying is ordinarily done for delivery in the United States four to eight months later. The buyer has already to juggle a myriad of factors: price, style, quality, ability of factory to schedule and deliver. The buyer who had also to take into account the availability of a quota to his producer or to himself would go insane. On the other hand, when the results were in, a few companies who had enjoyed strong positions in the past might be preserved from the rigors of competition and profit unduly.

Consider further, with respect to these products of light industry, that there is a trend away from the older sources, whose costs are increasing as the move to a higher technological level, to other countries with less highly developed economies. In Europe, from Italy to Spain; in the Far East, from Japan to Korea and Taiwan—countries which the United States as a matter of policy is happy to see achieving viable economies. The U.S. would like to see many other under-developed nations also achieve enough exports to permit accelerated economic development—in the Mediterranean, Asia and South America. A historical allocation of quotas would freeze out these nations, while bureaucratic decisions would do a far worse job than natural market forces.

The American people have firmly rejected controls over the U.S. economy except when in time of war they were absolutely unavoidable. We cannot believe that in a moment of blind protectionism the Congress of the United States will depart from traditional free enterprise principles and place such shackles on the import trade.