

CHURCH OF ST. TERESA, THE LITTLE FLOWER,  
Munhall, Pa., June 3, 1968.

WAYS AND MEANS COMMITTEE,  
House of Representatives,  
House Office Building,  
Washington, D.C.

DEAR CONGRESSMEN: Regarding the discussion which you are or will be conducting regarding tariffs and import quotas, I would like to express my rather strong opinion *against* any imports or tariffs.

This is no time for an isolationist policy or for self-seeking. This is no time for this, and I really thought that we had gotten beyond this stage where we just think of ourselves.

I would hope that you will act in accordance with these wishes.

Sincerely yours,

FR. JOHN OESTERLE.

SAN FRANCISCO, CALIF., May 22, 1968.

WAYS AND MEANS COMMITTEE,  
House of Representatives,  
House Office Building,  
Washington, D.C.

GENTLEMEN: According to press information, I understand that you will begin committee hearings on Tuesday, June 4th, relative to the Balance of Trade between the United States and foreign nations.

As a citizen of the United States, I should like to go on record as favoring free trade and as low a schedule of tariffs on importations as possible. My understanding is that numerous groups and vested interests in the United States are actively furthering a movement to increase tariffs and thus discourage the import of products which they consider are in unfair competition. Such moves, in my estimation, could easily lead to a repetition of the injurious tariff conditions brought about in the United States by the passage of the Smoot-Hawley tariff act of 1930.

We have been gradually approaching a state of freer trade throughout the world and I believe entirely to the benefit of world economic and political conditions. Let us not change this trend.

Sincerely,

GERRIT P. VANDER ENDE.

STATEMENT OF OLIVER WILLIAMS, NEW YORK, N.Y., TRADE FOR A FREE WORLD

#### SUMMARY OF RECOMMENDATIONS

1. Stop our Reverse Tariff Import Subsidy. Cease pegging the price of gold and foreign currency. This would make the Balance of Payments even.
2. Refresh our national thinking about trade by changing the official designations "Favorable" and "Unfavorable" Balance of Trade to "Export" and "Import" Balance of Trade.
3. Proceed on a unilateral program of free trade. The best move for anti-communism would be a doubling of American farm production in trade with our hungry potential customers around the world.

#### COMMENT

##### 1. Balance our international payments

An influential opinion on trade is the statement of July 9, 1968 by the Senate Finance Committee that "the—growth in steel imports is—a threat to—our balance of payments."

Our international payments would balance promptly if we ceased controlling the price of gold and the rates of foreign exchange. Milton Friedman has published a revealing analysis of this. We have not attempted to control prices within the country, by edict, and the average price level has more than doubled since 1934. In that year we arbitrarily set the gold value one dollar at one thirty-fifth of an ounce of gold. In 1944 foreign money rates were pegged on the same base. If we had let gold alone, a dollar would now buy much less gold, just as it buys less of other things. It would buy less foreign money and foreign goods.