

would not apply to the body politic. Scratch even an economist deep enough and you find a merchantilist who wants to buy more than he sells; a populist who thinks that banks charge too much for credit; a racketeer who would like something for nothing; a monopolist who wants to push up the price at which he sells and push down the price at which he buys; a peasant who clings to his good earth; and a nationalist who thinks it is fine to buy from his own countrymen but wrong to spend money abroad. Each of these attitudes, if misguided, is understandable. But the duty of the Congress is to legislate in the national and—I permit myself to say—the international interest, and not to gratify the selfish instincts of its constituents. The 35 years of U.S. leadership in policies of lowering barriers to trade have been, apart from wars, highly successful for us and for the rest of the world.

Other countries have lowered tariffs and made adjustments with great benefit to themselves in expanded real income and growth. It would verge on criminal irresponsibility for this country, when it begins to feel pressure for readjustment itself, to give up on a policy so successful, so evidently necessary in the general interest, but one requiring the political courage to resist special pleading of important local interests in an election year.

That is my statement, sir.

Mr. ULLMAN. Are there any questions? Mr. Betts.

Mr. BETTS. Doctor, I understand that the theme of your presentation is that you deplore trade restrictions on the part of the United States. Isn't it true that most of the other nations of the world have trade restrictions?

Mr. KINDLEBERGER. I deplore trade restrictions on the part of everyone, sir, and I would have thought that in the General Agreement on Tariffs and Trade we are succeeding in getting these tariffs lowered; yes.

I am not simply singling out the United States by any means.

Mr. BETTS. You are putting every country in that?

Mr. KINDLEBERGER. Yes. And as I understand, the measures which are up for discussion are U.S. measures.

I think I would go one step further, if I may and say I think it is fair to say that the United States has exercised leadership in this matter, beginning with the act of 1934, going on to the Atlantic Charter, the lend-lease agreement, the Marshall plan, and so forth. And I would hope the United States would not start a movement which is retrogressive, leading away from that direction.

Mr. BETTS. If I understand it, the whole concept of the Common Market is protection.

Mr. KINDLEBERGER. If you will permit me to express a different view, I would say that the idea of the Common Market, which was supported by the United States, the Congress in the preamble to the Economic Cooperation Act of 1948, and by Paul Hoffman in his speech of October 31, 1949, this was, then, to expand trade within, and on the whole without damage to the trade without.

There is a great deal of evidence to suggest that Common Market trade with the outside world has in fact expanded rather than been restricted.