

Princeton Economics International Ltd

The following is in the formal request to supply our research into international capital flows from The Presidential Task Force on Market mechanisms otherwise known as the "Brady Commission." Our efforts were designed to demonstrate that the high volatility of the 1987 Crash was caused by international currency concerns, and was not the result of domestic economic events nor was it driven by manipulative speculation. There was also no evidence whatsoever that this was ABNORMAL being driven by computer trading that has begun to emerge.

The 1987 Crash was simply caused by the G5 public announcements that they "wanted" to see the US dollar lower by 40% to effect trade thereby reducing the trade deficit and in theory create jobs. Such artificial intervention is HIGHLY dangerous, and warns above that government should address the issues directly that are increasing the trade deficit - taxes. By taxing corporations at excessive levels and labor, the cost of production in the United States is rising far more rapidly than other nations. Capital can always leave or hoard in times of uncertainty, but labor can do neither, as President Cleveland once commented. The numerous layers of taxation are increasing the international cost of labor and eliminating any hope of global competitiveness.

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The Presidential Task Force on Market Mechanisms

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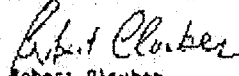
November 23, 1987

Martin A. Armstrong
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Dear Sir,

We have recently learned that you have produced an extensive study of the economics of the Great Depression. We would be very grateful if you could make copies of this work available to the Task Force on Market Mechanisms.

Yours Sincerely,


Robert Clauber
Executive Director