

program and the continuing foreign military and economic aid program.

In this connection, it is time that we faced the international situation as other countries do. We spend far more of our national product on the military than any of our allies do. We have been carrying the load for many years almost entirely alone.

In the foreign aid field we have done likewise. With the position occupied by Western Europe, it is past time that they carried much more of their load. We have to look more to our own interests and insist that the countries that have the surplus dollars, that we have made possible for them to acquire, undertake to carry more of the burden than they are carrying and that we carry substantially less of that burden.

Now I would like to further consider the monopolistic powers of organized labor which are largely responsible for the slowing of the growth in our economy, as well as the continuing deficiency in our international balance-of-payments. These, our two basic problems, are inseparably connected and our failure to face them is responsible for our present dilemma.

This country is finding it increasingly difficult to sell goods in the world market. With wages two to five times less in Western Europe and Japan, this should be expected, since productivity in these countries is rapidly increasing and approaching that of the United States. In the light of this situation, the dollar is overpriced in relation to other currencies. If this condition persists the United States cannot maintain its position as the reserve currency country and world banker. This responsibility will have to be taken over by an international monetary organization where currency values can be adjusted upward or downward over the longer period as the need is determined.

In the meantime, further increases in wages and fringe benefits, as well as salaries, must be curbed. The benefits of increased productivity should be reflected in lower prices or superior products. Foreign economic and military aid must be sharply reduced. Our overseas military expenditures should also be reduced. Foreign travel and expenditures by U.S. citizens must be restricted. Foreign investments by U.S. corporations should be controlled. Borrowing in this country by foreign companies and foreign governments should be regulated. The law requiring gold reserve backing for Federal Reserve notes should be repealed. The alternatives are quotas, embargos, exchange controls, with an ultimate devaluation of the dollar.

Organized labor represents about 25 percent of the labor force. There is a wide discrepancy between the income of the organized group getting between \$3 and \$6 per hour, including fringe benefits, and most of the 75 percent of unorganized workers earning between \$1 and \$2 an hour. The disparity in the incomes of these groups makes it increasingly difficult to exchange goods and services, resulting in unnecessary unemployment.

How can workers earning from \$1 to \$2 an hour buy or rent houses or apartments built by unions with common labor getting, in wages and fringe benefits, \$3.52 per hour now and \$4.02 in 2 years? Plumbers get \$5.78 per hour now and will get \$7.55 per hour in 2 years, and other union wages in proportion. These are recent strike winning settlements in the building industry in northern California.