

power with no colonial ambitions, a nation that wants to raise the living standard of the world.

But in order to be that generous "Uncle," we must husband our resources, nurture our plantings and our people, and sometimes force feed both, in order not to squander our heritage or the security which enables us to absorb, without taking it too seriously, silly talk from friend and foe alike.

Senator MORSE. Before calling on my colleagues for questions, Mr. Davidson, I must say that I consider that statement not only a brilliant argument in support of the thesis which you defend, but it has many aspects of a literary gem as well. I commend you. I am glad you came before us.

Senator Gruening, do you have any questions to ask Mr. Davidson?

Senator GRUENING. I have no questions, but I want to join the chairman in congratulating him on a most eloquent, pertinent, and excellent presentation, of the overall situation. I am very proud that Mr. Davidson is now an Alaskan as he was a former Oregonian.

Senator MORSE. Congressman Wyatt.

Representative WYATT. I have no questions. I would like to commend Mr. Davidson upon a very clear and fine statement.

Mr. DAVIDSON. Thank you, Congressman.

Senator MORSE. Congressman Clausen.

Representative CLAUSEN. Thank you, Mr. Chairman.

I would join my colleagues in commending you for a very interesting statement. I wonder if I could have a little clarification on page 4, the third paragraph down, the third sentence:

In this case it is the economic tragedy of a regional national industry that is cut off from its domestic market by the Jones Act philosophy that makes domestic shipping prohibitive, and outpriced in the foreign markets by our do-nothing policy which favors the cheap manufacturing labor in Japan.

Could you spell that out? Are you referring to the administration, to the country, to your own organizations?

Mr. DAVIDSON. I have no lumber organization at this point. I am just back practicing law. But I was involved with producing lumber. I built this sawmill, and recently sold it, about a year ago, to two cooperatives, one of which is in your district, Congressman Dellenback, Western States Plywood, and the other is in Tacoma, Wash., Puget Sound Plywood. They are now operating as a sawmill and eventually will use the trees in addition to make veneer and ship the veneer to their plants in Port Orchard and in Tacoma, to make it up into plywood. They purchased this saw mill because of their difficulties of trying to find timber in Washington and Oregon.

Now, what I referred to in one of the first paragraphs of my statement was the fact that I sat in Wrangell, Alaska, having only one customer, Japan. We could not compete with British Columbia. We could compete with Prince Rupert mills, except for the \$10 or \$12 per thousand board foot difference in our shipping costs to the east coast. You cannot send rough green lumber to the east coast by rail because the cost is prohibitive. We could do it by water, if we could use foreign bottoms such as the Canadians can. But as you know, the Jones Act prohibits any shipment between American ports on any ships except American bottoms, and the cost of American ships runs around \$10 or \$12 a thousand more than foreign vessels. So we