


Date April 23, 1968

FROM THE DESK OF JOSEPH W. BARR

To: Bill Martin

Bill, I would like to send the attached letter to Bart Rowen -- not so much in your defense but to express my own conviction that men of responsibility must speak out when they think the nation is in danger.

What do you think?

A handwritten signature in black ink, consisting of a large, stylized loop on the left and a horizontal line extending to the right.

The Under Secretary of the Treasury

Room 3326

Dear Bart:

I have been in public life long enough to know that the press serves a very useful purpose in its critical efforts, and I also know that criticism can be lived with by the man who is being criticized. I am going to comment on your article of yesterday, not to defend Bill Martin -- he is perfectly capable of taking care of himself. I am commenting because I think Bill Martin is absolutely correct and I think he has an obligation to say what he did. He believes it; he has had many years of experience in the domestic and international affairs of this nation to back up his opinions; his opinion is widely shared by men of responsibility, and therefore I believe that he must speak out to the nation.

Bart, there has been too much talk about what this country can do if it only has the will. I agree that we are a great and a powerful nation and that we can meet our international and domestic responsibilities, within reason, if we are willing to pay the price. But if we are not willing to reduce or even to limit the increase in our standard of living while attempting to achieve our domestic and international objectives, then I can only conclude that we are running a grave danger of wrecking the international financial system with which we have lived for the past 23 years. If we wreck that system; if we are forced into a disorderly redeployment of our military forces for financial reasons; if we are forced into protectionist measures at home; then we can well be setting the stage for a world in which physical and financial order are in disarray. In other words, we could be facing a world not too different from the flow of history that began with 1931. Does a responsible man wait until we are knocked down by the third run on our reserves before warning his country of the dangers we face?

I would like to share with you one conclusion I have reached in my ten years of public service. The old term "political-economist" has fallen into disuse. We now have

politicians, and we have economists. Bill Martin, in my opinion, qualifies as a political-economist. He is an uncanny judge of markets and the economic reaction of people to political decisions. I have learned, sometimes the hard way, that Bill Martin speaks with complete integrity, vast experience, and great judgment.

Perhaps all this makes me an "alarmist" also. If it does, so be it. I would prefer this title to sitting idly by and taking the chance that my country and the free world may blow apart without ever expressing my own convictions.

Sincerely,

Joseph W. Barr

Mr. Hobart Rowen
The Washington Post
1515 L Street, N. W.
Washington, D. C. 20005