

## "The Free World Can't Trade On a One Way Street"

By HENRY FORD II

[A number of readers commented upon an address bearing the above title which was delivered by Henry Ford II, president of the Ford Motor Company, before the Inland Daily Press Association in Chicago on February 17. A few significant paragraphs follow.]

**W**E ARE in a very odd position. While we have helped build up the production of our allies and former enemies . . . we have at the same time maintained trade barriers which make it harder for them to sell to us—their biggest potential customer.

Take the case of Japan—a foremost bulwark against communism in the Far East, Japan must trade in order to live. We have spent hundreds of millions of dollars a year to keep Japan alive and to rebuild her economic strength. Japan in return has cut off most of her once rich trade with China, though it means paying much higher prices for raw materials and losing an important market.

If Japan is to stay in the free world column, she must expand her trade with the free world or go on being subsidized by the American taxpayer. The only other way she can live is to tie in her economy with the Soviet bloc.

Yet increasingly severe restrictions have cramped Japan's trade with the free world. Recently British Commonwealth areas, partly because of their difficulties in trading with us, have sharply curtailed Japanese imports in order to conserve their foreign exchange. At the same time, our own Tariff Commission is being flooded with requests to keep out such imports.

We have no desire to run the business of other countries for them or to try solving all their problems, but we can at least create an economic atmosphere which will help them to solve their own problems.

As a first step, I believe that this country can and should step forth boldly and lead the free world toward freer trade.

### *Nothing to Fear*

Such action on our part would be intensely encouraging to our foreign friends. It would greatly strengthen our position in urging them to abandon their own restrictive practices and take the hard measures which must precede a rich flow of trade in the free world.

I want to make myself perfectly clear on one point. I am not urging a course of action which I feel would benefit others at our expense. On the contrary that's just what I'd like to see us get away from. I am convinced that a considerable growth in our foreign trade—imports as well as exports—would be a continuing shot in the arm to our whole economy.

I believe that we could easily absorb another five or six billion dollars worth of goods from abroad each year, and that if we were able to do that, business would benefit, labor would benefit, agriculture would benefit, and the consumer—that means all of us—would benefit.

I don't believe that United States industry as a whole need fear either the dropping of tariff barriers or the increase of production and competition among our friends abroad.

When we consider the tremendous power and productivity of our system, the great edge we have on the rest of the world, it just isn't sensible—and certainly it isn't courageous—to shake with fear at the thought that we might run into a little competition.