valuation statutes, incluidng the American selling price statutory basis of valuation. If all other factors bearing on similarity are equal, an article which is closest in price to another article will ordinarily be the acceptable substitute in the marketplace. This has been the practice in all areas of customs valuation other than American selling price of rubber-soled footwear.

"The guidelines approved on January 24, 1966, which had been published in proposed form in the Federal Register in August 1965, in order to give both importers and domestic producers full opportunity to express their views, revise our appraisement practiecs with respect to rubber-soled footwear by applying the same valuation principles to this type of merchandise as are applied to all other products which we appraise on the basis of 'similar' merchandise."

Complaints by rubber workers' union officials about declining employment attributable to imports cannot be reconciled with the following facts. In the last few years many of the American producers have established facilities in Puerto Rico. Not only such firms as Converse Rubber but even the giants of the industry, B. F. Goodrich and Uniroyal, have been lured to Puerto Rico by the abundance of low-cost labor.

In addition to the move to the island rubber footwear producers have relocated facilities in the United States. Where once production was concentrated in New England, the trend today is to wider dispersal, as evidenced by the new footwear plants of Uniroyal at Elgin, South Carolina, and B. F. Goodrich at Lumberton, North Carolina.

If employment, as claimed, has dropped in New England, it must be attributable to the shifts to Puerto Rico and the U.S. South, as well as the increasing automation discussed earlier in this statement. Only these circumstances could explain the complaints of Northern producers that there is a labor shortage. Endicott-Johnson of New York "still suffers a labor shortage, a condition that has plagued the company for more than 2 years." *Footwear News*, Nov. 1967. A Lowell, Massachusetts, company needing to hire 200 more persons, moved to Puerto Rico because, despite newspaper and radio ads and cash awards, "we found it difficult to get five people, much less 200." *Wall Street Journal*, Dec. 1966.

Declining employment and labor shortage can only mean that machines have replaced people and also that there is a growing resistance to employment under the difficult and trying conditions of rubber plants.

Perhaps the most shallow complaint of all is the domestics' claim that they have lost their export market to the Japanese, Koreans, etc. When one asks what they have done to keep and expand foreign markets, the suspicion arises that the answer is nothing. While most of the U.S. producers hide their production costs as if the nation's security was at stake, there is reliable data from one source. Ramer Industries of Brooklyn, now allied with Firestone, has publicly broken the code of silence and boasted that with their new machines they can produce canvas footwear for less than the Japanese imports cost. This boast was proven when Ramar sold a woman's sneaker for $0.78, the lowest offering in the world market. It is interesting to learn that the footwear producers are doing so well that "the Footwear News index, comprised of ten leading footwear companies, has climbed 79-percent over the past year." *Footwear News*, July 4, 1968.

Combine price advantage with the great American salesmanship and one would expect booming foreign sales if any effort was forthcoming. The effort must be lacking.

The absence of trying to sell abroad is not restricted to industry, but is present in government alike. In the early days of the Kennedy Administration there was created in the Commerce Department an office of Export Expansion. Unfortunately, the position was filled for only two years. If the United States hopes to preserve and expand its favorable trade balance, it is imperative that the President create a position of "Export Czar".

This office should have all the powers and prestige of a cabinet officer, ambassador or special assistant to the President. The staff and office budget should be commensurate with the responsibilities. This job should go to an individual with experience in industry and finance and known and respected here and abroad.