Mr. HESSEL. You want 1965 for Scandinavia; $45,780,000 in 1965 was the money amount.

In 1966 the total was 4,000,387 skins. The value was $55,000,517.

Now, 1967, 3,000,817, and the dollar value, $37,413,000.

Mr. ULLMAN. Thank you very much.

Are there other questions?

If not we thank you for appearing before the committee, Mr. Wedell, and your colleagues.

Mr. ULLMAN (presiding). Dr. Dymsza, we are happy to have you before the committee. With the knowledge that your full statement will be in the record, will you proceed.

STATEMENT OF DR. WILLIAM A. DYMSZA, RESEARCH DIRECTOR, INTERNATIONAL BUSINESS INSTITUTE, GRADUATE SCHOOL OF BUSINESS ADMINISTRATION, RUTGERS UNIVERSITY

Dr. DYMSZA. My name is William Dymsza, of Rutgers University.

I will highlight my presentation. I will appreciate it if my complete brief is made part of the record.

Mr. ULLMAN. Without objection, that will be made a part of the record following your oral statement.

Dr. DYMSZA. My statement is based on studies at Rutgers International Institute on various aspects of trade policy, which includes tariffs and trade barriers, and also East-West trade policy.

I am not speaking for the companies supporting these studies, or for the organization supporting the studies in part. I am speaking from what we have discovered so far, because the studies are far from complete.

The major points of my testimony are as follows: I recognize the concern of this committee and also the Congress of the United States in the question of the balance-of-payments problem. I believe, however, that the imposition of import quotas cannot solve the balance-of-payments problem except in a very temporary fashion.

Balance-of-payments problems result from many factors. It results from the U.S. worldwide commitments, including the war in Vietnam and the troops in Europe and elsewhere, but also results from the increased propensity of Americans to purchase consumer goods and to travel overseas, as well as the increased tendency of U.S. companies to make investments overseas.

Another important factor is the inflation we have had since 1965.

The problem of import quotas is that they would not deal with the basic causes of the balance-of-payments problem. They would also lead to retaliation.

As I said, rising imports in this country are at least a part of the result of inflation since 1965. Passage of the tax surcharge would make an important contribution to holding down inflation, although it would come somewhat late.

Many other steps could be taken, including a much more vigorous export expansion program, reduction of U.S. troops overseas, and other types of policies.

Now, Congress repeals the ASP system, if it does and does not impose new import restrictions, then the U.S. Government has a good chance of getting acceleration of tariff reduction in Western Europe. This would be very helpful to the balance-of-payments problem.