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92D CONGRESS
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SENATE

REPORT
No. 92-1255

CREATING AN ATLANTIC UNION DELEGATION

OCTOBER 2, 1972.—Ordered to be printed

Mr. CHURCH, from the Committee on Foreign Relations, submitted the following

REPORT

[To accompany S.J. Res. 217]

The Committee on Foreign Relations, to which was referred the joint resolution (S.J. Res. 217) to create an Atlantic Union Delegation, having considered the same, reports favorably thereon with an amendment and recommends that the joint resolution, as amended, do pass.

PURPOSE OF THE RESOLUTION

Senate Joint Resolution 217 creates a delegation of 18 eminent U.S. citizens authorized to organized and participate in a convention composed of similar delegations from "such North Atlantic Treaty parliamentary democracies as desire to join in the enterprise." The convention would have the purpose of investigating the possibility of agreement on: A declaration that the goal of the peoples of the countries represented is to transform their current relationships into a more effective unity based on federal principle, a timetable for achieving that objective, and a commission to assist movement toward such a goal in stages. Once organized, the convention may invite other parliamentary democracies to join its exploratory work.

BACKGROUND

This resolution is the latest in a series of similar proposals presented to the Congress on many occasions since 1949. To a large extent these latter have been stimulated or influenced by the ideas and efforts of Mr. Clarence K. Streit, the noted president of the International Movement for Atlantic Union. One such proposal was approved by the Congress in 1960 and brought to fruition less than 2 years later. However, the recommendations contained in the so-called Declaration of Paris, following the Atlantic Convention of NATO Nations attended by close

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to 100 citizen delegates, generally were not acted upon by the governments concerned.

Senate Joint Resolution 217 is quite comparable in character to this last-mentioned initiative. A delegation of 18 eminent citizens—not more than half of whom would be from one political party—would be appointed in equal numbers by the Speaker of the House of Representatives, the President of the Senate, and the President of the United States. Consultation with the House Committee on Foreign Affairs and the Senate Committee on Foreign Relations would precede the naming of the 12 citizens by the Speaker and the Vice President. The delegation members would serve without compensation, except for expenses, and would vote strictly as unofficial individuals in the convention they are authorized to arrange. A limitation of 10 is placed upon the number of temporary staff to be employed by the delegation, and not more than $100,000 may be devoted to the cost of meetings and conferences. The delegation is to make semiannual reports to Congress on its operations and expenditures, and would cease to exist within 3 years after the resolution is enacted. Senate Joint Resolution 217 authorizes appropriations of not to exceed $200,000 to the Department of State to implement the work of the delegation.

COMMITTEE ACTION

On March 17, 1972, Senator Gale W. McGee (for himself, Mr. Cooper, Mr. Fong, Mr. Javits, Mr. Mondale, and Mr. Moss) introduced Senate Joint Resolution 217. Comments were requested from the Department of State, and the following letter was received on March 30:

DEPARTMENT OF STATE,
Washington, D.C., March 30, 1972.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Secretary Rogers has asked me to respond to your letter of March 21, 1972, requesting the Department's comments on Senate Joint Resolution 217. This resolution calls for the creation of an Atlantic Union delegation which would organize and participate in a convention of NATO countries. The convention would explore the possibility of transforming NATO into a federal union, of setting up a timetable for such a goal, and creating a commission to hasten the integration process.

In last year's foreign policy report to Congress, the President said: "This administration does not view our allies as pieces in an American grand design." We have followed a policy of promoting pragmatic steps which would strengthen NATO and the OECD. At the same time, the European Community has completed negotiations and signed treaties to include Great Britain, Ireland, Denmark, and Norway as full members. The Community expects that the necessary ratifications and implementing legislation will be passed during 1972. The Community has also initiated a series of consultations among its members on various issues of foreign policy. It has set itself the goal of achieving full monetary and economic union by the end of this decade.

We believe these developments will be of interest to the committee. The Department has no objection to Senate Joint Resolution 217.

The Office of Management and Budget advises that from the standpoint of the administration's program there is no objection to the submission of this report.

Sincerely,

DAVID M. ABSHIRE,
Assistant Secretary for Congressional Relations.

The Committee on Foreign Relations first formally considered Senate Joint Resolution 217 on September 19 and it was agreed that, although members had long been familiar with the proposal, action should be delayed until a brief public hearing on the subject had been held. Because of the committee's active schedule and the necessary absence of Senator McGee, as a member of the U.S. delegation to the United Nations for the opening of the U.N. General Assembly, Senator John Sherman Cooper as a cosponsor of the measure agreed to preside over such a hearing. An open hearing of the committee was conducted on September 22, 1972. The witnesses in order of appearance were Mr. George S. Springsteen, Deputy Assistant Secretary of State for European Affairs, Congressman Paul Findley, the main sponsor of the identical House resolution (H.J. Res. 900), and Mr. Clarence K. Streit. The text of the hearing, with additional testimony, is printed as an appendix ~~to this~~ report.

On September 29, the Committee on Foreign Relations in executive session approved Senate Joint Resolution 217, with an amendment, by voice vote and without objection.

COMMITTEE COMMENTS

Discussion in the committee made it clear that, in approving the resolution, there was no intention whatsoever of interfering in the process of movement toward greater unity in Western Europe. Especially at a time when efforts are going forward to enlarge the membership of the European Community, it was considered important to stress the point that committee members do not regard the proposal embodied in Senate Joint Resolution 217 as an alternative to such efforts, or as an attempt to promote a larger role for the United States within the Atlantic Alliance. By the same token, however, a number of committee members felt that the European countries would not advance such a proposal unless the United States gave a prior indication of concrete interest.

The committee amended the resolution to reduce to $200,000 the request for an authorization of appropriations not to exceed $300,000. It did so, basically on the ground that the delegation should not require the paid services of a staff anywhere as numerous as 10 members; it was also recalled that the total costs to the United States of the Atlantic Convention in 1962 were roughly $150,000.

Two further points were made by committee members. First, it was believed that the Department of State should be authorized and encouraged to cooperate with the delegation through making facilities and other assistance available. Second, it was agreed that the term "eminent citizens," when applied to the delegation's composition, did not preclude appointment of Members of Congress. This issue was raised because ~~the 1962~~ delegation did not include any such Members.

APPENDIX

ATLANTIC UNION DELEGATION

FRIDAY, SEPTEMBER 22, 1972

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 9:35 a.m., in room 4221, New Senate Office Building, Senator John Sherman Cooper presiding.

Present: Senators Cooper, McGee, and Aiken.

Senator COOPER. The committee will come to order.

OPENING STATEMENT

The Committee on Foreign Relations this morning is holding a public hearing on two legislative items which we hope may be acted upon before the approaching end of this session of the 92d Congress. I believe the committee chairman will be here later to preside over this meeting. However, when the committee met on Tuesday, I was asked to act as chairman for a brief hearing on Senate Joint Resolution 217, to create an Atlantic Union delegation.

The chief sponsor of the resolution, Senator McGee, as a member of the U.S. delegation to the United Nations, was in New York for the opening of the U.N. General Assembly session. As a cosponsor of Senate Joint Resolution 217, I am glad to speak with him and for him in support of this resolution.

The witnesses this morning are Mr. George S. Springsteen, Deputy Assistant Secretary of State for European Affairs; Hon. Paul Findley of Illinois, a Member of the House of Representatives; and Mr. Clarence Streit who, we all know, has devoted much of his life to the cause of Atlantic Union and who is the true creator of the proposed legislation now before us.

I must apologize to these gentlemen for having to ask them to keep their statements to a bare minimum, but the committee is scheduled to receive testimony on another issue from Secretary of Transportation John A. Volpe, beginning at or about 10:15 or 10:30.

We particularly requested the presence of a representative of the Department of State and the administration because in the past we have usually had an adverse report on similar proposals.

Members will recall that Congress, more than a decade ago, approved the creation of a commission of very distinguished American citizens to meet with comparable representatives from a number of

other North Atlantic Alliance countries. For the most part, the results of their deliberations have been put on the shelf by their governments, not the least by our own Government. Therefore, while we have a letter of March 30, 1972, stating that the administration has no objection to Senate Joint Resolution 217, we hope the executive branch witness will be able to clarify and elaborate upon the administration's position for us.

(The letter referred to follows:)

DEPARTMENT OF STATE,
Washington, D.C., March 30, 1972.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Secretary Rogers has asked me to respond to your letter of March 21, 1972, requesting the Department's comments on S.J. Res. 217. This resolution calls for the creation of an Atlantic Union delegation which would organize and participate in a convention of NATO countries. The convention would explore the possibility of transforming NATO into a federal union, of setting up a timetable for such a goal, and creating a commission to hasten the integration process.

In last year's Foreign Policy Report to Congress, the President said: "This Administration does not view our allies as pieces in an American Grand Design." We have followed a policy of promoting pragmatic steps which would strengthen NATO and the OECD. At the same time, the European Community has completed negotiations and signed treaties to include Great Britain, Ireland, Denmark and Norway as full members. The Community expects that the necessary ratifications and implementing legislation will be passed during 1972. The Community has also initiated a series of consultations among its members on various issues of foreign policy. It has set itself the goal of achieving full monetary and economic union by the end of this decade.

We believe these developments will be of interest to the Committee. The Department has no objection to S.J. Res. 217.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Sincerely,

DAVID M. ABSHIRE,
Assistant Secretary for
Congressional Relations.

Senator COOPER. If Congressman Findley would not object, would you care to yield first to Hon. George S. Springsteen?

Mr. FINDLEY. Of course.

Senator COOPER. I think you would be very much interested in this, too. I may say Congressman Findley has been the chief sponsor and supporter of this resolution in the House of Representatives.

So I will now call upon Hon. George S. Springsteen, Deputy Assistant Secretary for European Affairs.

STATEMENT OF HON. GEORGE S. SPRINGSTEEN, DEPUTY ASSISTANT SECRETARY OF STATE FOR EUROPEAN AFFAIRS

Mr. SPRINGSTEEN. Thank you, Mr. Chairman.

I have a relatively brief statement which I will run through, if you so permit, which I believe endeavors to give the administration's position on the resolution before you.

I appear today on behalf of the Department of State in connection with your consideration of Senate Joint Resolution 217, a joint resolution to create an Atlantic Union delegation to organize and par-

ticipate in an international convention. That convention would explore the possibility of agreements on a declaration indicating that it is the goal of the peoples represented by the participants to transform their present relationship into a more effective unity based on Federal principles. The resolution also provides that, should a positive declaration emerge, the convention would consider how and when to achieve this objective.

We appreciate the spirit, motivation, and underlying objectives of this resolution. It recognizes, as does this administration, the importance of increased cooperation among the countries of the North Atlantic area. The peace and prosperity, as well as the security of the Atlantic world, have been fundamental objectives of U.S. policy since World War II. President Nixon has frequently reaffirmed our commitment to increasing partnership with Europe, recognizing as he has said that "the peace of Europe is crucial to the peace of the world" and noting that "For the foreseeable future Europe must be the cornerstone of the structure of a durable peace."

ADMINISTRATION'S STEPS TOWARD STRENGTHENING RELATIONS WITH EUROPE

This administration has sought to adjust our policies to the new conditions emerging in Europe in the 1970's. In last year's foreign policy report to the Congress, the President said, "This administration does not view our allies as pieces in an American grand design." Instead, we have followed a policy of promoting pragmatic steps which would strengthen our relations with Europe. We have, for instance, welcomed the enlargement of the European community from six to 10 members and we expect this enlarged community will become a reality on January 1, 1973. With enlargement, we can expect further steps toward greater European unity, including a more vigorous program for the achievement of European economic and monetary union.

These developments will mark significant changes in Europe which, the President has said, "means the end of American tutelage and the end of the era of automatic unity."

Our task now is to find the best method, in light of changing conditions, to establish a new practice in Atlantic unity, to assure that our partnership of the future reflects the realities of the day.

This administration is seeking to achieve this objective in a variety of ways on a step-by-step basis. It established a consultative mechanism with the European Communities the EC, to exchange views on economic issues of mutual interest. The next meeting of this U.S.-EC consultative mechanism will take place in early October here in Washington.

In the Organization of Economic Cooperation and Development—OECD—the leading industrialized countries of the North Atlantic area, plus Japan, have embarked, at U.S. initiative, on an important effort to examine major trade, monetary, and related issues. Because the countries of Western Europe occupy a key place in the economic and monetary structure of the free world, we expect the Europeans to play an important role with us in the negotiations which will commence shortly for reordering the monetary system and for undertaking major multilateral trade negotiations in 1973.

In NATO we have intensified our consultative process with our allies on important foreign policy and military issues. We have encouraged our allies to do more to modernize and improve their own forces for the defense of the Atlantic area; and today, in the North Atlantic Council, we are working closely with our European friends in preparation for the initiation of negotiations with the East for mutual and balanced force reductions in the central European area and for the beginning of preparatory talks for a Conference on Security and Cooperation in Europe in 1973.

In parliamentary circles, as well, close attention is being paid to the need for assuring that the institutional relationships that bind the Atlantic community will serve the requirements of the coming years. Notable in this regard is the work of the Committee of Nine, established by the North Atlantic Assembly at its plenary meeting in September of 1971. It is the purpose of this committee of distinguished present and former parliamentarians to take a fresh look at the future of the alliance. Under the leadership of Senator Javits, this committee is preparing a major report, to be completed next year. On an interim basis, however, the committee has concluded that the concept of Atlantic partnership is relevant in the 1970's and the development of greater unity in Europe should be a positive step in establishment of closer trans-Atlantic relations. We expect that the committee's final report will also have some definite recommendations to make on the question of whether or not new political institutions and approaches may be useful.

INCREASING ATTENTION GIVEN TO FUTURE EUROPEAN IDENTITY

Amongst Europeans themselves, both inside and outside of the European communities, increasing attention is being given to their future European identity. Amongst the committee's members, a political consultative group has been established to consider foreign policy issues of direct interest to them. In the defense field, the Eurogroup has made important steps forward to assure enhanced European participation in NATO and in the rationalization of European defense resources. The European summit next month, composed of the present and prospective EC members will propose the establishment of a monetary cooperation fund, examine the question of additional institutional arrangements and consider future relations with the United States and other third countries.

Therefore, Mr. Chairman, the issue of improved Atlantic relationships is being advanced on a variety of fronts both by the United States and the European governments.

SENATE JOINT RESOLUTION 217

The resolution before you proposes to explore an additional means of perfecting the Atlantic community. It is an ambitious proposal which the Europeans in their current search for identity may consider premature. Nevertheless, because it is in keeping with the concept of seeking better ways to improve Atlantic relations, the Department of State has no objection to its enactment.

Senator COOPER. I thank you very much, Mr. Springsteen.

Mr. SPRINGSTEEN. That completes my statement, Mr. Chairman.

Senator COOPER. Your statement is a good record of the steps that the administration has taken to find closer relationships with the European countries and also to settle a good many of our problems with the European countries, problems with the Common Market, monetary problems, trade problems and also with NATO.

EUROPEAN ATTITUDE TOWARD UNITED STATES AND CANADIAN EFFORT

Now, you noted also the many ways in which the European countries are forging a closer link in trade, evidenced by the Common Market and its various legislative and parliamentary groups. Considering what you have described as the search of the European countries and people for identity—I don't know whether that is the right word or not; they have identity—but as a more cohesive and powerful association, would you consider that they would look unfavorably upon an effort of the United States and, perhaps, Canada to find a closer unity or union under federal principles, at least at this time?

Mr. SPRINGSTEEN. As I indicated, Mr. Chairman, I think that some of them, engaged as they are in trying to pull together a more comprehensive Europe among themselves, may feel that they should devote their energies to that task rather than turning at this time to the question of perfecting the transatlantic relationship.

However, I think as the history of this concept has shown over the decades, it has undoubtedly attracted the support of many important figures on both sides of the Atlantic; so, as an objective for the future it would, I think, receive sympathetic treatment. As a program for immediate action, as I say, I think there would be some reservations on the part of the Europeans on it.

IS THERE ANY CONTRADICTION IN EUROPEAN POSITION?

Senator COOPER. Do you see any contradiction of the efforts you have described of the European countries to achieve a unity, a separate unity, perhaps, from the United States and their desire that the United States continue as a strong force, particularly as the supplier of military forces in NATO? Is there any contradiction in that position?

Mr. SPRINGSTEEN. No, I don't believe there is any inherent contradiction in that, Mr. Chairman. I think that on the European side they recognize full well that our presence in Europe is a very important stabilizing factor in the relationships between East and West, that it does permit them to organize themselves in their search for what I referred to as their identity. I think that they also recognize, at least those who are leaders of this move toward greater unification, that when they do pull themselves together into greater unity and some form of union, they will be in a stronger position to carry their external responsibilities, including, I would hope, a greater role in the defense of their own area.

Now, I don't think that this, by any means, means that we should at that particular point in time look forward to getting out of the European area, because I think our presence there is a basic aspect of transatlantic relationship.

As the President has said, the peace of the world is bound up in what goes on in the European area. We have learned that in the course of the two World Wars and as they move toward unity I think that we will continue to have an interest and a need for a presence there, perhaps not on the scale of the present time.

ATTITUDE OF CANADA

Senator COOPER. Can you make any comment on what would appear to be objectively the attitude of Canada in such a proposal? Is it withdrawing more in its relationship with Europe or what is its attitude?

Mr. SPRINGSTEEN. Well, the Canadians, I think, in the postwar period had very close relationships with the European area, in part stemming from their earlier commonwealth role. As time has moved on and their own interests have become sharpened as they moved away from the predominant role they once played in the commonwealth, I think they are beginning to see themselves as a country which should tailor its world role to its available resources.

They are not pulling out of Europe, but I think that they feel that they should devote less resources there than they did previously. That is what underlay their reduction of their troops which they undertook 3 years ago in the European area, and they believe they should devote more of their resources to the less developed world and, perhaps, take a greater interest in the Pacific area where they are finding increasing outlets for their agricultural products.

This does not mean that they will turn their back on Europe but I think that the once-celebrated role of Canadians—Lester Pearson and that group—on the European scene is now to be supplanted by Canadian personnel devoting their attention to other parts of the world.

Senator COOPER. I will just ask you two more questions:

VALUE OF RESOLUTION

What would you consider, then, to be the value of this resolution if it should be adopted and implemented?

Mr. SPRINGSTEEN. I think the value of this resolution is that it underscores again the importance which various elements of the American public scene attach to increasingly close relations and improved relations with the European area. Some people may say that it is too ambitious, too utopian, but, nevertheless, as an indication of the importance that we attach to those relationships, I think it would be accepted by all on that particular basis; even the Europeans would recognize that it is an important statement of the continuing interest we have in that relationship.

Senator COOPER. You would consider that if this should be implemented, these meetings should be held between our delegates and European delegates, that they could discuss some evolutionary process by which our association could be made more sure or even moving toward some federal principle?

Mr. SPRINGSTEEN. Yes; I think that any contact between representatives of parliaments and executive branches and private peoples, which

is organized to discuss this kind of thing, can't help but have benefits in the short and long terms; and I think that while this resolution is directed toward ascertaining the feasibility of the federal system, undoubtedly other alternatives would emerge during the convention.

NO OBJECTION TO PASSING RESOLUTION

Senator COOPER. Speaking for the State Department and the administration, there is no objection to the passage of this resolution?

Mr. SPRINGSTEEN. That is correct, sir.

Senator COOPER. Well, I thank you very much, Mr. Springsteen.

Mr. SPRINGSTEEN. Thank you, sir.

Senator COOPER. We will call on Congressman Paul Findley of Illinois.

COMMENDATION OF CONGRESSMAN FINDLEY

I would like to say we all appreciate having Congressman Findley here, not only on this subject but on others he has testified on before this committee. He always has something of value to say to us and I know that in the House of Representatives he has taken the leadership on many issues, not just the current ones before us which are important, but also upon many innovations and ideas which speak more to the future; and on this issue I know you have taken the lead in the House of Representatives. So we welcome you.

STATEMENT OF HON. PAUL FINDLEY, A REPRESENTATIVE IN CONGRESS FROM THE 20TH CONGRESSIONAL DISTRICT, STATE OF ILLINOIS

Mr. FINDLEY. Thank you very much, Senator. Your comments embarrass me a little bit because I had decided to open my remarks with a few comments about your own service to the Nation here in the Congress.

Senator COOPER. I didn't realize we were going to reciprocate.

Mr. FINDLEY. It looks like a mutual admiration society; doesn't it? But it may well be that this will be the last opportunity I will have to work in a legislative role with you. As I understand, this will be your last year in the Congress?

Senator COOPER. Yes.

COMMENDATION OF SENATOR COOPER

Mr. FINDLEY. It is difficult for me to contemplate the U.S. Congress without John Sherman Cooper as one of its participants. You have been an example to all of us and especially in the foreign policy field where you have given such courageous, imaginative leadership over so many years and have done it without being abrasive at all. I think that is quite an achievement.

So I want to express my appreciation to you for the great service that you have given the Nation and the personal help and encouragement that you have given to me during my brief experience here.

Senator COOPER. Thank you.

DEPARTMENT OF STATE'S POSITION

Mr. FINDLEY. I was glad also to have the opportunity to hear the comments of Mr. Springsteen on behalf of the Department of State on this resolution.

I have been a sponsor of resolutions of this sort ever since I entered the Congress 12 years ago and I am gratified that the administration now takes a position of nó objection in contrast with the negative position of previous years. Mr. Springsteen, in his responses to some of your questions, sounded almost affirmative; so I do think it represents a considerable amount of progress.

The State Department position of no objection is gratifying, considering the tendency of the Department over the years to always try to be consistent with what it has said and done in previous years. This represents a considerable advance and is cause for rejoicing on my part.

AMBITIOUSNESS OF PROPOSAL

The principal comments that Mr. Springsteen made about the resolution, of course, appear in the very last paragraph of his five-page statement. He describes the proposal as ambitious and it certainly is that because it contemplates a change in political relationships that is truly sweeping, worldwide in its scope; it would be historic by any standards and so certainly the wôrd "ambitious" is a perfect word to use.

POSSIBILITY OF PROPOSAL'S BEING CONSIDERED PREMATURE

The same sentence does contain a phrase that certainly could be interpreted as negative or certainly faint praise, stating that the Europeans may consider this premature.

That is hardly a severe indictment in light of the negative position of the State Department of previous years. It can accurately be said that Europeans do consider this proposal premature; some do, just as some Americans do. It is not widely known as an idea in Europe; nor is it widely known as an idea here in the United States.

One of our great problems has been bringing this idea to the attention of the public as well as to those in positions of leadership. So I think the Senate Foreign Relations Committee, in holding these hearings, is contributing something very worthwhile. I, of course, hope that the Senate, like the House, will move forward with this proposal; but in these waning days of the 92d Congress that may be too much, really, to hope for.

As Mr. Springsteen said, it is considered by some to be premature but, on the other side of the ledger, I can testify from personal knowledge that more than 200 parliamentarians from the various member states of NATO have joined together in a statement of support for this type of initiative. They are members of an association that seeks to advance the idea not only within their own country but also throughout the nations of NATO. Two hundred is not a majority of the parliamentarians of NATO, of course, but it is a substantial beginning. In our country the last count, I believe, showed that 115 of the 435 members of the U.S. House of Representatives are on record in support of this very resolution. In their eyes, it is not a premature

proposal nor in the eyes of the more than 200 parliamentarians that I just mentioned.

NEGLECT OF NATO REGION IN RECENT YEARS

Mr. Springsteen reviewed the status of NATO or Atlantic affairs. Contrasting this with the very dramatic and, I think, progressive initiatives that have been taken elsewhere in the world, one would have to conclude that the NATO region has been, by contrast, neglected in recent years.

We have certainly taken the right steps in attempting to open negotiations with China and the Soviet Union. These are very important, worthwhile initiatives and this has been the focus of our policy initiatives for the past few years. Prior to that, our focus was on Indochina. In fact, Indochina almost totally absorbed the foreign policy attention of the Johnson administration. The initiatives toward Peking and Moscow have not totally absorbed the attention of the Nixon administration but substantially so. All of this may lead many Europeans to question our real commitment to the Atlantic community.

INDIVIDUAL LIBERTY OF ATLANTIC COMMUNITY NATIONS

All too often overlooked by Americans who are searching for lasting peace in the world and perhaps overlooked by the Europeans, too, is the singular importance of the one thing that sets the nations of the Atlantic community apart from many other nations of the world, and that one thing is individual liberty. While it is very important, in my view, for us to proceed to find a basis for accommodation with Peking and Moscow, it is also very important to keep firmly in mind the factors that set our society apart from the societies of the Communist world.

IMPORTANCE OF ADVANCING RESOLUTION

Very little has been done in recent years to bring about a greater coordination and unity of the nations where individual liberty does thrive. That is why I feel it is of great importance that this Congress advance the resolution now before the Senate Foreign Relations Committee. It would be a clear signal to the American people, to our associates in the Atlantic community and to the entire world that we have not forgotten this singular element that brought us together initially as a NATO institution, that element of individual liberty; that we do recognize that those committed to the cause of individual liberties are weak when they are divided and strong when they are united; that we should do all we can through institutional means to bring these people together so that, to the maximum extent possible, they will speak as one and act as one in all external and some internal matters.

They certainly are not together today and the movement that has occurred within NATO in the past 10 years has been a substantially backward movement, not a forward movement. This should be a cause for concern to us all. That is why I do believe that the resolution before us should be pressed forward.

We have had the good fortune on the House side to have the approval of the Committee on Foreign Affairs. The chairman of the committee has now requested a rule from the Rules Committee. It comes quite late in the year, unfortunately, but, nevertheless, we are not without hope that further consideration can occur and it would certainly inspire us on the House side if the Senate would move forward promptly to report the resolution from this committee and to give it the approval of the Senate itself. If that occurs, you can be sure that we will redouble our efforts on the House side and should the two bodies together approve this resolution, I am sure from what the President of the United States has said in the past, before he became President, and things that he has said in private correspondence and in private conversations since becoming President, that this will have his full support.

CONTRAST BETWEEN WORDS OF MR. SPRINGSTEEN AND MR. NIXON

I might note in closing, Mr. Chairman, that the words of Mr. Springsteen, while a vast improvement over what has been said by the Department of State in the past, are nevertheless in sharp contrast with what Richard M. Nixon said in 1966 about an almost identical resolution. I think you will note the difference in level of enthusiasm when I quote the words of Mr. Nixon in his statement to the House Committee on Foreign Affairs. He said:

The Atlantic Union resolution is a forward-looking proposal which acknowledges the depth and breadth of incredible change which is going on in the world around us. I urge its adoption.

Thank you very much.

(Mr. Findley's prepared statement follows:)

STATEMENT BY REPRESENTATIVE PAUL FINDLEY ON ATLANTIC UNION

Mr. Chairman, members of the Committee, this resolution, almost identical with the one eloquently endorsed six years ago by the man who is now President of the United States, would establish an eighteen-member U.S. delegation of eminent citizens.

This group would be authorized to meet in convention with similar groups from other NATO nations for these purposes: first, to seek agreement on federation as the goal of the alliance; second, to fix a target date for achievement of the goal; third, to establish interim institutions needed to keep the developments on schedule.

The resolution contemplates a massive advance in political institutions, one that indeed would be historic. At the same time it is no more massive than the advances in scientific technology we witness almost daily on our television screens.

The nations of the world have developed the capability to destroy one another completely, but we have yet to build a political system which can prevent a world holocaust. We have the ability to walk among the stars, but not the social institutions which can make it safe to walk the streets and roads of this planet.

Conceivably, the convention would explore the possibility of applying the genius of our own U.S. federal system to the broader Atlantic community. A federation of these major nations of western civilization would be formidable indeed. It would result in a political institution large enough to deal successfully with the supra-national problems that now confound us.

Richard M. Nixon, testifying before the House Foreign Affairs Committee in 1966, succinctly stated the case for the resolution. He said: "The Atlantic Union Resolution is a forward-looking proposal which acknowledges the depth and breadth of incredible change which is going on in the world around us. I urge its adoption."

Is the United States ready for such a venture? That same question was asked by George Washington back in 1787 as the Constitutional Convention began its meetings in Philadelphia. Brushing it aside, General Washington pressed on, exhorting the Convention to "raise a standard to which the wise and the honest can repair."

So, we too must press forward.

Scientific development and technology rush head-on quite irrespective of national boundaries. So does world economic development. The multi-national corporation is commonplace. Social phenomena, such as the youth culture, are no respectors of the nation-state. Poverty and disease have never known the confines of nationality. In recent years the environmental problems of air and water pollution have plagued the west.

The choice before the NATO countries as we face each of these social, political, and economic situations is whether each country will deal individually with every problem in a piecemeal fashion strictly limited by the requirements of the nation-state, or whether a common approach can be taken. If we choose the former method, we simply put off the day of national reckoning, for without government on a scale to match multi-national, intercontinental problems, societies simply cannot continue to function smoothly, and perhaps may cease to function at all. The problems are already supra-national. It is up to us to develop the supra-national institutions to deal adequately with them.

Are Europeans ready to consider such a bold step? I believe they are. In 1970, at the annual meetings of the North Atlantic Assembly at The Hague, I introduced a similar proposal recommending that NATO heads of government call a convention to consider the possibility of federation or other means of greater cooperation in both military and non-military areas. The measure was enthusiastically embraced by most of the delegate-parliamentarians from other countries attending the Assembly meetings. In the Political Committee where it was first debated, my proposal was approved by a vote of 18 to 5. Due to a parliamentary technicality, it was not considered on the Floor of the Assembly, although there was no question that it had widespread support and would have passed by a substantial margin if a vote had been taken.

The time for this initiative is now. Former President Eisenhower, who was a supporter of Atlantic Union, once told me at Gettysburg, "We deal with the urgent questions, and leave the important ones for tomorrow."

Today we deal with the urgent questions, such as the Middle East, Vietnam, Cambodia, and Laos. Will we be bold enough to deal with Atlantic Union—now, in good time—or will we put it off until tomorrow—the tomorrow that must wait until mankind suffers some new worldwide agony?

Mr. Chairman, H.J. Res. 900 was reported out of the Subcommittee on International Organizations without a dissenting vote. The full House Foreign Affairs Committee subsequently took up the measure and reported it favorably by a vote of 22 to 9 on April 13. Recently, Chairman Morgan has written to the Chairman of the House Rules Committee to request that the Committee grant a rule on H.J. Res. 900. I am hopeful that this can occur next week, and that shortly thereafter the House will pass it overwhelmingly.

My understanding is that seventeen members of the Senate have sponsored a resolution identical to the House version, including the Majority and Minority Leaders. The action of this Committee today in holding hearings heartens me to believe that we will yet get the Atlantic Union Resolution passed by the 92nd Congress. That will indeed be cause for thanksgiving.

I urge the Committee to grant this resolution its swift approval.

Senator COOPER. Mr. Congressman, we certainly are grateful for your statement. It is a short statement and yet in it it contains a record of the steps that are being taken now and which we cannot avoid in many fields which are leading into the necessity for closer relations.

PROPOSAL IS NOT PREMATURE

I agree with you that I do not believe that it is premature. I think that while we are always bound by the most urgent decisions of the day, it is necessary to think about new institutions, new concepts, not only think about them but take action to bring them into play.

I recall, as you do, the efforts in the past. We are going to hear Mr. Streit in a moment. A number of us in the Congress in the past were strong supporters of his concept, perhaps not in identical form but identical purpose. Former Congressman Wadsworth—I remember once going with a group to the State Department and Congressman Wadsworth pressing this proposal—the late Senator Estes Kefauver and others. I think you follow in a fine tradition and you are a leader in this field.

Mr. FINDLEY. Mr. Chairman, may I add a comment or two?

Senator COOPER. Yes.

RESOLUTION AS PROGRAM FOR IMMEDIATE ACTION

Mr. FINDLEY. Mr. Springsteen used the phrase, "program for immediate action" in referring to what might be the reaction of Europeans. He doubted that they would support it as a program for immediate action. I intended to mention that in my earlier comments. The people I have talked with who are supporting the resolution do see it very clearly and very definitely as a program for immediate action. That is how I view it and I am sure that is how the gentleman from Kentucky views it.

I would like also to add just a little recollection from the last occasion that I had to be with former President Dwight Eisenhower. After he had retired to Gettysburg, he was very kind in receiving members of a NATO committee from the House side occasionally at his farm office.

On one occasion, the last, I believe, when I had a private talk with him, we talked about Atlantic Union which he strongly supported. He favored an almost identical resolution to that now before this committee and then he reminisced about his days in the White House and he made a comment that I have never forgotten. He said that "We tend to deal with the urgent problems and leave the important ones until tomorrow."

We tend to deal with the urgent problems and we leave the important ones until tomorrow.

I think up to now that has been the attitude of the State Department on Atlantic Union, that this is a nice idea to think about, but always for tomorrow, not for today.

Well, I believe it is an idea whose time has come, and I do thank the gentleman for holding these hearings today.

Senator COOPER. Senator Aiken, we have had Mr. Springsteen from the Department of State and Congressman Findley, who has just testified. Do you have any questions?

RESUMPTION OF DIPLOMATIC RELATIONS BETWEEN WEST GERMANY AND POLAND

Senator AIKEN. In advocating this official organization, do you support the resumption of diplomatic relations between West Germany and Poland? Do you think that is a good idea?

Mr. FINDLEY. Do I think the resumption of diplomatic relations between——

Senator AIKEN. Between West Germany and Poland?

Mr. FINDLEY. I think it is an excellent idea. I don't know just where the proposal stands.

ACCEPTANCE OF OTHER COUNTRIES IN ORGANIZATION

Senator AIKEN. Would you favor getting into an organization with Poland, Romania and Yugoslavia, too, other than the United Nations of which they are already members? I was just wondering how far the convention might go in recommending expansion. This is an outgrowth of the Atlantic Union idea; isn't it?

Mr. FINDLEY. Yes, sir; it is.

Senator AIKEN. Would you accept other countries in that as well, say, in the Western Hemisphere or Eastern Europe?

Mr. FINDLEY. Well, my own reaction is that I would hope that the Congress would be very cautious about inviting delegations from nations outside the NATO community.

Senator AIKEN. Yes.

Mr. FINDLEY. The resolution that has cleared the House Committee on Foreign Affairs does permit and does authorize the convention to invite other nations which have a democratic system to send delegations, and we did that in a spirt of compromise but with a note of caution, too.

I would hope, for example, that in time New Zealand, Australia, Japan, and perhaps a few other nations, would be interested enough to take part. But, admittedly, the launching of an Atlantic Union project would entail a good many problems and hazards, and, in order to assure its success, I think it is very important that the nucleus, the beginning group, of nations that will take part be as homogeneous as possible and have the strongest attachment to individual liberty and the longest tradition of self-government as possible.

You mentioned Poland and perhaps you had in mind that Poland might be invited to take part in this initiative. I don't see how they could be logically included at this stage because there certainly is no attachment on the part of the Government of Poland to individual liberty, as we understand it. The same would be true of the other nations of Eastern Europe. I think it would introduce a serious complication and a handicap to this initiative to include such nations.

STATUS OF GREECE

Senator AIKEN. Yes. However, do you consider Greece more democratic than Poland at this time?

Mr. FINDLEY. No, I do not, and we, of course, gave a lot of thought to the status of Greece. We could have excluded Greece from participation by listing it in the resolution, but we thought it would be imprudent. But all of us who supported the resolution did so with the belief that Greece would not take part and should not be permitted to take part, given its present political structure. It is one of the most totalitarian regimes I know of.

STUDY BY COMMISSION IN 1962

Senator AIKEN. I am a little rusty on the subject, but wasn't a study made on the same proposition about 10 years ago?

Mr. FINDLEY. Yes, sir; it has been under consideration for 25 or 30 years, since Clarence Streit first proposed it. Here in the Congress

it has been under consideration at various levels since the 1950's, I believe. Senator Cooper would be more familiar with that than I.

Senator AIKEN. There was an official study made; wasn't there, Mr. Chairman?

Senator COOPER. I don't recall. I know——

Senator AIKEN. I forget just when; there was a report made. We had this commission back in the early 1960's. So far as I know, nothing came of it, and if we go into anything like this, I think we should look for results and not simply to make temporary positions of importance for a few people.

Mr. FINDLEY. I agree, Senator; in fact, the Commission you referred to met in Paris in 1962. It made some recommendations which I think were good recommendations, but they were never acted upon.

Senator AIKEN. No one paid any attention to them, so far as I can recall. As I say, I am rusty on the subject. I think we should get along not only with Western Europe but also with a lot of other countries, too; and Eastern Europe, I have a feeling, would be very friendly toward the United States if they could get rid of some of the tanks and armed personnel that are in their countries. That is all I have to say. It is quite a problem involved here.

Senator COOPER. Thank you.

We thank you, Congressman Findley.

Mr. FINDLEY. Thank you.

Senator COOPER. The next witness is Mr. Clarence Streit.

We welcome you, Mr. Streit. We recognize your many years of effort toward an Atlantic Union. It is because of your persistence and dedication that you keep this subject before us and make us aware of it. We are happy to have you here.

Senator AIKEN. I would like to say, Mr. Chairman, that Mr. Streit's dedication and persistence are almost unparalleled in modern history.

Senator COOPER. Will you proceed?

STATEMENT OF CLARENCE K. STREIT, EDITOR, "FREEDOM AND UNION"; PRESIDENT, INTERNATIONAL MOVEMENT FOR ATLANTIC UNION; AUTHOR OF "UNION NOW"

Mr. STREIT. Mr. Chairman, I want to thank you most warmly, Senator Cooper, and also Senator Aiken, for your very kind words and also for inviting me as president of the International Movement for Atlantic Union and author of "Union Now" to testify at your hearing on the resolution creating an Atlantic Union delegation.

This is not the first time I have had this privilege in Congress. I first testified on this proposal in 1948 and have since had the privilege of being invited to testify on it more times than I care to remember. Much as I appreciate the honor, I confess I hope that Congress will, by enacting it now, make this the last time I have the honor of testifying for it. I say this not merely, or mainly, for personal reasons.

I have a statement here, Mr. Chairman, that I would like to include as my statement in the record, but I understand that you are under very great time pressure and I would like permission to skip certain parts of it so I can emphasize only——

Senator COOPER. We would appreciate it if you could do this. There is another hearing; Secretary Volpe is here to testify. But yours is an

important resolution and if you can—you have a good many historical facts in it—if you can select those portions of your statement which go directly to this issue and what you consider as important, it would be very helpful.

Mr. STREIT. May I then give a few excerpts from the statement and the rest will be included in the record?

Senator COOPER. Yes.

FRAGILITY OF HOPE FOR PEACE WITHOUT FEDERATION

Mr. STREIT. The situation in the world and in our country is now such that it may well be truly tragic if the resolution is not enacted before this 92d Congress adjourns. True, surface signs lull many into believing that peace for our generation is around the corner and that even the danger of another world depression is fading away. Nonetheless, I would strongly urge that these hopes which the Peking and Moscow summits brought for peace and the Smithsonian monetary agreement last December gave the world economy are all likely to prove illusory unless the Congress supplements them this year by approving the resolution before you. The sooner Congress authorizes the proposed convention to explore the Federal Union approach to these and other major problems, the safer we and the free Atlantic community and the world will be.

Let us start by remembering what resulted only 34 years ago when Prime Minister Chamberlain was seeking peace by talking with the two strongest dictators of 1938, not by seeking to unite the free peoples effectively. In this very month in 1938, on September 21, yesterday, his Ambassador told President Benes that Czechoslovakia must unconditionally accept Hitler's terms or face Nazi Germany alone. On this very day, September 22, the Czechoslovak Government capitulated after a soul-searching and searing, all-night session.

On September 30, Mr. Chamberlain returned from Munich where Hitler and Mussolini had got him to swallow still more bitter terms requiring the strongest democracy in Eastern Europe to sacrifice, for all practical purposes, its liberty and life.

Let us not forget that the huge crowd of Britons who welcomed their Prime Minister at the London Airport that day cheered, with wish-begotten faith, his announcement that he had brought back "peace for our time."

There are, of course, differences between those efforts to advance peace by deals with dictatorship and President Nixon's visits to Peking and Moscow. The latter did not involve the sacrifice of any small democracy to gain badly needed time. They did gain precious time, and I would agree that they were wise and helpful for other reasons, too.

The point I would make just now is that hope for peace that is built on deals with dictatorships is fragile indeed, whereas nothing has proved so worthy of trust as union of the free by the strongest, fairest and most democratic principles—those of federation.

To center on the former and neglect the latter, as we have been doing, is to invite catastrophe—militarily, materially, and morally—the more so since experience and study show that the precious time democratic governments gain by stopgaps is very rarely used to

achieve enduring solutions and nearly always is worse than wasted, for it lulls governments and peoples into a false sense of security until it ends in catastrophe.

I would like to deal with the world situation more concretely a little later and, meanwhile, briefly speak to the nature of the resolution before us.

That part I would like to skip—the whole part about the resolution, the details about it, some of which have been told by others.

(The information referred to follows:)

WHAT THE RESOLUTION DOES AND DOESN'T DO

Let me now explain what this resolution does, and does not do. To start with the latter: It does not commit the United States or any other participating democracy to any Atlantic Union or federation or any other type of organization that the convention of delegates it authorizes may agree on. Nor does the resolution authorize the delegations to enter into the operating side of foreign relations, as some fear. The convention is limited to the problem—admittedly a huge problem—of devising more effective democratic machinery than the present NATO alliance, and the Organization for Economic Cooperation and Development, to deal with the concrete common problems of the Atlantic community.

Let me put it this way: The nations of that community now face a mounting pile of stony problems. They are seeking to break these huge boulders down to manageable size by the machinery of diplomacy. They are making dangerously slow progress. The task of this convention is not to tackle the boulders as such, but to work out a rockcrusher strong enough to break up the boulders that now block, or in years to come, will block, the road to greater freedom, peace and prosperity, and that have proved too hard for the sledge hammers—let alone tackhammers—of diplomacy to crack, or even dent seriously.

All that the U.S. delegation, or any other delegation, can do, is recommend to their government that it adopt, by its constitutional processes, the rockcrusher that the convention works out.

The language of the bill emphasizes the strictly exploratory nature of this enterprise. Moreover, it prevents the delegation from committing the Government even morally as the purely diplomatic conferences do. It prevents this by two provisions that make it differ basically from the latter. Consider the way it composes the delegation of "18 eminent citizens" to which it gives the responsibility to "organize and participate in" the proposed convention.

Diplomatic conferences are normally organized by the government that initiates them, and the delegations are named by the Governments that attend. That is why they involve a sizable degree of moral responsibility, especially for the initiating Government. Moreover, each delegation acts as a unit under its Government's continuing instructions.

How different is the example the United States would set in the delegation this resolution authorizes! Six of the 18 are to be named by the President of the Senate, six by the Speaker of the House and six by the President of the United States. Neither the Senate nor the House has any practical means of instructing their delegates, the kind the President has through the State Department in diplomatic conferences. Two-thirds of this delegation are bound to remain uninstructed, and hence cannot possibly commit those that appoint them.

Moreover, section 4(d) stipulates explicitly: "All members of the delegation shall be free from official instructions, and free to speak and vote individually in the convention." That covers also the six named by the President, and the State Department has already officially notified the Congress that it has no objection to this or any other provision in this resolution—as, I am happy to note, Mr. Springsteen has re-affirmed this morning to you for the State Department.

This bill, in short, gives the strongest, practical, builtin guarantees that the delegation or convention cannot possibly commit the United States, or the President, Senate or House. They are so strong that some will ask: "Why, then, call the convention?"

The answer is that these guarantees also give the strongest possible assurance that the delegates will enjoy the utmost individual freedom to explore thoroughly how best to work out an effective "rock-crusher." They will have the same degree of freedom that the scientists were wisely given by the Government when they

were commissioned to find the best way to release atomic energy—or to get men to the moon and back. This bill would have us put our trust in the immense resources of individual liberty, in this endeavor to find the way to win for freedom without another war or depression.

Many have long complained that political science lags dangerously behind physical science in developing the political machinery needed to govern in peace and freedom the world that science and technology are so rapidly changing. Well, here, at last, is a proposal to try to catch up by letting those who are eminent and experienced in this area tackle it with the marvelous inventiveness that individual freedom brings to bear when harnessed even to the most "impossible" goals.

Nor is this only theory, as regards this particular international political field. The features of this convention I have just emphasized are patterned on the convention that met in Philadelphia in 1787, when the Articles of Confederation, which created only an alliance of governments among the "Thirteen Sovereign States" failed to work. The delegates to it were officially named—as this resolution also provides—but they were free from official instructions. Those from each State not only spoke freely as individuals in all meetings but voted in all the roll-calls in the convention as individuals—with delegations frequently split.

Having long studied the debates and other documents of that convention, I am certain that; had they tackled the problem by the machinery of diplomacy, the convention would have failed (as so many have in our time) ! The opportunity to unite the "United" States in enduring fact, instead of in mere name, would have been lost; the New World would have gone the way of the Old. Thanks to the freedom the delegates enjoyed individually, the 1787 convention achieved what has often and rightly been termed a "miracle," the most effective, free and enduring solution of the problems of inter-state organization the world has yet seen—the solution since known as "Federal Union."

This resolution would have us tackle the similar problem we face in the Atlantic community not only—at long last—by the convention method that has proved most practical and successful, but would also center its attention on exploring the possibilities of applying between the Atlantic democracies the federal system that has proved the most workable answer, and brought so many advantages so long to free people wherever they have tried it.

SIGNIFICANCE OF "FEDERAL" AND "GOAL" IN RESOLUTION'S TEXT

The resolution specifically authorizes the convention "to explore the possibility of agreement on: a) a declaration that the goal of their peoples is to transform their present relationship into a more effective unity based on federal principles; b) a timetable for the transition by stages to this goal, and c) a commission to facilitate advancement toward such stages."

This centering on the federal approach is justified because we have not yet explored it with the other free peoples of NATO; we have confined ourselves to exploring with them such Old World approaches as leagues and alliances, instead of the only one that has stood the test of time—and happens to be our own, and gave us the leading role we now have.

Because the federal system has also safeguarded small states best from domination by the big one, our quarter-century unwillingness to explore it with our closest allies—however noble the motives the State Department has given for this—has encouraged the belief in Europe that our real motive is to remain in the dominating position which alliance gives the strongest ally. Consequently, the explicit reference to "federal principles" in this bill will greatly and favorably increase its moral impact in Europe, Britain, and in our federal neighbor, Canada.

The resolution's specific stress on "federal principles", however, does not preclude the convention from exploring nonfederal alternatives; it merely precludes continuation of our long failure to explore the federal answer. One can be certain that opponents will urge other solutions in the convention.

Let me also stress the importance of another word in the above passage: "goal." That word, and subsequent, should reassure those who assume this is an unrealistic effort to achieve a full federal union overnight. It also leaves opponents, here or elsewhere in the Atlantic community in this dilemma:

They can oppose it only on the ground that the best way to advance peace and freedom is either to continue to drift aimlessly—an obviously untenable position—or they must agree that a nonfederal method will work better than a federal one.

Those who oppose point (b) must contend that the convention, after setting a goal, should not be authorized to try at least to reach it before catastrophe by setting also some target date. Who will argue thus—in face of the fact that coupling the goal of reaching the Moon with a 10-year deadline greatly helped achieve it? Those who balk at point (c) must take the still more untenable position that no machinery should be set up to expedite the transition stages.

It would be hard to frame a more realistic, practical and prudent approach than the bill before you offers, to achieve in good time the most effective, time-tested way to crush not only those huge rocks that now block the road to greater freedom, peace and prosperity—and, (make no mistake about this) can crush us if we continue putting all our trust in deals with dictators, and the tack hammers and sledge hammers of diplomacy.

Let me now return to the world situation that I believe makes enactment of this resolution before adjournment truly urgent.

Senator COOPER. Speak a little louder; speak closer to the microphone.

Senator MCGEE. Mr. Chairman, I wonder if I might interrupt for just one moment to pay my respects to my longtime friend, Clarence Streit?

I was sorry to be late this morning. I have been stacked in an airplane from New York for nearly an hour; it is an old story.

Senator AIKEN. Hijacked to Washington? [Laughter.]

Senator MCGEE. You don't use that expression.

I wanted to say I have submitted a statement for the record, Mr. Chairman. I appreciate your initiative in making this hearing possible so that we can complete the record. I have to go now to an AID markup.

COMMENDATION OF WITNESS

I didn't want to let your presence here, Clarence, pass unnoticed by me, because you are the page of history that makes this moment possible. In the academic world I came in on your coattails when you started this business many years ago. That dates both of us, I guess, but I want to commend you for your undying patience with us and with a great many people in trying to bring your idea into fruition. We think the time is near and ripe and you have our complete support here. My good friend, John Cooper, will make sure that we get the best of the efforts here and I will go over and try to save some of the AID program.

Mr. STREIT. Thank you very much, Senator McGee. Your presence here makes me very happy and I am ambarrassed by your kind words.

Senator MCGEE. It is the kind of embarrassment I am sure we can all survive.

Mr. STREIT. Thank you.

Senator MCGEE. It doesn't always happen that way at some of our hearings.

Senator COOPER. I thank Senator McGee very much. He has been the leader in this movement and I am sorry you can't be here to chair this meeting.

Senator MCGEE. I am glad you are here and the Senator from Vermont. Thank you, Clarence.

Senator COOPER. Proceed to your main points.

Mr. STREIT. Mr. Chairman, I would like to skip now to page 10 and I would welcome questions on any of the intervening pages. Would that be all right?

Senator COOPER. Yes. We will wait until you finish.

PRICE PAID FOR ADVANTAGES OF PRESIDENT'S VISITS

Mr. STREIT. The price paid for the time gained and the other advantages resulting from President Nixon's visits to Peking and Moscow was high, notably in nourishing longstanding fears among our European allies and in such promising new recruits to democratic government as Japan that deals would be made at their expense without their knowledge and without their having a voice in them.

TRANSATLANTIC DIFFERENCES, FRANCO-GERMAN RIVALRY COMMON MARKET

This came at a time when transatlantic differences were already growing and when the old Franco-German rivalry for control in Europe was already rising. So, too, is doubt about the Common Market future of Britain and even of Norway and Denmark. Both are holding popular referendums soon on whether they will enter it and public opinion surveys in Norway indicate rejection there.

MIDEAST DANGERS

The Mideast dangers remain highly volatile and explosive, so much so that mass murders of Israeli athletes at the Olympic games by Palestinian terrorists led to Israeli reprisals by armed invasions of neighboring countries; and these are followed by plastic bombs being sent to Israeli diplomats around the world in innocent-looking letters that explode on being opened, and have already killed one man.

POSSIBLE SOVIET PREVENTIVE NUCLEAR STRIKE AGAINST CHINA

The threat to peace that most disturbs me now, however, is that of a possible Soviet decision in 1973 to make a preventive nuclear strike against China. Were this danger not growing, Peking would not have invited President Nixon who—Mars knows—needed to go to Peking if he and we are to avoid having our departure from Vietnam encourage a nuclear confrontation with Moscow in the Mideast.

Moscow may well reason now that Washington commitments to the Jews are much more real than any support it might give Red China at the crackdown and that proving in China that the United States is a "paper tiger" would be just as helpful to Moscow's Mideast ambitions as nuclear confrontation there.

Two columns in the Washington Post on September 13 concern two factors in this picture: One, by Victor Zorza, entitled "Storm Brewing for Brezhnev," brings out his domestic difficulties, the kind that led to "Mr. K's" sudden fall a few years ago. The other, by Joseph Alsop, headed "Political Hallucination," deals with the importance of the 1973 time factor in the increasing military preparations along the Russo-Chinese frontier and the speed of China's rising nuclear power.

These columns were followed in the Post on September 17 by a balanced report by Stanley Karnow headed, "Soviets Add to Forces on Border/China-Russia Tensions Rising." It is based on official U.S. analysts who confirm "a rise in the political dispute between Moscow and Peking, paralleled by the strengthening of the Soviet military forces along the Chinese border." I hope these three reports may be annexed to my statement. (Annex 1.)

Russian diplomatic preparation for any preemptive strike at China will certainly exploit inter-European and transatlantic differences and those between Washington and Tokyo in an effort to assure that we and our allies will be neutral if and when Russia strikes to upset the world balance drastically in its favor.

What if Congress fails to act now and Moscow strikes in 1973 to knock out nuclear China, strikes while encouraged by a chaotic Atlantic "community," mindless because its peoples lack the effective means of making up its mind in time that "we, the people" of the 50 United States have? Minus therefore also will, minus courage, purpose, vision? God help us, then, when we can move from weakness alone, too late, too little.

EFFECT OF CONGRESS CALLING CONVENTION TO EXPLORE FEDERATION

Should Congress, however, decide now to call the convention to explore federation as the Atlantic goal, this decision will certainly throw the Kremlin off balance, and Peking, too. Uncertain leaders blow only uncertain trumpets, doomed to futile actions. Meanwhile, the preparations that the delegation set up by this bill will be making to have the convention held in late 1973 or early 1974 can be expected to give pause to Moscow and Peking, and hope in Atlantica, the rest of the world, and peace.

In a letter to Senator Mansfield, stressing that by deciding now to call the proposed convention we might well deter this threat, I wrote, on September 17:

> This danger will seem quite improbable to many now amid the euphoria over wheat sales to Moscow, when the only question they rouse is, which Americans will profit firstest and mostest. Yet any government that is considering making such a strike before it is too late must obviously first build up a stockpile of wheat, especially if its timetable has run into a bad harvest. (Incidentally, one of the factors that led me to forecast in July, 1938, that Hitler would launch World War II not only in 1939 but in late August, was that the main harvest would then be over.)
>
> You may well be more optimistic—

This is a letter to Senator Mansfield—

> than I about the Russian-Chinese situation. Still, your letter to me last fall in which you so kindly said, "You have done your best to prevent another conflict and your warnings have been well timed but not well enough heeded," this encourages me to believe that you will use your great influence to deter any such danger, however remote it may seem, by getting Senate approval now for the Atlantic Union bill—a constructive way to peace that involves no risk, costs nothing in lives, money and honor, asks only that it (the federal approach) be given the most searching, comprehensive and realistic investigation possible by those in all the democracies concerned who have the most experience and stature in this field, and yet has already been kept waiting at the Senate door for nearly a quarter-century, shunted aside by priority given to other ways to peace that all now regret.

WORLD MONETARY-ECONOMIC SITUATION

I wish I had time to deal with the world monetary-economic situation. I devoted nearly all my testimony at the House hearings to this grave problem, documenting why I believed that the dollar was in imminent danger of leaving gold and upsetting the world economy. That was on July 15, 1971. Just 1 month after that warning, President

Nixon, on August 15, launched his new economic policy. By it we sought to strengthen our trade and retain the remainder of our gold reserves by suspending the convertibility of the dollar and putting it on a floating basis.

I would point out now only that this policy has thus far failed to curb inflation or keep our budgetary and international payments deficits from continuing to soar, or to restore confidence that the world dollar is still as good as gold or produce any stable currency basis for world trade.

I would like to annex to my statement (Annex 2) the part of my testimony in the House last year documenting with facts and figures why Atlantic Union could provide the world the stablest currency by far that it has ever known and why a decision now to call the convention to explore this answer would help greatly to restore confidence in the dollar. I would like to annex also some excerpts from my editorial comments on later developments in this world monetary field. (Annex 3.)

NECESSITY OF RECURRENCE TO FUNDAMENTAL PRINCIPLES

To conclude, when I was writing "Union Now" in the 1930's, one sentence in the Pennsylvania Constitution of September 28, 1776, expressed so much wisdom so pithily that I made it the text of a key chapter, the one entitled "How to Organize the Democracies." Here it is: "A frequent recurrence to fundamental principles (is) absolutely necessary to preserve the blessings of liberty and keep a government free."

To me, one of the most powerful of the many reasons for deciding, this year, to call the convention to explore the Federal answer to our major Atlantic challenges is simply this: Nothing else can bring so deeply, widely, effectively, inspiringly, creatively that recurrence to fundamental American principles—a recurrence that has been all too infrequent in my lifetime and is now grievously overdue.

Most Americans—judging partly from my many question and answer talks throughout our country since 1939 on Federal Union of the Free—have had no more education in U.S. history than I, myself, had—1 year in high school—before "Union Now" led me in my thirties to study it thoroughly. The creation of our Federal Union was more than a teenager task; it was more than a man-sized enterprise; it required a galaxy of great men, and too many of us still have only the teenage idea of it that they got, maybe 1 year, in high school. No wonder so many of our youth now despair so soon of our Government and drift so far from our fundamental principles toward Old World concepts and methods that are quite the opposite.

Had we Americans recurred to our fundamental free Federal principles, we would not have put our hope for world peace, as we did in my childhood at the turn of the century, in the creation of merely a world court of nations. Had we turned then to those principles would there have come World War I?

Had we, after that holocaust, turned back to those principles, I believe we could have been spared World Depression I in 1931, the resulting rise of Hitler and World War II. But President Wilson, and the majority even in the Senate (though not a two-thirds majority

there), sought to make the world safe for democracy and end war by a worldwide version of the league system that had failed so badly to attain those objectives, even for our Thirteen States, when united only in the league of friendship or the Articles of Confederation.

President Wilson's opponents and successors strayed even further from our basic way of life into isolationism and neutralism between freedom and dictatorship abroad, into trusting the golden calf of cash and carry to keep them out of war.

RESULTS OF STRAYING FROM FUNDAMENTAL PRINCIPLES

Since World War II, we have trusted in another worldwide league plus an alliance of the North Atlantic democracies. In this rocket-atomic era we have continued to trust freedom and peace to principles that our Forefathers tried in the time of the oxcart and muzzle-loading musket and scrapped as unworkable even then. And the results now?

The once almighty dollar left gold only a year ago to save our and the world's economy from depression II and prove it was as good as gold. The dollar's value in the world market is now only about half what it was worth in gold on August 14, 1971. As I said, our national and international deficits continue their threatening rise.

Peace? On the very day—September 14—when the Senate was adding tough guidelines to its acceptance of the 5-year SALT Agreement, the House approved, 322 to 40, a $74.6 billion appropriation for defense, said to be the hugest 1-year defense appropriation since World War II.

Before World Wars I and II and World Depression I, no serious effort was even made to recur to the fundamental principles that are "absolutely necessary to preserve the blessings of liberty and keep a government free." We strayed from them thoughtlessly, blindly. History will find there is not even that excuse for the continued deviation from them since World War II.

BLEAK RECORD CONCERNING FEDERAL ALTERNATIVE

Throughout the past quarter century, the Congress, the President, and the State Department have been faced with the Federal alternative. Since 1949, congressional resolutions to recur to our fundamental free Federal principles have repeatedly asked them to call a convention to explore with our NATO allies agreement to make the Federal answer our goal.

Starting with such leaders as the late Justice Roberts, Undersecretary of State Clayton, Secretary of War Patterson, Senators such as the late Estes Kefauver and your former chairman, Walter George, and such Congressmen as the late James Wadsworth and Christian Herter, to mention none of the many who still live and support this proposal, it has continued throughout to enjoy impressive support here and abroad. Yet, hitherto, it has always been opposed by the executive branch and though neither the Senate nor the House has ever voted it down, neither has yet approved it.

What will history say of that bleak record? Is it not already the worst of the three chapters which our generation has written in the history of free government? And what will history say if in the Congress now about to pass into history this proposal suffers the same

fate—now, when the Chief Executive is a 1951 cosponsor of it and a 1966 endorser who has got the State Department to notify you it no longer objects; now, when the resolution is cosponsored by both the majority and the minority leaders of the Senate and the same text has already been recommended by a 22-to-9 majority in the Foreign Affairs Committee for approval by the other body where it also has the support of the Majority leader of the House?

Thank you. I leave the question to you to answer.

(Conclusion of and annexes to Mr. Streit's statement follows:)

The decision you make now on this proposal is, I submit, no less vital than the one that faced the Congress in December 1862 on how best to meet the challenge then to our fundamental principles of Federal Union of the Free. And so I would commend to you those words of President Lincoln then: they led that Congress to take the way that has gone ringing on through history ever since:

"Fellow-citizens, we cannot escape history. We of this Congress and this Administration will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us. The firey trial through which we pass will light us down in honor or dishonor to the latest generation. . . . We—even we here—hold the power and bear the responsibility. We shall nobly save or meanly lose the last best hope of earth . . . The way is plain, peaceful, generous, just—a way which, if followed, the world will forever applaud, and God must forever bless."

ANNEX I TO STREIT STATEMENT, THREE RECENT WASHINGTON POST COLUMNS ON RUSSIA, CHINA, AND THEIR RISING TENSIONS

[From The Washington Post, Sept. 13, 1972]

STORM BREWING FOR BREZHNEV

(By Victor Zorza)

The storm clouds gathering over the Kremlin could be the first intimation of a new conflict in the Soviet leadership.

This year's disastrous harvest is being blamed on the weather, while the expulsion of the Russians from Egypt is blamed on the undependable Arabs, but a good management team in Moscow might have averted both mishaps.

This at any rate, is what would be said by those who have been kept off the team by Leonid Brezhnev, the Soviet Communist Party's general secretary, and who believe that they could have done better, as unsuccessful aspirants to high office everywhere believe.

In the West, they would have an opportunity to trumpet their claims from the election hustings every four years or so. In the Soviet Union, they have usually had to wait for an accumulation of bad luck and political errors on the part of an incumbent leader to trip him up.

The first indications of leadership trouble are usually provided by the Moscow rumor mill, and by indications between the lines of the Soviet press that not all is well.

The U.S. Embassy in Moscow has now picked up enough of the background noise to send Washington a dispatch detailing the reasons Brezhnev's position might be regarded as somewhat shaky. Both the harvest and the Middle East fiasco loom large in its assessment.

The United States has made use of Brezhnev's political need for foreign grain and other goods to force him into concessions. The bombing and mining of North Vietnam just before the May summit was the stick, and the possibility of large and prompt grain supplies to avert a domestic crisis was an important part of the carrot.

Secretary of Agriculture Earl L. Butz was sent to Moscow to explore the possibilities just before the summit. On his return, he said that the Rusians "understand the language of naked power—the kind of language President Nixon is now speaking."

The Soviets virtually abandoned Hanoi, and pressed it so hard to make a deal with the United States as to cause the North Vietnamese press to hint at betrayal by Moscow. Soon after that American grain began to flow to the Soviet Union.

But this was before the full extent of the harvest failure became evident even to the Russians. Further indications of future food shortages have become available since then, and present sabotages are already being reported from such sensitive areas as the highly industrialized Gorky Province.

Brezhnev's need for foreign grain is likely to become greater, not less, and so is his vulnerability both to pressure from abroad, and to criticism at home.

The critics could blame him first for failing to put agriculture on its feet, which he promised to do when he overthrew Khrushchev, and then for making concessions to the United States in exchange for the grain he has failed to produce himself.

Khrushchev's own position was weakened considerably by his agricultural failures and his decision to pour Moscow's precious hoard of gold into capitalist coffers in exchange for grain.

Brezhnev's failure in Egypt is also linked with his dealings with the White House. Cairo claims that it ordered the expulsion of the Russians only after Brezhnev had committed himself at the Moscow summit to withhold the arms Egypt wanted. Brezhnev's domestic critics could thus argue that his concessions have greatly weakened the Soviet Union's position in the world.

Certainly just before the summit there were those in the Soviet leadership who were unalterably opposed to Brezhnev's intended concessions. But Ukrainian party chief Pyotr Shelest, who was dismissed on the very eve of Mr. Nixon's arrival in Moscow for precisely such opposition, is still a full voting member of the Kremlin Politburo.

The flurry of Soviet press articles after the summit to defend the Moscow accords against unidentified Communist critics made it clear that Shelest and his friends had not surrendered.

Even the agreements on strategic arms limitation are giving rise, between the lines, to a leadership debate which shows that Brezhnev's wisdom is being questioned.

[From The Washington Post, Sept. 13, 1972]

POLITICAL HALLUCINATION

(By Joseph Alsop)

Plain, downright hallucination is the only word that describes the kind of unreality characterizing the election campaign to date. Senator George McGovern says that the U.S. can get along very nicely without a serious national defense. President Nixon intimates that he has already brought peace in his time—or will soon do so.

Meanwhile, the central fact in the world political landscape is not the Vietnam war. It is not even the dangerous Middle Eastern situation, that produced the murders at the Olympic games and the subsequent Israeli reprisals. It is something infinitely worse, at least in its future potential.

It is in fact the never-ceasing Soviet military buildup on the frontier of Communist China. According to an accurate recent report, three new mechanized divisions have been added, this summer, to the Soviet forces now threatening China.

Anywhere in this town, you can get an argument about the resulting total of these Soviet forces. In the Pentagon, 49 divisions is a good average estimate. In the Central Intelligence Agency, certain analysts are deeply wedded to the old "liberalization" theory about the Soviet Union. These men have therefore been fighting a powerful rearguard action against the facts, ever since the Soviet buildup began. Hence their figure is below 49 divisions.

Both in the CIA and in the Pentagon, there are also very able men who use figures well above 49 divisions.

In addition, Soviet units not divisionally organized, Soviet border guards, and the puppet Mongolian divisions, all rather obviously need to be counted.

Furthermore, the Byzantine workings of the American "order of battle" system make it quite automatic that even the highest estimate tends to be an underestimate. Only two things are certain. The Soviet buildup is still in progress, growing more menacing with each passing month. And this buildup has now reached really vast proportions.

There are simple reasons, too, why this mounting Soviet threat on China's frontier is really the central fact in the world political landscape. The purpose, quite

obviously, is a preventive attack to destroy china's nuclear power, before China's nuclear power grows too great. The Soviet decision, whether "go" or "no go", must also be made not later than the end of 1974. After that, the snake will be too big to scotch.

This reporter has heard at least one U.S. government insider—a man of extreme ability—place the odds on a Soviet "go" decision at no less than 70-30. Most would put the odds much lower. Yet no one can deny, in the face of the facts about the Soviet buildup, that there is at least a material chance that the decision will be "go."

If that is the case, in turn, the whole world will be automatically plunged into something like a Hitler-time without an Adolf Hitler. An unprovoked Soviet attack on China must begin with a nuclear attack. Such a development will alter every calculation, including every calculation about Soviet behavior in other crucial areas, like the Middle East.

In sum, there is a great and desperate turning point ahead. One kind of turn will produce the results summarized in the preceding paragraph. The other kind of turn will lead to a wholly novel development of great power relationships, not without risk but at least rational. And this development will emphatically include the U.S.-Soviet relationship.

Add, further, that the threat on China's frontier has been the single secret of President Nixon's diplomacy. Without that threat, he could never have been invited to Peking. Without the invitation to Peking, the Moscow meeting would also have been impossible, at least in the circumstances of that moment. Add, finally, that the primary long term aim of the President's entire diplomatic program is to pass the desperate turning point, now lying just ahead, without Hitler-like consequences.

You can see, then, why the atmosphere of the presidential campaign can be, indeed must be called hallucinatory. A good deal of the blame belongs to the press. With a few honorable exceptions like William Beecher of The New York Times, the U.S. press now takes McGovern-like views on such matters. The central political fact in the world landscape is therefore too unpleasant to report or discuss.

In these circumstances, you cannot blame the candidates. But it is hard to be charitable about the liberal intellectual community, where the tendency to self-delusion ultimately originates.

[From The Washington Post, Sept. 17, 1972]

SOVIETS ADD TO FORCES ON BORDER—CHINA-RUSSIA TENSIONS RISING

(By Stanley Karnow)

Official U.S. analysts perceive a rise in the political dispute between Moscow and Peking paralleled by the strengthening of Soviet military forces along the Chinese border.

But the competing Communist powers are believed to be avoiding clashes of the kind that brought them close to war in 1969.

Analysts here suggest that Sino-Soviet tensions have been increasing as a result of growing differences on various international issues. These include rivalries for influence throughout Asia as well as uncertainties regarding U.S. policies toward Moscow and Peking.

Administration sources indicate, meanwhile, that the Soviet Union has recently added the equivalent of three divisions to its forces deployed along the Chinese frontier. Moscow is now believed to have nearly 50 divisions in the border region, which stretches more than 6,000 miles from the Pacific Ocean through Mongolia to Central Asia.

In a dispatch from the Chinese province of Inner Mongolia this week, United Press International reporter Sam Jaffe quoted a local official as saying that there have been "repeated provocations by the Soviet Union against China this year."

The local official, Yu Tianchin, told Jaffe that the Soviet forces continue to "threaten" China by holding maneuvers in the frontier region.

The sources see the Kremlin's buildup as part of a continuing development as the Russian leadership estimates the Western threat to the Soviet Union to be receding. According to specialists here, Soviet strategists consider their buildup to be a defensive precaution against the possibility of attack by the "irrational" Chinese.

Consonant with their "defense-in-depth" concept, the Chinese have reportedly refrained from moving fresh forces into frontier areas. But the Soviet leaders are thought to be concerned by the rapid modernization of China's advanced weapons capabilities.

In addition to their arsenal of nuclear weapons, the Chinese have been testing medium-range ballistic missiles with a range of more than 2,000 miles. One missile site located in northeast China is apparently regarded by the Soviet leaders as a potential menace to their Siberian cities.

While they describe the Sino-Soviet military confrontation as having reached a "stalemate," U.S. experts point out that the political conflict between Moscow and Peking has intensified within recent weeks.

The Kremlin is said to be particularly concerned by the prospect that China and Japan will establish formal diplomatic relations soon after Japanese Prime Minister Kakuei Tanaka concludes his scheduled visit to Peking later this month.

The Russians have been trying to improve their ties with Japan in order to offset an expected Japanese detente with Peking following President Nixon's visit to China in February. But, as one U.S. official noted yesterday, "the Chinese are way ahead in the race" for Japan.

The Chinese, in contrast, have displayed bitterness at what they consider to be a reinforcement of Soviet influence in India since the Indo-Pakistan war and the creation of the independent state of Bangladesh.

In his veto of Bangladesh membership in the United Nations on Aug. 25, the Chinese delegate delivered a blistering attack on the Soviet Union, accusing the Russians of acting "with honey in their mouths and daggers in their hearts."

Several U.S. analysts believe that Chinese Communist leader Mao Tse-tung was obliquely seeking to charge the Soviet Union with meddling in China's internal affairs when he disclosed last month that Marshal Lin Piao, his heir-turned-enemy, died in the crash of an airplane headed toward Siberia.

The Chinese also irritated Moscow earlier this year by publishing an atlas that listed the Soviet Union as a "European country." The atlas said as well that Czarist Russia deprived China of 1.5 million square miles of territory in the late 19th Century.

Within the past two months, however, the Kremlin's propaganda directed against Peking has been consistently stronger than Chinese attacks against the Soviet Union.

Among other things, the Russians have contended that Peking is colluding with the Nixon administration to keep American forces in Southeast Asia. The Kremlin bases its contention on a statement by Rep. Gerald Ford (R-Mich.), who claimed after a visit to Peking that the Chinese told him that a U.S. withdrawal from the Pacific "would create instability."

ANNEX 2 TO STREIT STATEMENT: EXCERPTS FROM TESTIMONY OF CLARENCE STREIT AT THE HOUSE HEARINGS ON THE ATLANTIC UNION DELEGATION RESOLUTION, JULY 13–15, 1971, STRESSING THE IMMINENT DANGER OF THE DOLLAR LEAVING GOLD[1] AND GIVING THE FOLLOWING REASONS WHY ATLANTIC UNION WOULD PREVENT ANOTHER SUCH WORLD MONETARY CRISIS, AND WHY ENACTING NOW THE RESOLUTION FOR A CONVENTION TO EXPLORE THIS SOLUTION WOULD HELP IMMEDIATELY TO RESTORE WORLD CONFIDENCE IN THE DOLLAR

Why Atlantic Union Would Prevent, Lastingly, Another Monetary Crash

It is demonstratable—not guesswork, as with all alternatives—that Atlantic Union would do even more than end, enduringly, the danger of another monetary crash; it would also bless world trade with, for the first time in history, a common measure of value almost as stable—compared with alternatives—as are the

[1] Note: The dollar "floated" off gold one month later, Aug. 15, 1971—C.K.S.

metric measures of everything else. I submit that this is proved by the figures and facts in Table I.

The best way to measure the degree of stability, or of unstability, in the world monetary system at any given time is by the ratio of short-term claims convertible in gold to the amount of gold behind the key currency. So long as the ratio of 99c to 100g, the world currency is obviously stable.

When this ratio is reversed to one of 100c to 99g, the currency has passed from a condition of obvious stability, or liquidity, to one of theoretical instability. But, for all practical purposes, it remains stable as long as the gap between quick liabilities and quick assets is too small to worry major creditors.

When, however, the gap reaches the point where the claims are, say, about twice as great as the gold, it is prudent, I believe, to consider it a warning that a potentially dangerous degree of fever has been reached—and folly to ignore it. That is why I wrote the article, "The Danger to the Dollar—and How to End It," which appeared in the November 1963 FREEDOM & UNION. It stressed that the official June figures showed that the world total of short-term convertible claims on the dollar had reached $25-billion, while U.S. gold had sunk to $15.8-billion.

(The prevailing U.S. view at that time dismissed the concern expressed by President de Gaulle about this as proof he was "anti-American," and too blinded by "delusions of grandeur" to realize that nothing could shake confidence in the Almighty Dollar.)

Certainly when the reading on this monetary thermometer reaches a ratio of convertible claims four times greater than the gold on hand to convert them, it should be evident that the flush on the dollar's check is not the ruddy bloom of health but proof that fever is nearing a fatal degree.

Well, Part A of Table 1 shows that we reached this explosive point on April 30—the latest official figures available. The total foreign convertible claims had reached $46-billion, while U.S. gold had sunk to $10.9-billion[2]—a ratio of 46 to 11, or 4.2 to one. That was when the run from the dollar to the mark began in the first week of May.

(De Gaulle was then dead. . . . spared the painful fact that the run was not to the French franc but to the mark of the vanquished enemy . . . whose currency had been reduced by defeat to cigarettes, 25 years ago.)

I should point out that this ratio is not an official figure; the monthly *Federal Reserve Bulletin*—the source of my data regrettably does not include it, or any such thermometer-reading on the health of the world dollar. However, from the data it does give on convertible claims and on the gold reserves of all but the communist nations, anyone can work out the ratio, and this has been done in the table.

Now, to explain why the world currency's present dangerous degree of fever would be ended, immediately and lastingly, by a decision of the NATO allies to transform the alliance into a federal union:

First, one must understand that if the peoples of the NATO alliance decide to transform it by stages into an Atlantic Federal Union—if only as regards currency and trade within it—the end result would include the creation of (1) a common currency backed by their joint gold reserves, (2) an Atlantic equivalent of the U.S. Federal Reserve System to manage it, and (3) a Federal Government elected by their citizens to make and enforce the laws necessary for governing this common concern. It would also mean the transformation of the present short-term convertible claims on U.S. gold held by our allies into domestic Atlantic Union claims, guaranteed by its government.

Part B of the Table is based on the same data of April 30 used in Part A—so as to permit a fair comparison with the present situation. It shows why this decision to transform the alliance into a federation would reduce the current panic-point degree of high fever to a normal, healthy temperature. It brings out two badly neglected but very happy facts, namely:

(1) The gold reserves of our allies together with our own would put behind the Atlantic Union currency a total of $27.9-billion in gold.

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[2] According to the latest *Federal Reserve Bulletin* (August 1972) these short-term U.S. liabilities to foreigners had risen by June 30, 1972 more than $11-billion—from $46-billion to $57.5-billion—while the U.S. gold stock had grown on the same date, through devaluation of the dollar, to only $13-billion. Our ratio of short-term debt to foreigners has thus risen to $57.5 to $13, or $4.4 to $1.—C.K.S.

(2) Their short-term convertible claims on the U.S. gold reserve of $10.9-billion total $25.3-billion. Federation, please remember, would transform this into domestic claims on the Union government (as inconvertible as such domestic liabilities are in the U.S. and other NATO nations now). Consequently, the present $46-billion world total of foreign claims on U.S. gold, which, now threaten crash and depression, would be reduced to $20.7-billion—more than cut in half.

Thus, Atlantic Union would replace the current explosive monetary ratio of $42 (in claims) to $10 (in gold), or 4.2 to 1, with a safe and stable one of $21c to $28g. In shorter figures, the present 4 to 1 ratio of quick liabilities to quick assets would be converted by Atlantic Union into the sound ratio of 3 to 4, or 1 to 1.3. Since the Union could pay in gold all convertible claims, and still have $7-billion left in gold, there would no longer be any incentive to run for gold; the incentive would be to hold on to those claims, since they earn interest and gold doesn't.

I said that Atlantic Union would end the present danger enduringly. The reason is that the Union would, I feel sure, follow the wisdom of our own Founding Fathers in constituting an open-end federation. As other nations who desired to enter it—and the Union agreed were able to live up to its standards of civil liberty and citizen sovereignty—as they were admitted to the Union, its gold reserve would increase, and the foreign short-term claims against its gold would decline. With this classic "one-two punch" it would strengthen its currency.

To demonstrate this, Part C of Table 1 gives the figures for three examples: (a) the effect of admitting merely two unquestionable democracies—little Switzerland and Sweden. Next, since their tradition of neutrality will probably make them hesitate to seek admission, (b) the effect of admitting even six of the many that would quickly seek admission (say, Australia, Israel, Japan, Mexico, and the Philippines and Venezuela). Finally (c) the effect, monetarily, when both groups (a) and (b) are admitted.

This part of the table shows that the admission of Switzerland and Sweden (though their combined population is only 14-million) would increase the Union's gold reserves to $30.9-billion while reducing foreign convertible claims against it to $17-billion—a ratio of $17 to $31—or *nearly 1 to 2*. The admission of group (b) would increase the Union's gold to $29.8-billion and reduce the convertible claims to $11.3-billion—a ration of $11 to $30, or *nearly 1 to 3*. When groups (a) and (b) are admitted, the convertible foreign claims would sink to $7.6-billion while the gold would rise to $32.8-billion—a ratio of *more than 1 to 4*—completely reversing the current TNT ratio of $4 to quick liabilities for each quick asset of $1 in gold.

I would like to have Table 1 inserted in the record at this point.

TABLE 1.—COMPARISON OF EXISTING WORLD CURRENCY INSTABILITY WITH THE STABILITY THAT ATLANTIC FEDERAL UNION WOULD GIVE

[As of Apr. 30, 1971—latest official figures from June "Federal Reserve Bulletin"]

Part A: The Degree of Instability Now

	Billions
World total of foreign short-term claims on U.S. dollar, convertible in gold	$46.0
Total U.S. gold reserve	10.9
Ratio of above convertible claims to available gold [1]	$46 to $11, or $42c to $10g, or $4.2 to 1

Part B: The Degree of Stability that Atlantic Union Would Give at its Start

	Billions	
	National gold reserve	Short-term claims on U.S. gold
NATO allies (members of proposed Atlantic Union):		
Belgium-Luxemburg	$1.6	$0.8
Canada	.8	3.2
Denmark	.06	.2
France	3.5	2.3
German Federal Republic	4.0	10.3
Greece	.1	.1
Iceland	.01	.01
Italy	2.9	1.9
Netherlands	1.9	.7
Norway	.05	.4
Portugal	.9	.28
Turkey	.1	.04
United Kingdom	[2] 1.1	5.1
United States	10.9	0
Total for NATO or Atlantic Union	27.9	25.3
World total of foreign short-term claims on Atlantic Union gold (after deducting above $25.3 billion from the $46 billion total convertible claims on U.S. dollar now)		$20.7
Ratio of convertible claims to the Atlantic Union's gold: [1]		$20.7 to $27.9, or 1 to 1.3, or 3 to 4

Part C

Examples of how the Atlantic Union currency's stability would grow by admission of other nations to it (see accompanying text for explanation):

Example (a): The admission of merely Sweden and Switzerland would reduce the convertible claims on the Atlantic Union's gold to $17,000,000,000, and increase its gold reserve to $30,900,000,000, making the ratio $17c to $31g—nearly 1 to 2.

Example (b): If the first to be admitted were, say, these 6—Australia, Israel, Japan, Mexico, the Phillippines, and Venezuela—they would reduce the claims on the Union's gold to a mere $11,300,000,000, and increase its gold reserve to $29,800,000,000. That would make the ratio $11c to $30g—almost 1 to 3.

Example (c): If groups (a) and (b) were both admitted, the total foreign claims on the Union's gold would sink to only $7,600,000,000, while its gold would rise to $32,800,000,000. The ratio then would be 1 to more than 4 in the black—the exact reverse of the current explosive U.S. ratio of more than 4 to 1.

[1] None of the ratio figures are from the Federal Reserve Bulletin; all are calculated from its data.
[2] March 31.

It will, of course, take time to make any such Union. But the mere calling of the proposed convention to explore Atlantic Union would have a particularly good effect in this regard, I believe, because the major factor in monetary affairs is confidence, credit, faith. In this case, it depends on what people believe about the dollar, and particularly what they believe about the U.S.

If now, at long last, we astonish the world by your committee recommending that we call a convention to explore Atlantic Federal Union—even though we are not commiting ourselves to any end result—the fact that we offer to explore the best possible answer will have a great, immediate favorable psychological impact on people, especially in Europe where much of the danger lies, and in our own country. The fact that we would be heading toward the system that has proved best over a long span of time could and, I believe, would turn the tide from distrust to renewed confidence. This is why I believe it is highly urgent that your committee should expedite—not only approve but *expedite this resolution.*

JULY 15

Mr. FRASER. Mr. Streit, would you like to make some further comments before we question you?

Mr. STREIT. Yes, I would. * * *

We are now, indeed, in the same chaotic situation that happened in 1931 when the British put such an embargo on their gold. Yet there have been gentlemen here—I wish they were here now—who, by their questions, imply we have any amount of time in which to do this, to end this danger. * * *

These are the conditions in which panic can begin. I think it would start from two sources. I doubt that the Central Banks, until it got going, would move in; they know the dangers too well. But the Euro-dollar, this is a new phenomenon—they didn't have anything like it in 1931—and it is not necessarily an improvement. * * *

As a newspaperman, I covered the London Monetary and Economic Conference in 1933 when they were trying to peg the pound to the dollar—get it back on gold. You could see in the newsroom there the reports thereon that went out. You could also see the dollar and pound, prices and exchange rates, fluctuating on the ticker tape on the news that went out from that room at the time. The situation is now even more volatile.

I stressed the other day how universal in scope this is, because everybody has some money in their pockets and they need it to live, and to realize their dreams.

Mr. FRASER. One has the impression that the rather temporary crisis that we experienced a few months ago is potentially far more threatening than one would have perceived. I think our government wisely so played it in very low key, which did not begin to reflect the dangers that we are running at that point. I mean, at least that is the impression I carried away from the experience of those few days.

Mr. STREIT. Mr. Chairman, you are quite right. If they had not played it low key, we would be in chaos now, I fear—considering what happened when the former Federal Reserve Board chairman, Mr. Martin, made his speech in 1965; it rocked all the world markets then. Well, there is another factor in this.

* * * * * * *

Mr. STREIT. The run to the mark came in part from Americans, from the European branches of American banks and other corporations that were not making much if any profit in the U.S.A. last year and wanted to have the advantage of investing funds at the higher rates prevailing in Germany. Only last week, five or six major banks in our country have reported on the first quarter of 1971, and every one of those whose reports I read in The New York Times and the Washington Post reported a substantial loss in domestic operations. The last one is in the paper today—the Chase Manhattan Bank. But they report their branches abroad have made money.

So, I would think that the pressure on these banks to keep at least even is going to continue to lead at least some of them to run to invest abroad wherever there is a higher interest rate, or possibility of revalution. You can spread chaos in the world monetary system that way.

That is another reason why I think this Atlantic Union resolution is a most highly urgent thing. I am appalled to hear people ask questions, and talk as if there was nothing to worry about, that we have 25 years before we need even begin to climb this "Mount Everest."

ANNEX 3 TO STREIT STATEMENT: EXCERPTS FROM TWO PUBLISHED COMMENTS BY HIM ON MAJOR MONETARY AND OTHER DEVELOPMENTS SINCE HIS TESTIMONY AT HOUSE HEARINGS IN JULY 1971

1. From the September 1971 Freedom & Union

A Third Reversal That Would Save Liberty, Peace and Nixon From Perils in His First Two

The July House hearing on the Atlantic Union resolution began with a strong reminder of the powerful plea for its approval that Richard Nixon made at the 1966 hearing. The hearing ended with no break in the silence President Nixon has maintained on this subject since his election. The only clue to its meaning indicated, however, that this was the kind of silence that proverbially expresses consent.

The bill's backers took this passive help to be part of the "cautious nature" the media attributed to the President.

"Mr. Cautious" becomes "Mr. Audacious"

Only a few hours after the hearing ended July 15, they, and the media, and all the world, got the shock of the year: The laconic Nixon announcement that he would visit Peking. Just one month later, on August 15, "Mr. Cautious" received a second image-shattering blow: The President announced that the U.S. had ceased to uphold the gold commitment which made the dollar the key currency for world trade and foreign Central Bank reserves, and was adding 10 per cent to all import duties and also freezing wages and prices for 90 days. Both moves were abrupt reversals of longstanding Nixon as well as U.S. policies.

A good press for any Nixon move is rare in the U.S., but he had one on both these moves. So remarkably good a press, indeed, that it should encourage him to think that his best way to overcome his many foes in the media and elsewhere is to be bold, and bold once more, and bold again.

The third bold move Nixon needs to make

Despite their good points, I fear the two astounders will end by bringing worse dangers than those he saw required drastic policy changes. I earnestly hope that, while he still rides the wave's crest, he will make a third bold move—the one that can save us all, and him, from the reefs he is heading for. That move would be to throw his helm toward the Atlantic federal channel through those reefs.

The hidden reefs

What are these reefs, hidden to so many now? My August editorial gave the two dangers I saw in the Peking visit. Neither was in its aim (which I have long favored). Both lay in Russia's interpretation of it, and response: the likelihood that Moscow would see it as the classic "leapfrog" move in diplomacy's balance-of-power game, and respond (1) by renewing the Midwest nuclear confrontation threat that led the President to visit the Sixth Fleet only a year ago, and/or (2) by the riskless course of speeding its efforts to drive the dollar off gold, and so doom Atlantica to dissension, depression.

Events showed Russia needed do nothing to gain the latter aim; the dollar proved even nearer the brink than I warned, at the House hearing, U.S. policies had brought it, Moscow now needs only exploit the loss we have caused our allies and all the non-Red world, and the glum view they take of this. Possibly the prospects this offers may lead Russia to defer the Mideast challenge; even if only a time-gainer, as I fear, this could be a godsend . . . if used for the third bold Nixon coup.

The greatest dangers in the second Nixon surprise are international. My testimony at the hearing tells why depression follows when the key world currency leaves gold; the Geneva report on page 2 tells of the one that came when the pound did this in 1931. But neither makes clear what proved to be the worst reef—the one that nearly wrecked Freedom then.

What price trade—gained by freedom's loss?

To me, the worst reef ahead, now that the U.S. has taken the 1931 way to "better" foreign trade, is not the economic disaster I fear will again follow, but

its consequences. In 1931 the major loser was Germany; exports sank, unemployment soared. Result: It voted out the free republic it began in 1919. For 12 years it resisted Hitler nobly; when Wall Street crashed he had only 12 deputies; 10 months after Britain left gold, the voters gave him 230. Six months more of depression, and they reverted to autocracy—the worst in their long history. True, Britain won in the resulting war, but the price was more than blood, sweat, tears: Loss of long pre-eminence in finance, trade, industry, empire, sea power—with Russia replacing it as superpower. It has paid cruelly for ephemeral gains in trade.

YOUNG DEMOCRACY IS NOW HIT HARDEST AGAIN—AND DOUBLY

London's tragic blunder in 1931 was to let hope of trade gains blind it to the longterm dangers when the main loser is a people of outstanding industrial and war potentials, little rooted in freedom, deeply habituated to autocracy.

The U.S. has now hurt most two such nations—Germany and Japan. This reversed a policy paying big dividends, which encouraged West Germany to try democratic federation again; it did even more to give Japan its first free government. The former has survived nearly twice longer than the Republic that died in 1933—but it is only 23; the latter is but 24. Yet both nations have thus risen, phoenix-like, from ruin. Both have passed Britain industrially—a feat indicating how fast each could be a nuclear power. Both show how much more people can do by free government and free enterprise than by Marxism and dictatorship—and each show-window strategically faces Communist Russia. Japan's also faces Red China.

Is it not folly to run any risk of causing such loss in Germany and Japan that they revert to dictatorship, Red variety?

THE ATLANTIC UNION LIBERTY-AND-LIFE SAVER

If you doubt that it could save us from such danger read "Why Atlantic Union would Prevent another Crash" George Washington feared that even the ties binding Americans west of the mountains to the seaboard states could not keep that area of vast potentials from breaking away, or falling in hostile hands. It must be bound to the 13 by "hoops of iron," he said—and led in doing this by replacing alliance with federation. May Nixonian Washington turn soon from repeating 1931 to repeating 1787.

2. From Federal Union Bulletin of Dec. 27, 1971:

JAPAN IS LOSING AVERSION TO IDEA OF NUCLEAR ARMS

(By Richard Halloran—Special to the New York Times)

TOKYO, Dec. 20.—"The emotional antipathy of the Japanese to things nuclear has all but vanished.

That headline from p. 1 of the N.Y. Times on Dec. 26 should spur us all to greater effort and sacrifice. It shows how grave can be the risk in the new U.S. world trade policy. My September editorial told why the danger lies in its effort to better our economy by measures that hurt most the Japanese and Germans. Federal Union offers the only safe alternative: It would improve not only our economy but everyone's, strengthen freedom in both those young democracies, and unite them increasingly with us and the other older, stabler democratic peoples. You know what amazing industrial and military potential Japan and Germany have, how long they have been habituated to obey autocracy, how short-rooted are their present democratic governments. Why run any risk of their astonishing potential power being turned back against us . . . now, when the proposed convention to explore our Federal Union deterrent is much nearer being called than ever before? * * *

If Japan reverts to autocracy, its nuclear arming will be swifter than was its rise in sea and air power. The basic factors that led it to launch war in 1941 by surprise attack could tempt a militaristic kamikazi-mined Tokyo to stake all on a nuclear surprise strike . . . not limited to Pearl Harbor.

The Times front-paged the above Tokyo headline—an ominous first fruit—just one week after President Nixon announced "the most significant monetary agreement in the history of the world [The Smithsonian accord of Dec. 18, 1971]."

History, I think, will remember it as another stopgap, loaded with worse dangers than its predecessors. It did not end the above risk.

By the U.S. returning to gold and renouncing the import surtax, it got Tokyo and Bonn to accept dollar exchange rates that still severely handicap their exports so as to benefit ours. If their economies suffer, Bonn and Tokyo may well seek to get around these barriers by secret subventions. If that works, then the U.S. payments deficit and dollar weakness will return, worse than before. If, in the end, the U.S. trade strategy does succeed, then this decade's "1929 Wall Street crash" may well come in Europe—probably in Germany—or in Japan. Wherever it breaks, depression will spread everywhere . . . but the worst results for freedom and peace will come in Japan and Germany.

The main thing gained by the recent monetary accord of Dec. 18 was more time in which to work out a sound solution—including exploration of the federal Atlantic answer.

HOUSE ACTION CONCERNING CHARGE TO LEAVE COUNTRY

Senator AIKEN. Just one question: I noticed the House yesterday took action which would, if enacted into law——

Mr. STREIT. I beg your pardon?

Senator AIKEN. The House took action which, if it is enacted into law, would require us to break off relations with Russia and cancel our existing trade relations with them.

If the Atlantic Union were in existence now, what do you think you could do about that situation? I don't ask for a long answer, but could it affect our situation?

Mr. STREIT. Well, I am very sorry I am not that much of a prophet as to how that would—the Atlantic Union would deal with it. It is not yet composed. We do not yet know how it is going to operate in Congress.

Senator AIKEN. The House took action which, I understand, would cause us to break off economic relations with any country which charged more than a certain amount—it seems to me it was $30—to people who want to leave that country.

Mr. STREIT. My belief is, Senator Aiken, that an Atlantic Union—well, first of all, the question would not arise; I doubt that it would arise, when you have as much strength as this union would give; a lot of questions do not arise any more and if this one did, I believe an Atlantic Union Congress would have a wiser—it would take a wiser stand than any single member of it is likely to do.

Senator AIKEN. I have no more questions. I just spotted Secretary Volpe at the press table and I think we had better hear him. He has been waiting now for 15 minutes.

WITNESS' CONCEPT SUPPORTED

Senator COOPER. I would like to say for myself that I appreciate very much the testimony of Mr. Streit. It is an eloquent statement. I think it does recall to mind fundamental principles on which our country was founded and which I believe we should live by as well as observe. I believe we have lost in many quarters a sense of history and a sense of our fundamental principles. I see in your proposal, at least, a concept and I hope one which could be implemented to see if there can be developed in that enlightened spirit, new institutions which can further the cause of peace in the world.

I think it is a noble concept and I am glad to support it.
Mr. STREIT. May I comment on it for just one moment?
Senator COOPER. Yes.

ADULT EDUCATION ADVANTAGE OF CONVENTION

Mr. STREIT. One of the great advantages of this convention—and I speak now as a longtime newspaper correspondent—is that it would make hard news of these fundamental principles involved. In the convention the discussion of the fundamental principles, not only of our Government but also of other democratic governments, would get an airing in the press and otherwise, elsewhere, that nothing else could produce, and it is this kind of education, adult education, to begin with, that we are sorely in need of.

I remember when the—I was the last staff correspondent of any country at Geneva at the end of 1938. Hope had fallen in the League to that degree and then the New York Times transferred—lost hope, too, and transferred me to Washington, to its Washington bureau; that was what the situation was at that time.

But when the United States called the Charter Conference in San Francisco, made that proposal—a similar league proposal—there were three special trains filled with correspondents from Washington which went to San Fransisco—and I was on one of those trains—to attend. Now these proposals, these federal principles, get very little attention, just as the League principles did not then in 1938.

But once you have this convention called and the debates going on in it, I am sure that there will be—through the press and many other media that we have for adult education—that recurrence to the fundamental principles of representative free government that I think are so badly needed.

Senator COOPER. Well, I thank you.

STATEMENT OF SENATOR M'GEE

We will insert the statement of Senator McGee in the record at this point.

(Prepared statement of Senator McGee follows:)

STATEMENT OF SENATOR GALE MCGEE ON ATLANTIC UNION RESOLUTION

Mr. Chairman, I appreciate this opportunity to present my statement in support of Senate Joint Resolution 217, more commonly referred to as the Atlantic Union Resolution.

Even though the Chairman is well acquainted with the content of the Resolution, I would like to take this opportunity to briefly summarize its intent for the record. The resolution calls for a convention of delegates from the United States and the North Atlantic Community to explore the possibility of forming an Atlantic Union. The resolution would create an Atlantic Union delegation from the United States, composed of 18 eminent citizens. Six of the delegates would be appointed by the Speaker of the House after consultation with the House Committee on Foreign Affairs; six by the President of the Senate after consultation with the Senate Committee on Foreign Relations; and six by the President of the United States.

The resolution has strong bipartisan support on the Senate Foreign Relations Committee since four Democrats and four Republicans have joined as co-sponsors. In addition, nine other Senators have joined in sponsoring S. J. Res. 217. The majority and minority leaders, both members of this Committee, are co-sponsors of the resolution.

I believe the sponsorship of this resolution points out one important fact: the formation of an Atlantic Federal Union is an idea—and this idea's time has come. What this convention would explore is the possibility of applying the genius of our own United States Federal system to the broader Atlantic community.

There are some in this country who would oppose the formation of an Atlantic Federal Union. They would point to the fact that Western European nations are focusing increasing attention to strengthening and enlarging European institutions. However, this process is not which demands a weakening of our relationship and ties with Europe. This process is only one necessary step toward the strengthening of our partnership with Europe.

Western European nations have been successful, to a great degree, in breaking down many age-old psychological barriers to greater union; and as students of history are quick to note, some of the world's foremost examples of ultranationalism among independent states can be found in the evolution of individual nations in Western Europe. Yet, Western European nations have shown they can overcome nationalistic impulses and that progress toward political amalgamation can be practical. On the other hand, our allies are the first to realize that even in unity, Europe is still too small to deal with many modern problems alone.

As we contemplate the concept of an Atlantic Union, another consideration must be given to the historical relationship between the United States and Europe. America's destiny has always been tied to that of Europe's. We share a common heritage, ideals, and interests. We are thus in a better position collectively to maintain peace and freedom than any other universal grouping of nations.

Our founding father realized that, in establishing a federal union over the original 13 colonies, this unity would be the source of their strength. The same can be said of our relationship with the North Atlantic Community. A federation of the major nations of western civilization would be formidable indeed, and would result in political institution large enough to deal successfully with the supranational problems now confronting us.

This raises a very critical question not only for the United States, but for the Atlantic Community as well. Our social, economic, and political problems are no longer endemic to the nation-state. The problems are supranational in scope. Scientific and technological development does not respect national boundaries. Neither in world economic development a respector of national boundaries as evidenced by our own nation's almost insoluble problems with balance of trade and the monetary crisis. Poverty, disease, and the environmental problems associated with air and water pollution can be found in every Western nation.

The choice before the NATO countries is whether they face each of these social, economic, and political problems individually in a piecemeal fashion as limited by the requirements of the nation-state, or if a common approach is much more practical and feasible. Without supranational institutions to deal with these supranational problems, societies cannot expect to continue functioning with any efficiency whatsoever.

The Federal answer to our supranational problems, even as promising and time-tested as it is, has not been explored at all with any other nation to this date. It is strange that we have not yet done so when we look at our own experience with the alliance system (witness the Articles of Confederation) and the great strength found in our own federal system.

The proposed Atlantic Convention is merely exploratory in nature. This resolution does not commit anyone to forming or entering an Atlantic Union Federation or any type of organization or agreement. It commits us and the other participating nations only to exploring the question of Federal Union. The only requirement is that the delegates to the Convention report the findings of the Convention to their respective nations.

Again, I want to emphasize that the time has come for those of us who live in the North Atlantic community to begin exploring ways in which we may jointly tackle the burgeoning problems which are rapidly becoming too great for any one nation to deal with alone. We are all aware of the regional problems of defense and economics confronting us. These will become even greater unless new and more efficient political institutions are developed.

The world is faced with ever-increasing numbers of people, ever-increasing depletion of natural resources, and ever-increasing degradation of a common environment. As no one country is solely responsible for these problems, it is obvious that no one country can make even a major contribution to the solution of this international dilemma in the absence of international cooperation.

It is obvious that the North Atlantic countries are interdependent in many ways. The great preponderance of all our international trade is among the North Atlantic nations. However, if any one of our NATO allies were to take all the costly measures required to clean up its own water and air, and its neighbors did not choose to follow suit, that country would find itself at a great competitive disadvantage compared to its neighbors. If the industries in one country are required to assume many additional costs to abate pollution, it might well be that their products would not be competitive with those of another country which still permitted unlimited pollution. Therefore, if one country is to undertake the expense of ending pollution, its trading partners must be required to do likewise. This is impossible to do under any international arrangements or institutions now existing.

Those of us around the North Atlantic, without question, can do many things together far better than we can do them alone. We can do them cheaper and with increased efficiency if we act with a unity of purpose rather than individually.

Economically, our relationship with Western Europe is one of complex interdependence. Witness, for example, the General Agreement on Tariffs and Trade, the Organization for Economic Cooperation and Development, the World Bank, the International Monetary Fund, the enactment of legislation which led to the Kennedy round of drastic tariff reductions.

Yet, the Atlantic Community has suffered severe setbacks in recent years. The monetary crisis continues. Our balance of trade situation continues to deteriorate. England is now a member of the Common Market which threatens the loss of valuable U.S. markets. NATO is in difficulty. Most of Europe is uneasy about the United States commitment on the continent. People are asking: "Where do we go from here?"

The Atlantic Union Resolution is looking forward to developing better institutions for dealing with these wide range of problems. It provides the only effective way of dealing with multi-national problems of defense, economics, pollution, and many other problems.

The longer we put off the formation of an Atlantic Federal Union, the higher will be the cost of the inaction. We are already paying a large price for not having had the foresight to take steps in the direction of an Atlantic Federal Union. Therefore, I would urge the Committee to give favorable consideration to the Resolution so that we can move quickly with action on the Floor of the Senate.

STATEMENT OF SENATOR CHURCH

Senator COOPER. I have a statement from Senator Frank Church of Idaho for the record in support of this resolution.

Thank you very much. Thank you for coming.

(Prepared statement of Senator Church follows:)

STATEMENT ON ATLANTIC UNION BY SENATOR FRANK CHURCH

Mr. Chairman: The idea of a convention to explore Atlantic Union has appealed to me for many years. I think there are many compelling arguments for trying it. One of the best, and certainly the shortest, was written by Barbara Ward ("Lady Jackson").

"If a world order is to be anything but totalitarian, then the Western nations must at least create a nucleus of free co-operation, and if they cannot begin in an Atlantic Community, then certainly there is no other starting place available to them. An Atlantic Union may fall short of that unity which technically, scientifically and economically the modern world requires. It falls short of the international hopes nourished in the West's liberal tradition. It falls short of the brotherhood of all humanity which the great religions have planted as a dream in the human heart. But at least it is a beginning, and if men can learn, within a Western community based on common political and social ideals, to tame their arrogant nationalism and to abate their economic pretentions, they will at least have undergone the best possible preparation for a world society, against the day when it is possible to build one and to build it free."

The argument seems to me unassailable.

(Whereupon, at 11:50 a.m., the committee adjourned, subject to the call of the Chair.)

APPENDIX

[Telegram]

BERKELEY, CALIF.

Hon. JOHN SHERMAN COOPER,
U.S. Senate,
Washington, D.C.:

Urge passage of Atlantic Union Resolution SJR-217. This would lead to more equitable distribution of needed defense in the west.

EDWARD TELLER.

PITTSBURGH, PA., *September 21, 1972.*

Hon. JOHN SHERMAN COOPER,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: I heartily support SJR-217 and earnestly hope for its enactment.

Its passage would signal forward looking statesmanship, eschewing narrow nationalism which has repeatedly deluged the world in blood, and might at least long postpone, if not avoid another catastrophe from which neither the Western world nor civilization could recover in millenia.

You may use my views with my name as you see fit.

Respectfully,

M. B. RIDGWAY,
General, U.S. Army, Retired.

RIDGEWOOD, N.J., *September 25, 1972.*

Hon. JOHN SHERMAN COOPER,
Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR SENATOR COOPER: Would you please use your kind services and have this statement on S.J.R. 217 placed in the printed hearings? I have closely followed the fortunes of this bill since its introduction on March 17th. Unfortunately my latest call was Monday, September 18th, the day before the hearings were scheduled for last Friday. Inasmuch as there were no public announcements in my Congressional Records I missed up on getting to Washington. I presented statements against S.J.R. 12 in 1956 and against S. 28 and 64 in 1966, and, as you may imagine, I would like to have my say on this one.

I do hope you will find it possible to grant my request. Thank you.

Sincerely yours,

LILLIAN C. WILLIAMS,
(Mrs.) JAMES H. WILLIAMS.

STATEMENT RE SENATE JOINT RESOLUTION 217

Senator Fulbright and members of this Committee: My name is Lillian C. Williams, and I reside in Ridgewood, New Jersey. I present this statement on behalf of myself as an American citizen and taxpayer, and as a mother of an only son, a Naval Aviator and jet pilot, graduate of the United States Naval Academy, who gave his precious young life in an aborted deck launch off the carrier FDR in the Mediterranean during NATO manuevers in 1962.

I deem it an honor and privilege to present it before this distinguished Committee.

S.J.R. 217, like its many predecessors, is, at first reading, a harmless-sounding document, but a closer reading, and a study of its history and background reveal that it is a bill loaded with dire potentialities.

It is in the Preamble of this bill that we find spelled out the goal to be explored at the convention called for in the body of the resolution. This goal, namely, "a more perfect union of the Atlantic Community consistent with the Charter of the United Nations." Nowhere do we find any mention of conformity to the

Constitution of the United States! It is indeed difficult to believe that a group of U.S. senators, sponsors of this bill, bearing in mind their oath of office to uphold the Constitution of the United States, could in conscience omit a reference to our Constitution.

Looking more closely into the Preamble the words, "common defense" point out to us the loss to the people of the United States their constitutional right to control their own Armed Frces and their national defenses beyond their geographical borders! How can you face the fathers and mothers of this country when someday their sons and daughters will be sent to fight and die on some distant shore at the *command of an international organization* which the proponents of the goal to be explored in S.J.R. 217 would have us irrevocably join!

The nearness of the tinderbox situation in the mideast to the NATO Treaty democracies causes one to shudder even under the Treaty terms; how much more so if this country were bound in a federation with not only the NATO democracies but with other democracies in that area whom the Convention, called for in S.J.R. 217, might choose to invite.

Where in our Constitution is Congress permitted to appoint delegations to organize conventions with people of other countries to explore ways, in the name of greater unity, ways which, if implemented, will ultimately destroy the independence of this country, and in so doing, nullify our Constitution? Article II. Sect. 2 § 2 could not be applied here.

The appropriation, "not to exceed $300,000", called for in S.J.R. 217 to defray the expenses of private citizens attending the convention called for in the bill clearly violates the intent of Article I. Sect. 9 Clause 7 of the Constitution. Senator Ervin in pointing this out on the floor of the Senate during debate on the Atlantic Union bill of 1960 said, "it has been well settled by numerous decisions of the Supreme Court of the U.S. that under this section of the Constitution Congress does not have the power to make appropriations of public moneys, save and except for public purposes."

We do not need another Atlantic Convention! The one resulting from the bill passed in 1960 was held in January 1962 and proved to be a failure, in spite of eight Atlantic Unionists in key positions on the Commission (delegation). Some $200,000 of taxpayers' money was spent by this Commission, headed up by Christian Herter, Will Clayton, and Elmo Roper, to mention only three of the "special interest" group of men who have been seeking for over twenty-three years to destroy the independence of this country via "federation" of the NATO nations! We cannot continue to permit small groups of men, sadly including our senators and representatives, to force upon the little people of this country legislation like S.J.R. 217, harmless-sounding, but loaded with dire potentialities and cloaked in secrecy and vague language.

Therefore, in closing, I respectfully request that you vote against S.J.R. 217 both in committee and on the floor of the Senate. Bear in mind that a federation such as visualized in the goal to be explored by the convention called for in S.J.R. 217 could be held together by nothing less than police-state methods, so different and varied are the customs, ideals, language, etc. of the NATO "democracies", totally different from the common factors to be found among the 13 colonies in 1787!

Thank you.

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