FOREIGN TRADE was the topic at Wednesday's Rotary Club meeting. Shown from left are: Tommy Nichols, president, Edwin A. Leland, Jr., executive secretary of foreign trade. Edwin A. Leland, Jr., speaker, and Marcus Shaw, who presented the program.

Louisiana Is Ranked 5th in Foreign Trade Employment

Louisiana ranks fifth in the United States in the percentage of employment devoted to foreign trade. Edwin A. Leland, Jr., executive secretary of the Louisiana Mississippi regional Export Expansion Council and director of the New Orleans field office, U.S. Dept. of Commerce, made the statement at the New Iberia Rotary Club Wednesday.

Leland said foreign trade will increase in the years ahead. For many years, the United States has been exporting surplus goods which amounted to about four percent of the nation's production. However, Leland said, the future of foreign markets would be in manufacturing specifically for that market.

In Japan and the Netherlands with the United States. He said those countries are highly dependent on export markets and they have developed special techniques in the field.

The European people, he said, are now in a position to buy more as they have more "free" money than they have had before. He said they are demanding American made items and the American way of doing things. They are also tourists. He said a program is underway to bring more of them to the U.S., New Iberia, he said has much to offer. Only familiarizing is need to get more here.

Commenting on the issue of the high price of American Labor, Leland said foreign countries are experiencing a steady increase in labor costs but the main factor is the amount of capital investment. He illustrated with an expensive machine which turns out a large volume of products with a minimum labor. In this situation, he said, the cost of labor is a minor factor, regardless.

The best foreign markets have the highest wage rates, of the rate he added.

LELAND said the Department of Commerce and the State Department are working to better the American position. They have improved their statistical services and market data. Previously the dollar volume was available but now the volume of individual products will be available.

He said attaches in the various embassies and consulates are available to businessmen wishing to arrange meetings with foreign contacts. In some places the State Department or the US Dept. of Commerce are able to obtain a credit report on customers. They will also assist in settling misunderstandings which could help in collections.

Another factor new in the foreign trade field is the availability of export credit insurance. Private casualty companies are writing insurance against political instability and bankruptcy.

He said one never knows what will sell in a foreign market unless he tries to sell it.

There are many other ways to get into foreign markets. He cites export managers who for a percentage, act as agents abroad and usually specialize in some commodity or special line of products.

SHIPPING firms, banks and foreign governments will also be interested in helping develop trade. Leland said recent changes in the tariff act which gives the chief executive power to move up or down tariffs rates by 50 percent will allow for broader negotiations with the European common market.

He said South America is the most sensitive problem in the future but other markets should continue to rise.

Marcus Shaw had the program and presented Leland. He said his firm derives near 20 percent of its income from foreign markets.

Visiting Rotarians were Aurelie Hebert of Abbeville, J.A. Erath, Sen. Garland Bonin and H. J. Derdonne of Lafayette.

Daily Iberian
Nov. 7, 1963, p.1, c.6-8