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League of Women Voters Education Fund 1730 M Street, N.W., Washington, D.C. 20036 Tel. (202) 659-2685



memorandum

July 22, 1980

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TO: State Trade Project Directors and State Presidents (FYI)

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FROM: Edith L. Bornn

RE: Wrap up of "The US Stake in International Trade" citizen education project

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There could have been no better introduction to the League's International Relations portfolio than reading through the reports on your state trade projects. The variety, creativity and substance of the projects are positive indications of the opportunities available for building citizen education programs in the field of international relations. For your information, I have included in this memo a summary of the trade projects. I know many of you received congratulations from government, trade and civic organizations and I want to share in giving out the kudos.

I am also pleased to enclose with this memo a copy of "International Trade: Style and Substance," which summarizes the April 1979 trade conference at Wingspread. In addition I'm enclosing the report, "Public Perceptions of World Trade: Sell More/Buy Less," by Al Richman. You will recall that your discussions with trade leaders formed the basis for questions asked in the opinion poll conducted on behalf of the League by Roper. Both of these publications are good tools for the Leagues' continuing programs on trade-related issues. Where possible, I encourage you to integrate these into your programs. You might consider renewing contacts you made with trade leaders in your community by sending or taking them copies of these reports.

We are fortunate to have enough funds remaining in the trade project budget to enable us to hold a small evaluation conference in Washington, D.C. on August 21-22nd. The participants will be discussing the trade project and its applicability to future IR projects, including the 1980-81 focus on world hunger in a development context. Participants will also be presenting their projects to a group of trade leaders and special guests.

The evaluation conference was not in the original project budget and I regret that it is not possible to include all of you in the session. Instead, we have had to make difficult choices and have selected only eight out of forty three candidates. For your information, the State Project Directors from North Carolina, Utah, Washington, Virginia, Rhode Island, Iowa, Oregon and Kansas will be attending the August conference. I would however appreciate comments, suggestions and criticisms of the project from each of you. Please send any advise and ideas to the national office. We will use these in our discussions.

Activities taken by the state trade project directors fell into eight categories: 1) Educational public meetings, conferences and workshops.

Eleven states held such meetings using themes such as "Trade and Oklahoma," "The Cultural Dimensions of International Trade," and "World Trade: Peace and Security," to draw audiences up to 200 people. 2.) Radio/television shows, spots, and announcements. Ten states produced television shows ranging from cable TV programs to documentaries broadcast over affiliated networks. Five states produced radio broadcasts, varying from public service spot announcements to a series of shows involving a number of different panelists on each show. 3.) Publications. The format of publications included articles in state and local League VOTERS, brochures, pamphlets, tabloids and factsheets with titles such as, "Foreign Goods and Markets," and "California's Stake in International Trade." These publications were printed and distributed statewide by eleven states. 4.) Slide Shows. Three states - Kansas, Texas and Massachusetts -- produced slide shows. These presentations were usually accompanied by a tape and/or discussion guide for distribution on a local or statewide basis. 5.) Trade kits. Two states assembled trade kits containing a variety of information on international trade for distribution to businesses. newspapers, and other groups throughout the states. 6.) Newspaper articles. Varying from either a single article or a series of articles on international trade, three states wrote newspaper articles for local/state newspapers. 7.) Trade displays. These displays, usually slide or color panels, were set up in prominant places, i.e. airports, public libraries, schools, etc. Three states assembled such displays. 8.) Speakers bureau. Three states set up speakers bureaus to act as a resource for information on international trade issues.

In addition to these activities, there were a number of projects which took slightly different approaches. One state project involved a tour of a city/port combined with a half day conference on international trade. Another project involved the writing of an article to be used in conjunction with a 4-H trade exchange program with Japan. A poster contest among school children was designed to promote the educational outreach of the project. Bookmarks with an international trade focus were distributed among schools, libraries and other groups in another state. A study/program guide was developed for use among civic groups and in schools. Placemats, with facts concerning international trade were distributed to restaurants statewide in still another project.

All of your energies and talents combined to make this nationwide trade education project a resounding success. On behalf of the League, thank you and congratulations. I look forward to working with you in the future.

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Public Perceptions of World Trade: Sell More/Buy Less

by Alvin Richman

League of Women Voters Education Fund

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A report prepared for the League of Women Voters Education Fund by Alvin Richman, Senior Public Opinion Analyst, Department of State. The views expressed in this report are those of the author and not necessarily those of the Department of State or the League of Women Voters Education Fund. The report on the poll is an integral part of "The U.S. Stake in International Trade," an international trade education project sponsored by the League of Women Voters Education Fund with the cooperation of the Chicago Mercantile Exchange, the Johnson Foundation and the Kettering Foundation, along with twentyone other donors.

June 1980

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Public Perceptions of World Trade: Sell More/Buy Less.

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This report presents the findings of a Roper poll on international trade conducted in January 1980 for the League of Women Voters Education Fund. The poll reveals these highlights:

1. The American public's perception of U.S. economic dependence has risen slightly from the mid-1970's, but less than half of the public believes the U.S. clearly benefits from trading with other countries.

ratings of the persuasiveness

- 2. A small majority is aware that the U.S. has a foreign trade deficit, and this trade imbalance is increasingly viewed as unsatisfactory.
- U.S. control (e.g., cheap foreign wages, foreign government subsidies to businesses, and relatively restrictive import policies in other countries) rather than to U.S. business conditions and practices (e.g., U.S. government regulations, limited efforts by American firms to pursue foreign markets, low productivity in some American economic sectors).
 - 3. The public's predominant sentiments on trade are to reduce U.S. imports (especially oil imports) and increase U.S. exports. Both sentiments have risen since the mid-1970's.
 - -- The public now divides into three fairly equal groups in its preference regarding import restrictions: About one-third favors increased import restrictions, about one-third wants to keep import restrictions at their present level, and about one-third wants to reduce or eliminate restrictions.
 - 4. The most persuasive pro-trade argument is that "exports create jobs"; the most persuasive anti-trade argument is that "imports cause loss of jobs".
 - -- The public is somewhat more likely to associate imports with the problem of lost jobs than with the benefit of lower prices, despite the fact the poll was taken during a period of intense concern over inflation.

Roper conducted 2,005 personal interviews in a national probability sample of adults 18 or over, between January 5-19, 1980.

Rublic Perceptions of World Trade: Sell More/Buy Less.

The public's attitudes on international trade are examined in six sections:

(A) Public perceptions of U.S. economic interdependence, (B) its views of the U.S. trade imbalance, including awareness of the U.S. trade deficit, (C) the public's basic attitude toward U.S. foreign trade, (D) its specific preferences about increasing/decreasing the level of U.S. imports and exports, (E) its preferences regarding restrictions on imports and exports, and (F) the public's ratings of the persuasiveness of various arguments for and against international trade.

Relevant data from other public opinion surveys on international trade are introduced where appropriate to supplement some of the League's findings and to provide trend measures.

businesses, and relatively restrictive import policies in other countries)

rather than to U.S. business conditions and practices (e.g., U.S. government

A. Perceptions of U.S. Economic Interdependence

About two-thirds of Americans view the U.S. as more or less economically dependent on other countries. Roper trend results show that the public's perception of U.S. overall economic dependence has increased slightly since 1975.

The Education Fund asked:

Thinking of what this country has and needs, produces and doesn't produce, buys and sells, which one of these positions would you say best describes the United States at the present time? (CARD SHOWN TO RESPONDENT)

| me a combinion of a second second | Jan. | Apr-May | Sept. | May | Oct. | |
|-----------------------------------|-----------|-------------|-----------|----------|---------|------|
| The Paired States is | 1980 | 1979 | 1977 | 1977 | 1975 | |
| Wholly dependent on other countri | es .1% | 2% | 1% | 1% | 1% | |
| Largely dependent on other countr | ies 16 | 22 | 15 | 17 | 13 | |
| Somewhat dependent on other count | ries 52 | 45 | 47 | 49 | 47 | |
| (Total perceive U.S. dependent | :): (69 | %) (69%) | (6 | 3%) (67 | (%) | 51%) |
| Nearly self-sufficient | visiti sa | somewhat me | 26 26 Idu | 21 | 28 | |
| Completely self-sufficient | - | the benefi | 0 | 0 | 8 | |
| (Total perceive U.S. self-suf | IIC): | | | | 801. 10 | |
| | (29 | %) (28%) | (3. | 5%) (30 | 0%) (3 | 36%) |
| Don't know | 2 | Jur 3ro por | 2 | and 3uan | 3 W | |

Majorities in all major population groups see the U.S. as at least "somewhat" economically dependent on other countries. Perception of U.S. dependence is most widespread among the college educated, executives/pofessionals, Westerners and rural residents. It is least widespread among the grade school educated, blue collar workers, those living in the Northeast and in major cities, Blacks and adults 60 years of age or over. (Appendix, Table 1.)

A Harris survey in late 1978 also showed that (1) the public's perception of U.S. dependence on other countries for various products had increased since the mid-1970's, (2) the public distinguished clearly between the products the U.S. can largely provide for itself and those which it has to obtain mainly through imports, and (3) the public continued to believe that other countries needed the United States more economically than the U.S. needed them.

Harris asked his respondents to rate the extent of U.S. dependence on other countries (and other countries dependence on the U.S.) for a number of specific products. The proportions responding the U.S. depended "alot" increased for all eight products listed in both surveys (from an average of 25% in December 1974 to an average of 32% in November 1978), and the proportions responding the U.S. depended "not at all" declined for all eight products (from 29% to 16% on the average). (Appendix, Table 2)

Harris also found that ... American perceptions of other countries' dependence on the United States declined for all eight products -- from 66 percent (average) in late 1974 who said other countries depended "alot" on the U.S. to 59 percent (average) in late 1978. Nevertheless, it is clear from Harris' 1978 results that the public still viewed other countries as being more economically dependent on the U.S. than vice versa (average of 32% U.S. depends "alot" on others versus average of 59% others depend "alot" on the U.S.). This is best illustrated by the responses in late 1978 to the product category "raw materials for manufacturing": Thirty six percent of the public said the U.S. depended on

other countries "alot" for this type of item, compared to 53% who said other countries depended on the U.S. "alot" for it. (Appendix, Table 2.)

Opinions About U.S. Trade Imbalance and tural residents. It is least widespread

The fact that the United States imports more than it exports is perceived by a small majority (57%) of the public, according to the Education Fund's poll. The population groups most aware of the U.S. trade imbalance are the college educated, executive/professionals, those earning \$25,000 or more annually, males, Westerners, and Republicans (about 70% in each group is aware). Least aware of it are Blacks, the grade-school educated, and those earning less than \$7,000 annually (about 40% aware). (Appendix, Table 3.)

Those who are aware that the U.S. has a trade deficit are more likely than the rest of the public to view the U.S. as dependent economically on other countries. Among those aware of the trade imbalance, 75 percent see the U.S. as at least "somewhat" economically dependent (including 21% who said "largely dependent"). Among those not aware of the trade imbalance, 60 percent view the U.S. as economically dependent (including 10 percent who said "largely dependent"). org the all toulland "lis as low" bebreage to "list as tou" bebreage to "list as tou"

Most Americans are clearly not pleased by their perception of a U.S. trade deficit. A majority sees the U.S. buying more than it is selling, but only five percent prefer this situation. Much more preferable from the public's viewpoint is to have exports equal imports (47%) or even exceed imports (39%). The Education Fund found that the proportion of the public who want exports to exceed imports has approximately doubled since 1974. The Education Fund asked: on the U.S. than vice versa (average of 32% t.S. depends "elot" on orbor versus

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"manufacturing": Thirty six percent of the public said the U.S. depended on

Thinking in terms of the amount of products that the U.S. imports and exports -- do you think it is best for the U.S. to import more from other countries than we export to them, or is it best for the U.S. to export more than it imports, or do you think it is best if the amounts we import and export are equal?

Roper polls of June 1976 and February 1974 asked:

What do you think the long range goal of the United States should be when it comes to foreign trade -- to export more than we import, or to import more than we export, or to have exports just about equal imports?

| Best for U.S. if: | אססל עיפ פו | Jan. | 1980 June 1976 | Feb. 1974 |
|------------------------|-------------|------|-----------------------|--------------------|
| Exports exceed imports | then coun | 39% | A so much and 26% bib | 500 kg 500 000 18% |
| Exports equal imports | | 47 | 59 | 65 |
| Imports exceed exports | | 5 | Tio ogsov 3 | 4 |
| Don't know | 28 | 9 | ama sifa JuodA 12 | 13 |

Among certain population groups the proportion who favors an export surplus is somewhat greater than the proportion who favors a balance between exports and imports — the college educated, executives/professionals, those earning \$25,000 or more annually, and those who are aware that the U.S. imports more than it exports (about 48% favor an export surplus vs. about 42% favor an export—import balance among these groups).

The public blames cheap labor costs abroad more than any other reason for the U.S. trade deficit. The Education Fund asked those respondents aware of the deficit to select from a list of eight reasons the ones they regarded as "major reasons why other countries sell more to the U.S. than the U.S. sells to other countries." A large majority of these respondents (80%) chose the reason, "workers are paid less and can make the same things cheaper than we can." About one-third attributed the U.S. trade imbalance to relatively tough import restrictions abroad (36%), the high cost of U.S. oil imports (31%) and the relative attractiveness of many foreign products (30%). Few

attributed it to factors over which the U.S. has primary control (e.g., only 13 percent attributed the imbalance to U.S. Government export regulations and eight percent said American businesses don't try hard enough to increase exports). (Appendix, Table 4.)

C. Basic Attitude Toward Foreign Trade

Less than half the American public (44%) views U.S. trade with other countries as benefitting the U.S. A larger proportion believes either that foreign trade doesn't make much difference to the U.S. (28%) or that it is actually harmful to our country (21%). The Education Fund asked this question:

Thinking about the standard of living in this country, the products we use in our homes, the clothing we wear, the food we eat, do you think Americans would be better off, worse off, or would our standard of living be about the same if we did not buy from or sell to other countries?

| Worse off | 44% |
|----------------|-----|
| About the same | 28 |
| Better off | 21 |
| Don't know | 7 |

certain population groups the proportion who favors an export surplus Majorities of a few population groups view foreign trade as advantageous a belauce between exports to the U.S. -- the college educated, executives/professionals, those earning rofessionals, those carming \$25,000 or more annually, and Westerners (afout 55% see trade as beneficial the U.S. Imports more vs. about 15% view it as harmful). Least supportive of trade are the gradeschool educated, those earning less than \$7,000 annually, and Blacks (about 30% beneficial vs. 25% harmful). Attitudes of union members toward foreign re than any other reason for trade are similar to those of the public as a whole (45% of union members those respondents aware of say the U.S. would be "worse off" without trade and 20% say the U.S. would be letter off). Self-described liberals are somewhat more supportive of trade than are conservatives, while Republicans are somewhat more supportive than Democrats. Those who perceive the U.S. as "dependent" on other countries are much more supportive of foreign trade than those who believe the U.S. is basically "self-sufficient." (Appendix, Table 5.) to high cost of U.S. off imports

D. Preferences on Import and Export Levels 1300 Tile Sviid and Sec (118)

The Education Fund asked respondents three questions on whether the U.S. should try to increase, decrease or maintain the present levels of its (1) oil imports, (2) imports of non-oil products, and (3) exports. The predominant sentiments of the public are to reduce U.S. imports, especially imports of

oil, and to increase U.S. exports. The Education Fund asked these questions:

- (1) Now I'd like to ask you a question concerning U.S. imports of oil during the next several years. Do you think the government should try to increase the amount of oil the U.S. buys from other countries, or should it try to decrease the amount it buys, or do you think it should try to keep the amount of oil imported into the U.S. at about the present level?
- (2) Concerning U.S. imports of products other than oil -- do you think we should increase our imports of non-oil products, reduce them, or keep them at about the present level?
- (3) Now a question about U.S. exports. Do you think we should try to increase our exports, that is the amount of products we sell to other countries, or try to reduce our exports, or try to keep exports at about the present level?

| (1) | Oil Impo | rts | (2) Non-oil Imports | (3) Exports |
|--|---------------------|---------------------|-----------------------------------|-----------------------|
| Decrease Increase Keep at present level Qualified (Volunteered - e.g. depends on which | 67% 6 22 — | 59 16 9 16 | 47% 194° [305 200 33 10 | 14% 45 23 11 |
| products or countries are involved) Don't know | 5 | | 6 | 7 |

The prevailing opinion in all major population groups is to reduce both oil and non-oil imports. There was little variation among the groups on these two questions. But on the issue of U.S. exports, opinions among the different groups vary in the same way they do on the issue of trade as a whole: The college educated, for example, are much more in favor of increasing U.S. exports than are those not having a college education. Whites are more in favor of increasing exports than Blacks, and men are more in favor of doing so than women. Also highly supportive of increasing U.S. exports are executives/ professionals, those earning \$25,000 or more annually, and those living in the West and Northeast. (Appendix, Table 6.)

Knowledge about the U.S. trade deficit correlates closely with the preferred import and export levels. Those aware of the trade deficit are much more desirous of reducing imports and increasing exports than those unaware of the deficit:

| ation Fund asked these questions: | the Educ | aports. | oil, and to increase U.S. e |
|--|---------------------------|----------------------------|--|
| U.S. Oil Imports: Decrease Increase Keep at present level Don't know | Aware of Trade I (57%) | f U.S. eficit | Unaware of U.S. Trade Deficit (43%) |
| U.S. Non-oil Imports: Decrease Increase Keep at present level Qualified (Vol.) Don't know | 8 2 | | 12 11 |
| U.S. Exports: Decrease Increase Keep at present level Qualified (Vol.) Don't know | 12% 59 16 9 4 | 041 Impo 672 6 22 | 16% 26 26 34 34 Exercises a present level 34 Leep at present level 4.8.2 depends on which are involved 250 261 262 263 264 265 265 265 265 265 265 265 265 265 265 |
| 7 | | 3 | MOIDI, 3 (HOG |

The prevailing opinion in all major population groups is to reduce both oil and non-oil imports. There was 18 title variation among the groups on these two questions. But on the issue of W.S. exports, opinions among the different groups vary in the same way they do on the issue of trade as a whole: The college educated, for example, are much more in favor of increasing U.S. exports than are those not having a college education. Whites are more in favor of increasing exports than blacks, and men are more in favor of doing so than women. Also highly supportive of increasing U.S. exports are executives/professionals, those earning \$25,000 or more annually, and those living in the professionals, those earning \$25,000 or more annually, and those living in the West and Northcest. (Appendix, Table 6.)

Mnowledge about the U.S. trade deficit correlates closely with the preferred import and export levels. Those aware of the trade deficit are much more desirous of reducing imports and increasing exports than those unaware of the deficit:

E. Preferences on Import and Export Restrictions

The public's desire to restrict imports of competitive foreign products has risen somewhat since the mid-1970's, according to a Roper poll conducted in late 1979. Three times as many respondents on that poll favored restricting the import of foreign goods that were priced lower than comparable American products as opposed such restrictions. Roper has asked this question regularly since 1973:

There have been times when other countries have been able to sell their goods in this country at lower prices than American-made goods. Generally speaking, do you think the government should or should not place restrictions on imports of goods from other countries that are priced lower than American-made goods of the same kind?

| | OctNov 1979 | Nov. | Nov. 1975 | Nov. 1973 |
|----------------------------|-------------------|---------------|--------------|--------------|
| Favor restricting imports | 68% - 14 - 58 - 3 | 3-0-64% 10001 | 61% | 63% |
| Oppose restricting imports | 21 // | 26 Jan W | 27 | 27 |
| Don't know | ome 11 goods qu | ad 10 anal | 12 | 10 |

Roper's January 1980 survey for the Education Fund contained a differently worded question regarding restrictions on U.S. imports and exports. The Education Fund did not intimate, as did Roper's late 1979 poll, that import restrictions would have the effect of increasing prices consumers paid for some products. Consequently, a larger majority on the later poll voiced support for having import restrictions (81%). Somewhat fewer than this favored restrictions on exports (71%).

-9-

about 20% favor decreased restrictions or none at all) - (Appendix, Table 8.)

E. Preferences on Laport and Export Restrictions

Those respondents who favored restrictions on U.S. imports (or replied "don't know") were asked whether restrictions should be increased, decreased, or kept the same. A larger proportion favored increasing import restrictions than decreasing them (by 28% vs. 14%), while the plurality desired to maintain the present level of restrictions (30%).

Roper's results are summarized below: 1

Restrictions on U.S. Exports: 1980 Hada Lamas moad gund adah

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Vell-, 150

Restrictions on U.S. Imports:

The desire to increase import restrictions does not necessarily connote opposition to foreign trade per se. The groups most desirous of tighter restrictions are also among those most favorably disposed toward the idea of trade — executives/professionals, those carning \$25,000 or more annually, males and Westerners (about 35% favor increased import restrictions vs. about 20% favor decreased restrictions or none at all). (Appendix, Table 8.)

The complete questions and results are presented in Appendix B, tables 7 and 8

F. Reasons For and Against International Trade

Roper surveys conducted in 1977 and 1979 showed The Education Fund asked respondents to rate the effectiveness of each of a series of arguments in favor of foreign trade and a series of arguments to the lower prices argument (60% vs. 51% in lot against trade. The pro-trade arguments rated most effective were (1) the then, a rising inflation rate and high price creation of jobs in the export sector, (2) lower prices for consumers, and public concerns than the problem of unemple (3) optimum international subdivision of production (about 40% of the public believed each of these was a "very good argument".) The anti-trade arguments survey evidence, indicates, neverthele judged most effective were (1) more jobs retained by Americans and (2) of the public does not perceive a connection making the U.S. more self-sufficient (about 40% rated each a "very good" imports and lover congumer prices. A Marris poll conducted in December 1

Roper's results are summarized below: to increase inflation, compared to only 17 percent who believed such competition

| 7 percent Melieved imports had no | F TedtonA Rati | ngs of Argumen | ts or abo | 53 |
|--|-----------------|------------------|------------|--------|
| | Very Jew Jeson | | | |
| | Good | Good | | Know |
| (1) Creation of jobs in export sector | a.447hbhl yeva | 34% Tunal modd | 14% | 8% |
| (2) Lower prices for consumers | 40 | 33 g as saut | 20Van 180 | 017 |
| (3) Achieving optimum international sib-division of production | . 39 | 38 | 14 | 9 |
| (4) Wider choice for consumers | 31 | 40 | 21 | 8 |
| (5) More efficient U.S. companies | | | | pse |
| (6) Foreigners can buy U.S. products | 21 | 40 | 28 | 11 |
| Arguments Against Trade: | gives "don't | 26 pur T | sups as m | arla . |
| Arguments Against Trade: | Very | Fairly | Poor | Don't |
| two apposed basic arguments relating | Good sylamusing | Good sd of ba | abut oalA | Know |
| (1) More jobs retained by Americans | 44% | 30% o lavel bo | 20% | 6% |
| (2) Making the U.S. more self- | 39 | 33 | 20 | 8 |
| sufficient | to the to make | iciont subdivi | most off | sitt |
| sufficient (3) Protect the dollar | 30 | 30 | 25 | 15 |
| (4) Higher profits for U.S. companie | s 25 | 30 a . B. U maly | 35125 808 | 10 |
| (5) More U.S. products for American | | 28 | 43 | 9 |
| consumers to buy | coments for and | | Hach of th | |

These findings reveal that Americans now are almost as likely to associate competitive imports with lower prices in the positive sense as with lost jobs in a negative sense: Crosstabular analyses of the responses to these two items show that 27 percent of the public rates the lost jobs argument as more persuasive than the lover prices argument; 25 percent rates the latter argument as more persuasive than the former; 39 percent rates them as equally

effective; and nine percent gives a "don't know' response. (Appendix C.)

Roper surveys conducted in 1977 and 1979 showed that much larger proportions at those times rated the lost jobs argument as "good" than gave that rating to the lower prices argument (68% vs. 51% in late 1979, for example). Since then, a rising inflation rate and high prices have become much more widespread public concerns than the problem of unemployment, probably raising the salience of the lower prices argument.

of the public does not perceive a connection between more competition from imports and lower consumer prices. A Harris poll conducted in December, 1978, found that 52 percent believed that "competition from foreign products" tends to increase inflation, compared to only 17 percent who believed such competition tends to hold down inflation. Another 17 percent believed imports had no effect on prices and 14 percent were not sure.

The Education Fund's survey indicates that the idea that "exports create jobs" may be just as persuasive as the argument "imports lose jobs." In fact, 27 percent of the public rates the first argument as more persuasive than the second, compared to 22 percent who rate them in the reverse order (40% rates them as equal and 9% gives "don't know" response). (Appendix C.)

Also judged to be very persuasive were two opposed basic arguments relating to the desired level of U.S. involvement in the world economy: Achieving the most efficient subdivision of production among different trading countries versus achieving U.S. self-sufficiency by reducing foreign trade.

Each of the five top arguments for and against trade described above were highly rated by every major population group (i.e., about one-third or more in each group rated each argument as "very good"). Other arguments rated highly by certain groups include the pro-trade reason" aking U.S. companies more efficient" (38% of executives/professionals rated it "very good"), and

the anti-trade reason "protecting the value of the dollar" (36% of blue-collar workers, union members, and Blacks rated it "very good").

The population group ratings for each argument are summarized in the Appendix B, Tables 11 and 12. Among the noteworthy findings in those tables are these very high ratings:

Blacks -- 55 percent rated the "lower consumer price" pro-trade argument as "very good"

Executives/professionals -- 54 percent rated "creation of jobs in the export sector " as a "very good" argument and 52 percent rated "optimum international subdivision of production" as "very good"

About half of the grade school educated, those earning less than \$15,000 annually, union members, and those 60 years or older rated the antimetrade argument "more jobs retained by Americans" as "very good."

Some of the groups which gave a relatively high rating to the pro-trade argument "achieving optimum international subdivision of production" gave a relatively low rating to the anti-trade argument "making the U.S. self-sufficient" -- executives/professionals, college educated, those earning \$25,000 or more annually, Westerners and Republicans. Some other groups had the reverse tendency, finding the "self-sufficiency" argument more persuasive than "optimum subdivision of production" -- union members, the grade-school educated, those earning less than \$7,000 annually and those living in the Northeast. (Appendix, Tables 11 and 12.)

Appendix A: The International Trade Poll Questionnaire

Introduction to Trade Questions

Now we are going to ask you a few questions about international trade, but before we do I'd like to explain a few words that many people don't understand. When a U.S. company sells its products to a company in another country, that is called international trade. When a U.S. company buys products from a company in another country, that is also called international trade. Selling products to a company in another country is called exporting, and the products sold are called exports. Buying products from a company in another country is called importing, and the products that are bought are called imports.

1. Thinking of what this country has and needs, produces and doesn't produce, buys and sells, which situation would you say best describes the United States at the present time? (HAND RESPONDENT CARD A)

CARD A

The United States is...

- a. completely self-sufficient
- b. nearly self-sufficient
- c. somewhat dependent on other countriesd. largely dependent on other countries
- e. wholly dependent on other countries
- 2. Thinking about the standard of living in this country, the products we use in our homes, the clothing we wear, the food we eat, do you think Americans would be better off, worse off, or would our standard of living be about the same if we did not buy from and sell to other countries?
- 3. When it comes to what the United States buys from other countries and what the United States sells to them, which do you think has been happening during the past several years--has the U.S. been buying more than it has been selling, has it been selling more than it has buying, or have the amounts the U.S. has been buying and selling been about the same?

(IF "U.S. HAS BEEN BUYING MORE THAN IT HAS BEEN SELLING," ON QUESTION 3 ASK OUESTION 4)

4. Here are some of the reasons that have been given as to why other countries sell more products to the U.S. than the U.S. sells to other countries. (HAND RESPONDENT CARD B). Would you read down that list and tell me which ones you think are major reasons? First, because workers are paid less...

CARD B

a. Because workers are paid less in many other countries than in the U.S., they can make the same things cheaper than we can.

angitagus dese Aran Culostique

- b. Because factories in many other countries use newer and better machinery than that in the U.S., they can make the same things cheaper than we can.
- c. Because many other governments help their businesses financially they can make the same things cheaper than American firms can.
- d. Other countries make it hard to sell American products there, while the U.S. does not make it hard for other countries to sell their products here.
- e. American businesses do not try very hard to sell their products overseas.
- f. U.S. government regulations prevent American businesses from selling more overseas.
- g. The increased cost and the large amount of oil we import means that we have to export a lot of other products just to make our exports and imports equal.
- 5. Now, I'd like to ask you a question concerning U.S. imports of oil during the next several years. Do you think the government should try to increase the amount of oil the U.S. buys from other countries, should decrease the amount it buys, or do you think it should try to keep the amount of oil imported into the U.S. at about the present level?
- 6. Concerning U.S. imports of products other than oil--do you think we should increase our imports of non-oil products, reduce them, or keep them at about the present level?

- 7. Now a question about U.S. exports. Do you think we should try to increase our exports (that is the amount of products we sell to other countries), reduce our exports, or try to keep exports at about the present level?
- 8. Thinking in terms of the amount of products that the U.S. imports and exports—do you think it is best for the U.S. to import more from other countries than we export to them, or best for the U.S. to export more than it imports, or do you think it is best if the amounts we import and export are equal? Or doesn't it matter?
- 9. Here are some arguments that have been made in favor of international trade in products other than oil. For each one, please tell me if you think it is a very good argument, a fairly good argument, or a poor argument. (REFER TO FIRST ARGUMENT ON CARD C) -- do you think that is a very good argument, a fairly good argument, or a poor argument? Next...

CARD C

- a. Some foreign products cost less than American-made brands and Americans can buy them and save money.
- b. Foreign competition makes U.S. businesses more efficient.
- c. Buying foriegn countries' products means those countries earn money and can buy those U.S. products they want.
- d. Selling U.S. products to other countries helps create American jobs in businesses that export.
- e. International trade enables us to produce and sell what we make best and enables other countries to produce and sell what they make best.
- f. Americans can have the choice of buying some products that aren't made in the U.S.

10. Now, here are some arguments against international trade in non-oil products. (REFER TO FIRST ARGUMENT ON CARD D) -- do you think that is a very good argument, a fairly good argument, or a poor argument? Next...

CARD D

- a. Buying fewer imports from other countries means foreigners would have fewer U.S. dollars and that would protect the value of the dollar.
- b. Keeping out foreign products would mean American companies would make higher profits.
- c. Not selling U.S. products to foreigners would mean more U.S. products that Americans could buy.
- d. Keeping foreign products out of the U.S. means more jobs for Americans.
- e. Keeping out foreign products makes the United States more self-sufficient and that is good.
- 11. Sometimes countries place restrictions on imports coming into the country. Sometimes too, they place restrictions on exports going out of the country. Which statement on this card (HAND RESPONDENT CARD E) comes closest to your view of what U.S. policy should be?

CARD E

- a. The U.S. should not have any restrictions on exports or imports
- b. The U.S. should have restrictions on exports, but not on imports
- c. The U.S. should have restrictions on imports, but not on exports
- d. The U.S. should have restrictions on both imports and exports (IF RESPONSE c OR d SELECTED ON QUESTION 11, ASK QUESTION 12):
- 12. Speaking of restrictions on imports only--do you think U.S. import restrictions should be increased, decreased, or kept about the same as they are now?

 $\underline{\mbox{Appendix B}}$ Table 1. Perception of U.S. Economic Dependence

| | Wholly/Largely | pendent | (Total) | Nearly (| lf-Suffic Completely | (Total) | Don't Know |
|---|----------------|---------|---------|----------|-------------------------|---------|---------------|
| Total Public | 17% | 52% | (69%) | 23% | 6% | (29%) | 2% |
| Age_ | | | | | | | |
| 18-29 | 20 | 51 | (71) | 24 | 4 | (28) | i |
| 30-44 | 19 | 53 | (72) | 21 | 6 | (27) | 1 |
| 45-59 | 15 | 52 | (67) | 22 | 8 | (30) | 3 |
| 60 and over | 10 | 53 | (63) | 25 | 8 | (33) | 4 |
| Education | | | | | | | |
| College | 22 | 53 | (75) | 20 | 4 | (24) | 1 |
| High School | 16 | 53 | (69) | 24 | 6 | (30) | 1 |
| Grade School | 10 | 49 | (59) | 25 | 11 | (36) | 5 |
| Occupation | | | | | | | |
| Executive/Professional | 22 | 54 | (76) | 21 | 3 | (24) | - |
| White Collar | 18 | 54 | (72) | 23 | 4 | (27) | 1 |
| Blue Collar | 16 | . 49 | (65) | 24 | 9 | (33) | 2 |
| Union Member | 16 | 50 | (66) | 26 | 7 | (33) | 1 |
| Race | | | | | | | |
| Black | 9 | 54 | (63) | 25 | 11 | (36) | 2 |
| White | 18 | 52 | (70) | 23 | 5 | (28) | 2 |
| Region | | | | | | | |
| Northeast | 15 | 48 | (63) | 24 | 8 | (32) | 5 |
| South | 17 | 52 | (69) | 22 | 7 | (29) | 2 |
| Mi dwes t | 13 | 55 | (68) | 25 | 6 | (31) | 1 |
| West | 23 | 52 | (75) | 21 | 3 | (24) | 1 |
| Sex | | | | | | | |
| Male | 18 | 51 | (69) | 22 | 7 | (29) | 2 |
| Female | 15 | 53 | (68) | 24 | 6 | (30) | 2 |
| Community Size | | | | | | | - |
| Major Metropolitan Area (1.4 million or more) | 14 | 44 | (58) | 29 | 9 | (38) | 4 |
| Cities (150,000-1.3 million) | 17 | 55 | (72) | 21 | 5 | (26) | 2 |
| Towns (35,000-149,000) | 19 | 59 | (78) | 17 | 4 | (21) | 1 |
| Rural Areas | 20 | 59 | (79) | 16 | 3 | (19) | 2 |

Table 2. Perceptions of Dependency for Specific Products (Harris Surveys)

U.S. Dependency on Rest of World: Nov. 1978 (Dec. 1974 Results in Parentheses)

| | A Lot | A Little | Not at All | Not Sure |
|---------------------------------------|-----------|-----------|------------|----------|
| Gasoline and oil | 79% (71%) | 16% (23%) | 3% (4%) | 2% (2%) |
| Markets to sell manufactured products | 48 (41) | 41 (44) | 5 (10) | 6 (5) |
| Manufactured products | 39 (21) | 49 (53) | 9 (21) | 3 (5) |
| Raw materials for manufacturing | 36 (30) | 50 (53) | 8 (12) | 6 (5) |
| Money for investment and construction | 21 (8) | 46 (30) | 24 (53) | 9 (9) |
| Technology | 14 (9) | 56 (40) | 22 (40) | 8 (11) |
| Developing industrial know-how | 11 (10) | 58 (36) | 25 (50) | 5 (5) |
| Food supplies | 10 (6) | 57 (52) | 30 (40) | 2 (2) |

World Dependency on United States: Nov. 1978 (Dec. 1974 Results in Parentheses)

| | A Lot | A Little | Not at All | Not Sure |
|---------------------------------------|-----------|-----------|------------|----------|
| Food supplies | 81% (84%) | 17% (13%) | 1% (1%) | 1% (2%) |
| Developing industrial know-how | 74 (77) | 19 (16) | 2 (3) | 5 (4) |
| Technology | 67 (72) | 24 (19) | 3 (2) | 6 (7) |
| Money for investment and construction | 67 (76) | 23 (16) | 4 (3) | 6 (5) |
| Markets to sell manufactured products | 62 (73) | 30 (22) | 3 (1) | 5 (4) |
| Manufactured products | 54 (67) | 39 (27) | 4 (2) | 3 (4) |
| Raw materials for manufacturing | 53 (60) | 39 (33) | 4 (3) | 4 (5) |
| Gasoline and oil | 15 (21) | 51 (38) | 30 (37) | 4 (5) |

[&]quot;....Do you think the U.S. depends on the rest of the world a lot, a little, or not at all for...(SPECIFIC ITEMS READ FROM LIST)?"

[&]quot;.....Does the rest of the world depend on the United States a lot, a little, or not at all for...(ITEMS READ FROM LIST AGAIN)?"

Table 3. Awareness of U.S. Trade Imbalance

"When it comes to what the United States buys from other countries and what the United States sells to them, which do you think has been happening during the past several years—has the U.S. been buying more than it has been selling, has it been selling more than it has been buying, or have the amounts the U.S. has been buying and selling been about the same?"

| | | Buying More Than Selling | Other Responses, Don't Know | |
|------------|----------------|-----------------------------|--------------------------------|--|
| Total Pu | blic | 57% | 43% | |
| Educatio | <u>1</u> | | | |
| College | | 67 | 33 | |
| High Sch | 001 | 58 | 42 | |
| Grade Sc | hool | 43 | 57 | |
| Occupati | on | | | |
| Executiv | e/Professional | 68 | 32 | |
| White Co | llar | 57 | 43 | |
| Blue Col | lar | 57 | 43 | |
| Union Me | mber | 62 | 38 | |
| Income | | | | |
| | and over | 67 | 33 | |
| \$15,000 | - \$24,999 | 59 | 41 | |
| \$ 7,000 | - \$14,999 | 56 | 44 | |
| less tha | n \$ 7,000 | 43 | 57 | |
| Race | | | | |
| Black | | 37 | 63 | |
| White | | 60 | 40 | |
| Region | | | About the same of the | |
| Northea | st | 52 | 48 | |
| South | | 52 | 48 | |
| Midwest | | 61 | 39 | |
| West | | 69 | 31 | |
| <u>Sex</u> | | | | |
| Male | | 65 | 35 | |
| Female | | 50 | 50 | |
| Party A | ffiliation | | | |
| Democra | t | 56 | 44 | |
| Republi | can | 64 | 36 | |
| Politic | al Philosophy | | | |
| Liberal | | 54 | 46 ' | |
| Moderat | | 58 | 42 | |
| Conserv | ative | 60 | 40 | |

Table 4. Reasons for U.S. Trade Imbalance

"Here are some of the reasons that have been given as to why other countries sell more products to the U.S. than the U.S. sells to other countries. (CARD SHOWN TO RESPONDENT) Would you read down that list and call off the ones you think are major reasons?"

(Question asked of Respondents Aware of U.S. Trade Deficit, Comprising 57 percent of Total Sample)

| | | Cited as a Major Reason |
|---------|---|-----------------------------|
| than i | e workers are paid less in many other countries the U.S., they can make the same things cheaper | Groups region |
| then w | e can. | 80% |
| there, | countries make it hard to sell American products while the U.S. does not make it hard for other | Occupation |
| countr | ies to sell their products here. | Tempter 36 on the Victorian |
| means | creased cost and the large amount of oil we import that we have to export a lot of other products | |
| just t | make our exports and imports equal. | 31 35 103 9079 |
| Foreign | manufacturers are making products that are more tive to buyers than the products U.S. manufacturers | |
| are mal | cing. | 30 |
| Because | e many other governments help their businesses tally they can make the same things cheaper than | |
| | an firms can. | 25 |
| Because | factories in many other countries use newer and machinery than that in the U.S., they can make | |
| the sar | ne things cheaper than we can. | 13 mily 2297 |
| U.S. Go | overnment regulations prevent American businesses | |
| from se | elling more overseas. | 13 |
| America | an businesses do not try very hard to sell their | |
| | s overseas. | 8 |
| None c | ted, Don't know | 2 Matpass |
| | | 238% * |
| | | |

^{*}More than 100% due to multiple responses

Table 5. Attitude Toward U.S. Foreign Trade

| Off Same Off Know | Effects of No Trade | | | | | | |
|--|--------------------------------------|------------------------------|----------------|--------------------|------------------|--|--|
| Education College 57 23 16 4 High School 41 31 22 6 Grade School 32 29 27 12- Occupation Executive/Professional 55 26 16 3 White Collar 51 27 16 6 Blue Collar 37 32 25 6 Union Member 45 32 20 3 Income \$25,000 and over 55 24 18 3 \$15,000 - \$24,999 48 27 19 6 \$ 7,000 - \$14,999 40 27 25 8 less than \$ 7,000 29 35 24 12 Race Black 27 42 23 8 White 46 26 21 7 Region Northeast 45 27 20 8 | call off the ones you whak are major | U.S. Worse Off | | U.S. Better Off | | | |
| Education College | Total Public retromos stormed as | 44% | 28% | 21% | 7% | | |
| College 57 23 16 4 High School 41 31 22 6 Grade School 32 29 27 12 Occupation Executive/Professional 55 26 16 3 White Collar 51 27 16 6 Blue Collar 37 32 25 6 Union Member 45 32 20 3 Income \$25,000 and over 55 24 18 3 \$15,000 - \$24,999 48 27 19 6 \$ 7,000 - \$14,999 40 27 25 8 less than \$ 7,000 29 35 24 12 Race Black 27 42 23 8 White 46 26 21 7 Region Northeast 45 27 20 8 | Education | | | in let | | | |
| Grade School 32 29 27 12- Occupation Executive/Professional 55 26 16 3 White Collar 51 27 16 6 Blue Collar 37 32 25 6 Union Member 45 32 20 3 Income \$25,000 and over 55 24 18 3 \$15,000 - \$24,999 48 27 19 6 \$ 7,000 - \$14,999 40 27 25 8 less than \$ 7,000 29 35 24 12 Race Black 27 42 23 8 White 46 26 21 7 Region Northeast 45 27 20 8 | C 11 2 2 2 | 57 | 23 | 16 | 4 | | |
| Grade School 32 29 27 12 Occupation Executive/Professional 55 26 16 3 White Collar 51 27 16 6 Blue Collar 37 32 25 6 Union Member 45 32 20 3 Income \$25,000 and over 55 24 18 3 \$15,000 - \$24,999 48 27 19 6 \$ 7,000 - \$14,999 40 27 25 8 less than \$ 7,000 29 35 24 12 Race Black 27 42 23 8 White 46 26 21 7 Region Northeast 45 27 20 8 | High School | 41 | 31 | 22 | 6 ₉ 2 | | |
| Executive/Professional 55 26 16 3 White Collar 51 27 16 6 Blue Collar 37 32 25 6 Union Member 45 32 20 3 Income \$25,000 and over 55 24 18 3 \$15,000 - \$24,999 48 27 19 6 \$ 7,000 - \$14,999 40 27 25 8 less than \$ 7,000 29 35 24 12 Race Black 27 42 23 8 White 46 26 21 7 Region Northeast 45 27 20 8 | Grade School | 32 32 | 29 | 27 27 | 122 | | |
| Executive/Professional 55 26 16 3 White Collar 51 27 16 6 Blue Collar 37 32 25 6 Union Member 45 32 20 3 Income \$25,000 and over 55 24 18 3 \$15,000 - \$24,999 48 27 19 6 \$ 7,000 - \$14,999 40 27 25 8 less than \$ 7,000 29 35 24 12 Race Black 27 42 23 8 White 46 26 21 7 Region Northeast 45 27 20 8 | Occupation aroubo | nes reand I le | e na tried 1 | eyen seradau | | | |
| Blue Collar 37 32 25 6 Union Member 45 32 20 3 Income \$25,000 and over 55 24 18 3 \$15,000 - \$24,999 48 27 19 6 \$ 7,000 - \$14,999 40 27 25 8 less than \$ 7,000 29 35 24 12 Race Black 27 42 23 8 White 46 26 21 7 Region Northeast 45 27 20 8 | Executive/Professional | 55 57 57 | 26 | 16 | 3 | | |
| ## Blue Collar 37 32 25 6 | White Collar | 7+0 -151 _{3 muotae} | 27 | 16 gess | 6 | | |
| Income \$25,000 and over 55 24 18 3 \$15,000 - \$24,999 48 27 19 6 \$7,000 - \$14,999 40 27 25 8 less than \$7,000 29 35 24 12 Race 27 42 23 8 White 46 26 21 7 Region Northeast 45 27 20 8 | Blue Collar | 37 | 32 | 25 | 6 | | |
| Second S | | 45 | 32 | 20 | 3 | | |
| \$15,000 - \$24,999 | <u>Income</u> | am .2.0 asoub | ond and nema | Ve to hayens | | | |
| \$15,000 - \$24,999 | | 55 _{min} 55 | 24 | 18 | 3.9 | | |
| less than \$ 7,000 29 35 24 12 Race 27 42 23 8 White 46 26 21 7 Region 7 27 20 8 | \$15,000 - \$24,999 | 48 | 27 | 19 | 6 | | |
| less than \$ 7,000 29 35 24 12 Race 27 42 23 8 White 46 26 21 7 Region 7 7 7 7 7 Northeast 45 27 20 8 | | 40 | 27 | 25 | 8 | | |
| Black 27 42 23 8 White 46 26 21 7 Region 45 27 20 8 | less than \$ 7,000 | 29 | 35 | 24 | 12 | | |
| White 46 26 21 7 Region 45 27 20 8 | Race | d Assirana di | Byent and tail | ugar ineminav | | | |
| Region 45 26 21 7 Northeast 45 27 20 8 | | 27 | 42 | 23 | 8 | | |
| Northeast 45 27 20 8 | White | 46 | 26 | 21 | 700 | | |
| | Region | | , is | ted. Den't kn | | | |
| Co.,+h | Northeast | 45 | 27 | 20 | 8 | | |
| 30uth 41 20 23 0 | South | 41 | 28 | 25 | 6 | | |
| Midwest 41 29 21 9 | Midwest | 41 | 29 | 21 | 9 | | |
| West 53 27 16 4 | West | 53 | 27 | 16 | 4 | | |
| <u>Sex</u> | <u>Sex</u> | | | | | | |
| Male 48 27 21 4 | Male | 48 | 27 | 21 | 4 | | |
| Female 40 29 22 9 | Female | | | 22 | 9 | | |

Table 5. (cont'd)

| | Effects of No Trade | | | | | |
|-------------------------------------|---------------------|----------------|--------------------|---------------|--|--|
| | U.S. Worse Off | About the Same | U.S. Better Off | Don't Know | | |
| Party Affiliation | | | | | | |
| Democrat | 43 | 29 | 22 | 6 | | |
| Republican | 47 | 29 | 19 | 5 | | |
| Political Philosophy | | | | | | |
| Liberal | 50 | 27 | 17 | 6 | | |
| Moderate | 40 | 28 | 26 | 6 | | |
| Conservative | 46 | 28 | 20 | 6 | | |
| Perception of U.S. Economic Depende | nce | | | | | |
| U.S. largely dependent | 59 | 16 | 21 | 4 | | |
| U.S. somewhat dependent | 48 | 26 | 21 | 5 | | |
| U.S. nearly self-sufficient | 34 | 38 | 20 | 8 | | |
| U.S. completely self-sufficient | 22 | 40 | 32 | 6 | | |

Table 6. Preferred Level of U.S. Exports

| | Increase | Decrease | Keep at Present Level | Qualified | Don't Know |
|------------------------|---|----------|--------------------------|--------------|------------|
| Total Public | 45% | 14% | 23% | (Volunteered | 7% |
| Education | | | | | |
| College | 56 | 11 | 17 | 11 | 5 |
| High School | 44 | 15 | 25 | 10 | 6 |
| Grade School | 33 | 16 | 28 | 11 | 12 |
| Occupation | | | | | |
| Executive/Professional | 61 | 12 | 15 | 11 | 1 |
| White Collar | 46 | 14 | 23 | 11 | 6 . |
| Blue Collar | 44 | 14 | 26 | 10 | 6 |
| Union Member | 51 | 13 | 23 | 9 | 4 |
| Income | | | | | |
| \$25,000 and over | 56 | 11 | 22 | 8 | 3 |
| \$15,000 - \$24,999 | 48 | 12 | 21 | 11 | 7 |
| \$ 7,000 - \$14,999 | 43 | 14 | 25 | 11 | 7 |
| less than \$ 7,000 | 30 | 19 | 26 | 14 | 11 |
| Race | | | | | |
| Black | 22 | 20 | 28 | 20 | 10 |
| White | 47 | 13 | 23 | 10 | 7 |
| Region | | | | | |
| Northeast | 52 | 11 | 23 | 7 | 7 |
| South | 37 | 17 | 24 | 14 | 8 |
| Midwest | 40 | 12 | 26 | 13 | 9 |
| West | 59 | 14 | 17 | 6 | 4 |
| Sex | | | | | |
| Male | 52 | 13 | 20 | 10 | 5 |
| Female | 39 | 14 | 26 | 11 | 10 |
| Party Affiliation | | | | | |
| Democrat | 44 | 15 | 23 | 11 | 7 |
| Republican | 47 | 14 | 24 | 9 | 6 |
| Political Philosophy | 1 7 - N 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | | | | |
| Liberal | 46 | -11 | 27 | 10 | 6 |
| Moderate | 42 | 14 | 24 | 12 | 8 |
| Conservative | 48 | 15 | 21 | 10 | 6 |

Table 7. Preferences on Import and Export Restrictions

"Sometimes countries place restrictions on imports coming into the country. Sometimes too, they place restrictions on exports going out of the country. Which statement on this card (RESPONDENT SHOWN CARD) comes closest to your view of what U.S. policy should be?"

| The U.S. should not have any restrictions on exports or imports | 6% |
|--|------|
| The U.S. should have restrictions on exports, but not on imports | 4 |
| The U.S. should have restrictions on imports, but not on exports | 14 |
| The U.S. should have restrictions on both imports and exports | 67 |
| Don't know | 9 |
| | 100% |

(IF FAVORED "restrictions on imports" or "didn't know," RESPONDENT WAS ASKED):

"Speaking of restrictions on imports only--do you think U.S. import restrictions should be increased, decreased, or kept about the same as they are now?"

| Increase import restrictions | 28% |
|------------------------------|-----|
| Keep same | 31% |
| Decrease import restrictions | 14 |
| Don't know | 17 |
| | 90% |

Table 8. Preferences on Import Restrictions

| | Oppose | | | | |
|------------------------|--------------------------|--------------|--------------------------|---------------|------------------------|
| | Increase Restrictions | Keep Same | Decrease Restrictions | Don't Know | Import Restrictions |
| Total Public | 28% | 37% | 14% | 17% | 10% |
| Education | | | | | |
| College | 30 | 32 | 14 | 14 | 10 |
| High School | 28 | 32 | 15 | 16 | 9 |
| Grade School | 24 | 30 | 15 | 22 | 9 |
| Occupation Occupation | | | | | |
| Executive/Professional | 35 | 27 | 16 | 12 | 10 |
| White Collar | 26 | 34 | 14 | 18 | 8 |
| Blue Collar | 30 | 30 | 16 | 13 | 11 |
| Union Member | 35 | 28 | 15 | 12 | 10 |
| Income | | | | | |
| \$25,000 and over | 34 | 33 | 12 | 11 | 10 |
| \$15,000 - \$24,999 | 26 | 32 | 16 | 17 | 9 |
| \$ 7,000 - \$14,999 | 27 | 30 | 15 | 18 | 10 |
| less than \$ 7,000 | 27 | 29 | 13 | 19 | 12 |
| Race | | | | | |
| Black | 27 | 29 | 13 | 16 | 15 |
| White | 28 | 31 | 15 | 17 | 9 |
| Region | | | | | |
| Northeast | 29 | 26 | 17 | 19 | 9 |
| South | 25 | 31 | 15 | 17 | 12 |
| Midwest | 28 | 33 | 14 | 16 | 9 |
| West | 32 | 37 | 10 | 13 | 8 |
| Sex | | | | | 20 |
| Male | 33 | 31 | 15 | 11 | 10 |
| Female | 23 | 31 | 14 | 23 | 9 |
| Party Affiliation | | | | | |
| Democrat | 26 | 32 | 16 | 17 | 9 |
| Republican | 30 | 31 | 13 | 14 | 12 |
| Political Philosophy | | | | Marin + | |
| Liberal | 27 | 34 | 12 | 17 | 10 |
| Moderate | 28 | 33 | 15 | 16 | 8 |
| Conservative | 28 | 29 | 16 | 16 | 11 |

Table 9. Arguments in Favor of International Trade

"Here are some arguments that have been made in favor of international trade in products other than oil. (RESPONDENT SHOWN CARD) For each one, please tell me if you think it is a very good argument, a fairly good argument, or a poor argument..."

| (Order of | pres | entation on card: #2,5,6,1,3,4) | Rated Argume | | Good |
|-----------|------|---|-----------------|-----|------|
| | (1) | "Selling U.S. products to other countries helps create American jobs in businesses that export those goods." | | 44% | |
| | (2) | "Some foreign products cost less than American-made brands and Americans can buy them and save money." | | 40 | |
| | (3) | "International trade enables us to produce and sell what we make best and enables other countries to produce and sell what they make best." | | 39 | |
| | (4) | "Americans can have the choice of buying some products that aren't made in the U.S." | | 31 | |
| | (5) | "Foreign competition makes U.S. businesses more efficien | ıt." | 29 | |
| | (6) | "Buying foreign countries' products means those countries earn money and can buy those U.S. products they want." | | 21 | |

Table 10. Arguments Against International Trade

"Now, here are some arguments <u>against</u> international trade in non-oil products. (RESPONDENT SHOWN CARD) First,....do you think that is a very good argument, a fairly good argument, or a poor argument?" (ASK ABOUT EACH ITEM)

(Order of presentation on card: #3,4,5,1,2)

| | | Rated "Very Good Argument" |
|-----|---|-------------------------------|
| (1) | "Keeping foreign products out of the U.S. means more jobs for Americans." | 44% |
| (2) | "Keeping out foreign products makes the United States more self-sufficient and that is good." | 39 |
| (3) | "Buying fewer imports from other countries means foreigners would have fewer U.S. dollars and the would protect the value of the dollar." | |
| (4) | "Keeping out foreign products would mean America companies would make higher profits." | an 25 |
| (5) | "Not selling U.S. products to foreigners would mean more U.S. products that Americans could buy | y." 20 |

Table 11. Group Ratings of Pro-Trade Arguments (Percent Rating Each Argument as "Very Good")

Pro-Trade Arguments

| (1) Create Jobs (2) Lower (3) Int'l (4)Wider (5) More (6) Foreign in Export Consumer Subdivision Consumer Efficient U.S. Can Buy U.S | | | | | | |
|--|---------------------|--------------------|---------------------------|--------|-----------|----------|
| | in Export Sector | Consumer Prices | Subdivision of Production | Choice | Companies | Products |
| Total Public | 44% | 40% | 39% | 31% | 29% | 21% |
| Education | | | | 100 | | |
| College | 45 | 45 | 43 | 32 | 32 | 22 |
| High School | 45 | 38 | 39 | 31 | 28 | 20 |
| Grade School | 43 | 38 | 34 | 29 | 28 | 22 |
| Age | | | | | | |
| 18 - 29 | 47 | 39 | 38 | 33 | 30 | 18 |
| 30 - 44 | 44 | 43 | 37 | 29 | 27 | 19 |
| 45 - 59 | 40 | 40 | 39 | 28 | 28 | 24 |
| 60 and over | 47 | 40 | 43 | 34 | 32 | 25 |
| <u>Occupation</u> | | | | | | |
| Executive/Professional | 54 | 48 | 52 | 33 | 38 | 28 |
| White Collar | 40 | 42 | 37 | 29 | 25 | 18 |
| Blue Collar | 42 | 37 | 35 | 29 | 28 | 18 |
| Union Member | 43 | 38 | 33 | 28 | 33 | 18 |
| Income | | | | | | |
| \$25,000 and over | 50 | 46 | 42 | 32 | 30 | 21 |
| \$15,000 - \$24,999 | 42 | 37 | 39 | 31 | 29 | 20 |
| \$ 7,000 - \$14,999 | 43 | 41 | 40 | 32 | 30 | 20 |
| less than \$ 7,000 | 45 | 41 | 34 | 30 | 28 | 24 |
| Race | | | | | | |
| Black | 39 | 55 | 31 | 28 | 32 | 23 |
| White | 45 | 39 | 40 | 32 | 29 | 21 |
| | | _ | 29- | | | |

Table 11. (cont'd)

Pro-Trade Arguments

| | (1) Create Jobs in Export Sector | (2) Lower Consumer Prices | (3) Int'l Subdivision of Production | (4) Wider Consumer Choice | (5) More Efficient U.S. Companies | (6) For- eigners Can Buy US Products |
|---|--|---------------------------------|---|---------------------------------|---|---|
| Region | | | | | | |
| Northeast | 40 | 38 | 31 | 24 | 26 | 15 |
| South | 48 | 43 | 42 | 35 | 30 | 23 |
| Midwest | 42 | 42 | 38 | 30 | 28 | 22 |
| West | 48 | 35 | 45 | 35 | 34 | 23 |
| Sex | | | | | | |
| Male | 50 | 43 | 42 | 30 | 34 | 23 |
| Female | 40 | 38 | 36 | 32 | 25 | 19 |
| Party Affiliation | | | | | | |
| Democrat | 44 | 41 | 38 | 31 | 29 | 21 |
| Republican | 45 | 37 | 43 | 32 | 30 | 24 |
| Political Philosophy | | | | | | |
| Liberal | 47 | 40 | 41 | 34 | 33 | 24 |
| Moderate | 41 | 39 | 36 | 29 | 25 | 17 |
| Conservative | 47 | 42 | 41 | 32 | 31 | 24 |
| Community Size | | | | | | |
| Major Metropolitan Area (1.4 million or more) | 40 | 43 | 35 | 29 | 30 | 20 |
| Cities (150,000 - 1.3 million) | 46 | 37 | 38 | 29 | 28 | 19 |
| Towns (35,000 - 149,000) | 48 | 40 | 44 | 36 | 29 | 22 |
| Rural Areas | 46 | 42 | 47 | 32 | 35 | 29 |

Table 12. Group Ratings of Anti-Trade Arguments (Percent Rating Each Argument as "Very Good")

Anti-Trade Arguments

| | (1) Retain American Jobs | (2) Make U.S. More Self-Sufficient | (3) Protect Dollar | (4) Higher Profits for U.S. Companies | (5) More U.S. Products for American Consumers |
|------------------------|--------------------------------|--|-----------------------|---|--|
| Total Public | 44% | 39% | 30% | 25% | 20% |
| Education | | | | | |
| College | 37 | 31 | 25 | 22 | 16 |
| High School | 45 | 42 | 33 | 25 | 20 |
| Grade School | 51 | 43 | 32 | 30 | 23 |
| Age | | | | | |
| 18 - 29 | 41 | 39 | 30 | 26 | 21 |
| 30 - 44 | 41 | 38 | 30 | 25 | 18 |
| 45 - 59 | 45 | 39 | 28 | 23 | 20 |
| 60 and over | 50 | 37 | 32 | 27 | 20 |
| <u>Occupation</u> | | | | | |
| Executive/Professional | 35 | 29 | 27 | 23 | 15 |
| White Collar | 38 | 35 | 26 | 21 | 16 |
| Blue Collar | 51 | 44 | 36 | 27 | 24 |
| Union Member | 51 | 43 | 36 | 24 | 17 |
| Income | | | | | |
| \$25,000 and over | 39 | 33 | 29 | 21 | 15 |
| \$15,000 - \$24,999 | 39 | 36 | 27 | 22 | 17 |
| \$ 7,000 - \$14,999 | 50 | 44 | 33 | 29 | 23 |
| less than \$ 7,000 | 51 · | 43 | 33 | 31 | 25 |
| Race | | | | | |
| Black | 46 | 32 | 36 | 31 | 23 |
| White | 44 | 39 | 30 | 25 | 19 |
| | | | -31- | | |
| | | | +* | | |

Table 12. (cont'd)

Anti-Trade Arguments

| | (1) Retain American Jobs | (2) Make U.S. More Self-Sufficient | (3) Protect Dollar | (4) Higher Profits for U.S. Companies | (5) More U.S. Products for American Consumers |
|---|--------------------------------|--|-----------------------|---------------------------------------|--|
| Region | | | | | Col/An |
| Northeast | 48% | 41% | 26% | 21% | 17% |
| South | 48 | 43 | 34 | 31 | 24 |
| * Midwest | 43 | 36 | 33 | 25 | 20 |
| West | 33 | 30 | 24 | 21 | 15 |
| <u>Sex</u> | | | | | |
| Male | 44 | 39 | 32 | 24 | 19 |
| Female | 44 | 39 | 28 | 27 | 21 |
| Party Affiliation | | | | | |
| Democrat | 45 | 39 | 32 | 27 | 22 |
| Republican | 37 | 34 | 29 | 21 | 16 |
| Political Philosophy | | | | | |
| Liberal | 40 | 35 | 26 | 22 | 19 |
| Moderate | 47 | 41 | 29 | 27 | 20 |
| Conservative | 44 | 38 | 34 | 26 | 20 |
| Community Size | | | | | |
| Major Metropolitan Area (1.4 million or more) | 40 | 32 | 26 | 20 | 17 |
| Cities (150,000 - 1.3 million) | 50 | 42 | 30 | 27 | 20 |
| Towns (35,000 - 149,000) | 42 | 41 | 36 | 30 | 24 |
| Rural Areas | 42 | 46 | 34 | 29 | 21 |

Appendix C

Crosstabular Analysis of the Arguments

| | considered to be | considered to be | Both about same | Don't know respon- ses #1 and/or #2 |
|---------------------------|-------------------|--|--|---|
| ost jobs | 25% | 27% | 39% | 9% |
| Lost jobs | 27 | 22 | 40 | 11 |
| J.S. self- sufficiency | 28 | 25 | 35 | 12 |
| | ost jobs ost jobs | considered to be better than # 2 ost jobs 25% ost jobs 27 J.S. self- 28 | considered to be better than # 1 cost jobs 25% 27% cost jobs 27 22 J.S. self- 28 25 | considered to be better than # 2 considered to be better than # 1 cost jobs 25% 27% 39% |

International Trade: Style and Substance

League of Women Voters Education Fund

In the early spring of 1979, as the much-heralded Tokyo Round of multilateral trade negotiations was coming to a close in Geneva, the domestic trade debate was peaking. Spanning five years, the trade talks had already been the subject of much discussion, as rumors about the level of tariff cuts or product concessions circulated in the trade community.

Ambassador Robert Strauss, former U.S. Special Representative for Trade Negotiations, brought style to the substance of trade, and when he testified before a congressional committee, the hearing room was packed. Ambassador Strauss told Congress that he would not ask the members to approve a package that was unfair to the American people, and with that simple message, spoken emphatically, he seemed to engender trust in the hearts and minds of representatives of numerous and conflicting special interests.

The League of Women Voters Education Fund was concerned that the trade debate be a public debate, that it involve more than the particulars of the Tokyo Round agreement, and that trade issues be explained and discussed in terms people outside the trade community would understand.

In the spring of 1978, the Education Fund began to make plans to accomplish those goals. It decided to launch a public education campaign that would focus on the basics of trade: what it is and how it affects a given state's economy. The project would be implemented by Leagues of Women Voters in states throughout the country.

By April 1979, the basic elements of the education campaign were in place and a conference to train state project directors was held. This report summarizes that conference.

"The United States' Stake in International Trade" was held with the cooperation of the Chicago Mercantile Exchange, the Johnson Foundation and the Kettering Foundation. Other donors who made the conference possible were:

Allis-Chalmers Corporation
American Importers Association
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International Trades Style and Substance

"International trade is good for the American economy—imports create competition and encourage American industry to be efficient and competitive. That fights inflation." "Imports are inflationary—look at what our massive oil imports do to our economy." "The trade deficit is inflationary; it's causing the value of the U.S. dollar to fall, which means we have to pay more for imported goods." "You've forgotten about exports—the other side of the trade equation. Exports of agricultural goods are the single most important factor helping to balance the trade equation." "Imports are crowding Americans out of jobs in my industry. With the country heading for a recession we can't afford more unemployment." "My firm is virtually dependent on exports—what about the workers in my firm who stand to lose their jobs if we cut back on trade?"

These are typical comments in a typical discussion about international trade. These sentiments, expressed again and again in such dialogues, reveal varying levels of knowledge and background, varying perspectives and concerns, varying "publics" and interests.

What is trade? What is its impact on the United States' and the world's economy? How do our trading partners view the United States and its trade policies? How does the United States view other nations' trade policies? What role does international trade play in this nation's economic policies? What role does trade play in our foreign policy goals? How do the various "publics"—consumers, manufacturers, farmers, textile workers—view trade, and how are their differences reconciled? And, finally, how do those responsible for shaping U.S. trade policy weigh and measure these questions and others as they negotiate, legislate and execute this nation's international trade policy?

These were among the issues under discussion at a 1979 League of Women Voters Education Fund symposium on "The United States' Stake in International Trade." Convened at Wingspread, the conference center of the Johnson Foundation in Racine, Wisconsin, April 5-7, 1979, the symposium was attended by 44 members of the League of Women Voters from 42 states; State Department officials; representatives of the European Economic Community, Japan and Brazil; representatives from Congress and from the Executive Office of the President, from business, labor and academia; and members of the League of Women Voters national board, international relations committee and staff.

The conference itself was only a beginning, for it was to prepare League leaders from 42 states to conduct public education programs about the importance of international trade to their states. Participants prepared for the conference by researching and compiling economic profiles of their own states, and by reading reams of materials sent to them by the national League (for a list of these materials, see p.13).

The chief ingredients of the conference itself were:

substantive briefings from experts in international trade;

a chance to discuss and share strategies for effective public education programs, with the goals of reaching a wide public audience and interacting with and involving policy makers;

□ training in the use of a specific group discussion technique designed to facilitate discussion among public opinion trade leaders who have varying and sometimes conflicting points of view.

The conference began with an overview of trade issues, then moved into more specific economic and political policy questions affecting trading nations and sectors of the American economy, illustrating the competition between political and economic interests involved in trade issues.

The context of trade

How we manage our international trade policy bears directly on our efforts to control inflation, on the stability of the dollar and on the productiveness of our economy, and, finally, on the effectiveness of our own foreign policy.

Julius L. Katz Assistant Secretary of State for Economic and Business Affairs

Secretary Katz's remarks highlighted the fact that not only must nations agree among themselves how best to manage international trade, but individual nations must also take into account various internal groups, concerns and interests—some of which may conflict—when formulating national positions on trade issues. Using the Tokyo Round of multilateral trade negotiations, then nearing conclusion, as the foundation for his remarks, Katz touched on some of the most complicated issues facing the United States and other participating nations. (For more on the multilateral trade negotiations see the League of Women Voters Education Fund's MTN: Breaking the Nontariff Barrier, listed under Resources.)

The growing use of nontariff barriers, Katz stressed, presents a major obstacle to trade today. "Governments," he noted, have increasingly used these practices "to support and protect domestic industries from import competition or to increase shares of world trade." In the process, however, this intervention has brought disruptions in other countries' economies. The multilateral negotiations, he said, "set out to bring greater discipline over government intervention as it affects the flow of goods across borders." It would do so by setting stricter rules and guidelines on nontariff barriers and by strengthening international monitoring.

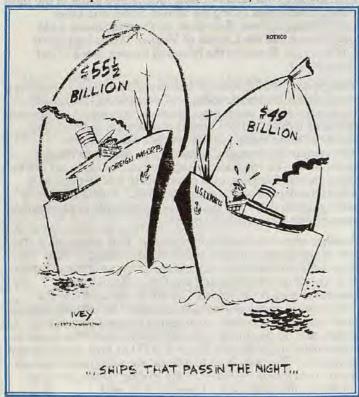
Another area of increasing importance, Katz observed, is the role of developing nations in the world's trading system. He stressed that developing nations are an important market for U.S. goods and that through the Tokyo Round, more less-developed countries (LDCs) will be brought into the "mainstream of the world trading system" by accepting some tariff cuts on their goods, by agreeing to sign some of the codes, and by assuming more obilgations under the General Agreement on Tariffs and Trade (GATT) as their development advances. "The next decade will see increasing participation by the developing countries in the trading system, both as suppliers and purchasers of goods," Katz said.

Many pressing bilateral issues—between the United States and the European Economic Community (EEC) and between the United States and Japan—were also addressed through the Tokyo Round, Katz noted. In order to reduce the mounting U.S.-Japan trade deficit (\$12 billion in 1978), Japan agreed to cut tariffs by about 35 percent, to import more U.S. high-quality beef and more citrus products, as well as to join in the agreements to reduce nontariff barriers to trade.

Secretary Katz acknowledged that the MTN agreements would not solve *all* of our bilateral differences. Specifically, he noted the pressing agricultural trade issue that splits the United States and the EEC. This stems largely from the EEC's practice of subsidizing agricultural production and selling excess production far below the world price, thereby causing the United States to lose markets. Through the negotiations, Secretary Katz said, the United States has "at least obtained tacit recognition by the Community that their agricultural subsidies may cause the United States to lose exports in traditional U.S. markets. And, in addition, he noted that the EEC has agreed to a consultative mechanism to "help avoid problems before they develop."

Negotiations covering textiles and cheese raised a special problem for the United States because of strong domestic interests. While the United States had agreed to cut tariffs on textiles and apparel, which at that time had some of the highest duties, Katz indicated that President Carter recognized the "sensitivity and importance of the domestic textile industry" and would therefore protect it against "disruptive and injurious" import surges. "This is an example," Katz said, "of a pragmatic policy designed to meet the challenges of the 1980s—lowering tariffs to benefit consumers while taking parallel actions to ensure that an important American industry and American jobs are protected."

On cheese, Katz asserted that the interests of the domestic cheese industry, the U.S. consumer and our trading partners had all been served in the MTN agreement. In exchange for concessions important to the United States, several of our



the U.S. market. The United States agreed to an increase in the quota, while at the same time maintaining an absolute quota for most cheeses. "Thus the consumer will gain some benefits by having a wider range of choice for cheese, while the industry maintains some protection. And in return the United States obtained some important benefits from our trading partners."

trading partners insisted on greater access for their cheeses in

Secretary Katz's—and the Administration's—case in support of the MTN agreement represented, in essence, the Administration's support for a policy of fair and freer trade. In his concluding remarks, Katz outlined five principal benefits to the United States of the MTN agreement. He asserted that the agreement will increase U.S. exports; help fight inflation; lessen government intervention in the world trading system; demonstrate the United States' and other major trading nations' commitment to liberalized trade and the rejection of protectionism; and, increase the efficiency of the world trading system.

The international arena

Too often we come to new trade negotiations—or any negotiations—in adversary terms. Us against a sort of monolithic and generalized Them. Who gives, who gets and who comes out ahead?

We lose sight of the fact that each nation comes to the negotiating table with a different set of economic, social and political goals and policies, a different mix of problems, a different mix of comparative advantages and disadvantages and different systems of managing their economies.

Ruth J. Hinerfeld President, LWVUS

With these words, Ruth J. Hinerfeld set the stage for addresses by representatives of three of the country's important trading partners. Outlining the perspective and the concerns of the European Economic Community was Albert Maes, chief of the Division of Relations with International Organizations, Department of External Relations, European Communities Commission. Allan Schlosser, deputy director of the United States—Japan Trade Council represented Japan's viewpoint, and Marco Brandão, second secretary of the Economic Section of the Brazilian Embassy in Washington, DC, spoke for Brazil.

European Economic Community

Maes noted that since World War II the tendency in international trade has been that of "increased openness." The nine nations that comprise the European Community (Belgium, Denmark, France, Germany, Great Britain, Holland, Ireland, Italy, Luxembourg) are heavily dependent on trade. Trade with nonmember states accounts for 12 percent of the EEC's aggregate gross national product (GNP). Another 12 percent is generated by trade within the EEC or between EEC members. (For comparison, 8 percent of the U.S. GNP is generated through international trade.)

Because of this obvious dependence on international trade, Maes said, "it is very clear that the member states of the EEC can only be forceful defenders of an open trading system," and he asserted that recent trade skirmishes, "do not represent a backward step." However, Maes continued, open trade is being put to the test by three difficulties:

☐ A worldwide economic recession, which has meant a

slowdown of world demand and a tendency on the part of all nations to turn to policies that protect national production. This tendency, in turn, impedes structural change.

This tendency, in turn, impedes structural change.

☐ The increased pace at which structural change is needed, resulting from the reality that more and more countries are entering the world's market places in a "more and more competitive way." Industries that are particularly susceptible to competition, such as the textile industry, bear the major brunt of this pressure. Maes noted that, with regard to the textile industry, the United States and the European Community face similar difficulties.

☐ International monetary instability. (While not stating so directly, Maes was undoubtedly referring to the problems caused by the decline in the value of the dollar.)

To address these problems, Maes outlined several challenges for the future. The first is to resist protectionist pressures. In that respect, he called the conclusion of the Tokyo Round a "very great success" in that it symbolizes the major trading countries' commitment to an open trading system.

The second challenge is to cope with the redeployment or division of labor. He cautioned that countries must be pragmatic about this challenge, because social and political elements, as well as economic factors, must be considered. If economic considerations were of sole importance, the obvious strategy would be to redeploy quickly and completely. If free market forces were allowed to work without interference, they would effect this redeployment. But because of social considerations, Maes cautioned, redeployment must be guided. It must be slowed down, "not to avoid the process, but to make the process more socially bearable." Maes called for countries to use "positive adjustment measures," which he defined as measures directed at ailing industries, in a context of creating a new competitive industry, rather than artificially propping up an obsolete and noncompetitive industry. Finally, he said, "for political reasons, in some cases, governments cannot accept complete redeployment even in the long run." A significant case in point: the European Community's commitment to the Common Agricultural Policy (through which domestic agriculture is heavily subsidized). It is not politically acceptable to Europeans, Maes said, to be completely import-dependent for food.

Maes identified the movement towards a stable monetary system as the third challenge for the future. He equated the problem of money with the problem of confidence, and said that the creation of a European Monetary System (not, he stressed, a European Currency Unit) is a response to the dual problems of confidence and money.

Another challenge for the future is to integrate LDCs into the world economy and international trade in an "orderly way." He called for pragmatism on the part of the developing nations, and noted that not all solutions to problems will be found globally. He called upon countries to seek bilateral and regional, as well as multilateral, solutions.

Japan

To understand the Japanese economy and Japan's perspective on international trade, Schlosser began, one must understand some basic differences between the United States and Japan. Japan is a small island nation with one-half the population of the United States. It is far less diversified and much less rich in natural resources and agricultural lands than the United States. Schlosser noted that not quite 50 percent of U.S. imports consist of essential materials necessary for production, while 80 percent of Japan's imports consist of such materials plus foodstuffs.

The nature of each country's imports dictates the nature of its exports. In the United States, 30 percent of the goods exported are industrial supplies and materials, including energy exports of coal. Sixteen percent of this country's exports consist of foodstuffs and other agricultural products such as tobacco. Slightly less than one-half of U.S. exports are manufactured goods.

With "virtually nothing else to offer the world," over 90 percent of Japan's exports are manufactured goods. Schlosser pointed out that because the exports are finished goods, they tend to be more "visible," more easily identifiable than are products used in the manufacturing of a finished product.

Schlosser noted that Japan and the United States are each other's largest *overseas* customers. The total two-way trade between the countries of over \$40 billion in 1978 set a record for trade between two countries. That's the good news. The bad news is the well-known \$12 billion U.S. trade deficit with Japan, which Schlosser labeled the most important and difficult macroeconomic problem between the two countries.

In fall 1977, the United States began to pressure Japan to take steps to reduce the large current account surplus, stimulate its domestic economy (thereby creating greater domestic demand and presumably reducing exports) and make the Japanese market more accessible to foreign manufactured goods. In January 1978, Japanese Minister for External Affairs Nobuhiko Ushiba and U.S. Special Trade Representative Robert Strauss initialed a joint statement in which Japan agreed to try to achieve these goals. The United States for its part agreed to try to control inflation, improve U.S. export performance and reduce oil imports.

Schlosser rated both Japan's and the United States' performance in reaching these goals as mixed:

- ☐ On a dollar basis, Japan has not reduced its trade surplus significantly, but this is due in large measure to the 40 percent decline in the value of the dollar in comparison to the yen by the end of 1978. Japanese exports of steel and television sets to the United States have declined in volume, but Schlosser also pointed out that a U.S. —Japan Orderly Marketing Agreement limiting Japanese TV exports to the United States is in place as is a "trigger-price mechanism" that limits U.S. steel imports.
- □ Japan's real growth rate did not reach the 7 percent target set in the Ushiba-Strauss statement for the Japanese fiscal year ending March 21, 1979. Japan's growth rate of 5½-6 percent, was, however, the highest of any industrialized country.
- ☐ The United States has not reached the goals set out in the agreement. Inflation has continued to climb; and, although energy legislation was eventually passed by Congress, it was far less comprehensive than either country's executive leadership had envisaged.
- □ Sales of U.S. manufactured goods to Japan increased by 29.8 percent to a total of \$6.1 billion in 1978. Despite this increase, the U.S. competitive position vis-à-vis Japan's other trading partners continued to erode. The U.S. share of Japanese imports of manufactured goods slipped from 31 percent to 28.8 percent in 1978. Thus, Schlosser said, there is much room for improvement in the United States' export performance.

In summary, Schlosser termed the interdependence of the two economies the "positive side of the ledger." He noted the American consumer's satisfaction with Japanese products, which have "earned a reputation for superiority of design and quality of workmanship." The Japanese purchase in 1978 of \$14 billion worth of U.S. products has created thousands of

jobs for Americans in all sectors, as has Japanese investment in the United States.

Schlosser said that it is important to weigh our present trade problems with Japan in the context of this interdependence. "The task facing the political leadership in both countries," he said, "is to resolve these micro trade disputes, without resort to unilateral action, in a way that protects mutually beneficial economic relationships as well as our strategically important partnership."

Brazil

Marco Brandão, second secretary of the Economic Section of the Brazilian Embassy, said that Brazil had three main objectives in the Tokyo Round:

☐ special and differential treatment for the products of less-developed countries, that is, waivers of reciprocity by industrialized countries, or an agreement to allow LDCs not to adhere to provisions of various international trade rules because of their special needs as developing countries;

□ a new GATT mechanism that would ensure LDCs easier access to the markets of industrialized countries;

 $\hfill \square$ a change in the GATT structure to ensure greater LDC participation in the forum.

Because of the "game of give and take" in the negotiations, Brandão claimed, the LDCs got few benefits. He said that industrialized countries have been "inflexible." They have used the codes of conduct covering safeguards, government procurement, standards and licensing to protect their own interests.

Brandão was particularly critical of the inclusion of the concept of graduation in the GATT framework. Originally discussed at the Bonn Economic Summit in 1978, graduation implies that as developing countries achieve economic growth,

Sales from developed to developing countries have increased dramatically in recent years and will continue to do so. In 1977, the United States, for example, exported some 40 percent of its products to developing nations, and 27 percent of its exports went to the non-oil-producing developing countries. As the World Bank's 1978 Development Report notes, the total amount of all industrialized countries' exports to LDCs in 1975 was about \$550 billion. Of all manufactured goods exported, some 30 percent went to developing countries. Moreover, the Report points out, the economies of developing countries have achieved higher growth rates in this recessionary period than have those of most industrialized nations. For these reasons, many international economists consider developing nations to be, in the words of the Overseas Development Council's John Sewell, "the engine of growth" for the world.

Developing countries, not unaware of that fact, have been insisting upon a greater role in international decision-making bodies, particularly in the GATT and the International Monetary Fund. Demonstrating their commitment to this end, a record number of developing countries took part in the Tokyo Round of trade negotiations. Brazil, a country with much at stake in the trading system, has been one of the most forceful voices in the negotiations on behalf of the LDCs. From its point of view the Tokyo Round was not a success, because LDCs failed to achieve their objective of becoming fuller participants in what they continue to believe is a "rich man's club."

they must begin to relinquish "special and differential treatment," that is, allowances for subsidization of infant industries, special tariff rates, etc. Rather than have the concept of graduation built into international trade policy, Brazil would prefer that the system be voluntary, and has, in fact, moved to phase out subsidy programs for Brazilian exporters by 1980.

Brazil contends that graduation will only increase discrimination by the further division of developing countries into the categories of "Most Seriously Affected," "Less Developed" and "Advanced Developing" countries.

Brandão stressed that both North and South would gain if the LDC objectives were met, because trade would be expanded; he illustrated his argument by citing the amount of trade between the United States and Brazil. Brandão said that until 1969, Brazil enjoyed a surplus of trade with the United States, consisting of some \$600 million, mostly accounted for by Brazilian exports of unprocessed food and raw materials. Following a program of diversification, Brazilian exports to the United States had reached some \$3 billion by 1975. At the same time, U.S. exports to Brazil had increased. Since 1970, he noted, Brazil has had a trade deficit with the United States of some \$5.7 billion. In other words, while Brazilian exports to the United States have increased, U.S. exports to Brazil have increased even more; thus Brazil is a larger market for the United States than the United States is for Brazil.

The domestic arena: agriculture, labor, manufacturing and retailing

It's obvious that each of these competing interests can't have its own way. . . . As citizens our goal must be to resolve interests that compete and conflict with each other and to reconcile those interests in some way. . . .

A creative compromise is possible and should be sought to every conflict situation. A creative compromise is one by which all parties might come out better than by simply splitting the difference—and actually might come out better than if each had its own way against all the others. . . . Of course there is a conflict of interest between buyer and seller, but a good trade makes both parties better off than they were before."

Robert G. Lewis National Secretary of the Farmers Union

A creative compromise on trade issues begins with an understanding of various and often conflicting viewpoints. The panel of domestic "competing interests" laid the groundwork for such an understanding.

Speaking from the vantage point of manufacturers was John L. Caldwell, vice-president—International, U.S. Chamber of Commerce. Evelyn Dubrow, vice-president and legislative director of the International Ladies Garment Workers Union spoke of the interests of the labor movement, and of her union in particular, with respect to trade. Robert G. Lewis, national secretary and chief economist of the National Farmers Union presented the viewpoint of U.S. farmers affiliated with the NFU. And James C. Tuttle, antitrust and international counsel of the K-Mart Corporation, outlined the interests of the retailing industry in the United States. The panelists spoke in alphabetical order.

Manufacturing

The U.S. Chamber of Commerce represents large, medium and small businesses in the United States. As a group, John Caldwell explained, the Chamber supports a liberal trade policy and is vitally interested in maintaining and improving the open trading system that exists in the world today. However, he said, there must be ways to deal with unfair trade practices and mechanisms to offset the impact of sudden injurious competition; hence, the importance of bringing the Tokyo Round to a successful conclusion. Not only will MTN improve international trade rules and reduce trade barriers, it will help restore faith in international cooperation in trade.

Caldwell identified one other essential ingredient to ensure the viability of the world's trading system; the United States must cope with its "trade mess." The massive U.S. trade deficits did not suddenly appear overnight. Rather, the past few years have been the crescendo of a trend spanning the past ten years, during which the U.S. export performance has been steadily declining along with declines in productivity, growth, innovation, research and development, and a steady rise in inflation.

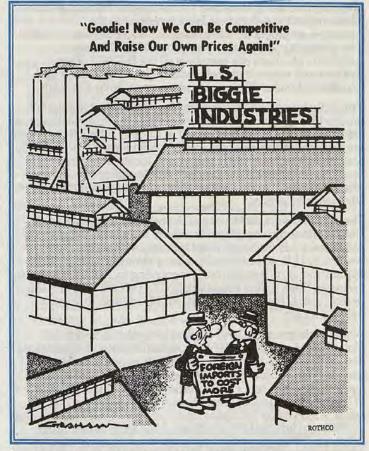
The Chamber's efforts have focused on export policy, primarily through an Export Policy Task Force, which studied U.S. export performance and has recommended steps to improve it. The Task Force's recommendations fall into three main categories: changing the attitude of the business community itself; eliminating government disincentives to U.S. exports; and providing incentives to businesses to spur exports.

The attitudinal problem is an internal one which has developed over the years. Businesses are "woefully unaware" of export opportunities, because the domestic market has been so vast and profitable that U.S. businesses have had little motivation to seek markets abroad. Of the 12 million companies in this country, 200 of them account for 85 percent of all manufactured exports. The U.S. Department of Commerce estimates that some 20,000 to 30,000 U.S. companies currently have untapped export potential.

Perhaps because they have not had to give this serious attention, U.S. business executives' approach to international commerce often leaves much to be desired. For example, only two of the 130 companies accompanying former Secretary of Commerce Juanita Kreps on a 1978 trade mission to Japan bothered to translate their brochures into Japanese. It all adds up to what Caldwell called "an awareness gap."

According to the Task Force, another set of problems arises from government disincentives to exports. First, Caldwell said, the U.S. government's conduct of foreign economic policy is confused and diffused. Decision-making authority is spread throughout several government agencies and lacks "orchestration and internal consistency." The Chamber does not, however, recommend creation of a Department of International Trade and Investment. Rather, it has called upon this Administration and future Administrations to declare that "exports are a national goal," then make sure that that goal is achieved by appointing a cabinet-level official to oversee the implementation and promote greater coordination between state and federal officials.

The Chamber also wants to see certain government laws and regulations, which it has identified as disincentives to exports, eliminated or revised. In this content, Caldwell cited regulations ranging from flag-ship carrier requirements to environmental protection laws to human rights policies. The Chamber also wants the export licensing procedure



streamlined and discriminatory policies against nonmarket economies removed. Under the same heading of removing disincentives, the Chamber wants the Foreign Corrupt Practices Act monitored to see if it is adversely affecting export performance and calls for some revision of the current antitrust laws.

Caldwell appended a list of positive steps the federal government could take to improve export performance:

- □ provide more technical assistance, especially to small and medium businesses, to help them take advantage of export opportunities;
- ☐ use bilateral trade agreements, especially with respect to nonmarket economies, more effectively;
- ☐ provide incentives to spur research and development and innovation.

In summary, Caldwell offered some thought-provoking figures. World trade is projected to grow 14 percent through 1982; U.S. trade growth for this same period is expected to be only 9 percent. Caldwell warned that business and government must take note of the discrepancy in these figures and implement measures to stimulate U.S. exports.

Labor

In order to understand the labor movement's interest in international trade, Evelyn Dubrow said, Americans must understand that the product of the labor movement is people. The labor movement is interested in securing decent wages for people and in helping to improve the quality of their lives. This objective underlay her discussion of trade.

Dubrow used her own union, the International Ladies Garment Workers Union (ILGWU), and the textile and apparel industries to illustrate and undergird her arguments. These industries—the most labor intensive in the country—employ 2½ million people—most of them women. The garment industry alone employs 600,000 people, two-thirds of whom are members of the ILGWU. These workers and union members include poorly educated and low-skilled blacks, Hispanics and, most recently, Orientals.

The industry attracts its workers from the newest immigrant groups in our country, because running a sewing machine is a skill that does not require literacy in English. This illiteracy and the fact that so many of the workers are women whose family responsibilities keep them tied to one locale mean that retraining and relocation are not feasible options if workers lose their jobs. If a firm goes out of business, often the only alternative is welfare.

The labor movement is not protectionist, Dubrow stated. It champions reciprocal trade, but there is no such thing as reciprocal trade in the garment industry. Other countries' barriers to U.S. exports make talking about exports in the apparel industry "nonsensical," according to Dubrow. Imports, however, have grown considerably: 38 percent over the last several years. Meanwhile, the domestic industry has grown only 6 percent.

World trade in textiles and apparel is regulated under the Multi-Fibre Agreement (MFA), a series of bilateral agreements that set allowable import levels into this country. Dubrow asserted that without the MFA and without the additional agreements President Carter made in conjunction with the MTN, there would be "great chaos," not only in the U.S. textile and apparel industries, but throughout the country, and massive unemployment and human suffering would result.

The ILGWU does not argue that there should be no textile imports, but it does want the amount of imports pegged to the rate of growth of domestic industry. Workers in this country have a right to ask that a certain percentage of the work that is available go to the people who live in this country. American workers have labored hard to gain and maintain decent working conditions, decent wages and a healthful work environment. They "ought not have to compete with sweatshop wages and sweatshop working conditions. The free trade movement," Dubrow asserted, "is no longer a viable movement. It is not a two-way street, and we had better recognize it." We have to remember that we owe to our people the right to work and to produce for our country, she said.

In conclusion, Dubrow expressed this concern: "Unless we do something about establishing fair trade—and I think we can do it without being unfair to our trading partners—we will have what some people call a service economy, which will end up with all of us taking in each other's washing."

Agriculture

Robert Lewis of the National Farmers Union stated the challenge to which trade policy makers must address themselves—the reaching of a creative compromise (see p. 4). Lewis then went on to state the boundaries of his remarks: wherein the interest of NFU members lies in international trade and the world economy, where those interests conflict with other interests, and what might constitute the creative compromise.

To simplify his remarks, Lewis said that he would describe the wheat economy as a proxy for the agricultural economy as a whole. What affects wheat, he said, is generally characteristic of agriculture overall.

A major obstacle to a realistic conception of what the food economy is all about, Lewis said, is the prevailing acceptance of the mythology of the world market as a competitive market. The so-called world market price is not a price established by supply and demand. The price of more than three-fourths of the wheat that is produced and consumed in all the world brings higher prices to its producers than the "world market price," which is the price the United States is paid for its exports.

Only 14 percent of the world's total supply of wheat (which is produced by the four major exporting countries) is sold on the world market at approximately the world market price. In three of those countries, the United States, Canada and Australia, that price is considered by the government to be inadequate, and so domestic subsidies are given to farmers. Argentina is the only major wheat exporting country whose farmers can "make it" on the world market price. Thus, Lewis said, the world market price is not a measure of what farmers should be paid "if we are going to get this world fed."

Rather, he said, economists should turn to the task of figuring out what the price of production is for "that last bushel of wheat that needs to be produced in order to satisfy world demand." No one knows what that price is, but that is the price against which a given price should be judged to determine its fairness or adequacy, Lewis asserted. Even then, governments must decide whether that is the price they will allow consumers to pay, because there are a lot of people in the world "who will starve if they have to pay" the marginal price of production for food.

Just as the world market price does not reflect supply and demand, the world market is not a competitive auction of producers selling to consumers. Of the four major exporting countries that account for over 80 percent of the international trade in wheat, only the United States does not regulate the wheat trade via a government agency such as a Wheat Board. All other wheat is sold by governments to governments.

The inadequacies of this system, Lewis believes, mean that we sell our grain too cheaply; he pointed out that the countries that buy from us raise the prices for their internal markets. The result is that we are losing export dollars that the U.S. economy needs to balance the trade deficit. Because the trade deficit weakens the dollar, thereby raising the price of all imports including critical oil imports, the benefit of having "cheap food" in the domestic market is "probably" offset by rising costs in other areas, Lewis said.

The creative compromise to this situation, as propounded by the National Farmers Union, is an international wheat agreement (IWA) to regulate the price and supply of wheat, and U.S. government guarantees that export controls (i.e., imposing export embargoes so the price will be kept down for domestic consumers) will not be used. Lewis expressed dissatisfaction with the MTN because no agreement on an IWA could be reached. In addition, he said, our trading partners did not significantly reduce their barriers to U.S. agriculture exports.

Retailing

The retailing industry, said K-Mart's James C. Tuttle, maintains a steady but quiet approach with respect to its views on trade policy.

The world trading community, Tuttle said, is at this time engaged in a trade war that has been especially severe in the last three years. He cited the U.S.—Japan situation as being one of the battles of the trade wars. Against that backdrop, he

said that the MTN agreement will be similar to a peace agreement.

Moving to economic issues, Tuttle stressed that imported goods give consumers buying choices and relief from high prices. He cited an independent Brookings Institution price survey commissioned by the retail industry. The study found that of the 168 imported items surveyed (excluding food and cars) the average cost was 10.8 percent less than counterpart domestic goods of the same grade and quality. For low-income consumers, imported goods cost 13 percent less than identical domestic goods.

On the issue of retailers' markups and their profits, Tuttle said that the Brookings study showed profits on imports ranging between 1-5 percent of sales. The Brookings study contradicted the findings of a 1977 Library of Congress study (which Brookings criticized for relying largely on interviews with retailers rather than using empirical data). Though some retailers do initially mark up imported goods more than domestic goods, they do so to protect themselves from the risks of foreign procurement, including transportation and shipping, quality control and storage. According to Tuttle, "on balance," retailers get a lower profit return on imported goods than on domestic.

Tuttle recommended a number of trade policy actions:

- □ "Stem the tide" of import quotas. In contrast with Dubrow's position, he strongly criticized the March 1979 textile agreement. And he mentioned the import quotas recently imposed on products from the People's Republic of China as a policy step that would limit American consumers' ability to buy China's high-quality goods. He also argued that existing import limitations on shoes, textiles, color TVs and clothespins should not be renewed.
- ☐ Improve administration of trade adjustment assistance, which *can* be a viable program to help firms and workers adjust to import competition.
- ☐ Improve export promotion. Tuttle said that the lack of faster growth in exports has hurt the U.S. trade balance more than oil imports, and he stressed that we must become more export conscious. So far, Tuttle believes, the Administration has not acted quickly or decisively enough to spur exports. Talk has been "cheap," he said, and it remains to be seen whether the Administration and Congress will deliver.

In summary, Tuttle stated that as a retailer he begins and ends with the belief that the United States should optimize both import and export opportunities. This course of action, he said, offers benefits to all.

The consultative process

As part of the overall project design, each League project director was to conduct a group discussion with trade leaders in her state. To help project directors conduct these consultations, the Education Fund worked closely with Dr. Jon Kinghorn, an education expert on the staff of the Kettering Foundation, to develop a process that would help trade leaders interact and achieve a creative compromise—or at least to understand better the viewpoints of others and the relationship of one viewpoint to another.

At the conference, Kinghorn demonstrated the technique with the "competing interests" panelists. The panelists were asked to develop a set of issues that must be considered in making international trade policy, and then to list policy options available that could be used to address them. The third step in the process, discussing the possible consequences of the

various options, was explored in the small group workshops that followed the demonstration. The following is a partial list of the issues with which the panelists were concerned:

- —employment, both in import-sensitive industries and in export industries;
- -inflation;
- -freedom of choice;
- —U.S. methods of protecting an industry compared to other countries' protection methods;
- —the difference between inflation and high prices;
- -productivity; and
- —the underlying assumptions or philosophical bases of viewpoints on international trade.

Inflation was an issue on which panelists elaborated with details. Caldwell listed several causes of inflation: government spending and the size of government; the energy problem; wage demands and price gouging. Dubrow added excessive profits to Caldwell's list.

Lewis said that what the economy is experiencing is not inflation, which is too much money chasing scarce goods. Instead, we have high prices that are *not* caused by inflation of the money supply. Sometimes, he said, high prices can be the cure of a shortage, citing oil and beef as cases in point. Because of low prices, beef farmers liquidated their herds, causing a tight supply. Increased prices mean that farmers will have an incentive to increase their herds, and once the supply is higher, the price will drop.

Caldwell countered that the needs of consumers must be taken into account, and stated that the beef illustration is a clear example of how imports can be used to ameliorate the high prices problem by increasing supply.

Listing policy options available to address the inflation problems, panelists cited increased imports, allowing high prices to correct a shortage situation, and wage and price controls. Dubrow said that increased imports across the board would not help and that policy makers must consider what jobs might be lost through import competition. She said that a good trade policy is a selective trade policy.

In evaluating the methodology demonstrated by Kinghorn, the panelists agreed that such discussions were useful in exploring varying viewpoints. Caldwell, Tuttle and Lewis all said that it is critical first of all to have an understanding of the kind of world various policy options would create. One must have a world view *first* in order to determine which options are good and which are bad. Caldwell stated that his world view is that this is an interdependent world that will remain interdependent. Given that assumption, he said, the key policy choice is the degree of vulnerability or dependency that is acceptable, and in what sectors such vulnerability is acceptable.

The public stake

[The public] encompasses the consumer and the worker, the importer and the exporter. Frequently a given individual can play more than one of these roles at the same time . . . [How the public's] posture and interests are perceived will play a major role in the trade debate of the months to come.

Marion Sinek LWVUS International Relations Committee

"Who speaks for the public?" asked Dr. Carol Baumann, director of the Institute for World Affairs at the University of Wisconsin, in her opening remarks. She may well have asked "Who is the public?" for she went on to say that there are "different publics for different issues with equally divergent degrees of interest in and knowledge about" various foreign policy issues. Some 30 percent of the American public lack rudimentary knowledge about major foreign policy events; another 45 percent are aware of but not informed about them; and the remaining 25 percent can be viewed as having some knowledge of foreign policy issues.

While the public is, by and large, not informed about foreign policy in general, this is even more true regarding foreign economic policy. Baumann cited a central point in *The Public and American Policy*, 1918–1978, by Ralph Levering: "the role of trade in creating employment for some and contributing to unemployment for others, the growing dependence on other nations for resources such as oil" are as little understood by most Americans today as they were in the 1920s.

Baumann went on to highlight the Chicago Council on Foreign Relations' 1979 opinion study, which showed a wide divergence of opinion between the general public and opinion leaders with respect to tariffs. By a 57-to-22-percent margin the public favored retaining tariffs; by a 75-to-23-percent margin, leaders favored eliminating tariffs.

The public's viewpoint on tariffs, Baumann concluded, does not reflect an understanding of the importance of trade and investment to this nation's economic viability. U.S. agricultural exports have totalled over \$20 billion for five years. Twenty-three of the 50 states have opened trade offices in Europe. And foreign investment in the United States creates jobs and products: Volkswagen's \$300 million plant in Pennsylvania employs over 4,500 people, Baumann noted. Economic viability is also dependent on U.S. foreign investment: of the *Fortune* 500 companies, many make over 50 percent of their profits abroad. Furthermore, while the public favors imposing tariffs, many of the items the United

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"DO YOU REALLY HAVE ANY IDEA WHERE WE'RE GOING?"

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States imports are not produced here, and thus tariffs are counter to U.S. interests, Baumann noted. In addition to oil, we import many other raw materials—100 percent of the manganese we use, 94 percent of the cobalt, 61 percent of the nickel.

Consumers also rely upon imports for consumer goods. These products compete with domestic products of comparable price or quality, and by increasing the range of choice also spur competitiveness and efficiency for all producers.

These realities, these interdependencies, mean that the United States must support and participate in an open world trading system. In conclusion, Baumann noted, "It is indeed in the public welfare to periodically review and critique the broad economic policies of the country as a whole from the point of view of the national interest . . . it is not only for our short-term economic interest that we have a public stake in a free and open international trading system. In the long run, the United States also has a very clear interest in the development of a stable and healthy world economy . . . in which our own economy can flourish."

Conceptions/misconceptions: public opinion

You're not going out so much to spread the news as to use that tidbit of news as a way of bringing a larger truth to bear. . . . News will be your means, but if you make it your end, you will be disappointed. . . . Everything the League does can't get in the papers, but the things the League does are important and spread knowledge, and in a sense, spread the truth.

Bernard Roshco Public Opinion Analyst, U.S. Department of State

If, as Carol Baumann said, the public has an enormous stake in the kind of trade policy this country follows, what does the public itself say about trade, how does it view the public stake in international trade? These questions are asked by public opinion analysts, and survey research experts poll the American public to try to discover the answers. Bringing the opinion analyst's knowledge and insights to the conference was Dr. Bernard Roshco, senior public opinion analyst at the Department of State.

When trying to discern the public attitude toward any complex issue, such as international trade, Roshco said that it is necessary to analyze the answers to several questions on the subject. One question will not suffice. In general, he said, there are several observations that opinion analysts can make about the public's attitude toward trade. One such observation is that Americans form opinions on trade within the context of the national economy and that means within the context of jobs and prices, in that order. Roshco said that for the most part Americans believe that imports cost their fellow Americans their jobs. Moreover, they're not even sure that imports have the effect of lowering prices. "They're awfully dubious," he said.

The public tends not to think about the other side of the trade equation—exports—at all. "Foreign trade is thought of primarily as a one-way flow. People do not think of trade as generating jobs, but fundamentally as costing jobs."

These generalizations, Roshco said, do not mean that Americans are against trade. Rather, "the public favors trade in the context of protectionism."

An example of that was a 1977 poll by Patrick Caddell. When Americans were asked if "people benefit more from free trade between nations, or more if each nation sticks to producing and selling within its own border," 72 percent favored free trade, 19 percent opposed. However, when asked if they agreed or disagreed with the statement that "even if they are less efficient than foreign firms, we should try to preserve American shoe and textile factories," 71 percent said they agreed, while only 16 percent disagreed.

Even when the question is phrased so that it is biased toward free trade, Americans are protectionist. In 1978 Lou Harris asked, "In general do you feel that the U.S. should maintain its tradition as a country favoring free trade with the rest of the world, or would you favor more restrictions on foreign products coming into the country?" Sixty percent favored more restrictions, while 36 percent said we should maintain a free-trade tradition.

What is the basic reason for this protectionism? Polls show that, for one thing, Americans think that other countries are trading unfairly. Americans also believe that foreign countries in general have low wage standards. The same 1978 Harris poll asked, "In general, do you think that other countries are as open to the import of American goods and services as the U.S. is to the import of their goods and services?" Only 19 percent said other countries were as open, while 74 percent said they weren't. Roshco believes that this attitude is due to the "Japan effect"—that is, the public knows that the United States and Japan have some trade problems and applies this information across the board. Another example of the popularity of the "Japan effect" is that the public now puts Japan in the same category as Russia vis-à-vis preferred trading partners; Russia is one of the least favored countries among the public as a trading partner. This is significant because in other respects the American public tends to think highly of Japan and the Japanese.

Americans are also opposed to foreign investment in the United States. Even when the question is asked in the context of foreign investment creating jobs for Americans, the public opposes foreign investment.

The lesson for the League of Women Voters to note, Roshco said, is that the reciprocal nature of trade is something that must be stressed. As it now stands, most people think that trade arrangements take advantage of the United States in economic terms. League members, he said, must understand Americans' perceptions about trade as a starting point in order to "bring a larger truth to bear."

Involving decision makers

One of the goals of the project is . . . to begin to build a climate for ongoing discussion and interaction, especially among public opinion constituency leaders and decision makers.

From the project description

The information these officials need includes specific facts about a local situation: who gains and who loses if action is

Knowledge of the issues, understanding of special interest viewpoints and a grasp of the public's stake in trade are key components in building a public education project. Communicating that knowledge to those who make the decisions is just as central and was the focus of the "Involving Decision Makers" panel. Each panelist represented a sector: Congress, the Administration and the business community. Each also was either presently employed by the LWV or had been a member of the League staff. Speaking from the congressional vantage point was Mary Locke, foreign affairs legislative aide to Senator Charles Percy (R-IL), and previously head of the LWVEF International Relations

Department. Speaking from her experience with the Administration was Harriet Hentges, executive director of the League of Women Voters of the United States, formerly with the policy planning staff of the State Department and the Special Trade Representative's office. And providing the viewpoint of the business community was Fruzsina Harsanyi, director of government relations for the Continental Group, Inc. and formerly international relations lobbyist for the League of Women Voters of the United States.

Mary Locke began by noting a few basic facts about the trade legislation. The floor votes on this legislation are up or down, with no amendments allowed, so all the lobbying and "horsetrading" have already taken place. She cited the agreement with the domestic textile industry as an example of horsetrading. In addition to being concerned about the final vote on the bill, Locke said that the League should concern itself with such things as how domestic legislation would define "injury" and time limits for investigating unfair trade practices cases.

Locke stated that the League should be involved with trade policy decisions because it is the only group that approaches the subject from a public interest perspective. She said that, for a variety of reasons, protectionist pressures throughout the world have increased over the past few years and that decision makers need the balanced viewpoint of the League to help bring the problem into perspective.

One of the best ways to educate decision makers, she said, is through press coverage in local communities. Members of Congress read the local newspapers in their districts, since that is one way to take their constituents' pulse. She suggested that LWV trade project directors prepare short articles about the nation's trade situation, with a state or local accent, and attempt to place them in local newspapers.

Speaking about the executive branch, Harriet Hentges said that the policy-making authority is granted in trade legislation, primarily through the Trade Act of 1974. That authority is not total—Congress plays a large role, of course. In addition, the legislation stipulates that the Administration must seek advice from private industry and from the general public.

Hentges said that the most important thing to understand is the push and pull of various constituency groups within the Administration. Trade policy decisions are made by an interagency trade policy review group. Depending on the issue at question, the group could include the Special Trade Representative's Office in the White House and the Departments of Treasury, State, Interior, Agriculture, Commerce, Labor, and Justice. The classic conflict among these groups, she said, is that of Treasury and State, representing macroeconomic and foreign policy views respectively, against Agriculture, Labor or Commerce, representing specific industries or interests.

The information these officials need includes specific facts about a local situation: who gains and who loses if action is taken to protect a certain industry or to liberalize imports of a certain product. She said it is important to make frequent, personal contact where possible, to know the issue and to know whether the government official involved is a political appointee or a career civil servant, in order to know the person's role in determining policy.

While the business community is not a decision maker in the same sense that Congress and the Administration are, it is the basic implementer of trade policy because industry carries out the business of trade—importing and exporting. Moreover businesses make corporate decisions that both influence and are influenced by trade policy.

Fruzsina Harsanyi said that there are several popular myths about corporations: 1) they are monolithic; 2) they are efficient; 3) they are powerful. She noted that there are grains of truth in all of these beliefs, but one must separate the truth from the myth in order to really understand corporations.

With respect to the monolithic character of corporations, Harsanyi pointed out that the very fact that they are large means that they are also complex organizations. Any large organization has a bureaucracy, which means that there are competing interests within the corporation and between the levels of the bureaucracy.

As for efficiency, corporations have a reputation for efficiency, and in fact they are efficient in those areas that are their prime reasons for existence. In product output, for example, corporations are efficient, but this kind of efficiency is quite different from efficiency in public policy areas and the skills needed to be efficient in the two arenas are different. Corporations are just beginning to learn the difference.

The powerfulness of corporations is overrated according to Harsanyi. They are powerful in their own sphere, in certain economic areas, or in their own communities, in which the livelihood of the citizens depends on the viability of the corporation. However, corporations' ability to influence policy is more limited than outsiders think. The translation from real capital to political capital is not automatic.

Understanding these realities about corporations will help citizens and League members work with corporations to achieve mutual goals. If citizens want to reach a corporation they should: separate its short-run goals from long-run goals; know about the corporation—the kinds of products it makes, who the chief executive officer is and what his/her interests are; choose issues carefully—know on what issues you agree with the corporation and on what issues you disagree; and educate the corporation about the issues and about the public education work of the League. Harsanyi concluded by saying that corporations are just beginning to be concerned about broad social issues, and there is an enormous opportunity for the League to educate them about these issues.

Shaping the U.S. trade policy

I suppose this could be called a Tale of Two Tomatoes. U.S. Representative Henry Reuss (D-WI)

"Shaping U.S. Trade Policy" was the final session of the Wingspread conference. As Ruth Robbins, League of Women Voters Education Fund International Relations chair, noted in her introduction, the presentations by John Greenwald, deputy general counsel of the Special Trade Representative's Office and by U.S. Representative Henry Reuss of Wisconsin, would help conference participants sort out and put together the pieces of the puzzle that go into shaping U.S. trade policy.

To understand the way trade policy is formed, there are two basic points that must be known, Greenwald said. The first is that trade policy is highly politicized. The second is that there is a broad governmental consensus on the general thrust of U.S. trade policy. Since the late 1930s, the United States has had an open trade policy and has been building, strengthening and maintaining that tradition.

However, within that broad consensus, Greenwald said, there are many differences of opinion about how to handle the specifics. One reason is that until the middle or late 1960s the United States was in a strong trade position. We could afford to give a strong emphasis to the philosophy, the generalities of

open trade. Since then, our trade posture has worsened, so that now there is a great deal of attention to the specifics of trade arrangements and agreements.

This attention to detail was evident in reactions to the MTN agreement as it was being negotiated. Industries looked at details to see if the United States had conceded anything that would affect their businesses.

Because the Administration knew the agreement would be examined on the basis of the specifics, officials made a conscious and "concerted effort" to get the Congress, private industry and public organizations involved in a consultative mechanism, Greenwald said. Bringing the advisors into the system kept the official negotiators aware of the concerns of Congress and private industry. It also helped these U.S. advisors see the complexity of the negotiations, in which all countries must give as well as take.

Greenwald concluded by mentioning some of the key issues in the MTN. They include enforcement of the fair trade statutes (primarily the Anti-Dumping Law and the Countervailing Duty Law); specific industry problems; the relinquishment of the American Selling Price system of customs valuation and some tariff reductions (see MTN: Breaking the Nontariff Barrier).

There is an irony in our economic and trade policy, Representative Reuss said. This is a highly skilled, capital-intensive country built on "Yankee ingenuity." We have a tradition of invention and innovation, and yet, "What do you suppose are our leading consumer good imports?" They are the high-priced, high-technology, capital-intensive items such as automobiles, motorcycles, televisions, home appliances. These goods, Reuss said, enter our market substantially duty free and find a large market among the top 40 percent of the nation's income winners.

This irony is matched by its obverse, Reuss pointed out. The



less-affluent consumers in the country must spend the bulk of their income on the necessities of life—food and clothing. Yet these items, especially apparel and shoes, tend to be kept out of the United States or are strictly controlled by tariffs and quotas. Since such imports also tend to be cheaper than domestic products, they could help check inflation if allowed into this country.

Reuss illustrated his point with the example of the United States-Mexico tomato war. Before the Cuban revolution, he began, the United States used to import its winter tomatoes from Cuba. After the revolution, trade was terminated and we had to look elsewhere for winter tomatoes.

During the 1960s, Florida established a winter tomato industry. Because the conditions were not suited to growing tomatoes, the tomatoes were altered to accommodate the growing requirements. To get the tomatoes to market in the winter it was necessary to develop a tomato with an unusually tough skin, and to prevent them from being injured they had to be picked while still green. Since no one likes green tomates, producers send the green tomatoes through a methalene "gas chamber" from which they emerge "blushing" but still green.

Meanwhile on the other side of the border in Mexico, the Mexicans developed a labor-intensive, ripen-on-the-vine tomato industry that employs about one-quarter of a million workers and constitutes about 5 percent of Mexico's export earnings.

Now, "if Americans had their 'druthers,' they would of course prefer a vine-ripened, inexpensive Mexican tomato to a cardboard, gassed Florida tomato," Reuss said. However, the Florida Tomato Committee does not share that sentiment, and for the past 15 years it has pursued what Reuss termed a "campaign of harrassment." To keep out Mexican tomatoes, it has at various times succeeded in getting high tariff levels, rigid quotas and a marketing order that in essence manipulated health standards.

In 1970, the importers of Mexican tomatoes got the marketing

order struck down by the courts. But to this day, via other mechanisms, American consumers are denied good Mexican tomatoes, and United States-Mexican relations have been soured as well. Reuss posed the question, "Is this a good way to run our import policy?"

"I suggest that we would be much better off if we recognized that the less-developed countries, including those in Southern Europe, ought to be allowed to make [and sell to us on an open trade basis] a larger amount of the labor-intensive, low-cost goods that Americans consume. That's the best way of fighting inflation that I can think of." Reuss added that such a trade policy must be worked out within the context of a domestic full-employment policy, so that workable economic adjustments can be made.

"As far as letting the Japanese and the Germans produce all the high technology stuff—all the compact motorcars, for instance—this is simply ridiculous, and Detroit should have gotten off its dime years ago." To encourage U.S. industries to learn lessons from the Japanese and Germans, Reuss believes that the United States should set up a "welcome wagon" to foreign investment. "I think it's good, not bad, that Volkswagen is now in Pennsylvania making very economical, compact diesel motor cars," because foreign investment provides American jobs, produces goods that Americans need, and transfers needed technology to the United States.

In summary, Reuss said that the United States should "grope" toward a trade policy in which we concentrate on making the products we make best.

In a world that is increasingly complex, in a world in which foreign economic policy is used—whether for good or for bad—as part of foreign political policy, "groping" toward a trade policy that serves the best interests of most people is not easy. Perhaps Albert Maes stated it the best: every nation has a mix of political, societal and economic goals. They are inseparable but they must be reconciled with one another to achieve balance. What weight to give each factor must be determined, as John Caldwell said, by the values a nation holds collectively.

Conference participants

(with affiliations at the time of the Wingspread symposium)

International Relations Committee of the LWV Education Fund and International Relations Staff

Betty Jardine, IR Committee, LWV New Orleans, Louisiana Edith Segall, United Nations Observer, LWVUS

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Bernadette Riganti, International Relations Department, LWVEF, Washington, DC

League participants

Pat Axtell, Director-Elect, LWV California

Doretha Clayton Barns, Chair, International Relations, LWV West Virginia

Sunnie Bates, LWV Georgia

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Gail Bernstein, IR Committee member, LWV Illinois Virginia H. Blend, Chairman, International Relations, LWV Montana

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Jean Sandifer, Chair, International Relations, LWV Kentucky Sydell Shayer, LWV Missouri

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Pearl Wincorn, President, LWV Dallas, Texas

Ingeborga Wyman, Chair, International Relations, LWV New Hampshire

Anita K. Yurchyshyn, Chair, International Relations, LWV Massachusetts

Barbara Zimmer, Director, Trade Education Project, LWV Indiana

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Marco Brandão, Second Secretary, Economic Section, Brazilian Embassy, Washington, DC

John L. Caldwell, Vice President-International, Chamber of Commerce of the United States of America, Washington, DC

Evelyn Dubrow, Vice President and Legislative Director, International Ladies Garment Workers' Union, Washington, DC

John Greenwald, Deputy General Counsel, Office of the Special Trade Representative, Executive Office of the President, Washington, DC

Fruzsina M. Harsanyi, Director, Government Relations, The Continental Group, Inc., New York

Harriet Hentges, Executive Director, League of Women Voters of the United States, Washington, DC

Julius Katz, Assistant Secretary of State, Bureau of Economic and Business Affairs, United States Department of State, Washington, DC

Jon Rye Kinghorn, Senior Staff, Charles F. Kettering Foundation, Dayton, Ohio

Robert G. Lewis, National Secretary and Chief Economist, National Farmers Union, Washington, DC

Mary Locke, Legislative Aide to United States Senator Charles H. Percy in Foreign Affairs, Washington, DC

Albert Maes, Division Chief, Relations with International Organizations, European Communities Commission, Department of External Relations, New York

The Honorable Henry S. Reuss, United States House of Representatives, Washington, DC

Bernard Roshco, Senior Public Opinion Analyst, United States Department of State, Washington, DC

Allan D. Schlosser, Deputy Director, United States-Japan Trade Council, Washington, DC

James C. Tuttle, Antitrust and International Counsel, K-Mart Corporation, K-Mart International Headquarters, Troy, Michigan

Guests

Carl Feller, Charles F. Kettering Foundation, Dayton, Ohio Ray Garcia, Vice President, Emergency Committee for American Trade (ECAT), Washington, DC

Jay O'Brien, Executive Vice President, American Importers Association, New York

Press

K. S. Kinney, Economics Reporter, *The Milwaukee Journal*, Milwaukee, Wisconsin

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Rita Goodman, Vice President-Area Programs
Henry Halsted, Vice President-Program
Roderic Botts, Assistant to the Vice President-Program
Richard Kinch, Program Associate
Kay Mauer, Conference Coordinator

Resources used or suggested for use at the conference

LWVEF publications

The Continuing Crisis in Trade, #123, 50¢.

MTN: Breaking the Nontariff Barrier, #546, 30¢.

Order League publications from The League of Women Voters of the United States, 1730 M Street, NW, Washington, DC 20036. There is a 50¢ handling charge per order.

Other Sources

State Export Series, U.S. Department of Commerce, Washington, DC 20230. U.S. Government Printing Office, Stock #003-009-00272-9.

"The Politics and Responsibility of the North American Breadbasket,"

Lester R. Brown, World Watch Paper #2, October 1975. "A Year of Travail: The United States and the International Economy," Marina Whitman, Foreign Affairs, 1979.

"Labor's Stake in the World Economy," The AFL-CIO American Federationist, January 1977.

"Trade and the Dollar: Coping with Interdependence," *Great Decisions*, 1979.

"Mutual Gains from Expanded Trade," Peter Peterson, Stanley Turrenberg, James Grant, *The Global Economic Challenge*, UNA-USA Economic Policy Council.

The Trade Debate, U.S. Department of State, Washington, DC 20001

"Economics: Other Countries' Measures to Promote Exports—Part 2," Robert D. Hormats, Bulletin (State Department), July 1978.

Order from: League of Women Voters of the United States, 1730 M Street, NW, Washington, DC 20036. Pub. No. 389, \$1.25

LEAGUE OF WOMEN VOTERS OF TEXAS EDUCATION FUND 1212 Guadalupe, Suite 109, Austin, Texas 78701

PROJECT FINANCIAL REPORT

| FROM: LWV of Texas Ed | ucation Fund | Date: | 7/7/80 |
|---|---------------|---|----------------|
| FOR: Name of project: _ | International | Trade (I.R. Wingspread) | |
| INCOME | | EXPENDITURES | |
| Received from TEF: | 95.96 | Printing: | 52.23 |
| To be received from TEF: | <u> </u> | Promotion: | |
| From sales: | | Distribution: | |
| Other: LWVUS-EF | 500.00 | Office overhead: | 79.20 |
| Tx Instruments | 250.00 | Volunteers' expenses: | |
| TOTAL | 845.96 | Other: travel | 158.10 |
| | | Telephone | 21.64 |
| 294 | | PR consultant & | 469.10 |
| | | Postage | 60.40 |
| | | Other | 5.29 |
| Receipts must be attached | instifuine | | |
| all expenditures and shoul attached to the report ser | d be | TOTAL | \$845.96 |
| TEF treasurer. Receipts filed with appr 1979-80 vouchers | | Additional 5% (or \$5.00 minimum) administration fee for local League projects to be deducted from LL account | Does not apply |
| | | | |

Signature of Project Director Treasurer

Make four copies: Send one to state office.

one to Project Supervisor.

one to TEF Treasurer -- with receipts attached.

Keep one copy for your files.

Please submit as soon as possible following completion of the project.



MEMORANdum

LEAGUE OF WOMEN VOTERS OF TEXAS

1212 Guadalupe, No. 109 • Austin, Texas 78701 • Tel 512/472-1100

7-20-80

Dear Diana,

Here is my report on IR Wingspread. I hope it is O.K. I have attached copies of various pertinent materials, but only I script of the speech I usually give + which I vary according to types of audiences + the time allotted. I assumed the script would go into the office file. Please send the copy to the Project Superisor. 9 don't remember who was assigned that task since mobody ever contacted me about it. If the was Barbara materba, I did call on he for advice of counsel on a couple of occasions. My apologies for the tardiners. Jenevely, Pearl

LEAGUE OF WOMEN VOTERS OF TEXAS EDUCATION FUND 1212 Guadalupe, #109, Austin, Texas 78701

PROJECT DIRECTOR"S REPORT

| | | TexAS |
|-----|----|--------|
| TMA | OF | DALLAS |

PROJECT: IR WINGSPREAD

- 1. Primary Accomplishment: The alerting of numerous local businesspeople to the significance of international trade to the U.S., Texas, and the Metroplex area.
- 2. The project reached about 600 people directly through speeches to a variety of civic organizations, high school classes, local Leagues. An undetermined number of people were probably reached through a half-hour T-V presentation on KTVT-Ft. Worth in the form of a dialogue between between the moderator and the IR Project Director.

In all presentations a number (25) of slides were interspersed in appropriate places in the speech.

- 3. The project was successful, judging from the sustained level of interest of audiences, the questions asked, and comments such as, "This complex trade situation never quite fell into place for me before today."
- 4. Attached are copies of the latest revised script, invitation, etc.
- 5. OTHER Comments: It is unfortunate that the scope of the Project had to be reduced from a statewide to a 2-county effort. The major fault was the short time span required by LWVEF, resulting in inadequate time for LWVTEF fund-raising, impossibility of inclusion in calendar-planning by local Leagues, miniscule seed-money from LWVEF for any broad statewide Project coverage. Local Leagues thus missed an excellent opportunity to reach their business communities and educational institutions on this important and "different" topic.
- 6.NOTE: The Project Director has been invited by LWVEF to attend a discussion session in Washington, D. C. regarding Texas' experience with this Project. Family problems precluded her acceptance except on a last-minute basis. The dates are Aug. 25/26. Funding may still be available in which case the Project Director will be notified. If not, would LWV-TEF consider the occasion important enough to send the Project Director to this meeting as the Texas representative?

Pearl L. Wincom

July 15, 1980

LEAGUE OF WOMEN VOTERS OF TEXAS EDUCATION FUND INTERNATIONAL TRADE PROJECT Pearl L. Wincorn, Project Director

THE TRADING TEXAN

Speaker: Have you heard of Erma Bombeck's column in the Dallas Times-Herald? Last summer she wrote that there were three items the United States exports that are most liked in other countries.

Slides 1 - 10

No voice over

Slide 11 - hold Voice over You've guessed them, I'm sure: washing machines, toilet paper, and blue jeans. That was Ms. Bombeck's interpretation of an article on international trade written by John Mariani in a July issue of the Saturday Review. Blue jeans, of course can be a very eye-catching product, as we have just seen.

Cut here to panel.

Seriously, though, our industry and agriculture produce far more important items for export than Ms. Bombeck suggested.

EVERYBODY A TRADER

Now, let's be very basic. Have you considered that you are a trader? Everyone is.

Nowadays we don't bargain with each other face to face as people did centuries ago. We don't exchange the actual goods or perform the services. We use money. But it's still trading. The amount we're willing to trade depends on our judgment of the item's value to us.

Continue with panel

to p.5 of script

Let's go a step farther: You are a farmer or manufacturer. You produce something you've been selling profitably inside and cutside the United States. You are an international trader.

M.: That make, me an international trader,
PROTECTIONISM

S. Suddenly, a foreign country's government decides its farmers or manufacturers should be encouraged to increase their output to keep from paying so many dollars to you. To shut you out, the country sets up a tariff - an import tax - on your product. When that import tax is added to your price, your item becomes too expensive to compete in that country. Or that government might set up a quota system to allow only a percentage of what was previously imported.

By cutting competition and supply, local producers can benefit from the higher prices and keep more of the local money at home.

- M.But how does this work for the consumers of the product in that country? Their right to buy at the lowest price has been ended by a strategy almost sure to spawn retaliation.
- S. If you go to buy a shirt, you'll go to a store with a price range you can afford. You'll look at style and quality. You'll find the best shirt for you and trade your money for it.

M. But what happens if you discover that the "country of origin" is

a foreign one? Will you hesitate, select a different shirt?

That's the purpose of "country of origin" labels, but it's only one of a great many ways of discouraging foreign competition used by all trading nations.

Carrying this to a still higher level, sometimes a country wants to encourage development of a new industry of farm product. It enacts tariff barriers or sets quotas. And sometimes this backfires.

For example, the U.S. was mainly agricultural up to World War I. Very high tariffs were used to protect some of our infant manufacturing industries after 1920. This probably helped to shove us into the economic depression of the 1930's.

Some actions are taken by governments to appease strong political pressures within the country. The Arab boycott of industries doing business with Israel is such an instance. U.S. trade policies toward Communist countries is another. All countries use a variety of barriers to international trade.

NTB's

Tariffs and quotas are clear cut. So, too, ate the price-raising actions of a commodity monopoly like OPEC. But there are many other indirect or hidden ways of obstructing international trade. They're called NTB's, which stands for non-tariff barriers. These may M. What are some of these barriers?

Jos example, that will full only from

S: -- Governments procurement practices giving domestic producers, ad
vantages over foreigners;

- against foreign products or which impose standards that are unduly such as heavy humpers on auto, auto emission controls, no sub flower or live restrictive and/or irrelevant to protecting the consumer; and plants,
- -- Discriminatory tax adjustments on imported goods, and export subsidies.

(Specifically: £EC-subsidies for farmers to offset cut prices to local consumers to make imports non-competitive unless crops fail.

Encourages overproduction whose sale depresses world markets.

France-requiring presente of French inspector in any plant making pharmaceuticals exported to that country.

U.S.-"Buy American" restrictions on govt. purchases. Elim.by MTN)

Trade officials say there are about 900 different kinds of NTB's.

What all such barriers do is reduce competition in world markets
and thus limit the consumer's choice of product and price. They also
protect reflecient domestic producers of goods.

The Trading Texan M. How do secondists in industrialized nations view confair trade practices? DAMAGING EFFECTS OF UNFAIR TRADE PRACTICES

5. Economists in the industrialized nations have known for a long time that unfair trade practices are as damaging among nations as they are within an industry. An open policy on international trade allows each nation to specialize in the economic activities best suited to its natural resources, its available labor, its capital, and its proximity to markets. (Where trade flourishes, armies never march.)

M.; I we noticed in the news that the U.S. was involved in an international traile conference.

GATT and MTN

Shortly after World War II, an international conference on trade and employment was held under United Nations auspices. Twenty-three countries signed a General Agreement on Tariffs and Trade (GATT). It covered the concessions they had worked out, plus a set of rules to discourage the participants from evading the tariff concessions by other protectionist devices.

That agreement has worked fairly well, considering the enormous There are now 84 GATT changes in the world political situation. **Since that time 7 conferences have been held. The latest is the Multilateral Trade Negotiations, sometimes called the Tokyo Round or MTN.

M. How many countries participated?

Texan, Ambassador Robert S. Strauss, was the President's Special Trade Representative to the conference. The Tokyo Round continued work toward eliminating tariffs in the 98 countries. Earlier negotiations had brought tariffs down by 8 to 10%. The new agreement will reduce them by about 33% more. "Codes of Conduct" were also written to control the use of non-tariff measures that affect trade.

M. The President can implement the tariff cuts under the MTN Agreement?

S.: That's correct. Everything else in the agreement that required Congressional approval has been passed. has been The Congress is now working on changes to federal laws that are needed to implement the agreement. M.: (Statement or question re American unawareness

Slide 12 - U.S. Exports

re trade.)

Voice over

Manufactured Exports

Speaker: It is unfortunate that most Americans are unaware of the importance of international trade to the economic health of our mountry. People of my generation were raised with the mistaken idea that the U.S. was self-sufficient in all essential materials.

Slide 13 - Agricultural Exports

Voice over

Slide 14 - (untitlei) on imports

Voice over

The increasing complexity of industrial and technological development has made all nations more interdependent, not only for raw materials but for markets for their finished products and services.

Speaker: There are some commodities we must import:

Natural Rubber for tires Pulp and newsprint Chrome, manganese, nickel for steel Nickel, cobalt, tangsten &

for Electronics, Elect. Machin.

assembled electrical components Canada, Belgium, & above minerals plus manganese from USSR for Metal working & Machinery

Bauxite for Aluminum Petroleum for feedstocks for plastics, etc. Asbestos for insulation

Tin for canning Potash for fertilizer from Indonesia, Malaysia

Canada

Brazil, Gabon, Canada, S. Africa, Rhodesia, USSR

Luxembourg, Zaire

from Jamaica, Surinam

OPEC countries, etc.

Canada

Malaysia, Thailand, Boliv,

Canada

The U.S. imports 100 percent of natural rubber, industrial

diamonds, hemp or abaca, and most of our bauxite, manganese platimum

cobalt, chromium., nickel, tin, and asbestos.

> M. What affect will current embargeon exports have on our track with the 4552? S.: What must be realized in the U.S. is that we must

export more and more to stabilize and improve the inter-

Slide 15-U.S. Import Bependence and Import Sources

(If usable) Voice over

Cut back to Panel

national value of the U.S. dollar. I hope you understand that it is our extravagant use of petroleum, half of helped to which must be imported, that has undermined the value or our currency and is largely responsible for inflation here. Until energy conservation and substitution become our way of life in this country, only gorowing exports can keep us on an even keel in international markets.

M.: We called this the Trading Texan. How does our state fit in?

S: Everything we've said so far applies to Texas as part of the U.S. and because international trade is very important to Texas.

Let's think first about our state's resources.

Texas has a wide range of soils and climated for agriculture and livestock; petroleum, natural gas, and lignite for power, petrochemicals, and plastics; stone, clay, and and gravel for construction; forests for lumber, paper products; and an intelligent, energetic, and ambitious population. Add to this U.S. laws that prohibit trade barriers among the states within our country, and you have the recipe for economic success. Economic activity, competition, and innovation are stimulated. Producers and consumers benefit.

M.: This has certainly not been the rule across <u>national</u> boundaries - not here or anywhere else in the world.

S.: Note that Texas was 6th in exports of manufactured goods among the 50 states in 1976, and all indications are that our state has maintained its position to the

Slide 16 - Texas
Export Highlights
Voice over

present.

M.: How about jobs relating to exports?

S.: About 60,000 jobs were directly related to exports, while 37,000 additional employees were producing materials and components that would go into exported products from other states in the U.S. One of every 9 jobs in Texas was export-related.

In agriculture we led the country in exports of cotton.

\$1 of every \$4 of farm sales in Texas came from exports. The Gulf seaports and Houston International Airport accounted for most of the manufactured and agricultural products shipped through Texas ports from the various states. Texas ports ranked fourth in the nation in terms of the value of goods exported in 1976.

Cut back to Panil ->

M.: D-FW Airport will have a Foreign Trade Zone.
Will this be important to our area?

S.: The establishment of a Foreign Trade Zone and a Customs District Office here may increase the value of exports substantially from this region. Air freight combines high value and low weight. Cargo moving by water from Houston is usually just the opposite: great weight with lower proportionate value.

Slide 17 - Texas Mote that while chemicals and non-electric machinery Manufactured Exports,
Production, Employ- were the state's biggest exports, transportation ment.

Voice over equipment (aircraft), and electronic equipment are important products from the Metroplex area.

Shides - The said

Slide 18 - Texas
Agricultural
Exports

Voice Over

S.: Among the states, Texas ranked No. 1 in cotton exports, and No. 2 in rice exports. The increases in exports of all agricultural products except dairy products showed very large gains in 1977 as compared with other years.

M.: Will the new Multilateral Trade Agreements do anything for Texas?

Cut to Panel

S.: Texas industry and agriculture should gain substantial benefits from the new Multilateral Trade Agreements. The industries in the Dallas-Ft. Worth area that should gain are -Aircraft, on which tariffs were totally eliminated

in major foreign markets; and govt. purchase restrictions were lifted; also for

Computers, on which tariffs were cut hard by Japan, and Canada, less by the European Community.

The Customs Valuation Code is of particular importance to this industry because arbitrary and confusing foreign valuation; practices have been a big problem for U.S. exporters.

Electronics and Communication Equipment received concessions from Japan, making their tariffs equivalent to US levels, even for highly competitive semiconductors. New codes dealing with standards and subsidies will help US exporters.

In addition, construction and related machinery,

Metalworking machinery, Fabricated Structural metal products, and Chemicals will all benefit from tariff cuts netotiated, as well as various of the new Codes of Conduct for international trade.

Agriculture, a most important part of the Texas economy, will have new export opportunities through reduction of foreign barriers to trade. About 450 products are involved and a possible increase of \$500 million per year. New codes will set clear guidelines and disciplines governing product standards, import licensing, export subsidies, and other practices that may lead to unfair competition.

Of particular importance to $\underline{\text{Texas}}$ are concessions on trade in Livestock and Meats, Feed Grains, Cotton and Cottonseed Products, and Rice. Dairy products still U.S. have rigid/quotas, except for expensive soft imported cheeses.

Textiles and Apparel were still heavily protected under MTN (84%). The European Community countries, Canada, and Japan agreed to some Textile or yarn concessions.

Fruits and Vegetables, expecially citrus and peanuts, gained important concessions.

Wheat should benefit from the new subsidies agreement. It prohibits the use of export subsidies to displace the exports of efficient producers (US) or involves material price undercutting in a particular market.

A Wheat Agreement, covering international producers, is still being negotiated.

M.: Recently several steel companies announced plant closings, claiming import competition as a reason...

TRADE ADJUSTMENT ASSISTANCE

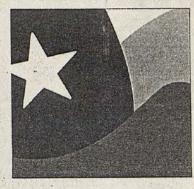
S.: Quite a few years ago the U.S. Cobgress recognized that import competition could be a problem and passed a Trade Adjustment Assistance Act. Few People in Texas are familiar with this Act because Texas industries have not been as seriously affected as in some other states by import competition. Under the provisions of this Act efforts are made to ascertain that the claims of injury are justified by the facts. Loans or loan guarantees are available if an injured company presents a viable proposal for changes in its operations. Workers can obtain assistance for retraining and relocation.

Conclusion

In my opening remarks, I said: We're all traders, but now we use money instead of directly exchanging goods or skills. Nations are no different.

If the people of the U.S, want huge quantities of petroleum from other countries, those countries will gladly sell it to us for our dollars. But behind those dollars must be U.S. industrial, technological, or agricultural products or services to be exported. If we continue to buy and use I.O.U.'s in the form of dollars to fill the gap without goods to sell in ex-

INTERNATIONAL TRADE PROJECT



Pearl L. Wincorn, Project Director



League of Women Voters of Texas • League of Women Voters of Texas Education Fund 1212 Guadalupe Suite 109 • Austin, Texas 78701 • Tel. 512/472-1100

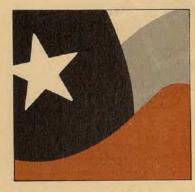
REVISED CASH BUDGET

(as of Dec. 31, 1979)

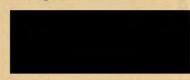
INCOME

| LWVUS Education Fund Contribution (Texas Instruments, Inc.) LWV-Texas Education Fund | \$500 250 500 | |
|--|---------------------|-------------------|
| Total Income | | \$1,250 ====== |
| EXPENSES | | |
| Slides and Script Preparation and duplication, 31/set | \$350 | |
| Promotion materials, incidentals | 250 | |
| Project Director's expenses, including 5 Houston interviews) | 250 | |
| Stationery, postage, telephone, duplicating, secretarial help | 400 | |
| Total Expenses | | \$1,250 ====== |

INTERNATIONAL TRADE PROJECT



Pearl L. Wincorn Project Director



League of Women Voters of Texas • League of Women Voters of Texas Education Fund 1212 Guadalupe Suite 109 • Austin, Texas 78701 • Tel. 512/472-1100

November, 1979

What do washing machines, toilet paper, and blue jeans have in common? According to a recent article by well-known humorist Erma Bombeck, "We are noted throughout the world for only three products that we make better than anyone else."

No doubt you've guessed that they are the three products listed above . . . at least according to Ms. Bombeck and her information source, an article on American products by John Mariani in a July issue of SATURDAY REVIEW.

Whether or not you share the views of these two American journalists, I know you are aware that last summer Congress ratified the Multilateral Trade Agreements, so ably negotiated by a team headed by Texas' own Robert Strauss. These will affect many American-made products in world markets.

We believe your membership would welcome the opportunity to learn more about this important issue. Knowing that Texas is the sixth largest exporter of manufactured goods in the nation . . . that Texas is the leading state in exports of raw cotton . . . and that \$1 out of every \$4 worth of agricultural products Texas farmers sell comes from exports . . . is a start. There are many additional facts and problems to be shared in our program, "The Trading Texan."

We realize that your programs are set long in advance. However, last-minute cancellations of planned presentations often occur. We can be available on relatively short notice to bring our international trade program to your membership. Please indicate your interest by filling out the enclosed questionnaire and returning it at your earliest convenience. We can also be reached by telephone at

With thanks for your continued good work for the betterment of our community, I look forward to hearing from you and, hopefully, to working with you.

Sincerely,

Pearl L. Wincorn, Project Director International Trade Project

Enclosure

INTERNATIONAL TRADE PROJECT LEAGUE OF WOMEN VOTERS OF TEXAS EDUCATION FUND

TO:

| PROM: (Name) | |
|-------------------------------|-----------------------------------|
| (Title) | |
| (Organization or school) | |
| (address) | (telephone) |
| ATE: | |
| UBJECT: INTERNATIONAL TRADE I | PRESENTATION |
| We would be interested in | having you speak to our group on: |
| (date) at (time) | at (location) |



TO:

FROM: PEARL L. WINCORN, International Relations Chair

DATE: July 31, 1979

We have a great opportunity. The Texas League of Women Voters has been one of the states chosen to cooperate with LWVEF in a project which can only give your local league added prestige in your community, should you choose to participate! It would be a natural project for your finance chair, since it is bound to attract the attention and gain the respect of business people all across the state.

The U.S. Congress has just ratified the Multilateral Trade Agreements, so ably shepherded to a successful conclusion by Texas' own Robert S. Strauss and his large negotiating team. Now comes the crucial phase: implementation of the agreements by federal legislation. Our role is to stimulate public interest in and understanding of what's involved for Texas, the U.S. and the world.

How many people in your area know that

- :: Texas is the nation's sixth largest exporter of manufactured goods?
- :: Texas is the leading state in exports of cotton?
- :: Of every \$4 of agricultural products Texas farmers sell, \$1 comes from exports?

How would you like the opportunity to build a climate for ongoing discussion and interaction among public opinion constituency leaders and decisions-makers? To develop techniques for an educational (as opposed to antagonistic) exchange of conflicting views?

Here's how it will work:

You select a League leader from your community to serve as area liaison. She should be someone keenly interested in Texas' stake in international trade. The project has three parts

1) Your board will recommend a list of public opinion leaders and decision-makers from your part of the state, preferably with differing points of view. Six of these will be invited by the Texas LWV to participate in a private discussion of international trade issues. You make the arrangements. We will conduct the meeting.

page 2 continued

- 2) We are currently putting together background material for a speech, which will be introduced by a brief, somewhat humorous, slide presentation. This will be for use in civic clubs, high schools, etc. The person you appoint as liaison and your speakers bureau chair can work together on this. Speaker training will be provided.
- 3) No data is currently available on components and finished goods that are imported for use in Texas. A simple survey form, covering retail stores and manufacturers, is enclosed. You decide whom to contact. This is a great foot-in-the-door tactic for your finance chair to make valuable business-agriculture-labor contacts. You will find that they are impressed with our long-sustained attention to fair practice in international trade legislation.

How about it? Isn't this something your local league could sink its teeth into? I, personally, am very excited at the prospect of stimulating interest in and promoting a better understanding of this timely subject, which one way or another affects us all. The best part is it gives you - the local League - a chance to show your community the stuff of which the League of Women Voters is made!

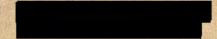
For more information, please contact me directly at 7226 Birchwood Drive, Dallas, Texas, 75240. I hope to hear from you soon.

Pearl L. Wincorn

PLW/jd

INTERNATIONAL TRADE PROJECT League of Women Voters of Texas Education Fund

Pearl L. Wincorn, Project Director



CASH BUDGET

| T was am | |
|----------|---|
| | |
| Income | - |

| LWV-US | Educ | ation | Fund |
|--------|------|-------|------|
| State | Fund | Raisi | ng |

\$ 500 9,000

| Total Income | \$9,500 ====== |
|---|-------------------|
| <u>Expenses</u> | |
| Consultative Group Discussions, 7 cities Meeting rooms, refreshments 500 Tapes, summaries for publication 500 | 1,000 |
| Slides and script preparation (40/set) 1,000 Duplication of slide sets, carousels (7) 500 | 1,500 |
| Preparation of media kits, news releases, promotion for media, misc. expenses | 600 |
| Project director's expenses for moderating discussion groups, local League speaker training, speaker kits, airfares, mileage, incidentals | 4,000 |
| Stationery, postage, telephone, duplicating secretarial help | 1,400 |
| Contingency Fund | 1,000 |
| Total Expenses | \$9,500 |

International Trade Education Project Evaluation Form

THESE EVALUATION FORMS ARE DUE DECEMBER 31, 1979

TO: LEAGUE OF HOMEN VOTERS EDUCATION FUND 1730 M STREET, N.M. HASHINGTON, D.C. 20036

| FP0:1: | Name Pearl L. Wincorn | |
|--------|---------------------------|-------|
| | League of Homen Voters of | Texas |
| | Address | • |
| | | |
| | Telephone | |
| | Nate: Dec. 17, 1979 | |

PPOJECT DESCRIPTION:

Please describe your project thoroughly i.e. pamphlets, slide show, displays, conferences etc (attach one copy of final product--for slide shows or films describe visual content and attach transcript of verbal information).

Project designed to reach two very different groups:

- 1. Heads of businesses and organizations, using a variation of the consultative group;
- 2. LWVs, service clubs and similar organizations, college and senior high school students.

A late start and very limited budget has necessitated concentration on the Dallas-Fort Worth region.

For Group (2) above we prepared a presentation, using 31 slides, of which 16 provide a light introductory touch and 8 similar slides at the close of the talk. The other 7 reproduce tables and charms showing the volume and nature of international trade of the U.S. and of the state of Texas. The latter are interspersed throughout the main body of the presentation, which takes about 20 minutes. In small groups questions are encouraged during the talk. In a formal presentation, there would be 10 min. for Q&A at the end. A copy of the script is attached.

PUBLIC EDUCATION

1. Outreach

Please describe thoroughly the way(s) in which you reached the public with your project. If you targeted a specific audience, say which audience, why and how. Be descriptive. Include dates of conferences, speaking engagements, TV documentaries etc. Estimate if possible the number of people you reached with your project. What evidence, if any, do you have of the impact of your project (attach newspaper clippings, etc.).

- (1) For our small group discussion we spoke directly to 16 top executives of businesses and organizations and two Congressmen. Our objective was 6 with different interests. We met December 5 in the International Dept. conference room of the Republic National Bank in downtown Dallas. Participants:
 Labor, AFL-CIO Sec'y-Treas; Agriculture, Pres. of State Assn. of Texas Farmers Unions; Industry, Allied Automation Export Manager; Banks, V-P (Intern'l) Republic National Bank; Shipping, Staff Consultant of Darrell J. Sekin & Co., Inc. (freight forwarders); Retailing, Pres. of Neiman-Marcus, Inc. Objective: to ascertain their problems and perspectives on world trade to improve our LWV presentations to the general public and to give them an opportunity to discuss their varied needs. For some of them we know the discussion opened up new (OVER)
 - 2. Local League involvement

Did you use local Leagues in any way? Yes.

How? We asked them to send us lists of local organizations for our mailer. We will share speaking responsibilities with the Tarrant County League when requests for speeches come from Ft. Worth and vicinity.

If local Leagues provided some, much or all of the outreach effort, describe their outreach activities (if such activities have not yet occurred, describe projected activities and projected dates for implementation of same).

Tarrant County LWV will make the presentation to the Ft. Worth Founders Lions Club on January 22. They have provided a mailing list of 25 organizations. The foregoing is the first response. Mailing lists have been requested from two other small Leagues. These have yet to be provided.

Additional Local League involvement will be sought early in 1980 as the LWV-Texas EF is making \$500 available for the International Trade Project.

1. Outreach (cont'd)

perspectives. All expressed pleasure at being included. The AFL-CIO man learned about the Trade Adjustment Assistance program for the first time (this has not been used much in Texas). Several of those present and an importer who had been invited but who had been unable to attend indicated that our invitation had sent them to the Dept. of Commerce and the library to prepare for our meeting.

- (2) A mailing went to 125 service clubs, schools, and other organizations late in November. (Sample enclosed.) Results: Presentations:
 - Dec. 7 Informal to three upper school groups at Hockaday School (private). 40 students. Plan set to meet with the speech and debate coach on trade debate content - in January.
 - Dec. 12 Informal dinner talk (without slides) to a Dallas Kiwanis Club - 10 men. Lively discussion. Several said they had learned a lot.
- Scheduled Jan. 22, noon - Ft. Worth Founders Lions Club (downtown) about 25 expected.
 - Jan. 25, noon Dallas Founders Lions Club (downtown) about 40-50 expected.
 - Jan 26 North Central Texas Leagues' weekly T-V program, station KTVT at 12:30.
 - March 26 Desoto High School (suburb of Dallas) gan: 16 - addison-Prestonwood Rotary Club - 25-40 mbr.
- Dates to be arranged Skyline Lions Club (Dallas); Jun. 15, noon 8-20 mbs. DeSoto Newcomers Club MDallas Independent School District

Responses from three other organizations; no program openings.

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INVOLVING DECISION MAKERS

1. Were you successful in achieving the participation of decisionmakers in planning and/or implementing your project other than the individual interviews and consultative group? How?

This was done in only one instance when our original plans for fund-raising fell through. That single effort was very successful. Interest had been aroused by the interview last spring, was further stimulated by participation in our first consultative group meeting in May 1979. The project director's discussion of our plight brought forth letters to Chambers of Commerce around the state and to a few other organizations describing the League's trade education project.

2. Did you share your project with decision-makers i.e. send results of project to politicians, business leaders etc?

Not yet. The Dec. 5 tape has not yet been transcribed. All the participants in that small group meeting were willing to trust us to use the taped material properly.

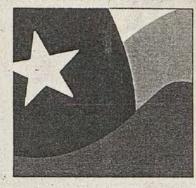
3. Did you find decision-makers receptive to your project? Elaborate.

Very receptive. All regarded the project as greatly needed. The average person in Texas knows very little about the important place world trade has in the Texas economy. Unfortunately, we have not been able to catch the attention of our Congressmen in this election year.

BUDGET

Please attach a copy of the final income and expenditures for the project.

INTERNATIONAL TRADE PROJECT



Pearl L. Wincorn, Project Director



League of Women Voters of Texas • League of Women Voters of Texas Education Fund 1212 Guadalupe Suite 109 • Austin, Texas 78701 • Tel. 512/472-1100

REVISED CASH BUDGET

(as of Dec. 31, 1979)

INCOME

| LWVUS Education Fund Contribution (Texas Instruments, Inc.) LWV-Texas Education Fund | \$500 250 500 | |
|--|---------------------|-------------------|
| Total Income | | \$1,250 ====== |
| EXPENSES | | |
| Slides and Script Preparation and duplication, 31/set | \$350 | |
| Promotion materials, incidentals | 250 | |
| Project Director's expenses, including 5 Houston interviews) | 250 | |
| Stationery, postage, telephone, duplicating, secretarial help | 400 | |
| Total Expenses | | \$1,250 ====== |

PROJECT EVALUATION

This project has had several parts: the training conference in April 1979; the interviews with trade leaders; the consultative group session; the actual state project. Briefly, please evaluate each part with particular emphasis upon how the parts did (or did not) relate to one another and whether or not the first three steps helped you in the state project you did.

Training Conference

- ::For background information on U.S. and world trade, I would have preferred a division of the conference between those Leaguers who were already informed and those less so. I needed more detail on exactly what MTN had accomplished, was still attempting, and the prospects for implementation worldwide. Its application to my state would then have been easier. The consultative process did not develop clearly in the conference sessions, at least in our group. I could have used more specifics in its application.
- :: The interviews were great, both to sharpen interviewees ideas and to alert them to LWV's interest and involvement in the topic.
- :: Consultative group sessions were a good idea; a bit too academic (OVER)

The individual interviews and group sessions were experimental. Would you recommend retaining either or both of them in future education projects? Would you use either or both of them as they were in this project or in a modified version for any project you might plan in the future?

Definitely, yes. See consultative group sessions comment above.

in the way they were laid out.

:: All definitely helped to provide confidence and enthusiasm to participants and ideas for possible state projects.

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LEAGUE OF WOMEN VOTERS OF TEXAS Small Group (Consultative) Meeting December 5, 1979; 6 participants.

PROBLEMS

Chaotic regulations between conflicting agencies create artificial barriers. Restrictive tax laws.

Govt./business conflict v/v capital availability.

Easier & less risky to do business at home. Small business unfamiliar with the game/needs help.

U.S. has no central awareness of purpose in promoting trade.

National sense absent of need to encourage U.S. companies to engage in foreign trade.

Displacement of labor (jobs).

APPROACH TO SOLUTIONS

Coordinate or create central control.

Reduce numbers of regulations. " costs of doing business abroad.

Eliminate disincentives i.e. change tax policies.

Government incentive programs needed.

SECTOR

ISSUE

POLICY OPTION

Agriculture

Access to mkts. Price differentials.

Internatiagreements. International commodity

Industry

High trade barriers (Packaging Mach'y) in certain countries.

Banking

World trade growth Protectionist measures Intern'l monetary system & its impact on trade.

Labor

Job displacement by Management & labor foreign industry, i.e. working more closely steel (Japan)

together.

Importer)

U.S. becoming a seller. " a stabilizing influence.

More U.S. emphasis on world trade.

LEAGUE OF WOMEN VOTERS OF TEXAS

1212 GUADALUPE, #109 · AUSTIN, TEXAS 78701 · PHONE (512) 472-1100

| may have grown |
|----------------|
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LWV-Texas Education Fund

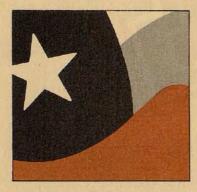
Q. 1. d. J.R. Wingspread Project

list on file in S.O.

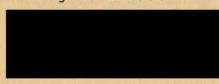
(from P. Wincorn)

| 12/12/79 | 11/26/79 1st class | 002342 |
|----------|---|------------|
| 200 | Letters on letterhead . | 08 \$16.00 |
| 136 | Letterhead envelopes | 05 6.80 |
| 200 | Mimeographed reply forms | 06 |
| | Postage to mail 136 letters | |
| | Hours secretarial time (prepare maffing labels, type inside heading & salutation, stuff envelopes, XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX | |
| far | the explication to be submitted to the Total | \$109.65 |

International Trade Project



Pearl L. Wincorn, Project Director



League of Women Voters of Texas • League of Women Voters of Texas Education Fund 1212 Guadalupe Suite 109 • Austin, Texas 78701 • Tel. 512/472-1100

INTERNATIONAL TRADE PROJECT

Consultative Group Meeting December 5, 1979

| AGE | <u>NDA</u> | TIME |
|------|---|---------|
| I. | Introductions | 15 min. |
| II. | Purpose and method of this Consultative Group session | 5 min. |
| III. | Identification of the most important trade issues and policy options | 30 min. |
| IV. | Examination of proposed issues and options and possible additional approaches | 30 min. |
| V. | Discussion of national and international consequences of the above approaches | 40 min. |
| | or as much as we can cover in two hours! | |

PARTICIPANTS

Mr. Willie Chapman, Secretary-Treasurer, AFL-CIO

Ms. Erin Erskine, Export Manager, Allied Automation

Mr. Godcheoux Levy, Pres. Select Imports, Inc.

Mr. Barry Mason, International Vice-Pres., Republic National Bank

Mr. Philip Miller, Pres., Neiman-Marcus Co., Inc.

Mr. Jay Naman, Pres., State Assn. of Texas Farmers Unions

Moderator: Mrs. Pearl L. Wincorn, International Trade Project
Director, League of Women Voters of Texas Education Fund

Transcriber: Mrs. Diana Clark, Pres., League of Women Voters of Texas



memorandum

(This is not going DPM) November 21, 1979

TO: State Trade Project Managers

FROM: Ruth Robbins

RE: Trade project evaluations

Enclosed is an evaluation form for your state trade project. IT IS DUE IN THE NATIONAL OFFICE ON DECEMBER 31, 1979.

Each project manager should fill out this form and return it to the national office. If your project will not be complete, or if you anticipate that it will be on-going, indicate that information on the form.

I hope each of you has had great success and fun with your project and I look forward to seeing the fruit of your labors.

International Trade Education Project Evaluation Form

THESE EVALUATION FORMS ARE DUE DECEMBER 31, 1979

TO: LEAGUE OF WOMEN VOTERS EDUCATION FUND 1730 M STREET, N.W. WASHINGTON, D.C. 20036

| FROM: | Name | |
|-------|---------------------------|--|
| | League of Women Voters of | |
| | Address | |
| | | |
| | Telephone | |
| | Date: | |

PPOJECT DESCRIPTION:

Please describe your project thoroughly i.e. pamphlets, slide show, displays, conferences etc (attach one copy of final product--for slide shows or films describe visual content and attach transcript of verbal information).

PUBLIC EDUCATION

1. Outreach

Please describe thoroughly the way(s) in which you reached the public with your project. If you targeted a specific audience, say which audience, why and how. Be descriptive. Include dates of conferences, speaking engagements, TV documentaries etc. Estimate if possible the number of people you reached with your project. What evidence, if any, do you have of the impact of your project (attach newspaper clippings, etc.).

2. Local League involvement

Did you use local Leagues in any way?

How?

If local Leagues provided some, much or all of the outreach effort, describe their outreach activities (if such activities have not yet occurred, describe projected activities and projected dates for implementation of same).

INVOLVING DECISION MAKERS

 Were you successful in achieving the participation of decisionmakers in planning and/or implementing your project other than the individual interviews and consultative group? How?

2. Did you share your project with decision-makers i.e. send results of project to politicians, business leaders etc?

3. Did you find decision-makers receptive to your project? Elaborate.

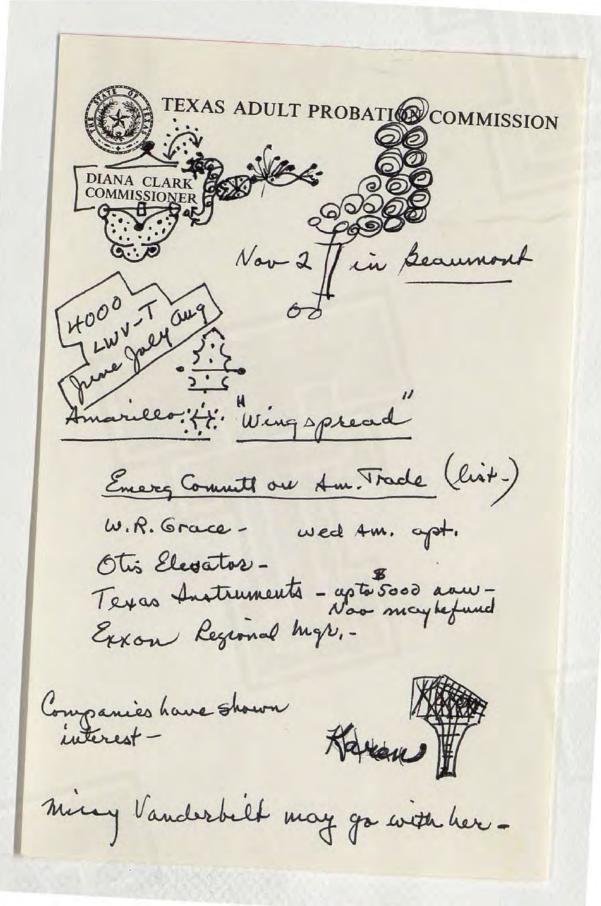
BUDGET

Please attach a copy of the final income and expenditures for the project.

PROJECT EVALUATION

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The individual interviews and group sessions were experimental. Would you recommend retaining either or both of them in future education projects? Would you use either or both of them as they were in this project or in a modified version for any project you might plan in the future?



Deana.

Memorandum LW-T

December 3, 1979

Dear Laura,

Two energy items have come to my attention and I wonder if you have seen them. 1) DOE, Economic Regulatory Admin. requests comments on proposed rules published in Fed. Register of 10/19/79, Vol. 44, No. 244, covering extension of Special Rule No. 9, due to expire Jan. 31, 1980. It entitles surface public transportation to 100% of its current diesel fuel needs. Now added is provision of 100% of taxi services and vanpools whase period gasoline needs. Indefinite extension of Special Rule No. 9 is requested. NCTCOG is asking that "base period" for both be changed to "100% of current needs." I suggest we support this.

2) Emergency Energy Conservation Act of 1979 (P.L.96-102), signed by Pres. Nov.5,1979, provides additional guidance in developing a fed. program for gasoline rationing and gives the Pres. authority to set state targets for fuel conservation. Have you seen it? Shouldn't LWV-T look into this for Texas?

- Happy holiday - Pearl

INTERNATIONAL TRADE PROJECT

Sent on T-TEF letterhead

Pearl L. Wincorn Project Director



November, 1979

What do washing machines, toilet paper, and blue jeans have in common? According to a recent article by well-known humorist Erma Bombeck, "We are noted throughout the world for only three products that we make better than anyone else."

No doubt you've guessed that they are the three products listed above . . . at least according to Ms. Bombeck and her information source, an article on American products by John Mariani in a July issue of SATURDAY REVIEW.

Whether or not you share the views of these two American journalists, I know you are aware that last summer Congress ratified the Multilateral Trade Agreements, so ably negotiated by a team headed by Texas' own Robert Strauss. These will affect many American-made products in world markets.

We believe your membership would welcome the opportunity to learn more about this important issue. Knowing that Texas is the sixth largest exporter of manufactured goods in the nation . . . that Texas is the leading state in exports of raw cotton . . . and that \$1 out of every \$4 worth of agricultural products Texas farmers sell comes from exports . . . is a start. There are many additional facts and problems to be shared in our program, "The Trading Texan."

We realize that your programs are set long in advance. However, last-minute cancellations of planned presentations often occur. We can be available on relatively short notice to bring our international trade program to your membership. Please indicate your interest by filling out the enclosed questionnaire and returning it at your earliest convenience. We can also be reached by telephone at

With thanks for your continued good work for the betterment of our community, I look forward to hearing from you and, hopefully, to working with you.

Sincerely,

Pearl L. Wincorn, Project Director International Trade Project

Enclosure

Sent on plain beige paper INTERNATIONAL TRADE PROJECT LEAGUE OF WOMEN VOTERS OF TEXAS EDUCATION FUND

| TO: | Mrs. Pearl L. Wincorn, Director International Trade Project | | |
|-----------------|---|---|--------------|
| FROM: | | | |
| | (name) | | |
| | (title) | | |
| | (organization or school) | | |
| | (address) | (telephone) | |
| DATE: SUBJEC | T: INTERNATIONAL TRADE PRESENTATION We would be interested in having | | |
| | at at | | |
| | date) (time) | (location) | |
| Please | contact me at regar | ding details. | |
| | _ We are interested in having you s program openings at this time. W telephone number and will be sure last-minute changes in our schedu | e have made note of your a to be in touch if there a | ddress and |
| | _ We appreciate your contacting our in a program on international tra | | t interested |

Carveyn -> written au austrihas lived PR-MorthaTiller 500 Slide man acceptable - \$ 1000_ Sept 15 [deadline] for materials, Script - \$ 400 806-762-411t ext 2282 \$ 2000 - accept right away Carolyn Lavier - has

[ted for Coop's-)

40 shiles

shiles 5 graphie INTERNATIONAL TRADE PROJECT

Pearl L. Wincorn. Project Director

November 6, 1979

Report on Consultative Group Meetings in Dallas

1) May 16, 1979

2) To be held December 5, 1979

MEETING ON MAY 16, 1979

Purpose: To develop ideas for projects to stimulate public interest in the impacts of international trade on the Texas economy.

Attendance: Invitations were sent to the interviewees in the Dallas area. Three accepted. They were
Mr. Darrell J. Sekin, Pres., Darrell J. Sekin & Co., Inc.,
international freight forwarders;

Mr. David Ramsour, economist, First International Bankshares Corp.;

Dr. Alan N. Gook, Director of Special Projects, Hankamer School of Business, Baylor University, Waco, TX.

Moderator: Pearl L. Wincorn, Chairman IR Committee, LWV-TX.

Time & Place: 6:30 p.m. over dinner at the City Club, Dallas; expenses shared among the participants.

Risults: Wide ranging discussion of methods to reach the general public resulted in widely varying possibilities:

> Subsequent analysis of budget and personnel constraints required a simplified presentation, combining some of the suggestions made by the participants.

A report was sent to each of the six invitees. Complimentary responses were received from two.

PROPOSED MEETING ON DECEMBER 3, 1979

Purpose: An exchange of views and experiences in international trade among executives representing industry, agriculture, labor, importing, exporting, retailing, banking.

Time & Place: Republic National Bank, Dallas, International Dept. Conference Room, December 5, 10a.m. to noon.

To date we have acceptances from the Pres. of the Assn. of Texas Farmers Unions, the Secy./Treas. of Dallas area AFL-CIO, the Intern'l VP of Republic Nat'l Bank. & the Pres of Select Imputo, Dre,

To: Diana

Leze of mailing (voi) not enuf to warrant lighte stationery. Joann say the cost would be too much for a 2 color new or even one like the memo sheets.

I'm sending mailing lists + letter to un- Poffice today, Nov. 8. at fits well into the work schedule.

Sent copy of Laura





TEXAS EMPLOYERS' INSURANCE ASSOCIATION

EMPLOYERS INSURANCE OF TEXAS: TEXAS EMPLOYERS: INSURANCE ASSOCIATION • EMPLOYERS NATIONAL INSURANCE COMPANY • EMPLOYERS CASUALTY COMPANY • EMPLOYERS NATIONAL LIFE INSURANCE COMPANY

Your World of Protection

INTERNATIONAL TRADE PROJECT LW-T Logs

Pearl L. Wincorn, Project Director

November, 1979

Title, Name of orgn.

Dear

What do washing machines, toilet paper, and blue jeans have in common? According to a recent article by well-known housewife and humorist Erma Bombeck, "We are noted throughout the world for only three products that we make better than anyone else."

Now you know --- we make washing machines, tollet paper and jeans better than anyone else in the world...at least according to Ms. Bombeck and her information source, an article on American products by John Mariani in a July issue of SATURDAY REVIEW.

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The League of Women Voters of Texas has taken on a role of stimulating public interest and understanding in what's involved for Texas and the U.S.

We believe your membership would welcome the opportunity to learn more about this important issue. Knowing that Texas is the sixth largest exporter of manufactured goods in the pation... that Texas is the leading state in exports of raw cotton... and that \$1 of every \$4 worth of agricultural products Texas farmers sell comes from exports...is a start. There are many additional facts and problems to be shared.

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with thanks for your continued good work for the betterment of our community with look forward to hearing from you and, hopefully, to working with you. Sincerely, Pearl L. Wincorn, Intern

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INTERNATIONAL TRADE PROJECT LEAGUE OF WOMEN VOTERS OF TEXAS EDUCATION FUND

| | rs. Pearl L. Wincorn, nternational Trade Pr | | | |
|--------|---|--|-------------------------|-----------------------------|
| | | | | |
| | | | | |
| FROM: | (name) | | | |
| | CONTRACTOR | | | |
| | (title) | | | |
| | (organization or | school) | | |
| | (address) | | | (telephone) |
| DATE: | | A SECURITION OF THE WATER OF THE CONTRACT OF T | | |
| SUBJEC | T: INTERNATIONAL TRAD | E PRESENTA | TION | |
| - | We would be intere | sted in ha | ving you speak | to our group on |
| - | at | (time) | at | |
| (| date) | (time) | C | location) |
| Please | contact me at | | regarding detail | ls. |
| addres | We are interested e no program openings s and telephone number y last-minute changes | at this t | ime. We have make to be | ade note of your |
| intere | We appreciate you sted in a program on | | | owever, we are not is time. |

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few reides \$ 250 (T.II) Martha plestographer -\$150 Time + fiemder (Erma Bombeck) article-SRL Ont. Trade) \$ 250,00 3 eterus sell popular denim (jeans) t.p. washing machines letter: offering speech neutrous the 3 ortiles 3 sinles speech 6 flachou 7 graphs Dept Commerce mailing list Stamps Committeet IT. detail/oulline of speech

TYLER has a · leavon for Trade Consultative Group may 16-Pres. assayTx farmina Pres. Tandy Carp- + Warth Pier 1 - Importer advocate Retarder - Ed miller] NM diff peripetives, ou for trade For fertily alive Hockaday





memorandum

October 24, 1979

TO: Trade Project Managers (cc: State League Presidents)

FROM: Ruth Robbins, Chair, International Relations

RE: Consultative Group Process reports

This is to remind you that Consultative Group Process reports were due by <u>September 28</u>. The national office has received a few reports, but many more are still outstanding. Please send us a report on your experience with the consultative group process. If you were unable to carry out the consultative process for any reason please send a report stating the problems you encountered. Your reflections on what you learned about this experiment—its feasibility, its usefulness etc—would be most appreciated.

We would appreciate receiving the reports as soon as possible. Thank you and good luck with your public education projects.

Deana, I've written to the pres. of TI + the fund officers of WH. Brace & Co. + Exxon (Dallas). Copy of letter enclosed, also the project description & budget, also and copy of LW-T + EF annual Report for 1977-78 (the latestarialable). Cell this on the detailed advice of Carole who came by least Inday for lunch & between her appointments. On Manday greecived a bill for 2 hrs. of consultation of 35/hr 1 was I maire to be chocked? Should I send a bill for lunch or just deducts 3.50 to the 1 pay her? Should I send a bill for lunch or just deducts 3.50 to the 1 pay her? Should I send a bill for lunch or just deducts 3.50 to the 1 pay her? Should I send a bill for lunch all the wedding insterness is 1979. Read

Dear Carolyn,

We waited too long to contact Carole Shlipak. She has gone to work as Executive Director of the Dallas County Community College Fund. Pending the availability of funds, all progress on the IR project has stopped.

So much of my time and energy has gone into it already that I am reluctant to drop the project without a try at fund-raising.

What I need from you is 1) a copy of the Dresser Industries list and the names on it to whom you sent letters, 2) a copy of the letter you sent. Please put these in the mail to me as quickly as possible. I am already a month behind schedule with this project.

Sincerely,

Planl

INTERNATIONAL TRADE PROJECT

Pearl L. Wincorn, Project Director

September 11, 1979

Mr. J. Fred Bucy, President Texas Instruments

Dear Mr. Bucy:

Recognizing your membership on the Emergency Committee for American Trade, we are happy to inform you that we have a project addressing the interests that concern your company.

Our Texas project is part of a national effort by the League of Women Voters Education Fund to increase citizen understanding of the impact of international trade on the United States economy. A conference last spring at the Johnson Foundation's Wingspread facility brought together League leaders from 45 states to discuss "The U.S. Stake in International Trade". Participants were encouraged to develop citizen education projects for their home states.

In Texas we are aiming our program at two targets: 1) the community opinion and decision makers, and 2) the general public. Further details about the project are enclosed.

Because of the importance of the issues to your corporation, we would like to discuss with you the specific plans we have evolved. I will call you for an appointment.

v Yours sincerely,

Pearl L. Wincorn Project Director INTERNATIONAL TRADE PROJECT

Pearl L. Wincorn, Project Director

INTERNATIONAL TRADE PROJECT

The effects of international trade legislation on the prices and availability of goods in the United States has been a long-time concern of the League of Women Voters nationally. Since the late 1920s, the League of Women Voters has worked to free trade of unfair restrictions.

One objective has been to improve the general public's awareness of the importance of world trade to the economic activity of our country. The conclusion of the Multilateral Trade Negotiations provides an opportunity for the League of Women Voters to fill some of the gaps in information and understanding of this Agreement and trade in general. The state League in each of the 50 states is preparing an education project for their own state.

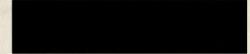
The League of Women Voters of Texas Education Fund has developed a 2-level project for our state:

- 1) We propose to draw together small groups of opinion leaders and decision makers in at least seven areas of Texas Lubbock-Amarillo, Midland-Odessa, El Paso, San Antonio, Austin, Houston and the Dallas-Fort Worth Metroplex. A broad spectrum of interests will be represented. Their friendly discussion of varying ideas and practices can provide new perspectives, especially to those on different sides of issues. These will be taped, and summaries made available.
- 2) A brief slide show and speech presentation will be offered to civic, clubs, schools, local Leagues of Women Voters, and other organizations or groups around the state of Texas. A set will be located in each of the areas previously listed. Speakers will be available locally. The material provided will be fair and objective. No positions will be taken by the speakers either for or against any trade issues. The facts should, however, provide audiences with a basis for reaching better informed conclusions.

This project will require funding in the amount of \$9,500. The League of Women Voters of Texas Education Fund is a non-profit and tax-exempt organization. It is designated by the Internal Revenue Service as a 501-C-3 organization. Funds contributed should be earmarked specifically for the International Trade Project.

INTERNATIONAL TRADE PROJECT League of Women Voters of Texas Education Fund

Pearl L. Wincorn, Project Director



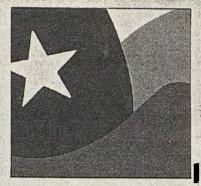
CASH BUDGET

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LWV-US Education Fund State Fund Raising \$ 500 9,000

| | | ,,000 | |
|---|--|------------|-------------------|
| | Total Income | | \$9,500 ====== |
| Expenses | | | |
| Consultative Group : Meeting rooms, ro Tapes, summaries | | 500 500 | 1,000 |
| | reparation (40/set) e sets, carousels (7) | 1,000 | 1,500 |
| | a kits, news releases, dia, misc. expenses | | 600 |
| discussion groups | expenses for moderatin s, local League speake r kits, airfares, mile | r | 4,000 |
| Stationery, postage secretarial help | , telephone, duplicati | ng | 1,400 |
| Contingency Fund | | | 1,000 |
| | Total Expenses | | \$9,500 |

INTERNATIONAL TRADE PROJECT



Pearl L. Wincorn, Project Director

League of Women Voters of Texas • League of Women Voters of Texas Education Fund

CASH BUDGET

INCOME

LWV-US Education Fund State Fund Raising 500

| Total Income | \$9,500 ====== |
|--|-------------------|
| EXPENSES | |
| Consultative Group Discussions, 7 cities Meeting rooms, refreshments, 500 Tapes, summaries for publication 500 | 1,000 |
| Slides and script preparation (40/set) 1,000 Duplication of slide sets, carousels [7] 500 | 1,500 |
| Preparation of media kits, news releases, promotion for media, misc. expenses | 600 |
| Project Director's fees and expenses for moderating 7 discussion groups, LL speaker training, speaker kits, airfares, mileage, incidentals | 4,000 |
| Stationery, postage, telephone, dupli- cating, secretarial help | 1,400 |
| Contingency/Fund | 1,000 |
| Yotal Expenses | \$9,500 |

To 7 Key Leagues

TO:

FROM: PEARL L. WINCORN, International Pelations Chair

DATE: July 31, 1979

We have a great opportunity. The Texas League of Women Voters has been one of the states chosen to cooperate with IWVEF in a project which can only give your local league added prestige in your community, should you choose to participate! It would be a natural project for your finance chair, since it is bound to attract the attention and gain the respect of business people all across the state.

The U.S. Congress has just ratified the Multilateral Trade Agreements, so ably shepherded to a successful conclusion by Texas' own Robert S. Strauss and his large negotiating team. Now comes the crucial phase: implementation of the agreements by federal legislation. Our role is to stimulate public interest in and understanding of what's involved for Texas, the U.S. and the world.

How many people in your area know that

- :: Texas is the nation's sixth largest exporter of manufactured goods?
- :: Texas is the leading state in exports of cotton?
- :: Of every \$4 of agricultural products Texas farmers sell, \$1 comes from exports?

How would you like the opportunity to build a climate for ongoing discussion and interaction among public opinion constituency leaders and decisions-makers? To develop techniques for an educational (as opposed to antagonistic) exchange of conflicting views?

Here's how it will work:

Our state is so large, we have selected a number of strategically-located Leagues to coordinate the effort in their region through a local board-appointed liaison. These Leagues are: Lubbock, El Paso, Austin, Dallas, Midland, San Antonio and Houston.

We are asking your League to

1) Select a League leader from your community to serve as area liaison. She should be someone keenly interested in Texas' stake in international trade.

page 2 continued

- 2) Arrange for presentations by your speakers bureau to local radio and TV stations, civic clubs, high schools, colleges, chambers of commerce, etc. We have prepared a short slide introduction and background material for your speaker. If you prefer, these speakers can be requested from the abovementioned Leagues.
- 3) Conduct a survey of imported materials and products used in your city. A simple survey form for retailers and manufacturers is enclosed. How comprehensive this is can be determined by your League. Currently there is no information available on what imported goods coming through our ports actually stay in Texas.

Some of your less active members might find it stimulating to participate in this survey. This project could even attract new members. Your finance chair could use it to make new business-agriculture-labor contacts. You will find the business community to be impressed with the League's long-sustained attention to fair practice in international trade.

How about it? Isn't this something your local league could sink its teeth into? I, personally, am very excited at the prospect of stimulating interest in and promoting a better understanding of this timely subject, which one way or another affects us all. The best part is it gives you - the local League - a chance to show your community the stuff of which the League of Women Voters is made!

For more information, please contact me directly at 7226 Birchwood Drive, Dallas, Texas, 75240. I hope to hear from you soon.

Pearl L. Wincorn

PLW/jd

TO:

FROM: PEARL L. WINCORN, International Relations Chair

DATE: July 31, 1979

We have a great opportunity. The Texas League of Women Voters has been one of the states chosen to cooperate with LWVEF in a project which can only give your local league added prestige in your community, should you choose to participate! It would be a natural project for your Finance chair, since it is bound to attract the attention and gain the respect of business people all across the state.

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How many people in your area know that

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- :: Texas is the leading state in exports of cotton?
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How would you like the opportunity to build a climate for ongoing discussion and interaction among public opinion constituency leaders and decisions-makers? To develop techniques for an educational (as opposed to antagonistic) exchange of conflicting views?

Here's how it will work:

You select a League leader from your community to serve as area liaison. She should be someone keenly interested in Texas' stake in international trade. The project has three parts

1) Your board will recommend a list of public opinion leaders and decision-makers from your part of the state, preferably with differing points of view. Six of these will be invited by the Texas IWV to participate in a private discussion of international trade issues. You make the arrangements. We will conduct the meeting.

page 2 continued

- 2) We are currently putting together background material for a speech, which will be introduced by a brief, somewhat humorous, slide presentation. This will be for use in civic clubs, high schools, etc. The person you appoint as liaison and your speakers bureau chair can work together on this. Speaker training will be provided.
- 3) No data is currently available on components and finished goods that are imported for use in Texas. A simple survey form, covering retail stores and manufacturers, is enclosed. You decide whom to contact. This is a great foot-in-the-door tactic for your finance chair to make valuable business-agriculture-labor contacts. You will find that they are impressed with our long-sustained attention to fair practice in international trade legislation.

How about it? Isn't this something your local league could sink its teeth into? I, personally, am very excited at the prospect of stimulating interest in and promoting a better understanding of this timely subject, which one way or another affects us all. The best part is it gives you - the local league - a chance to show your community the stuff of which the league of Women Voters is made!

For more information, please contact me directly at 7226 Birchwood Drive, Dallas, Texas, 75240. I hope to hear from you soon.

Pearl L. Wincom

This goes with both letters

LWV-TEF

INTERNATIONAL TRADE SUGGESTED SURVEYS

Retail Stores

- 1. Do you sell many imported products? What percentage?
 - 2. Why do you stock imported products?

Cost?

Quality?

Style?

- 3. Do your customers ask if this is an imported product?
- 4. Do customers prefer imports/domestic products?
- 5. Do your products have foreign made components? .
- 6. When purchasing an imported product, do you consider safety standards required for American products?

Manufacturers

- 1. How many employed in this plan due to overseas sales? What percentage of your total work force?
- 2. How many overseas manufacturers are competitive with your products?
- 3. Do you encounter protective measures on your products? i.e., tariffs, quotas?
- 4. Would the publication of this type of survey enhance your image in the communit,
- 5. Do you sell products to companies that ship overseas? What percentage?
- 6. Do you foresee expansion of overseas business? In the near future? Long range?
- 7. How does the 1974 Trade Act affect your business?
- 8. Are foreign investors investing in your firm in any manner?

136 Main Plaza . 225-8700 4909 Walzem Rd. . 654-0541 6211 San Pedro • 342-9555 1604 McCullough 225-6187 226 E. Rhapsody 341-6272 1701 S.W. Military Dr. . • 924-4535 4209 Fredericksburg Rd. 735-5232 YOUR COMPLETE PRINTING SERVICE sel - Aug 24 contact. Selvin - will meet with Composition - Color Printing - Bindery . . . Intril T. ASS, Tex Ind * Rt Dean Cof C * NT Commission for forward. have rec'd letters from

Texas president

June 26, 1979

League of Women Voters Education Fund 1730 M Street, N.W., Washington, D.C. 20036 (202) 659-2685

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CHAIR RUTH J. HINERFELD

OFFICERS Vice-Chairs

Ruth Robbins Longboat Key, Florida

Nancy M. Neuman Lewisburg, Pennsylvania

Secretary/Treasurer Yvonne G. Spies

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Dorothy K. Powers Princeton, New Jersey

Dot Ridings Louisville, Kentucky

Gina Rieke Salt Lake City, Utah

Florence R. Rubin

Ann S. Savage Oklahoma City, Oklahoma

Ann W. Viner New Canaan, Connecticut

STAFF DIRECTOR Martha T. Mills

Congratulations! The national League of Women Voters International Relations Committee has met to review the international trade education proposals and has awarded you the \$500 League of Women Voters Education Fund grant.

The Committee is proud of each and every one of you. Only in the League of Women Voters could \$500 per project go so far and have such an overwhelming impact.

As you begin implementing your project proposals, please do keep in mind the following points:

- 1) Some of you, for very good reasons, could not obtain interviews with one or more sectors, such as labor or agriculture. So, as you continue, do be sure to try to include those viewpoints in your project: if you're planning a conference or TV or radio show, include those sectoral representatives. If you're publishing materials, make sure they get covered.
- 2) Outreach is perhaps the most important part of your project. Think through carefully, how you can best reach the public. Who is your audience -- how can you reach it? Susan Whittemore, director of the Michigan trade project, has given us an excellent idea for reaching the business community (both small and large businesses). She sug-Newton Centre, Massachusetts gests contacting the Chamber of Commerce and through them, the Industrial Editors Association to see if they would be willing to run a series of League articles in their various publications. Contact Susan for more information -- 1 Lafayette Plaisance, Apt. 2210, Detroit, Michigan 48207; (313) 963-4610.

The point is, if you're preparing something for distribution, it must be used! If you're working with local Leagues, ask them how they intend to disseminate the information, give them suggestions and follow-up on their activities.

3) Finally, some of you did not attach a budget broken down into line items. Just be sure that in the final report, that this is done. And speaking of the final report, do send in copies of publications, conference programs. etc.

Best of luck. We have a marvelous project going!

Sincerely,

Ruth Robbins, Chair International Relations



memorandum

June 26, 1979

TO: Trade Project Managers

FROM: Ruth Robbins, Chair, International RElations

Enclosed you will find your \$500 League of Women Voters Education Fund grant for use on your state education trade project.

Remember, because the grant monies are tax-deductible, they must be used for educational purposes only. Grant funds may not be used for any legislative action.

Feel free to cooperate with other organizations in your community and state in this educational effort. In working with outside groups, just keep in mind the goals and purposes of the trade project.

We also encourage you to solicit outside contributions to your project; businesses in your state are viable sources for such funding. Remember that unless your League has its own 501(c)(3) (tax-deductible) organization the solicited monies must be made payable to the national LWVEF and forwarded to the LWVEF Office of State and Local Grants to be earmarked for your League's project. This procedure is to be used if the donor wants the contribution to be tax-deductible. If the donor wants to give "hard" money, it does not need to be passed-through the LWVEF. For more information about this, read the enclosed publication entitled the way to go: how to use the lwvef to raise tax-deductible money to fund state and local league projects, which describes the procedures to be followed. Felice Sorett, Director of the Office of State and Local Grants at the national office, can provide additional information and application forms.

Also, remember to credit any donors who have funded your publications or conferences etc. Suggested wording for this purpose can be found in the attached publication.

Expected income resulting from the project (i.e. through publication sales, workshop registration fees) should be included in the income side of the project's budget. If there are funds left over, they may be used for another educational Project.

As you implement your project this year, keep in mind that in the final report we would like the following points covered:

-what was done (be specific; for example, if you held a conference give dates, locations, meeting contents, number of people involved)

-how successful was the overall project and what were the problems, if any, particularly in terms of the goal of reaching and educating the public and decision-

-how was your money spent (vouchers and receipts are not necessary); a general item breakdown (i.e. transportation, telephone, publications. etc.) would be a good way to report this

-how did you use the media during the course of the project -will the project be followed up on or built upon in the future

-how did you perceive the project as increasing awareness of the League of

Women Voters' educational work within your state?

Best of luck in your projects. If we can be of help, do not hesitate to call or write. We look forward to hearing of further developments about your projects.

INTERNATIONAL TRADE PROJECT PASS-THROUGH GRANT APPLICATION

| Date: June 5, 1979 | |
|--|--|
| TO: LEAGUE OF WOMEN VOTERS EDUCATION FUND 1730 M STREET, N.W. WASHINGTON, D.C. 20036 | |
| FROM: Name Pearl L. Wincorn | |
| League of Women Voters of Texas | |
| Address | |
| Telephone | |

PROJECT DESCRIPTION:

- A Interviews with community leaders (sector, person, date)
 13 enclosed, to cover Dallas, Houston, and points between
 1) Business L. B. Gale Apr. 24, 1979

 - 2) Education Dr. Alan N. Sook Apr. 25, 1979
 - 3) Agriculture Lee Adams May 17, 1979
 - 4) Banking Dr. Ottmar Kolber- May 18, 1979
 - 5) Economics David Ramseur April 26, 1979
 - 6) Shipping Darrell J. Sekin, Sr. May 1, 1979
- B Consultative Group Session (projected date for holding it)
- Held May 16, 1979 C How will your project encourage interaction with decision-makers (give short narrative)? Our plan is to hold a group consultative session in 7 cities in Texas, using the model developed for the Wingspread conference. Local Leagues in each instance will identify and invite the six decision-makers to meet with me. Appropriate media coverage will be encouraged.

It is planned to tape the sessions and transcribe them for future use if they are interesting enough.

D Proposed public education project (include information on any proposed publication, distribution, public outreach) Speaking dates will be sought through a statewide mailing to civic, church, school, and business groups. The presentation will include a short (10-12 min.) slide show with script making clear everyone's participation in international trade. The local speaker will then discuss (Q&A, perhaps) some of the issues, their importance to consumers, the city or region, the state of Texas, the US, the world - as time permits. A 20-30 min. program will be the average. Seven sets of slides will be produced to be held by a centrally-located LWV for use by other LWVs and groups in surrounding communities. No publication is planned other than appropriate background material for speakers and the media-at this time.

PROPOSED BUDGET (if you plan to raise funds over the \$500 LWVEF grant, please delineate budget for the entire amount you will spend)

xw.A

| | Income | | | Expenditures | |
|-------------------------------|--------|-------------|-----|---|------------------|
| LWVEF Grant | | \$ | 500 | Consultative Groups (7) Slides, script, stack | \$1,500 |
| Contributions LWV-Texas EF | to | | | loaders (7sets) Speaker Training, mileage, | 1,000 |
| be raised in | Texas | 8, | 500 | handbooks Preparation of background | 2,000 |
| | | | | material & news releases for media; postage; phone; | |
| | | | | stationery; secretarial help, etc. | 2,000 |
| | | - | | Coordinator's travel Contingency fund | 2,000 |
| | | 39 , | 000 | | 39,000 ====== |