

respected McKinsey Company, says, "U.S. firms have developed the best practices over the greatest range of industries." This is certainly true of the U.S. chemical industry!

The U.S. is the world's largest producer of chemicals, accounting for almost one-fourth of total world chemical production.

Chemical exports have doubled in the past five years to more than \$60 billion.

One out of every ten U.S. export dollars earned comes from chemical sales.

And, since 1993, chemicals have been the largest U.S. export sector, running ahead of agriculture and far ahead of the aircraft industry.

Exports create American jobs. In 1986, the chemical industry employed 1.02 million people. In 1996, the number stood at 1.04 million—in jobs that wages that are one-third higher than the average wages for all of manufacturing. In a time of downsizing and restructuring, and of maturing markets in the developed world, the U.S. chemical industry has preserved and strengthened high-paying, high-tech jobs for more than a million people.

The ability to compete internationally has been critical to our success. It's likely you've heard this statistic before, but it remains true: Every billion dollars in export sales creates or preserves 4,000 jobs.

And the U.S. chemical industry has not sealed itself off from international competition or opportunity. Quite the contrary—we are active players in every part of the globe. Three years ago, 201 U.S. chemical companies operated a total of 3,050 foreign affiliates. These foreign investments create demand—and pipeline—for U.S. technology and products. And the sales made by these affiliates help underwrite the research and development necessary to continually renew and strengthen U.S. competitiveness.

MAINTAINING OUR NUMBER ONE POSITION

Every developing nation wants to build its own chemical industry—to support their growing manufacturing industries, to add value to their raw materials and to create a technology base that will improve the quality of life for citizens today and in the future.

These nations will move to meet these needs—with or without the U.S. chemical industry. Today's chemical industry is global, and there are plenty of competitors from Europe and Japan who will compete with us to establish footholds in these developing countries.

The U.S. chemical industry today is vibrant and strong—but success is not a given. Our ability to succeed must be nurtured and encouraged. The competitive environment gets tougher, while the margin for error gets smaller. In the past, companies might have been free to raise prices to cover miscalculations, or could have relied on their reputation to become the sole source supplier—but no longer.

The old markets—the developed world of Europe and Japan—are where we cut our trading teeth and built trade surpluses. But they are not the growth markets of the future.

Asia and Latin America are our future. Why? Because within these regions, 11 countries hold more than two-thirds of the world's population. And these economies are growing at astounding rates—double or triple the economic rates of the U.S.—and they will continue at these rates for the foreseeable future! Yet today, just 13 percent of the total chemical industry investment abroad is located in these countries.

AN AGENDA FOR ACTION

These growth markets also are the very same markets that have the highest degree of protectionism in the form of tariff and non-tariff barriers. The U.S. has done a great job of tearing down trade barriers and unlocking closed economies—but we still have more to do if we are to level the international playing field. We need your help.

For starters, we need Congress to renew "Fast Track" authority to allow the Presi-

dent to negotiate future trade agreements. Expansion of free trade agreements in which the U.S. is a partner is a competitive necessity!

This is especially true in Latin America. Having seen the benefits of free trade sparked by NAFTA, Latin American countries are moving quickly and aggressively to form strong regional pacts. These include MERCOSUR, which includes the Southern Cone countries led by Brazil, and the Andean Pact, which includes the East, Central and Northern Tier of South America.

Yet we also see another trend developing—one that is somewhat alarming. The Latin American regional pacts I just mentioned are forming agreements and having discussions with Europe and Japan. All of this can and will lead to preferential trading status for these countries—more preferential than U.S. status.

Here's just one example of what this can mean to the bottom line from my own company, Rohm and Haas. If MERCOSUR enters into a free trade with the European Community, monomer exports from our plant in Houston, Texas will be taxed at a 14 percent rate of duty. Product coming to Latin America from European-based companies will be taxed at duty rates of between 0 and 2 percent. At that point, the options for Rohm and Haas will be limited—either lose customers or be forced to build a brand-new plant within the Latin American free trade zones. Can you imagine what impact that might have on the economic health of our existing world-scale production facilities in the United States?

The U.S. cannot afford to sit on the sidelines! We must have Fast Track trade negotiating authority.

THANK YOU FOR YOUR SUPPORT AND ENCOURAGEMENT

Many chemical companies have restructured in order to compete. In fact, it's fair to say that this industry has been through a decade-long makeover. We have taken the steps needed to become a force a global markets.

The legislative and regulatory process, along with our conduct of foreign affairs, must keep pace in order to help U.S. businesses maintain their number one, leading position. That means that government must be knowledgeable, nimble and involved in the international arena.

There will be some companies—and some nations—who will be forced to drop out of this race because they cannot compete. I can tell you that we in the chemical industry are working hard to stay at the top. We won't let up. You can help by shaping our country's international and trade agenda. We are ready to work with you toward that end.

You can tell by my accent, that I was raised in the South. I also was raised to be polite and to say thank you when you have asked someone to join with you in completing a task.

So today I say "thank you" on behalf of the U.S. chemical industry—for what many of you have already done—and for the actions you will take to help us remain a vibrant, growing, dynamic part of this economy and this country.

THE 15TH ANNIVERSARY OF THE WESTERN QUEENS GAZETTE

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1997

Mr. MANTON. Mr. Speaker, I rise today to recognize the 15th anniversary of the Western Queens Gazette, a weekly community newspaper that serves Queens County, in the State of New York.

Mr. Speaker, the first edition of the Gazette was published on January 27, 1982. At its in-

ception, the Gazette was a modest, 12 page weekly community newspaper. Today, the Gazette averages 80 pages weekly with a circulation of close to 100,000 for a single edition.

Under the direction of its Publisher/Editor Tony Barsamian who has owned the Gazette since 1990, the paper has expanded the geographic region it serves as well as its news features. The Gazette now serves the Queens neighborhoods of Astoria, Ditmars, Dutch Kills, East Elmhurst, Hunters Point, Sunnyside, Woodside, Laguardia Airport, Long Island City, Jackson Heights, North Corona, Ravenswood, Roosevelt Island, Steinway, East Flushing, and Bayside.

In New York City, the media capital of the world, there is a wide variety of news outlets for New Yorkers to choose from. However, to get quality, local community-based reporting residents of Queens turn to the weekly pages of the Western Queens Gazette. The Gazette covers the important issues facing residents of Queens on the national, state, and city level with a particular focus on neighborhood news. The Gazette brings attention to the neighborhood news that is often overlooked by the daily newspapers.

The Gazette has regular weekly news features including community reporting, insightful editorials, op-ed pages, a religious column, political profiles, the local police blotter, sports, community calendars dining and entertainment reviews, legal notices, and complete classified ads.

In their own words, the Western Queens Gazette is "Dedicated to bringing our readers a vital locally oriented view of the News." Indeed, the Gazette effectively brings this local view of the news to their readers every week of the year. The Gazette is community reporting of neighborhood news at its very best.

Mr. Speaker, I know my colleagues join me in congratulating Tony Barsamian and everyone associated with the Western Queens Gazette on the joyous occasion of its 15th anniversary of publication.

NATO EXPANSION CANNOT BE LIMITED

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 3, 1997

Mr. SOLOMON. Mr. Speaker, I have just returned with the U.S. congressional delegation led by Congressman DOUG BEREUTER from attending a meeting of the North Atlantic Assembly, the parliamentary arm of the NATO alliance, that took place over the just concluded congressional recess. There we discussed with parliamentary representatives from all of our allied countries the need to enlarge NATO in order to ensure its continued success without drawing any lines that would exclude additional countries from future enlargement. In fact, Mr. Speaker, if and when any of the former Communist and Soviet dominated countries meet the criteria to become eligible for NATO, which include irreversible democracy, a commitment to free market principles and the rule of law, respect for human rights and liberties, and a military that's interoperable with NATO forces, they should be extended an invitation for full and open membership in the alliance.

In that vein, Mr. Speaker, I would like to draw your attention to the remarks delivered by Congressman BEREUTER at the plenary session of the North Atlantic Assembly. His