

Senator HATFIELD. As you list them?

Mr. GREENWALD. They sound familiar.

Senator HATFIELD. Don't they? I can tell you about the paper manufacturing availability here in this country, and I am sure that these other products, don't you agree, could be purchased here?

Mr. GREENWALD. I don't have the detailed information. I assume they could be, and assume that any dollar expenditures for such purchases may involve AID funds.

Senator HATFIELD. Don't you think if they were purchased here in the United States that it would relieve the balance-of-payments problem?

Mr. GREENWALD. I agree.

Senator HATFIELD. Do you not consider that these are significant numbers of dollars that we are dealing in, when I recite these figures?

Mr. GREENWALD. Yes.

Senator HATFIELD. Are you familiar with any action by the State Department taken directed toward the Defense Department, who handles most of this military procurement, and I suppose it has influence upon the South Vietnamese Government, which in my opinion is a puppet of the Defense Department and this administration anyway. Do you not feel they would have some influence in affecting other procurement policies? Has the State Department taken any action toward the change of policy by the Defense Department in this procurement program?

Mr. GREENWALD. Unfortunately, I don't have the answer. I could try to get the information.

Senator HATFIELD. I think it would be interesting, to me, at least, and I think probably it is important to the record.

(The State Department subsequently supplied the following information:)

*U.S. Government Procurement in Japan*

During Mr. Greenwald's testimony, information was requested concerning United States Government procurement expenditures in Japan. We have coordinated our reply with the Department of the Treasury and understand that that Department is supplying information on measures being taken to reduce the balance of payments impact of United States military expenditures in Japan.

With respect to other United States Government procurement, we have been informed that Japan is not an eligible source for purchases financed by the Agency for International Development. South Vietnamese purchases in Japan are commercial transactions financed out of foreign exchange holdings of the Government of South Vietnam.

Mr. GREENWALD. In the State Department, I assume you are including AID?

Senator HATFIELD. Yes; I am considering that agency, which you represent today, in all of its facets. Let me ask the question, and then you might give me your information that you have here. Do we have any lumber products that are being shipped into North Vietnam today from Japan?

Mr. GREENWALD. The answer to that was "No" also.

Senator HATFIELD. What are the products we are shipping to North Vietnam, or that Japan is shipping?

Mr. GREENWALD. We are not shipping anything.

Senator HATFIELD. I understand.