Mr. Chairman, I am sure all of us agree as to the far-reaching consequences of the proposals under discussion and their grave importance to our country.

But let us keep foremost in mind, Mr. Chairman, that consideration of H.R. 1 cannot be confined to that measure alone. This subject is bound to our present agreements and commitments. It lies under the constant shadow of the General Agreement on Tariffs and Trade. Whatever happens at Geneva during the GATT conference which is now in progress and which is being held under existing authority granted to the President, will unquestionably alter the effects of H.R. 1 if that bill should pass in its present form.

The list of items prepared by the State Department for the negotiations at Geneva was published last November. A glance at the list will remove any doubts as to which American industries, which businesses, and which groups of employees stand to be affected by these matters of trade policy determination. The hundreds of items represent a broad listing of American small business operations.

During the course of this hearing, the representatives of many of these industries have expressed their views and of course you have heard the opinions of persons from outside these industries. Today you will hear from the official spokesmen of the industry which, with the people it employs, is exposed more than any other major industry to possible sacrifice on the altar of so-called reciprocal trade.

This is true because the list of cotton items now on the Geneva bargaining table comprises almost the entire production of the American cotton textile industry. This is also true because of the peculiar
circumstances of postwar trade which have made the cotton textile
industry more vulnerable than any other to tariff-reducing provisions
of H.R. 1 in its present form.

You are not dealing here, Mr. Chairman, with a specialty busi-
ness nor one engaged primarily in producing luxury and non-essential
goods. Nor is this an industry confined primarily within the boun-
daries of the United States.

The witnesses who will follow me today speak for one of the
top five of the manufacturing industries in the whole country which
employs more than a million persons (1,083,700 according to official
February figures for the textile mill products industry). Another
million, 200 thousand are employed in the closely allied apparel in-
dustry.

Nationally, the invested capital is in excess of 8 billion
dollars. The annual payment in textile wages and salaries is 3
billion dollars.

This industry is the primary and largest consumer of this
country's cotton crop. It pays approximately 2 billion dollars each
year for American-grown fiber.

This industry and the people employed in it are vital for
supplying one of man's basic needs, clothing. I feel compelled to
remind the Committee, Mr. Chairman, of the vital security role which
this industry holds in supplying our armed forces with clothing and
military fabrics in literally 10 thousand varieties.

Measured by any standard, therefore, the textile industry and
its workers are vital to our nation. But when you find it becoming
concentrated in one region -- an area which like the South is largely
rural -- its importance grows even greater in significance. Approxi-
mately one out of every two people engaged in manufacturing in the two Carolinas is in textiles. Hundreds of businesses in my own state of South Carolina are dependent upon the activity of the textile industry.

Let me cite a few reasons why the textile industry is so important to my people in South Carolina. These figures are the latest available and have not been published.

South Carolina's population is slightly more than two million people. Of this number 186,435 persons are employed in 1,958 plants of all the industries operating in the State. In the textile industry, 127,250 persons are employed in 320 plants. Thus, the textile industry accounts for approximately 68 per cent of all industrial employment in South Carolina.

The textile industry pays 71 per cent of the annual total industrial wages and salaries of approximately a half billion dollars. The textile industry also has a capital investment of a half billion dollars in South Carolina and is rapidly expanding.

While the total value of all products manufactured in my State amounts to more than two and a quarter billion dollars per year, the textile industry alone turns out products valued at one and a half billion dollars.

Mr. Chairman, these figures make it amply clear why I am so concerned about the people who are provided a livelihood by the textile industry and in the continued healthy activity of the industry.

My most sincere conviction is that the people of the textile industry merit equitable treatment with all other people and industries. They should not be subjected to the risks immediately threatened by H.R. 1 and the current negotiations at Geneva.
This Committee has the facts on the enormous wage differential existing between American industry and the industry of the Orient. The record shows that Japanese textiles can enter this country at will in spite of present tariffs and present domestic prices.

Official reports show that Japan in four short years has risen to the position of the world's leading exporter of textile goods. The American industry's present net of export business over imports is a very tentative and perhaps transitory circumstance.

This data simply adds up to the fact that the textile industry is in a mighty precarious position.

I favor the principle of reciprocity and share the hope that America will continue to lead the effort to bring about a system of sound, expanding international trade. But I am disturbed by the slowness of our international trade machinery to persuade many nations that they should live up to the meaning of reciprocity.

As so often happens, practice turns out to be different from theory. My urgent request is that the Senate consider this problem in the light of hard practicality.

H. R. 1 in its present form contains provisions which would do injustice not only to the textile industry but also to many other types of American enterprise. For that reason I would be unable to cast my vote in favor of it, unless amended.

Mr. Chairman, yesterday a group of Senators interested in this problem met and together discussed ideas for amendment of certain sections of H. R. 1.

Due to the fact that all interested Senators were unable to be present at the meeting yesterday, I would like to reserve the right to return later to this Committee and present the ideas we agreed upon.
for suggested amendments to H.R. 1.

I am informed that the witnesses who are to follow me here today will make certain suggestions along the lines we have discussed to improve this proposed legislation in the national interest. They will further present the involved problems which would be created if H.R. 1 were not amended. They also can supply the answers to technical phases of the matter. I shall appreciate your careful consideration of the information to be presented.

Thank you for your consideration in hearing me.