Mr. BATTIN. As we sit here and listen to those of you who come before us and give us your conscientious opinion it becomes a little difficult then for us to have to make the decision, to weigh the evidence coming from here and down the street. I don't know just what to do.

Thank you very much.

The CHAIRMAN. Mr. Herlong.

Mr. HERLONG. On yesterday afternoon the White House called me in connection with this foreign aid bill that is now before the House and asked me if I would go along against making any cuts in this bill, and I said, "Now, I am trying to get your tax bill increase passed and I don't see how you can talk out of both sides of your mouth at one time. You are asking me to vote to spend more on foreign aid than the Senate has voted, and at the same time you want us to increase the burden of people in this country in taxes. Then the next minute you tell us you are going to cut down on unnecessary expenditures."

I assume that they consider this as not an unnecessary expenditure, but it won't affect their program any at all if they don't appropriate a nickel in foreign aid this year, and we are trying to hold down on these things. I told them, "I don't see how you can, in good conscience, ask me to vote for more at the same time you are asking me to vote for a tax-increase program.

The CHAIRMAN. Any further questions? If not, we thank you, Mr. Wright and Mr. Fefferman.

Mr. WRIGHT. Thank you, sir.

The CHAIRMAN. Mr. Hall. Mr. Hall, we appreciate having you back with the committee again to discuss this very serious problem. If you will identify yourself for this particular record we shall be glad to recognize you, sir.

STATEMENT OF E. S. HALL, CHIEF ENGINEER AND SECRETARY, FREEDOM INC.

Mr. HALL. Mr. Chairman, my name is E. S. Hall. I am chief engineer and secretary of Freedom Inc., Farmington, Conn.

The President's surtax message:

> Without a tax increase and tight expenditure control, the deficit could exceed $28 billion. * * * If left untended, this deficit could cause * * * ruinous inflation.

Inflation, strikes, riots, Communist guerrilla "wars of liberation" in Cuba, Vietnam, Watts, Chicago, Cleveland, Newark, Detroit—can America be saved?

The 10-percent surtax is simple. Figure out your income tax and add 10 percent. Made even simpler by omitting lower income exemption and corporate speedup, it still might collect $6 billion. But that's not half enough to stop inflation, the dishonest tax that steals the value of our dollars.

Congress has the power to levy and collect taxes, to pay the debts, to borrow money, to coin money, regulate the value thereof, and of foreign coin.

Congress has the power to manage money in a way that would keep the free-market price level stable. Contracts would be valid, and the same pay would buy the same or better living, year after year. Cash, savings bonds, insurance, social security and the like would be worth as much tomorrow as they were yesterday.