

Congress and say that a certain nation's wages have increased 27 percent while ours only went up three and a half percent.

Twenty-seven percent of a 10-cent wage doesn't come near being what 3 percent of a \$3 and \$4 wage amounts to. We find ourselves then in this position: That after World War II we started to help other nations become self-sufficient. I will remember as long as I live that every President that I have served with and every President before I served here in asking for the renewal and the first passage of the Foreign Aid bill starting out years ago based it upon the plea that the world in order to be free had to be self-dependent on its own ability to produce for its people the goods that they needed.

We went out and helped unselfishly, probably more so than any other nation ever dreamed of helping. Then the second stage of this trade evolution took place, and when the foreign countries started to become able to produce goods for themselves this reacted against our export volumes and our export ratios.

When it became a difficult task for American industry to export into a country because of that country's emergence as a producing nation of its own, American industry then started planting its own production facilities in the foreign countries, presumably to meet competition within that country, saving both the labor cost and the transportation cost on their products.

Well, as the foreign country's productivity expanded and it became more proficient it then started to come into our market with products in competition with our own domestic production. Consequently, we find ourselves now in a position where American industries are climbing over each other to build plants in foreign countries, not exclusively for the purpose of penetrating and staying within markets that they once held, but in order to ship back to the United States, escaping our fair labor standards.

My interest started when I became a Member of Congress and one of our largest plants shut down on the claim that it was injured by importation of flat glass and window glass. I became chairman of the ad hoc committee studying the impact of imports in 1960 and have held hearings ever since under one gaze or another, and thanks to the chairman of this committee I was given a wide latitude in the hearings that my committee held.

I have learned that it is impossible for any high-cost nation to compete in a free trade world where the mandated cost of production cannot be compensated for at some point in the retail distribution of products.

I mean by that that we can beat world competition by one of two methods. We can do what this Government thinks now is the answer, and that is to subsidize our foreign exports by giving aid to industry to meet foreign competition. That would be very good except for the fact that we have established in this country by law certain minimum standards in labor and we have established another phenomenon in