analysis. While we believe there is no excuse for the Government's not publicly presenting its analysis, less any confidential information, we agree with Congressman Curtis that industry should be represented at any session where the facts are discussed and accorded an opportunity to comment.

Conclusion

In light of the serious lack of reciprocity in the 50%–20% Kennedy Round deal and in the "separate package" and the serious adverse economic effect which these deals will have upon the domestic chemical benzenoid industry, its workers, and the U.S. balance of payments, we strongly urge this Committee to reject the "separate package" agreement and also to seriously consider what further steps it can take to bring some measure of reciprocity to the unreciprocal and coercive 50%–20% deal negotiated in Geneva last year.

In addition, we believe that it is absolutely necessary that prompt action be taken to remove the critical disadvantages caused our trade by the border tax-export rebate mechanism imposed by many of our trading partners. We have requested the prompt "cooperative action" of our trading partners. They have not only rejected our request, but have persisted in actions which will further increase our existing disadvantage. We therefore strongly urge that this Committee take those steps necessary to remove these disadvantages to our trade.

In our testimony we recommended one way of dealing with the problem. There certainly may be others, but the important thing is that action be taken—and taken now.

There can be no liberalization of trade without reciprocity, and there can be no liberalization of trade without requiring our trading partners to provide us with the same tax treatment of our goods as we provide theirs. Our balance of trade and balance of payments cannot stand it. Strong as we are, we are unable to compete with the rest of the world with one hand tied behind our back.

Thus, the issue we present to this Committee is not an issue of free trade versus protectionism. The issue which the Kennedy Round and these chemical "deals" pose for this Committee is whether we can afford trade liberalization without reciprocity and without equality of tax treatment for U.S. exports; whether we can afford to liberalize trade when our trading partners are doing just the opposite. We believe that the answer to both of these questions is "No"!

We appreciate the opportunity which you have accorded us to appear here today on behalf of the domestic benzenoid chemical industry.

Members of the Dry Color Manufacturers Association

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Federal Color Laboratories, 4526 Chickering Avenue, Cincinnati, Ohio
Geigy Chemical Corp., Saw Mill River Road, Ardsley, New York
General Aniline & Film Corp., Dyestuff & Chemical Division, 140 W. 51st Street, New York, New York
The Harshaw Chemical Company, 1945 E. 97th Street, Cleveland, Ohio
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I.C.I. (Organics) Inc., 55 Canal Street, Providence, Rhode Island
Imperial Color & Chemical Dept., Hercules Powder, Inc., Glens Falls, New York
Keystone Color Works, Inc., 151 West Gay Avenue, York, Pa.
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New York Color & Chemical Corp., 374 Main Street, Belleville, New Jersey
Charles Pfizer & Co., Inc., 235 East 42nd Street, New York, New York
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