

(The following table was subsequently supplied in response to the request of Senator Symington:)

Gold and dollar holdings of selected foreign countries, date of peak dollar holdings since 1958, and Nov. 30, 1966

[In millions of dollars]

Country	Date of peak dollar holdings			Nov. 30, 1966 ¹	
	Date	Dollars	Gold	Dollars	Gold
Belgium.....	Nov. 30, 1966	492	1,524	492	1,524
Canada.....	May 31, 1963	3,981	746	3,154	1,034
France.....	June 30, 1963	1,730	2,814	1,131	5,237
Germany.....	Feb. 28, 1961	3,586	3,030	2,572	4,291
Italy.....	Dec. 31, 1965	1,746	2,404	1,494	2,382
Japan.....	Nov. 30, 1965	3,029	² 328	2,638	³ 329
Netherlands.....	Feb. 28, 1960	514	1,141	369	1,730
Sweden.....	Mar. 31, 1965	804	189	704	203
Switzerland.....	Sept. 30, 1966	1,902	2,681	1,857	2,679
United Kingdom.....	Nov. 30, 1966	4,747	³ 1,940	4,747	³ 1,940

¹ Preliminary.

² As of Dec. 31, 1965.

³ As of Sept. 30, 1966.

NOTE.—“Dollar holdings” represent U.S. short-term liabilities to official and private foreigners, foreign official and private holdings of marketable U.S. Government bonds and notes, and foreign official holding of convertible nonmarketable Treasury bonds and notes. Figures for some countries include small amounts of U.S. liabilities denominated in convertible foreign currencies.

Senator SYMINGTON. When I was in Asia and the Far East this year, I spent quite a little time in one of the few countries that broker gold. As I understand it, the price of gold now in private trading retails at around \$54, but in some places as high as \$80.

What in your opinion would happen if the United States, at this time, under these circumstances, decided it would not buy gold any more at \$35 an ounce?

Secretary FOWLER. What would happen?

Senator SYMINGTON. Yes. What would be the results?

Secretary FOWLER. A number of things would happen, Senator Symington, some of which are predictable, some of which are not predictable.

Senator SYMINGTON. I will gladly give you the balance of my time if you will tell us those that are predictable.

Secretary FOWLER. The most clearly predictable one is that I think the system of trade and payments which has characterized the postwar period set up under the Bretton Woods arrangement, which has been one of the remarkable success stories of all time, would suffer a very severe dislocation, and we would move from this system of fixed parities, under which all currencies are related to the dollar and the dollar in turn to gold, and we would move into a period of fluctuating currency relationships, which in my judgment would be very disruptive of the trade patterns that currently exist.