States. And American business wants nontariff barriers in other nations lowered in order to equalize the effects of taxes, antitrust and minimum wage laws, and food and drug laws, to name just a few—all of which are not covered by GATT rules.

I shall not predict at present which estimate is the more accurate one, but I hope that my bill will stimulate the public discussion that is needed to mobilize support for American participation in a Free Trade Association.

Two other factors militate toward acceptance of the Free Trade Area concept in the United States.

First, it is less easy for the protectionist opposition to pinpoint its attacks against a broadranging approach to free trade that holds out the prospect of more exports to counter the seeming disadvantages of more imports, and elicits a broad base of popular support to counteract the determined lobbying of narrow sectors.

Second, the Free Trade Area will appeal to those in the United States who view with alarm the large quantities of American capital invested abroad—and, I might also add, it will appeal, for the same reason, to those in Europe who similarly fear the invasion of American capital. American companies set up subsidiaries or buy out already existing companies in a foreign country largely to get around that country's trade barriers. The result—a growing migration of American capital and American business executives, and a rising tide of American economic influence. If tariff walls are knocked down, American companies could compete in foreign markets without having to own plants in those areas, thus providing employment and investment opportunity in the United States.

Thus, while the outlook for a Free Trade Association in the immediate future is far from clear, I do not believe that, in spite of protectionist pressures, the United States will halt the march toward free trade that it began during the Roosevelt era. I do believe that the time is now for the Free Trade Area advocates to go on the offensive, or at least to begin to plan the offensive. The campaign will be tough, but I think it can be won, and I am happy, as a true believer, to help carry the standard of free trade into battle.

Mr. Herlong. Thank you, Mr. Long. Are there any questions?

The next witness is the Honorable M. Gene Snyder of Kentucky. Mr. Snyder, please come forward and proceed as you see fit.

STATEMENT OF HON. M. GENE SNYDER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KENTUCKY

Mr. Snyder. Mr. Chairman and members of the committee, thank you for the opportunity of appearing here today to express on behalf of the Governor of Kentucky the views of the Commonwealth in regard to legislation to effectively limit the importation of foreign oil.

The Governor is unable to be here because of other pressing business, and he has requested that I read his statement to the committee. The Governor's statement follows:

"STATEMENT BY HON. LOUIE B. NUNN, GOVERNOR OF THE COMMONWEALTH OF KENTUCKY

"My name is Louie B. Nunn. I am Governor of the Commonwealth of Kentucky. I appreciate the opportunity to present, for consideration by the committee and the Congress, my feelings with respect for the need to effectively limit the importation of foreign oil. I am convinced that import limits are required if we are to maintain adequate fuel supplies for our growing economy and our Nation's security.

"Without adequate liquid fuels, readily accessible, the United States could no longer deal with world problems from a position of strength. From whatever means and by whatever Government policies required,