

Mr. BRODY. There are 10 States listed represented by members of this committee where they have duty-free shops at the present time.

Mr. LANDRUM. Are there any further questions?

Thank you, Mr. Brody.

Mr. BRODY. Thank you, sir.

Mr. LANDRUM. The next witness is Mr. George A. Eddy of Alexandria, Va. Is Mr. Eddy present?

Mr. EDDY. Yes, sir.

Mr. LANDRUM. Mr. Eddy, if you will identify yourself for the record, please, and proceed with your statement.

STATEMENT OF GEORGE A. EDDY, ALEXANDRIA, VA.

Mr. EDDY. Thank you, sir.

Mr. Chairman and members of the committee, thank you for allowing me to appear. In view of the debate yesterday on the floor of the House concerning gold, I wish to entirely rewrite the written statement which I had reproduced yesterday and which I delivered to a couple of offices.

I have not yet been able to read the record but I certainly wish to rephrase my remarks to specifically meet some of the points made yesterday.

To identify myself, I am George A. Eddy, Alexandria, Va. I represent no one but myself. I am an economist who has been deeply interested in these problems for 35 years.

I worked with the Federal Reserve Bank of New York and for the Treasury for a total of 15 or 17 years and I was Chief of the Stabilization Fund, Gold and Silver Division, at the Treasury for a number of years.

Mr. LANDRUM. Mr. Eddy, we understand your request to be that you be allowed to revise the written statement you filed with the committee?

Mr. EDDY. Yes, sir.

Mr. LANDRUM. Without objection, that request is granted.

Mr. EDDY. May I have until the regular deadline, March 1, to submit that revision?

Mr. LANDRUM. Yes, sir.

Mr. EDDY. Thank you very much.

The essence of what I wish to place before this committee is that there are some very serious mistakes being made in thinking that we do have a serious balance-of-payments emergency, that there is a grave danger of the dollar becoming bankrupted or getting in terrible difficulties, called a liquidity crisis, or that such desperate measures as this travel tax and the restrictions on direct investment are really necessary.

The international monetary system of which the dollar is the most important part is working very well and lots of things that we cover up with the name "deficit" in the balance of payments are things which we should really encourage if we understood what was going on behind the statistics.

Also, the fear that we have to do something drastic in order to prevent a gold price rise in the London market, I am convinced is based on misunderstandings.

The main problem is to make the dollar worthy of long-term trust for people here at home even more than people abroad. If we do it for