

Policies with regard to Czechoslovakia in particular and with regard to the Eastern Bloc in general.

The antiquated approach of maintaining a cold war posture with regards to trade is unrealistic in the present political and economical world structure. The United States is the only country in the world trying to impose restrictions on trade between the Western world and the Eastern Bloc by denying most favored nation treatment to imports from all Eastern European countries except Yugoslavia and Poland.

Aside from the fact that many of the countries of the Eastern Bloc are much more liberal than Poland, this policy is leading us nowhere except to alienate trading partners in the East. The East European countries are dealing with all the West European countries with a minimum amount of restrictions. American Economic Policy is self-defeating. It denies us profitable trade opportunities and alienates these countries politically.

The situation in Czechoslovakia has materially changed during the last few months. Nothing has been done so far on the part of the United States to recognize the changed picture. We are of the opinion that the American policy on this subject has been misguided throughout these past few years and the failure of Congress to enact legislation suggested by the President of the United States has been most detrimental to the interest of our country. The situation in Czechoslovakia certainly calls for an immediate change of policy.

Why not make a dramatic gesture towards Czechoslovakia during the next few weeks and re-instate to Czechoslovakia the most favored nation treatment of its goods and then why not extend the same privileges to the rest of the Eastern Bloc?

Your committee in this respect can serve a most useful function. The continued adherence to the present policy can be most damaging.

Sincerely yours,

KURT S. ADLER, *President.*

(Whereupon, at 12:50 p.m., the committee was adjourned, to reconvene at 10 a.m. Monday, June 24, 1968.)