

not the least of which are administration taxing and spending policies in the United States. Hence the balance of payments problem argument is hardly relevant, for its primary causes and remedies lie elsewhere.

It is argued that this nation should be for free trade. Libertarians argue that this is desirable in itself. Yet free trade, like any other freedom, assumes certain prerequisites. Just as freedom assumes order, and the exercise of certain specific freedoms have other prerequisites, so should free trade have the *one* qualification of national security.

Those who oppose Communist trade do not do so on the basis of supporting tariffs, price controls, or other restraints. The opposition is based on reasons of national security, which seems a fair qualification to free trade.

If the free trade advocates who condone Communist trade would study the record of that trade, including the wheat deals, they would note that the trade is not "free" at all, but government encouraged and supported,

Thanks to Rep. Paul Fino, Republican of New York, Congress has approved revised Export-Import Bank legislation that would prevent the bank from subsidizing trade transactions with Communist countries.

In 1967 the Export-Import Bank granted dollar credits to Communist nations (including Hungary and Czechoslovakia) which furnished industrial equipment to North Vietnam. The Fino amendments, which passed despite administration opposition, would prohibit the bank from participating in trade transactions with any nation whose government by "direct...action" is furnishing supplies to a country openly warring against the United States.

through grants, credits and loans. Hence we are not speaking of laissez-faire trade at all, but government financed trade.

"Nothing Is Strategic"

Edwin J. Feulner, Jr., who co-authored with Samuel F. Clabaugh *Trading with the Communists* (Georgetown U.), argues that in the Cold War "nothing is strategic." Inevitably, the question is one of diverting resources. Mr. Feulner, who has devoted a great deal of time to studying the issues of Communist trade, has noted that Communists are interested in "leap-frogging" our technology and in getting "our most advanced products."

In other words, the Communists embark on trade programs in areas in which they find themselves deficient. They take advantage of the huge sums spent in this nation on private investment and research and development, and the fantastic amounts of man-hours spent developing and perfecting products and techniques. They then reap the rewards of our huge spending and our many man-hours spent by well-planned trade coups.

If the Soviet Union is the key to peace in Vietnam, as

It is evident to me from the nature of many U.S. exports, for which licenses are granted by the Office of Export Control of the Department of Commerce, that their clearance for shipment to the USSR or East European countries contradicts the intent of Congress as expressed in the Export Control Act. When one looks into these transactions, as I regularly do, the Department often dismisses these approvals with the pat statements such as that they are "consistent with the President's desire to 'build bridges' to Eastern Europe by encouraging trade . . ." and ". . . comparable goods are available from foreign sources."

If that is the case one certainly wonders why the orders are not placed elsewhere. According to responsible witnesses who have testified before Congress it is because the U.S. supplier often offers superior quality, earlier delivery, better prices, greater durability, and better service.

Last year when Secretary of Agriculture Freeman returned from a visit to South Vietnam he reported "There is a strong demand for fertilizer chemicals and improved seeds. Fertilizer is as important as bullets." I certainly agree with that assessment. But why was this not recognized when the USSR came to us to buy fertilizer technology and equipment?

Because the bloc economies depend heavily on export of cereals and grains to acquire hard currencies with which to purchase Western machinery, it was imperative from their point of view that the bloc economy increase the yield per acre far above the levels realized from the disastrous short crops of 1963.

If you suspect that they turned to the U.S. for help you are absolutely right. In 1964, the Commerce Department issued licenses authorizing shipment to Russia of \$9.5 million worth of highly automated machinery to mine potash for use in manufacturing fertilizer. Many other licenses have been issued since that time directly relating to increasing crop yields, including fumigants, herbicides, and insecticides. Moreover, a wealth of technical data relating to construction, operation of plants to produce fertilizers have been released.

In light of these contributions to the Soviet economy, it is not at all surprising that the 1966 crop yield was a bountiful 170 million tons. In fact, a news report in December, 1966, when the record yield was revealed, states that this reflects "a heavy emphasis on the use of chemical fertilizers begun in the early 1960's under former Soviet Premier Nikita S. Khrushchev."

Incidentally, analysis of Soviet and bloc aid to North Vietnam underscores the fact that a great quantity of the shipments made to Hanoi include fertilizers, which sustain the war effort.

—Rep. Glenard P. Lipscomb, March 8, 1967