

50th anniversary of the American Legion. This is an organization whose codes of service can stand as a pattern for public spirited community action across the Nation.

The American Legion, with the rest of the Nation, faces great challenges in the next 50 years. But great difficulties can mean great victories. I look forward, therefore, to the future of the American Legion—for the next 50 years to follow and broaden the patterns of the last 50.

THE 50TH ANNIVERSARY OF THE AMERICAN LEGION

SPEECH OF
HON. SEYMOUR HALPERN

OF NEW YORK
 IN THE HOUSE OF REPRESENTATIVES
 Tuesday, March 11, 1969

Mr. HALPERN. Mr. Speaker, on its 50th anniversary, I wish to congratulate the American Legion and to commend its national commander, William C. Doyle, of Vineland, N.J.

For half a century the Legion has been promoting the kind of 100-percent Americanism which Commander Doyle has described as "a calm, reasoned approach to and concern with the major problems that confront our beloved America, and an earnest effort to seek sane and sound solutions within the framework of law."

The American Legion's Americanism is love of country and respect for its institutions. It requires respect for the rights of our fellow man. It means a concern for the freedom of men, accompanied by a recognition that every right carries with it an accompanying responsibility.

The American Legion has stood these 50 years as a diligent sentinel alert to protect this Nation's welfare and future. The Legion has labored at the big as well as at the small tasks necessary to this mission, a mission willingly undertaken by former servicemen anxious to perform further service to their country as civilians.

But the American Legion is not resting on its laurels. Its work has only begun. Tremendous problems remain to be solved—and the greatest of these is the attainment of world peace.

Who are better fitted to work for this ideal than those who have given most to win it in the past?

The American Legion's primary objective is peace, but beyond that are the objectives of community improvement, individual betterment, and the promotion of every vital American principle and ideal.

The Legion fights on for these in war and peace, in good times or bad. In a day when the minds of men have been subjected to worldwide tragedy and doubt, when suffering is on every side, the American Legion stands solidly for our country and democracy.

It is my sincere wish that all Legionnaires everywhere know that the American people are proud of them and hope for their continued success.

REVISING THE SOCIAL "INSECURITY" SYSTEM

HON. JOSHUA EILBERG

OF PENNSYLVANIA
 IN THE HOUSE OF REPRESENTATIVES
 Wednesday, March 19, 1969

Mr. EILBERG. Mr. Speaker, on January 3, 1969, I introduced H.R. 201 which would permit social security beneficiaries to earn up to \$3,000 a year without reduction of benefits.

As we all know the present law limits such earnings to \$1,680, which is indeed inadequate. A recent survey of my own city, Philadelphia, has indicated that a family of four, to maintain "a moderate standard of living," must have income of more than \$9,000 annually.

It is easy to understand why one of my constituents have tagged the program the Social "Insecurity" System.

As inflationary pressures mount against fixed incomes, this Congress must act to relieve the plight of many of our senior citizens.

These proud, and often lonely, Americans have woe enough keeping afloat in the swirling seas of change and dislocation.

The Committee on Federal Legislation of the New York State Bar Association has prepared a report on my bill and similar bills introduced by two of my colleagues. I enter that report for the RECORD:

NEW YORK STATE BAR ASSOCIATION, COMMITTEE ON FEDERAL LEGISLATION
 REPORT ON BILLS TO INCREASE PERMISSIBLE OUTSIDE EARNINGS OF SOCIAL SECURITY BENEFICIARIES

Several bills have been introduced in the 91st Congress to amend Title II of the Social Security Act to increase from \$1,500 to \$3,000 the amount of outside earnings permitted without loss or deduction from benefits. H.R. 80 introduced by Mr. Anderson of Illinois makes this change as to both covered beneficiaries and their dependents; H.R. 201 introduced by Mr. Eilberg of Pennsylvania for the breadwinner only. H.R. 1372 introduced by Mr. Thomson of Wisconsin would remove the limitation entirely.

In June 1966 the Committee on Labor and Social Security Legislation of the Association of the Bar of the City of New York unanimously recommended elimination of the limitation. Its report stated in part:

"BILLS TO PERMIT SOCIAL SECURITY BENEFICIARIES TO EARN INCOME TO THE EXTENT OF THEIR ABILITY WITHOUT DEDUCTIONS FROM SOCIAL SECURITY BENEFITS

"Several bills are before the Congress to permit receipt of full Social Security benefits by otherwise qualified employees over 65 who are able to continue to make a contribution to their own welfare and to society by part-time or full-time work. This Committee endorses the purposes of the bills.

"Under present law, persons over 65 receiving Social Security benefits cannot earn more than \$1,680 per year without having their benefits reduced. Penalties are provided for failure to report earnings.

"These income limitations were initially enacted in 1935 during the period of the Great Depression, when the notion was widespread that as many persons as possible should be removed from the labor force in order to spread the available work. In our opinion the limitations serve no useful purpose today and should be removed.

"We have found other ways of promoting high employment than discouraging people anxious and willing to work. Social Security benefits are frequently insufficient by themselves to maintain our older citizens in the dignity which should be their lot. These citizens in our opinion should be encouraged in their efforts to supplement their income by constructive work which also redounds to the benefit of society. This seems particularly true today when many employers are reporting a shortage of qualified personnel for many jobs. Older citizens who possess skills accumulated during many years of experience may be especially qualified for many of these very positions. Indeed it is now recognized that an important segment of retired persons as the average life span lengthens, will want and need to continue to work beyond 65 in order to feel a sense of constructive usefulness in their lives.

"The earned income limitation is also contrary to the basic philosophy of the Social Security Act, which has always been that benefits were available as a matter of right on the basis of the contribution paid in through Social Security taxes, without resort to a "Means test" of any kind.

"In addition we note that under present law a person over 65 can receive an unlimited amount of income from investments, whereas he is penalized if he works to earn additional income. Similarly, those over 72 can now earn more than the limit without losing benefits. In our opinion such distinctions have no basis and should be abolished.

"We, therefore, endorse the bills calling for repeal of the income limitation."

We concur with this reasoning. We also note that at least in New York City, welfare authorities have concluded that a family of 4 needs \$6,000 for bare necessities.

He believe that an increase in the ceiling to \$3,000 would be desirable and we endorse this proposal even though we also favor complete removal of the limitation for the reasons given.

Committee on Federal Legislation: Richard A. Givens, Chairman; Anthony P. Marshall, Secretary; Leslie H. Arps, New York City; Harold Baer, Jr., New York City; Mark K. Benenson, New York City; Edward S. Blackstone, New York City; Vincent L. Broderick, New York City; Mason O. Damon, Buffalo; David M. Dorsen, New York City; John T. Elfvin, Buffalo; Robert B. Fiske, Jr., New York City; Lawrence W. Keepnews, New York City; Norman Kellar, Kingston; Herbert C. Miller, New York City; George W. Myers, Jr., Buffalo; Bernard Nussbaum, New York City; Robert Patterson, Jr., New York City; Arthur C. Stever, Jr., Watertown.

THE LATE HONORABLE FRANK W. BOYKIN

SPEECH OF
HON. JOHN J. ROONEY

OF NEW YORK
 IN THE HOUSE OF REPRESENTATIVES
 Thursday, March 13, 1969

Mr. ROONEY of New York. Mr. Speaker, for 27 years the Honorable Frank W. Boykin represented the people of Alabama here in the House of Representatives and for many of those years I was privileged to know him and serve with him. He was a warm, human, and very real person and always a gentleman. To his wife and family I extend my deepest sympathy in their sad hours.

THE LUMBER PRICE CRISIS: A REALISTIC APPRAISAL

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1969

Mr. WYATT. Mr. Speaker, we are all aware of the difficulties in achieving our housing goals in America. Much blame has been directed at the lumber industry.

Mr. R. B. Pamplin, chairman of the board of Georgia Pacific Corp., is a widely recognized and highly progressive leader in the wood products industry. Recently he issued a statement pointing up some of the realities of the situation, and suggested constructive solutions.

This statement should be of extraordinary interest to my colleagues in the Congress, who, like myself, are plagued with this problem. I present Mr. Pamplin's statement herewith:

MOST PLYWOOD STILL BELOW PRICES OF 20 YEARS AGO—REALISTIC FEDERAL TIMBER POLICY HELD ANSWER TO LUMBER-PLYWOOD SHORTAGE

Recent price increases shared by plywood, lumber and federal timber through competitive bidding in the marketplace "have been blown out of perspective by panic reaction," a major forest industry spokesman declared today.

"The largest part of the industry's plywood production still is selling at mill prices slightly below the level of 20 years ago," it was pointed out by R. B. Pamplin, chairman and president of Georgia-Pacific Corp., "but the recent recovery from near-record lows, caused by the 1966-67 housing recession, has been too rapid for builders' construction programming."

In a supplemental statement to the company's just-published annual report, he said "much of the current imbalance between the supply and demand, despite full plywood and lumber production to the limit of raw material supply, has been caused by temporary conditions.

"But a worse and more permanent shortage faces us in the future if remedial action is not taken now.

"An increase in the allowable harvest of over-ripe federal timber is urgently needed, but it must be done within long-term sustained yield timber growing programs to assure a continuous supply of raw material," Pamplin declared.

He said U.S. forest service studies indicate demand for timber will double during the next 30 years.

Two temporary factors are blamed for much of the current timber shortage and the resulting shortage of plywood and lumber. They are the worst winter logging weather in over half a century, coupled with log exports from federal lands. The latter problem is being eased by Congressional action curtailing exports, it was explained.

"However," Pamplin added, "with the long-range demand for forest products expected to increase sharply, a permanent supply-and-demand squeeze will develop soon if federal timberlands are not brought up to their full growth and harvest potential.

"We also must not lock up too much timber growing land in single-use, wilderness type withdrawals."

Federal lands are the industry's basic raw material supply since they comprise some 65 per cent of all commercial timberlands in the nation. It was pointed out. Industry owns only 15 per cent of the total. The remainder is in farm woodlots, watersheds and other scattered holdings.

"As the basic supplier, the federal government must assume basic responsibility.

This means Congress should re-invest more federal timber sale revenues to grow more and better trees, and to provide access roads into over-ripe timber stands. This is a necessary part of our nation's multi-purpose wood fiber, watershed and recreational improvement program."

Plywood sheathing, the industry's basic product accounting for approximately 62 per cent of total 1968 softwood plywood production, also is the basic construction material for walls, floors and roofs. Sheathing's current mill price index is \$6 a thousand square feet below 20 years ago, according to market reporting services.

Sanded plywood for cabinetwork and some other interior uses, plus lumber for framing and boards, are approaching 50 per cent above the 20-years-ago mill price index. Many manufacturing costs including wage rates, are up more than 100 per cent.

"We feel sanded plywood and lumber have risen too high too fast for the good of our industry or the construction industry, even though these products remain a bargain compared with vastly greater increases in almost every other construction area," Pamplin said.

Georgia-Pacific in early December instigated a plywood price freeze, rescinded early this year after the abrupt price climb slowed.

"The next 20 years will see much more pressure on raw material supplies to meet the nation's needs. Unless all federal timberlands not vitally needed for other purposes are geared to growing more and better trees faster, as modern timber management can do, we face much more serious supply-demand problems," Pamplin declared.

"The private industry tree farms already are helping boost production of needed building products."

Georgia-Pacific's annual report to stockholders underlines the need for increased building product production by totaling, for the first time, a list of 17 new G-P building materials manufacturing facilities on which construction has either started or is about to start under the company's current \$220 million capital expansion program.

The new facilities will add 1.21 billion feet of building products to the company's capacity, plus chemicals for plywood, particleboard and hardboard adhesives.

Some of these facilities will be in production this year and most of the remainder by the first half of 1970.

This current expansion includes three new plywood plants and major expansion of three additional plants to add 500 million square feet of capacity, five new particleboard plants to add 400 million square feet, five new sawmills with 125 million board feet of lumber capacity, and a new gypsum plant with 185 million square feet.

The particleboard and gypsum wallboard share some uses with plywood.

The new chemical facilities will produce methanol, phenol, formaldehyde and resins.

Also involved are new pulp, paper, corrugated container, milk carton and safety paper operations to meet market demand and provide better timber utilization.

The Georgia-Pacific annual report shows 1968 net sales of \$1,023,930,000 up 15.6 per cent from the previous year, net income of \$76,620,000 up 30.9 per cent, cash flow of \$138,740,000 up 19.1 per cent and assets of \$1,268,890,000 up 10.8 per cent.

Otepka

BEAM: VICTORY FOR WHOM?

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1969

Mr. RARICK. Mr. Speaker, Jacob Dyneley Beam has now been unanimous-

ly confirmed as U.S. Ambassador to the Soviet Union.

Otto Otepka is now a member of the Subversive Activities Control Board.

Assuredly this is a victory—but for whom?

Mr. Speaker, I ask clippings from the Government Employees Exchange for March 19, 1969, and the Manchester Union Leader of March 15, 1969 follow: [From the Government Employees Exchange, Washington (D.C.) Mar. 19, 1969]

BEAM, CLEAN; OTEPKA UP—UNANIMOUS BEAM "OK" IS BIG ROGERS VICTORY

Secretary of State William P. Rogers scored a "major victory" on March 13 over the Senate Internal Security Subcommittee in the "unanimous voice vote for the confirmation" of Jacob Dyneley Beam as U.S. Ambassador to Moscow, a top official at the State Department stated to this newspaper on March 14.

The victory on the Senate floor followed a "unanimous record vote" the preceding day, March 12, in the Senate Foreign Relations Committee, the source stated.

The "magnitude" of the victory of Secretary Rogers over the Senate Internal Security Subcommittee, which had printed and circulated hundreds of pages of testimony reflecting adversely on Ambassador Beam for his role in the Warsaw "sex and spy scandals", was described by the source as, "highly welcome even if still unbelievable."

He revealed that top officials at the State Department were "gloating in especial glee" over the "obvious absence" from the debate on Ambassador Beam of . . . prominent members of the Senate Internal Security Subcommittee ". . . [who had] . . . built reputations for criticising the State Department's security programs."

Asked to explain why the "victory was unbelievable", the source said that the Internal Security Subcommittee members couldn't possibly have had a better target than Beam. Everything was involved: the old school tie, illicit sex, espionage, bugging, mismanagement. Moreover, nothing was secret about these; everyone on the Hill, down to the messengers, knew about Beam's record. Yet Bill Rogers made them all back down.

The "victory" of Secretary Rogers and the State Department over the Senate Internal Security Subcommittee was "doubly sweet", the top official stated, because Secretary Rogers had also "managed to maneuver things in a way to have Otepka kicked upstairs to membership on the Subversive Activities Control Board."

"We're all impressed and grateful to Bill Rogers," the source said for his "double victory" over the Senate Internal Security Subcommittee. "He's really a professional. What Rusk couldn't do in eight years, he did in less than eight weeks," he concluded.

[From the Manchester Union Leader, Mar. 15, 1969]

BEAM POST APPROVED DESPITE SPY SCANDALS (By Edith K. Roosevelt)

WASHINGTON.—The Senate unanimously approved the appointment of Jacob Beam as ambassador to Moscow despite disclosures by the Senate Internal Security Subcommittee of sex and spy scandals involving Beam's subordinates while he was ambassador to Poland.

Sen. J. Strom Thurmond (R-S.C.) reminded the Senate of the "serious problems" that had developed in Warsaw while Beam was ambassador to Poland but did not oppose Beam's nomination. Thurmond said:

"I want to give the administration the benefit of the doubt."

The action followed a request by Rep. John R. Rarick (D-La.) for remanding

Beam's nomination to the Senate Foreign Relations committee so that some serious questions could be answered. Rarick expressed indignation that the committee had refused to allow Michael D. Jaffe, general counsel for Liberty Lobby, to testify. The Louisiana Democrat said:

"Censorship and denial of free speech . . . can but alarm more and more Americans who must be asking 'What are they trying to hide about Mr. Beam?'"

Meanwhile, the administration reported that the ease with which Beam's nomination had breezed through the Senate indicated that there would be no difficulty in burying the Otepka case and bypassing promises made by President Nixon during his political campaign of a State Department cleanup.

The attitude of Sen. Everett Dirksen (R-Ill.) towards the Beam appointment was obviously the key inasmuch as he is credited in the Senate with the formula to appoint Otto F. Otepka to the Subversive Activities Control Board.

Another main proposal sponsored by Sens. Dirksen and Sen. James O. Eastland (D-Miss.), chairman of the Senate Judiciary Committee, is a bill to set up a central security agency to carry out all security checks in the federal government including the State Department. Both senators are members of the Senate Internal Security Subcommittee which disclosed in their own publications that Beam's embassy had been bugged with listening devices and that some of his attaches were compromised by mistresses working for Communist intelligence agencies.

Jaffe's statement, which Rarick inserted into the Congressional Record of March 12, said that while Beam was ambassador to Poland, he had asked the State Department to "induce" Radio Free Europe to "cease its Polish broadcasts."

The request was drafted by two foreign officers in Warsaw, Edwards Symans and Thomas A. Donovan. Symans was identified before the Senate Internal Security Subcommittee as a "double agent" for the United States and the Soviet Union, and Donovan, who was identified as being involved in the Warsaw sex and spy scandals, later made unauthorized telephone calls from Communist East Berlin to top Communist officials in the Polish ministry. When Foreign Service Officer Stephen A. Koczak reported Donovan's authorized telephone calls to superiors in Berlin, Koczak was fired from the Foreign Service.

The transcript of the Senate Foreign Relations Committee hearings on Beam, which Rep. Rarick inserted into the Congressional Record on March 11, discloses that no attempt was made to ascertain Beam's qualifications for the post. Many charges which bear directly on his ability to represent the United States in deals with the Kremlin were raised recently in the press by Clark R. Mollenhoff, Pulitzer Prize winning reporter for Cowles Publications, syndicated columnist James J. Kilpatrick; Sidney Goldberg, editor and publisher of Government Employees Exchange, and others.

The perfunctory Senate Foreign Relations hearings consisted mostly of clowning and spoofing between Senators over alleged "monopoly" exercised by eastern states over ambassadorial appointments.

Karl Mundt (R-S.D.) declared "When it has gotten to the point where representatives of eastern states publicly gloat about the monopoly they have, this message should be heard loud and clear in the State Department and in the White House."

By contrast, the Senate Foreign Relations Committee leveled a number of searching questions at Walter H. Annenberg, publisher of the Philadelphia Inquirer, who was nominated by Nixon to the Court of St. James. Sen. J. W. Fulbright (D-Ark.), chairman of the Senate Foreign Relations Committee, cast the lone vote against Annenberg's ap-

pointment; later on the floor of the Senate, Sen. Stephen M. Young (D-Ohio) became the lone senator to oppose Annenberg's nomination. Sen. Young said that the Philadelphia publisher had "been consistently, almost vehemently faithful to the Grand Old Party" (the Republican Party) and had supported Gov. Ronald Reagan of California at the GOP Convention in Miami Beach.

EXPLOITATION OF ENDANGERED ANIMALS AND BIRDS MUST BE HALTED

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1969

Mr. HORTON. Mr. Speaker, more than 60 species or subspecies of mammals have become extinct since the beginning of the 20th century. This is about the same number which have vanished in the 1,900 years following the birth of Christ.

This one-a-year trend of our century does not include the species of birds have become extinct.

The need to protect endangered species of wildlife from extinction is becoming an international crisis.

By stopping the illegal commerce, which is the basic cause of this danger, much of this threat of extinction could be overcome.

I introduced a bill today to provide necessary controls against importation of endangered species of wildlife, or products made from their parts. This bill would move America into a leadership role in international conservation.

It recognizes our responsibility to help prohibit the illegal traffic of all wildlife taken in violation of Federal, State, or foreign laws. The enactment of this measure would encourage other nations to reject the disgraceful commerce and exploitation that poses the most serious threat to rare birds, mammals, amphibians, or reptiles in danger of extinction.

The preservation of endangered species which are being trapped, hunted, and crowded out of their natural habitat by man is important to the beauty of the world and to nature's balance. Each specie can tell us important things about life and its evolution.

In another 50 years, big cats like tigers and leopards may be exterminated if the demand for their fur is not eased. This means the jaguar and ocelot will vanish from Central and South America, the cheetah from Africa, the tiger from Asia, and the leopard from all over the world.

The International Union for the Conservation of Nature and Natural Resources estimates that 10,000 leopards are taken out of Africa each year on license, which is the maximum attrition rate the species can bear and still maintain itself.

But 60,000—six times that number—are taken by poachers each year. And, 30,000 of those are females, taken while their unweaned cubs are left to die of starvation.

Many countries of Africa, Asia, Europe and Latin America are trying to pre-

serve their treasured species. Yet, these rules are almost impossible to enforce when in countries like America, with a large consumer market and purchasing capacity, allow the horns and hides of these illegally taken animals to be sold for high prices without regard to legality of their origin.

My bill would eliminate the major American market in "fun furs" and other such products derived from endangered species. This would reduce the illegal traffic in these products in other countries.

Cats and furred animals are not the only species so endangered. The threat extends to any bird or mammal, amphibian or reptile, which is valued because of its scarcity.

Any rare species is caught in a vicious cycle. Increased poaching means fewer animals. Fewer animals means increased prices because of the scarcity. Increased prices mean more incentive for poaching.

Illegal traffic in rare animals is also a domestic problem. The United States does not prohibit transportation through interstate commerce, of animals taken in violation of the laws of one of our States. There are various State laws protecting the native American alligator, for example, but no law to prevent them from being taken out. Once they get out of the State, they are on the open market.

The only way State regulations can be enforced is for the Federal Government to recognize its responsibility. We must take a leadership role in enacting forceful legislation designed to protect our native wildlife.

The number of endangered species native to the United States is now 78—including 14 mammals, 36 birds, six reptiles and amphibians, and 22 fishes.

On this list are the ivory billed woodpecker, which could possibly be extinct now; the timber wolf, the grizzly bear, the California condor, and the whooping crane.

Let us be reminded of the extermination of the passenger pigeon. This was a tragic example of man's lack of judgment and foresight. If we are to help prevent the wanton destruction and eventual extinction of endangered wildlife species throughout the world, let us move quickly to provide the necessary controls through Federal legislation.

STATEMENT ON THE 50TH ANNIVERSARY OF THE AMERICAN LEGION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1969

Mr. EDWARDS of California. Mr. Speaker, out of the heritage of the American soldiers and sailors who left their homeland in 1917, 1918, and 1919 to fight for freedom has come a great tradition and great organization. These men, and the Americans who followed in their footsteps during World War II and succeeding conflicts, bear the proud title of veteran and through their veterans'

March 19, 1969

organizations have extended their citizenship to improve the quality of the Nation.

We are now celebrating the 50th anniversary of the founding of the American Legion, an organization of 2,600,000 of these citizen veterans, gathered together in 16,200 posts throughout this Nation and throughout the world. Founded on March 13, 14, 15, 16, and 17, 1919, in Paris, the Legion has grown not only in numbers, but in wisdom.

The true strength of the Legion has been not only in the activities in behalf of veterans—great and worthy as those activities have been—but in its efforts to extend the active service of the soldier, sailor, and airman to full participation as a citizen in the vital affairs of Government. Further, the American Legion, through its programs for youth, has helped build a strong and healthy America.

These efforts of the American Legion deserve the greatest of commendation and it is my pleasure to join in saluting the American Legion on its 50th anniversary and to join in its wish that true peace will be found and there will no longer be a need for Americans to die on foreign or domestic soil in the cause of freedom.

RUMANIA'S PRIDE AND PERIL

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1969

Mr. SPRINGER. Mr. Speaker, the world is changing. Failure by big powers to realize this could be the opening wedge for a great conflict in the next decade.

It is almost unbelievable that in an era of the United Nations that one of the two great powers should be trying in every way to take over a smaller member of the United Nations by pressures both political and military.

In Eastern Europe there is a great swell of national pride and independence. Czechoslovakia evidenced some of that last year. Rumania and Yugoslavia are doing it this year. For one of the great powers to attempt to intervene in this situation could cause a world crisis. Rumania, the smaller state, has chosen to take its own position and to decide its future upon its own best self-interest. This is a part of all that is contained in the United Nations Charter and any nation that intervenes with this self-determination is violating that charter.

I submit herewith an editorial from the Washington Post of Wednesday, March 19, entitled, "Rumania's Pride and Peril." I am sure that all of my colleagues in both the House and Senate will want to read it with considerable interest. It sets out the problem perfectly.

RUMANIA'S PRIDE AND PERIL

Rumania has just vetoed, at Budapest, a Soviet proposal to set up a new Moscow-run organization to control the military units which members contribute to the Commu-

nist Warsaw Pact. Rumania also blocked a Soviet effort to condemn China in the wake of the Sino-Soviet border fighting. Earlier this year, Rumania had thwarted a Soviet initiative to create new bodies to exert "supernational" authority over the economies of East Europe. And for months Rumania has been fending off Moscow's attempts to conduct "maneuvers"—"maneuvers" paved the way for the invasion of Czechoslovakia—on Rumanian soil.

These various Soviet proposals are logical extensions of the "limited sovereignty" doctrine which Moscow put forth to justify its occupation of Czechoslovakia. The sovereignty to be limited, of course, is East Europe's, not Moscow's own. These proposals have reflected the hardline Kremlin configuration which produced last summer's armed attack on Prague. The insecure Polish and East German leaderships have supported the Soviet moves. Hungary and Czechoslovakia, proud but weak, have equivocated, Rumania, socialist but independent, has quietly and courageously balked.

The situation is cruelly ironic. Merely by standing firm and asserting its legitimate national rights, Rumania has put itself in extreme danger. No one can predict how the Kremlin will respond. It is hard to think that the handful of men who run Russia have become so entangled in their own frustrations that they can think to break out only by launching a second invasion of a European ally. Yet that prospect cannot be dismissed. Or perhaps there are others in the Kremlin capable of offering an alternative to the brutal Stalinist policy of threat and force.

It would be inconceivable that any American Government could continue seeking even limited agreements with the Soviet Union if the Red Army marched on Rumania.

THE 10TH ANNIVERSARY OF HAWAIIAN STATEHOOD

SPEECH OF

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1969

Mr. SMITH of Iowa. Mr. Speaker, I join with my colleagues in paying tribute to the State of Hawaii on this important anniversary. I so well remember the afternoon in the House of Representatives when a favorable vote was given to the proposition that Hawaii should become a State. The then delegate from the State of Hawaii, John Burns, was on a telephone in the cloakroom and in communication with the Hawaiian Legislature. I listened in on the telephone and could hear the tremendous ovation and could feel the great spirit expressed by that legislature as they heard the news of the vote in the House of Representatives.

The myth that the United States should not include inhabitants of an area seeking admission just because their land is not contiguous to the United States had been overruled as the unworthy reason that it always was.

The people of Hawaii obviously wanted to become a part of the family of States and I think the intervening years have proved the wisdom of both their decision and the decision of the Congress in passing necessary legislation and approval to complete this permanent bond.

IMPORTS AND EXPORTS

HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 19, 1969

Mr. GREEN of Pennsylvania. Mr. Speaker, last week, I had occasion to write to the Secretaries of Commerce, Labor, and State, as well as to the Tariff Commission, to urge a collaborative investigation of the pirating of jobs through the overseas operations of American plants.

What concerned me, in particular, was the abuse of an item, No. 807, in the tariff schedule. Through it, American manufacturers can be shipped out of the country for assembly abroad. Once assembled, these goods can be returned duty free, except for the value added by the cost of foreign labor or by the inclusion of components of foreign origin.

As I understand it, a number of American firms have been establishing overseas plants in low-wage countries as a means of bypassing the living wages paid workers in this country. This practice is being employed by apparel and electronics firms. And I believe that an investigation is in order to determine whether No. 807 has been working for the best interest of the American people.

I have also discovered that many of the goods shipped under the provisions of No. 807, particularly components of foreign origin, are not being credited against our balance of payments. The result is a somewhat misleading and perhaps more favorable picture of our international trade balance. Because I think the following study on this subject, released this month by the research department of the IUE, AFL-CIO-CLC, does an excellent job of describing the distortions in the trade balance picture, under unanimous consent I submit the study for inclusion in the CONGRESSIONAL RECORD, as follows:

IMPORTS AND EXPORTS

The United States has traditionally enjoyed a favorable international trade balance: our exports have exceeded imports by substantial amounts. Our trade surplus has helped pay for such things as keeping our troops stationed abroad to protect vital American interests and for travel abroad by American citizens. Without a high favorable trade balance, our international payments position would be far worse than it is. The strength of the dollar abroad would be in danger.

In 1968, however, the U.S. trade surplus fell to \$100 million from \$3.5 billion in 1967, a drop of \$3.4 billion. Unless there is a dramatic reversal this year, our trade position will be seriously weakened. Responsible for the sharp 1968 drop in our surplus was a 23.5 percent increase in imports (five times the rate of increase of the preceding year), compared with a 9.4 percent gain in exports (from 5.3 percent in 1967 and an average 1960-67 rise of 6.7 percent). In sum, the rate of gain in imports was substantially higher than the gain in exports.

Figures reported by the U.S. Department of Commerce for Electrical Apparatus show a favorable trade balance in 1968, with exports of about \$2¼ billion and imports of \$1½ billion. There were export advances in engines and parts (including nonelectrical powered engines), Telecommunications Ap-