CONGRESSIONAL RECORD STATEMENT ON AUTO IMPORT RESTRICTIONS SPECIAL ORDER By CONGRESSMAN LES AUCOIN May 29, 1980

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AUTO IMPORT CURBS REJECTED

Mr. Speaker, much of the U.S. auto industry is on the ropes today because it apparently still believes in H.L. Mencken's observation that no one ever went broke underestimating the American public.

This is a shame because it was American carmakers who transformed the Industrial Revolution into the Consumer Revolution. By introducing mass production techniques, carmakers produced cars in abundance and at a price to enable more and more Americans to afford one. Over the years, carmakers added improvements in safety, in performance and in styling, until the United States was the unchallenged leader in the world of fine automobiles at affordable prices. It was a tradition to be proud of.

Then something happened as increased consumer demand for fuel-efficient cars went unheeded in the think-tanks and production lines and board rooms of American carmakers. Some economical cars were produced in the United States, but typically they were doughty and performed like slugs. They, not surprisingly, had little market appeal, thus permitting U.S. carmakers to keep insisting that Americans really wanted the "luxury" and "security" of larger automobiles, regardless of how much gas they used.

As long as gasoline prices were artificially low because of price controls, carmakers could continue this self-deception, even though the number of foreign cars sold in America steadily had begun to rise. But when the severe gas crunch hit in the mid 1970s, there could be no more illusions about what American consumers wanted, and needed. Yet, U.S. auto makers still dallied.

Now what we see, as foreign car imports soar, are the pathetic sights of Chrysler crawling to Congress for loan guarantees, the entire industry yowling for delays in fuel-efficiency standards, large rebates to unload gas guzzlers and a call for import restrictions on foreign cars.

I've got news for Detriot: The American public won't be gulled any more by gimmicks, shiny chrome or a handful of cash. And, Americans won't allow carmakers to hide shamelessly behind workers thrown out of jobs because the U.S. auto industry has refused to meet consumer demand. A recent telephone survey by citizen volunteers conducted at my request in a suburban area in Portland, Oregon, reveals that a majority (51.5 per cent of 615 completed interviews) oppose import restrictions on foreign cars. The survey showed 37.4 per cent favored import quotas, while 11.1 per cent were unsure. Clearly, the majority didn't buy the argument that restricting the flow of foreign cars would save U.S. jobs. They said our first priority must be to save gas; otherwise many more jobs will be imperiled.

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These Oregonians have their priorities straight. They know that if we shield U.S. automakers from competition, we don't give them any incentive to make the necessary changes needed to become competitive again in the new gas-conscious marketplace, and that American consumers will suffer as a result. They recognize that if we impose import quotas, retaliation is likely. They realize we must reduce U.S. gasoline consumption, and thus reduce our dangerous dependence on foreign oil, and that we must do it now.

These Americans still buy cars -- and they are willing to buy American cars if they get their money's worth. These Americans understand we can save gasoline and still have American jobs, but only if the U.S. auto industry changes. Who says you can get away with underestimating the American public?

Mr. Speaker, I want to take this opportunity to let some of my constituents speak on the Record. These are voices I listened to in my recent telephone survey as they volunteered their views when asked about auto import restrictions. These are voices we in Congress need to listen to -- that the auto industry needs to listen to. These are citizens speaking, and they are consumers speaking out. Their advice is clear.

Emory Brezina, Hillsboro, Oregon: "If U.S. cars were better able to compete with foreign imports, we wouldn't have such a great problem. But U.S. cars are not as well built."

Chris Burskey, Tigard, Oregon: "To put quotas on foreign imports only delays the inevitable and allows U.S. producers to get by with inferior products."

Richard Burton, Tigard, Oregon: "We don't need greater import barriers, just better-made U.S. products."

<u>Charles Bushong, Forest Grove, Oregon:</u> "U.S. manufacturers need to be more efficient. If they can't compete, then they don't belong in the marketplace."

<u>Kevin Horn, Beaverton, Oregon:</u> "If U.S. manufacturers produced a more competitive car, a better built car and a more energy efficient car, we wouldn't have to buy so many imports." Bruce Bates, Aloha, Oregon: "While a numerical quota would be an acceptable short-term solution, the U.S. needs to make more efficient cars. We always talk about our innovative industries, yet it seems we have allowed this ideal of being an innovative giant to erode. Now we only produce the acceptable."

Larry Battles, Beaverton, Oregon: "Putting quotas on foreign imports doesn't help us save gasoline, nor does it force U.S. manufacturers to produce better and more efficient autos."

John Baum, Durham, Oregon: "Car manufacturers should be forced to make more efficient autos."

R.M. Anderson, Beaverton, Oregon: "American manufacturers need to become more responsive to the demands of the American buyer. If they can't compete, then they shouldn't be in the industry."

Daniel Brooks, Portland, Oregon: "Saving energy should be our primary goal; therefore, quotas become an unacceptable means to a selected end."

Ross Anderson, Tigard: "To put a tariff of any kind only hinders natural factors of the free enterprise system."

Phillip Adolph, Aloha, Oregon: "The Federal goverment should entice auto manufacturers to build more acceptable autos. If this means greater increase in price, so be it."

Mrs. Robert Anderson, Beaverton, Oregon: "The U.S. auto industry knew many years ago that the trend in auto design would change to the smaller, more energy efficient autos. If they don't want to listen to consumer preference, the government should not assist them in making inefficient products."

All these Americans own cars, and all can be expected to own new ones someday. The question is, will U.S. carmakers respond to their challenge and produce cars they will buy? Our responsibility in the Congress is to make sure Detriot has every opportunity to meet this challenge, and that the consumer has every opportunity to decide with his or her pocketbook how well Detriot has met this challenge. Move over, H.L. Mencken.