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THE MARSHALL PLAN RESOLUTION

GOVERNMENT

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DOCUMENTS HEARING AND MARKUP

BEFORE THE

SUBCOMMITTEES ON INTERNATIONAL

OPERATIONS, INTERNATIONAL ORGANIZATIONS,

AND ON EUROPE AND THE MIDDLE EAST

OF THE

COMMITTEE ON

INTERNATIONAL RELATIONS

NINETY-FIFTH CONGRESS

FIRST SESSION

ON

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THE MARSHALL PLAN RESOLUTION

WEDNESDAY, MAY 11, 1977

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERNATIONAL RELATIONS,
SUBCOMMITTEES ON INTERNATIONAL OPERATIONS,
INTERNATIONAL ORGANIZATIONS,
AND ON EUROPE AND THE MIDDLE EAST,
Washington, D.C.

The subcommittees met at 9:40 a.m. in room H-236, the Capitol, Hon. Donald M. Fraser, chairman of the Subcommittee on International Organizations, presiding.

Mr. FRASER. The joint meeting of the three subcommittees will come to order.

The year 1977 marks the 30th anniversary of the proclamation of the Marshall plan. This hallmark of the U.S. post-foreign policy symbolizes the ingenuity inherent in the thought of free peoples. The process of institution building that has accompanied the implementation of the Marshall plan has enhanced the security, freedom, and prosperity of the United States and the Atlantic community of nations; and has promoted important transatlantic cooperative efforts.

However, important changes—social, economic, political, and security—have also developed in recent years which require us to reassess the capacities of these institutions to respond to new transnational needs and at the same time to preserve cherished values.

To commemorate the 30th anniversary of the Marshall plan, many of us on the subcommittees are sponsoring a joint resolution calling for a conference of citizens from the United States as well as other democratic industrial states from Europe and the Far East to assess the institutions that have developed over the last 30 years. This proposed conference will make recommendations to strengthen the capacity of existing institutions to meet new needs and challenges in the years ahead.

My colleague from Illinois, and a longtime supporter of the Atlantic institutions, Paul Findley, introduced this resolution last Wednesday, May 4; the House majority leader, Jim Wright, and several members of the Committee on International Relations, including myself, have joined him in cosponsoring this resolution.

[The text of the resolution follows:]

[H.J. Res. 436, 95th Cong., 1st sess.]

JOINT RESOLUTION Relating to the thirtieth anniversary of the Marshall plan

Whereas 1977 marks the thirtieth year since the Marshall plan was first conceived and proclaimed;

Whereas the Marshall plan uniquely symbolizes the bold and creative promise inherent in the thought of free peoples;

Whereas the Marshall plan made possible new measures of trans-Atlantic cooperation through the North Atlantic Treaty Organization and other institutions;

Whereas these institutional outgrowths have profoundly enhanced the security, freedom, and prosperity of the United States and the Atlantic community generally;

Whereas new challenges have arisen which call into question the adequacy of these institutions and their capacity for continued and productive survival;

Whereas creative thought, comparable to the Marshall plan in sweep and vigor, is now urgently required to assure the preservation and perfection of these institutions; and

Whereas the twenty-second annual meeting of the North Atlantic Assembly in November 1976 unanimously endorsed the idea of a North Atlantic Treaty Organization-wide conference to assess the adequacy of existing institutions as a necessary and fitting commemorative of the Marshall plan: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the proclamation of the Marshall plan should be commemorated by the naming of a delegation of United States citizens to organize and meet in a conference with similar delegations from the North Atlantic Treaty Organization democracies, Japan, Australia, and New Zealand, for the purpose of making a comprehensive assessment of existing institutions and to formulate recommendations for preserving and perfecting these institutions in order to better protect the general welfare, liberty, and sovereignty of the people of the participating countries.

SEC. 2. (a) For purposes of carrying out the first section of this joint resolution, there is established a delegation consisting of nine members appointed as follows:

(1) Three appointed by the Speaker of the House of Representatives, after consultation with the House leadership and the Committee on International Relations.

(2) Three appointed by the President of the Senate, after consultation with the Senate leadership and the Committee on Foreign Relations.

(3) Three appointed by the President.

(b) The delegation shall elect a Chairman and Vice Chairman from among its members.

(c) All members of the delegation shall be free from official instructions and free to speak and vote individually.

(d) Vacancies shall not affect the delegation's powers and shall be filled in the same manner as the original selection.

(e) Members of the delegation, who shall serve without compensation, shall be reimbursed for, or shall be furnished, travel, subsistence, and other necessary expenses incurred by them in the performance of their duties under this joint resolution.

SEC. 3. (a) The delegation may appoint not more than ten temporary professional and clerical staff without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, who may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay in effect for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) The delegation may expend not to exceed \$200,000 of the funds appropriated to carry out this joint resolution for expenses incurred in conjunction with the meetings described in the first section.

SEC. 4. (a) The delegation shall report to the President and the Congress at least once each six months. Such reports shall include an accounting for all expenditures by the delegation and such other information as the delegation deems appropriate.

(b) The delegation shall submit a final report to the President and the Congress setting forth the results of the assessment described in the first section of this joint resolution and the recommendations called for by such section.

SEC. 5. Effective October 1, 1977, there is authorized to be appropriated not to exceed \$500,000 to carry out this joint resolution, payments to be made upon vouchers approved by the Chairman of the delegation.

SEC. 6. The delegation shall cease to exist at the expiration of the three-year period beginning on the date of enactment of this joint resolution.

Mr. FRASER. This morning we hold joint hearings on this resolution and are very pleased to have with us four distinguished witnesses: Senator Hubert Humphrey, former Gov. W. Averell Harriman, Gen. Lyman L. Lemnitzer, U.S. Army, retired, and Dr. Forrest C. Pogue, director, Dwight D. Eisenhower Institute for Historical Research and former director of the Marshall Foundation. Following their testimony, we want to mark up House Joint Resolution 436, so that it can be discussed and reported by the Committee on International Relations on Thursday.

We are awaiting the arrival of Senator Humphrey, who, we are told, is under very tight time constraints. Governor, I understand that you also are under a time problem.

Governor HARRIMAN. No I am not.

Mr. FRASER. Senator, we just read the opening statement which refers to the fact that this year is the 30th anniversary of the proclamation of the Marshall plan. Under the resolution that Paul Findley has introduced, of which some of us are cosponsors, we think this is the time to reassess the institutions which have bound the Atlantic community together with some from the Far East. We are delighted to have you with us. We know you are under a tight time schedule, but we were especially interested that you be here because of your experiences and your deep commitments to building stronger institutions between the United States and other countries with which we share common values.

We would like you to proceed in any way you like.

STATEMENT OF HON. HUBERT H. HUMPHREY, A U.S. SENATOR FROM THE STATE OF MINNESOTA

Senator HUMPHREY. Mr. Chairman, thank you very much. I am going to ask, if it is agreeable, that the full text of my statement be made available for the record. I will just kind of pick and choose out of it. I hope you will bear with me. We do have a markup of the State Department bill and an ACDA bill. So I will have to abbreviate my stay here.

I think it is fair to say that some of the truly important international institutions that bind us together both politically and economically are NATO and the IMF, and the OECD. These are three of the institutions to which the resolution relates. These are you might even call super national institutions. They are multinational institutions, and they are built on a framework of shared political perspectives and they produce a more equitable sharing of burdens in the international arena. They mitigate our own sense of isolation and general enthusiasm for collaborative approaches towards transnational problems.

As I have said, NATO, the OECD, and IMF enable us to confront international, economic, political and security issues in a broad based constructive fashion to seek workable solutions to unemployment, inflation, poverty and defense needs.

The President's recent trip to Europe is indicative of what I have just mentioned. He met with NATO officials and the Vice President has met with OECD officials. Our Secretary of the Treasury has also been meeting with the representatives of the International Monetary

Fund. These are the underpinnings of world order today and in a very real sense they represent not only our defense structure as NATO does, but OECD representing the industrialized countries and IMF representing the pool capital resources of many countries, truly offer the best hope that we have of any kind of international stability.

These institutions of the Atlantic community have their roots in the post-World War II period when the United States sought to energize a Europe weary from war and economically destroyed. We know of the Marshall plan. It was first publically enunciated by the Secretary of State, Secretary Marshall, at that time in a commencement address at Harvard University on June 5, 1947. We know what it did in initiating a recovery for all of Western Europe.

Then that was followed, as we recall, by the development of the North Atlantic Treaty Organization. The past three decades have witnessed the tremendous success of all of these organizations. Everything starting with Bretton Woods, the IMF, NATO and the Marshall plan. All of these, despite shortcomings, I think, have proven to be strong bulwarks of development and of security.

As I said, the past three decades have witnessed the tremendous success of NATO, not only as NATO withstood the threat from without, but also it has minimized the likelihood of conflict within. However, even the most satisfying achievements cannot dispel the need for reassessment and renewal. And we have heard about this repeatedly that NATO has outlived its usefulness. I don't agree with that. I think NATO just needs to be trimmed or developed or modeled to the needs of the last third of the 20th century rather than as it was immediately after World War II.

It is obvious we are not in the same world of 1947 or 1957 or even 1967. The scope of our problems has broadened, the challenge is greater and the risks are more severe. Institutions conceived 30 years ago must now meet the requirement of a new era. The Marshall plan resolution urges such a reappraisal. In other words, let's take a look at all these institutions we have put together not with the purpose of junking them but for the purpose of revitalizing them. And the Marshall plan resolution urges this reappraisal through the mechanism of international conferences. This conference would be comprised of individuals from the NATO countries, from Japan, Australia, and New Zealand which would produce a study of the means by which NATO, the OECD, and the IMF and other international institutions could be enhanced in their abilities to deal with our common problems.

Every one here knows right now the International Monetary Fund is going through expansion. And the only question is, is it big enough? Can it meet the capital needs? Can it meet the financial needs of the member countries? Therefore, we need to take a look at it. We need to take a look at the International Monetary Fund, not in isolation, but as it relates to the other international institutions.

And I think also we need to take a look at the Marshall plan as an experience in collective planning. To me it really represents one of the great achievements of the 20th century.

Our goal is to provide a forum in this resolution where free men can reflect upon the ways of improving those institutions which seek to guarantee their well-being. The continued sovereignty of the indi-

vidual nations in the democratic world will no longer be possible should these states ignore growing problems or fail to consider ways they might best meet new challenges. Any reassessment of such institutions must involve those nations by which we are linked by ideals, needs, and goals. This resolution involves these other nations at the inception of such an evaluating process. The interest of these other nations in such a conference was manifested in the resolution adopted unanimously in November 1976 by the North Atlantic Assembly urging the convocation of a conference to assess in this instance our relationships to NATO. It was identified with the one organization, and rather than await a certain unilateral debate of NATO within the United States, the Marshall plan resolution will channel American concerns into a broader based consultative effort.

Again our efforts here in the Congress must be coupled with those of the executive branch. The principal sponsors of this resolution have proceeded in the spirit of full cooperation with the executive branch giving it every opportunity for input into the formulation of this resolution. President Carter in an April 23, 1977, letter to the principal sponsors terms this conference "A useful complement to the London Summit Meetings and other efforts in working with other nations."

However, I would also argue that there is a great significance in the fact that this resolution originated in the legislative branch of Government, a demonstration of congressional interest in thoughtful foreign policy initiatives which promote closer ties and preserve greater order and stability in the world. Therefore, I would urge the distinguished Members of the House of Representatives to participate in historic task before us by supporting the Marshall plan resolution.

Might I say, I have told Mr. Findley and others that I will shortly be introducing the same resolution in the Senate. So we will get some action on it.

I just wanted to note, of course, you maybe brought this to the attention of everyone already, Mr. Chairman, that there is an established delegation of nine members, three by the Speaker of the House, three by the President of the Senate, and three appointed by the President of the United States.

Then a resolution I believe is for a 3-year period, as I recollect. It will provide the time, and I think the resources that are needed to make a constructive evaluation of these international institutions which are in need of updating and reassessment.

If you have any questions, I will be happy to visit with you about them.

[Senator Humphrey's prepared statement follows:]

PREPARED STATEMENT OF HON. HUBERT H. HUMPHREY, A U.S. SENATOR FROM
THE STATE OF MINNESOTA

When the world turns toward the United States seeking our assistance in the formulation of solutions to outstanding global problems, it does not behoove us to turn away.

Yet, often we do project a desire to withdraw behind our borders rather than join our efforts with those of other nations. Oftentimes this is mistaken as a sign of American isolationism as we feel that again and again we alone must shoulder the burden. Frequently called upon to lead, sometimes we don't find

others ready to follow. Indeed, responsibility becomes uniquely ours. Therefore, as others solicit our help to fulfill crucial international obligations, our reluctance derives from our perception that we are no longer part of a vibrantly interconnected free world security structure.

Remedies to this dilemma, however, are not to be found in a periodical renunciation of our world leadership role which U.S. wealth and power force upon us. Rather, our involvement is real. However, it must be linked to that of other nations in constructive and cooperative enterprise. To that end, we have devised supranational institutions

Our institutions, built on a framework of shared political perspectives produce a more equitable sharing of burdens in the international arena. Thus, they mitigate our sense of isolation and generate enthusiasm for collaborative approaches to transnational problems. NATO, the OECD, and the IMF enable us to confront international economic, political and security issues in a broad-based and constructive fashion and to seek viable solutions to unemployment, inflation, poverty, and defense needs.

Institutions of the Atlantic Community have their roots in the post World War II period when the United States sought to energize a Europe weary from war and economically destroyed. The Marshall plan, first publicly enunciated by the Secretary of State in a commencement address at Harvard University of June 5, 1947, initiated a program to restore prosperity to Western Europe. The quick realization that without a sense of security, economic restoration would not materialize led to the creation of the North Atlantic Treaty Organization to assure our western defense.

The past three decades have witnessed the tremendous success of NATO. Not only has NATO withstood the threat from without, it has minimized the likelihood of conflict within. However, even the most satisfying achievements cannot dispel the need for reassessment and renewal. We are no longer the world of 1947, or 1957, or 1967. Today, the scope of problems is broader, the challenges greater, and the risks more severe. Economic uncertainty and a sudden awareness of vulnerability to worldwide market forces have weakened the self-confidence of the advanced industrial societies.

Institutions conceived 30 years ago must now meet the requirements of a new era. We cannot leave to chance the resiliency and dynamism that will propel these institutions toward renewed purpose and viable goals. Periodically, therefore, we must undertake with serious resolve a reappraisal of our institutions to assure their survival.

The Marshall plan resolution urges such a reappraisal through the mechanism of a conference. This conference, comprised of individuals from the NATO democracies, Japan, Australia, and New Zealand, would produce a study of means by which NATO, the OECD, the IMF and other international institutions must be enhanced in their abilities to deal with our common problems. Our goal is to provide a forum in which free men can reflect upon ways of improving those very institutions which guarantee their well-being. The continued sovereignty of the individual nations of the democratic world will no longer be possible should these states ignore growing problems or fail to consider ways they might best meet new challenges.

Any reassessment of such institutions must involve those nations to which we are linked by ideals, needs, and goals. This resolution involves these other nations at the inception of such an evaluative process. The interest of these other nations in such a conference was manifested in the resolution unanimously adopted in November, 1976 by the North Atlantic Assembly urging the convocation of a conference to assess our NATO relationship. Rather than await a certain unilateral debate of NATO within the United States, the Marshall plan resolution would channel American concerns into a broader-based consultative effort.

Again, our efforts here in the Congress must be coupled with those of the executive branch. The principal sponsors of this resolution have, indeed, proceeded in a spirit of full cooperation with the executive branch giving it every opportunity for input into the formulation of this resolution. President Carter, in an April 28, 1977 letter to the principal sponsors of the resolution, termed this conference a "useful complement to the London summit meetings and our other efforts in working with other nations."

However, I would also argue that there is great significance in the fact that this resolution originated in the legislative branch of Government. It demon-

strates congressional interest in thoughtful foreign policy initiatives which promote closer ties and preserve greater order and stability in the world.

Therefore, I would urge the distinguished Members of the House of Representatives to participate in the historic task before us by supporting the Marshall plan resolution, which I will shortly be introducing in the Senate.

Mr. FRASER. Thank you, Senator.

You referred to the President's letter and without objection that we will insert the full text of the President's letter in the record.¹

About a month ago when he met with the Foreign Minister of Australia, the President mentioned some concern about the trilateral relationship which among Europe, the United States, and Japan and tends to leave out Australia and New Zealand.

I said that I thought that the U.S. interests in developing stronger relations with Japan arose out of the fact that we just tend to look at the Atlantic Community. Japan is still a country that is very different from us in many ways. But I noted the fact then that the OECD is the one organization that not only included Japan but also Australia and New Zealand. He said, yes, that is an underutilized organization.

Senator HUMPHREY. I agree with that.

Mr. FRASER. The striking thing about this resolution is the way it largely replicates the relationship of the OECD in calling for the participation by the various countries. Perhaps the OECD is the nucleus on which we might build. It is an important organization.

Senator HUMPHREY. I do think so, Congressman Fraser. I think also, as you so well put it, it broadens our base—NATO as a defense function. I think it goes further than that. Actually it has political ramifications as well but OECD gets right at the economics, the cultural, the political base of a large number of countries in which there are similarity of institutions. At least most of them are democratic institutions. I could not agree more about the necessity of our looking to not just Japan but to Australia and New Zealand. We do have treaties with these countries, as you know. By the way, in our markup on the security assistance bill in the Senate, we are putting in a special section on the exchange of what we call high technology with not only our NATO members, which has been the tradition, but also with Japan, Australia, and New Zealand, so that the tie-in is a little closer. Those are all very good. They are good solid democracies. I think they really represent our legitimate interest in a specific area. And I would hope whatever we did we would include them. That, of course, is what this resolution does.

In the resolve section of the resolution it says:

That the Congress finds that the proclamation of the Marshall Plan should be commemorated by the naming of a delegation of U.S. citizens to organize and meet in a conference with similar delegations from the North Atlantic Treaty Organization democracies, Japan, Australia and New Zealand for the purpose of making a comprehensive assessment of existing institutions and to formulate recommendations for preserving and perfecting these institutions.

Congress should not rely on the executive branch for all of the reassessments that are needed. We are capable of making those reassessments. Every one of these institutions has a very strong tie to the Congress because of our financial contributions, because of our obligations under those institutions. Therefore, if there is to be a reassessment, it

¹ See appendix 2, p. 50.

ought to be a collaborative one, a cooperative one, in which the executive and legislative branches are working together. I commend the sponsor, Paul. You and I have worked together on some other matters. I see you have a fine bipartisan cosponsorship of this resolution. I think it ought to be acted upon. Surely at a minimum it can only be helpful. There are no negatives to this at all because really we are way behind. We ought to be studying these institutions we are talking about anyway.

Some of you members go to the North Atlantic Assembly. I have not had a chance to do that, strange as it may seem. This year I hope to go. That has proven to be a very useful conference, and there has not been a great deal of congressional insight into OECD. I really believe if you poll the Members of Congress and go around you would find that many of them do not know what the OECD was about. It does have a very direct bearing on the industrial, political and social development not only of the members of the country but in the North-South dialog, the OECD may be very well critical and what the overall relationships are going to be in the coming years in what we call the developed countries and developing countries.

Mr. FRASER. Mr. Findley.

Mr. FINDLEY. Thank you, Mr. Chairman. Thank you Senator, for your support and for your excellent statement.

In 1947 our resolve to contribute to the reinvigoration of the free world led to the creation of institutions that have proved durable and worthy. Thirty years later, in commemoration of the Marshall plan, we are here to express our appreciation of the significant role these institutions have played in the preservation of our values and well-being. More importantly, we are here to propose a stimulus to reassess and perfect those mechanisms in order better to maintain their vitality for another three decades.

Now, more than ever, the nature and scope of the problems that beset us lend import to our transatlantic institutions. Matters of trade, nuclear proliferation, the environment threaten to overwhelm individual nations and call for common solutions.

To render these problems more manageable we need to revive our sense of shared interest within the NATO alliance. With cohesiveness can come cooperation and with cooperation can come coordination. Stimulating this sequence is the essence of this resolution's goal and the imperative reason for its existence.

Rather than await the crises that are sure to weaken neglected and atrophied institutions, we must plan for our future needs and prepare for coming challenges. That is the historic task before us as we deliberate the Marshall plan resolution.

In regard to the statement of the distinguished senator from Minnesota, I would like to mention two items. First of all, the desirability of dispatch in considering this resolution. I am sure the Senate is under the same time constraints we are on the House side. I believe there are some strong arguments for enacting this resolution this year at the beginning of a new administration and during the first session of a Congress. So this year rather than next year is the time to move forward with it quite apart from the issues that need to be addressed.

If you can work into your day's schedule getting this through the Senate, that would help a lot.

Senator HUMPHREY. I tell you what I might do, I think I will take a copy of this resolution. I am going over to the Foreign Relations Committee now. I will see if we cannot get it reported out.

Mr. FINDLEY. Second, Senator, this may well be nothing more than another conference. Whether it amounts to something constructive and is helpful depends upon the quality of the people who are named to the U.S. delegation. That is my opinion. If the U.S. delegation consists of very competent, prestigious people, then I am sure the other nations will see fit to select their best citizens for the conference. And with these best citizens participating from all of the countries, we can expect better work. Would you agree with me on this assessment?

Senator HUMPHREY. Yes, I do. We know this kind of appointment process works because we have had other examples of where the Speaker has made appointments and the President of the Senate has made appointments and worked with the executive branch. There is a period of time in which to work, there are funds that are provided. If you are not going to provide the time and the funds and the competent people then it is just another resolution.

Mr. FINDLEY. Finally, Mr. Chairman, it is my feeling that those who are named to the delegation should really give it the highest priority and set aside other responsibilities. And I will express the fond hope that the Senator from Minnesota will be willing to serve in the delegation because his selection would symbolize to me the quality of people that the delegation requires. You do not have to answer right now, Senator.

Senator HUMPHREY. I just want to note that will have to be made by the President of the Senate. I have a friendly relationship with him.

Mr. FINDLEY. Thank you, Mr. Chairman.

Mr. FRASER. Mr. Diggs.

Mr. DIGGS. Thank you very much, Mr. Chairman.

I would like to get the Senator's comments on the ramifications of this kind of conference for Third World countries because the refocus on the Marshall plan and NATO 30 years later has a great deal of implications. It is also the 20th anniversary of the independence of Ghana, as the Senator may recall, which was the beginning of the decolonization of Africa. Any conference that is going to focus on the Marshall plan which aided European recovery, might also consider how the industrialized world should assist in the economic transformation of Africa and the rest of the developing world. I wonder if you would care to comment?

Senator HUMPHREY. As I was saying, Congressman Diggs, the first thing that the so-called developed world has to do is to get its house in order so that it really can focus upon what its relationships ought to be in, say Africa within the North-South dialog. I think that is one of the things that is really needed right now, is to, by reexamination, have a good hard look at how the OECD, for example, can be an instrument of help, encouragement and bulwark of strength for our work together in Africa, using that as one area of the world. The same thing is true of any of the other institutions. Most of these institutions immediately after the war were designed for the Western World, for the so-called world of the late forties and fifties, and they have been stretched and pulled as the number of nations grew.

This is particularly true of the banking institutions that we are familiar with—the International Monetary Fund, the World Bank and so on. And I think we have noted that there has been less than a good strong response at times to the needs of the Third World by the industrialized world. It has been hit and miss. It has not been coordinated. Congressman Fraser mentioned again, and I just note once more, the importance of OECD. It is a consultative body. It represents really the wealth of the industrialized world, the technology of the industrialized world, and it should take a very strong role in any kind of concerted action that is required for the African area, for example.

Today what is going on in Africa, as you know because you have been giving so much time to it, is really spasmodic hypothesis, sort of band-aid ad hoc operation. We put some money in, somebody else does, and so forth. It is only recently on the Sahel have we even talked of a planned program for a long-term development program in Africa. That is the first instance of a cooperative collaborative effort on the part of the number of countries to really help a region of Africa. And I personally think the African development will never succeed until the developed countries have really shaped their institutions to do their job in that area rather than going at it individually.

The French are interested in the old French territories and the British have had some interest in the old British territories, and we had no interest at all for a long time. Now we are coming on in, sort of rumbling on into it rather than really figuring out where we ought to be.

I would look upon this resolution as not just a way of looking out how you are going to improve NATO, but how the concept of the Marshall plan itself, of planned economic development between the donor and the recipient can be applied to other areas of the world that are not as sophisticated industrially, that lack the type of skills and professional competence that was so evident in Europe. But the plan is there, and I think we have a chance here to do something about it. I am just talking freely to you. I have not given it the kind of thought that I believe it ought to have. But if you get a good commission, if you have people that can spend some time on this, I think we can do something about it.

I personally am very upset the way we have been proceeding on the African question, as you know, because I don't think we have any design or any plan. I just introduced, for example, in the Senate part of a bill compelling us, for example, to take a look at Egypt alone, just one country. What is a long term economic input, or what is our long term economic plan with Egypt, if we have one, or are we just putting in like we accidentally the last 2 years, literally by accident, put in about \$1½ billion. Throwing it in there is surely no way to spend people's money. We ought to have some design, some plan.

Now here comes along the question we are talking about in Zimbabwe, the collaborative effort there, the collective effort to be of some help in southern Africa. Well, again, we are taking some leadership as to the United States, but it is not something that has been worked out with a number of countries. This is not just something for the United States. The United States has got to take a leadership role to be sure. But the Japanese and European countries that are in OECD, Aus-

tralians, New Zealanders and others. They have some responsibility here. I think you can modernize these institutions of the world as it is now. Not a world of 50 nations, but of 150. Not a world coming out of colonialism but a world that is galloping into nationalism. I think that is what you have to look at.

Mr. DIGGS. Thank you, Mr. Chairman.

Mr. FRASER. Mr. Bingham.

Mr. BINGHAM. Thank you very much.

I do not have any questions.

Senator HUMPHREY. Thanks, Jack.

Mr. BINGHAM. It is great to have you here.

Mr. FRASER. Mrs. Pettis.

Mrs. PETTIS. Thank you, Mr. Chairman.

I have just one question. What indication do we have that other nations are interested in such a resolution?

Senator HUMPHREY. Only that insofar as the North Assembly, North Atlantic Assembly countries, there has been expressed interest about the resolution as it relates to NATO. And I do know that the Japanese and the Australians and the New Zealanders, particularly Australia and New Zealand, have been feeling that they ought to be involved more in our conferences.

I think one of your colleagues here mentioned awhile ago, Congressman Fraser, that the Prime Minister of Australia was of the opinion that there is more to our relationships in the Pacific than just with Japan. I think they would have. I do not have any categorical information or letters or anything like that. But from the conferences that we have had, the talks we have had with different people as they have come to visit from New Zealand, Australia, Japan, I don't think there is any doubt that they do have such an interest.

Mrs. PETTIS. Thank you very much. I have no further questions.

Mr. FRASER. Mrs. Meyner.

Mrs. MEYNER. Thank you, Mr. Chairman.

I have no questions for Senator Humphrey. Congressman Pease and I said we ought to let you go so you can attach this resolution to your security assistance bill.

Thank you, Senator.

Senator HUMPHREY. Thank you. Nice to see you again.

Mr. FRASER. Mr. Pease.

Mr. PEASE. No questions, Mr. Chairman.

Mr. FRASER. Senator, thank you very much.

Leo, you have just come in. The Senator just finished his testimony. Do you have any questions?

Mr. RYAN. I missed a great deal.

Senator HUMPHREY. I want to compliment the International Relations Committee for the initiatives it takes. I really mean that. Sometimes some of us on the Senate side are a little bit envious, I suppose. That is a cardinal sin. You really do a great job. I am glad to see this initiative.

Mr. FRASER. Thank you, Senator. We appreciate your coming.

Our second witness is Averell Harriman. We are delighted to have you with us. I do not think you need any introduction to our subcommittee. We are looking forward to your views on this resolution with

great interest because of your tremendous experience in the international field.

STATEMENT OF HON. W. AVERELL HARRIMAN, FORMER U.S. AMBASSADOR TO THE U.S.S.R. AND GREAT BRITAIN AND FORMER U.S. REPRESENTATIVE IN EUROPE UNDER THE ECONOMIC COOPERATION ADMINISTRATION

Mr. HARRIMAN. Mr. Chairman, may I begin where Senator Humphrey ended by complimenting the subcommittee for its initiatives in this resolution. It gives me great heart to know the House is originating a concept of this kind which I feel can be so important in our international relations.

There are some thoughts on which I agree with the Senator very much. The OECD is the framework of economic cooperation. It has certain members which are not members of NATO. I feel consideration should be given to include those. Members of OECD who are not members of NATO. On the other hand, they are not all part of the military alliances, which include Australia, New Zealand, Japan, and NATO. So there may be complications.

The IMF, of course, is a worldwide organization. I do not think its members can relate to this meeting. Of course, we can consider the areas in which the IMF may further the objectives that are agreed upon by the international meeting that you call.

The Marshall plan, of course, was designed to deal with the immediate postwar situation. Europe was absolutely flat economically. It was not only the destruction of war, but lack of capital in the member countries. Commerce and trade had been broken down, the factories had been destroyed. There was not enough money to buy the food or the raw materials to get the economy going. The Marshall plan had to deal with that immediate situation.

The important fundamental objective was to get the unification of Europe. In that progress has been made. It was made during the Marshall plan.

The European Payments Union was the reason why trade could expand as fast as it did. It was purely intra-European.

We now have the IMF and other ways of encouraging that.

At the same time, unification of Europe has not gone as far as it should, and we do hope in expanding world relationships we should in no way minimize the importance of Europe's greater unity. We should move forward economically to a considerable extent with the EEC.

At the same time it has not made the political progress we had hoped for in the original conception of the Congress.

The second authorization act of the Congress, does specify unification, political unification of Europe as an objective. Therefore, considering these matters, I think we have to consider other regional questions as well as European questions: Relationships with developing nations are of vital importance.

The North/South relationship should be given high priority. On the other hand, I fully agree with Senator Humphrey that it is important for the industrialized nations to get together and realize their mutual

obligation to act together, not individually. We do have certain institutions which are of great value—the Inter-American Bank, the Asian Bank, of course the World Bank, with its special services to help the developing nations. These are all institutions which exist.

I like the concept you have in this resolution to examine all of the institutions that exist and see where they can be strengthened for a common purpose. You must arrive, I think, in this meeting at that common purpose.

General Marshall himself was one of the very last to give up hope for a world recovery program. I think Mr. Pogue will agree; he will testify later. Other statements indicate he did have in mind the hope Russia might join. As you know, Poland and Czechoslovakia wanted to join but were not allowed to. Unfortunately at that time Stalin refused.

Foreign Ministers of Britain and France asked Molotov to join them, representative of the Soviet Union. He arrived with a rather large group of economists, and it looked as if he might intend to join.

On the other hand, he utterly refused to adhere to the more fundamental elements of the Marshall proposal, that Europe should have a unified program, mutual help. Russia refused to join that. Molotov indicated that they should ask the United States how much money it would give, and they would divide it among the countries that had suffered the most. Quite obviously he considered Russia had suffered very much, and should get a large share of it.

In any event, he left the meeting. It is important to note the Kremlin did declare war on the Marshall plan in those specific words. It did indicate they considered this plan an attempt of the United States to dominate, subjugate, I believe were the words used, Western Europe. Of course, it was exactly the reverse. It was the objective of the United States—our objective was clearly expressed by the Congress and by the administration, by those of us who administered it—that our objective was an independent, unified, and prosperous Europe which could contribute to the welfare of the world as a whole.

Perhaps you remember, I was known as the roving ambassador—actually it turned out I became the head of the Central Administrative Office in Paris to which the country missions reported on their activities, they reported to Washington as well. I met with the Finance Ministers of the OEEC countries. My deputy, Mr. Foster, met with the permanent representatives. We were observers. We were not part of these decisions, but we could use our influence, not directly to benefit the United States, but through the enlightened concept which Congress approved that we would gain by the strengthening of Europe. I am sure you have in mind in this resolution the obligations of the industrialized nations toward the developing nations. I hope the resolution makes it clear that this is worldwide prosperity and peace we are after, not a club of the industrialized nations to further their own interests. They can only have a prosperous and secure life if the rest of the world joins in the prosperity.

They did respond to the Marshall plan; European nations did respond; they did take the initiative. We insisted they divide the aid that was given by the United States. They didn't want to do it at first. I thought we would make enemies if they all came to the United States—each one trying to get more than the other. We insisted they

divide the aid. So they did that. That decision, I think, did more to make the OEC—it is now called the OECD—into a really cooperative organization. They did work out each other's problems. Each country came and submitted its plan of recovery. The group as a whole made suggestions as to the amount each country should need and in other ways supporting each other's efforts.

I spoke of the European Payments Union as one of the meetings by which it was possible to break down the autonomy of each of these countries. We find again in the recession that the West is having today that there is pressure in each country to try to reduce imports from other countries. Each country is trying to deal with its own problems.

As a matter of fact, the Marshall plan proved that real recovery could only come by the expansion of trade. I do want to call attention to the present attitude on minimizing the restrictions on imports because it is only through international trade that we can all develop.

On the other hand, where there are excessive imports which are based on the desire of a country to take advantage of another market, as you all know in the case of Japan, with the television imports, there should be, if possible, voluntary restrictions so that only the normal percentage of trade would flow. But I think one of the very greatest lessons of the Marshall plan is that autarchy is disastrous. It is only by expansion of trade and mutual aid that it will be successful. The President took a leading role in the last few days in London in dealing with the economic problems of the West and agreement was reached for cooperation in mutual recovery. I think it is a milestone in a summit meeting where the principal leaders agree that they must work together to achieve their objective of recovery which would give high-level employment and overcome the difficulties of the imbalances in trade that exist.

The action taken fits right into the spirit, I think, of your resolution, Mr. Chairman.

There is a problem of security which has to be considered as well as the question of economic recovery. I think NATO is of vital importance in the security of our nation. It is the most fundamental of our treaties.

The treaties with Australia and New Zealand are important, but NATO is the heart of our security. As the President pointed out in his speech yesterday to the NATO group, the Soviet Union has been increasing its conventional military strength to a degree more than seems necessary for defense.

Of course, there is a meeting where that question can be discussed. That is the Helsinki Congress which takes place next autumn. It is the second meeting.

I think it is absolutely essential that we recognize the military security, military strength is necessary for the security of our nation and security of our NATO allies. I am glad the President called for mutual work in strengthening our NATO forces.

I suggest that his speech in London yesterday addressed to NATO Conference be viewed by this committee and be put into the record because it has a number of statements which are important. It is interesting that the President in a way spoke as General Marshall did. He wants to work with Eastern Europe as well as the West.

In the aftermath of World War II it was clear that we had to build and strengthen the West and to deter Soviet aggression. East-West relations have become far more complex and to manage them requires patience and skill.

The President said our approach to East-West relations must be guided by mutual cooperation. It leads us to seek broad cooperation with Soviet states for the good of mankind.

A sense of history teaches us that we and the Soviet Union will continue to compete. If we manage this dual relationship problem, we can hope that cooperation will eventually overshadow competition in leading to increased stable relations between our country and the Soviet Union.

He speaks of the necessity of continued negotiations for nuclear agreements and also the upcoming discussions between NATO and the Warsaw Pact and the mutual reduction of forces.

I do view this as an appeal to the Soviet Union to reduce their warlike attitude. I am satisfied that the leaders do not want war. They have gone through trying conditions in World War II. Mr. Brezhnev himself speaks of the agony that the nation went through in that war, and that Americans have never been through the kind of tragedy they have.

At the same time, they are building up strength which seems, of course, unnecessary, and if we are to get them to reduce their strength, we will have to have a strong NATO militarily determined to defend itself.

The Marshall plan came first. NATO followed because of the Soviet action in the blockade of Berlin.

June 1948, the very first year of the Marshall plan, led to an assessment that went along with the economic cooperation. There had to be a mutual defense arrangement. So a combination of the important economic achievements of the Marshall plan, and at the same time the development of mutual security arrangements, were developed by NATO.

At the same time today we are facing a different situation—the Communist threat that we thought was very much weakened by the success of the Marshall plan. I agree with what Senator Humphrey said. It is the success of the free society, the tremendous success of the free society, which will give it the impetus and strength that is needed to offset the attempts of subversion that otherwise would promote Communist dictatorships.

On the one hand, Mr. Brezhnev has shown every indication that he wants peace for the Soviet Union. He has committed it to his people in improving relations with the United States, called *détente*. The agreement in Vladivostok and further steps in the reduction of nuclear arms, also reduction of conventional arms are all, in my opinion, objectives they are ready to negotiate.

At the same time, I heard Mr. Brezhnev speak at the celebration of the 30th anniversary of V-E Day. It was a peace celebration, 30 years of peace as a result of the tragedies of war. Then he went on to speak about the achievements of the Communist Party and he said in substance that the highminded support that they were giving to the liberation movements—which is their word for Communist subversion—all

over the world has added to their strength and prestige. In fact he states this in most of his speeches. He will not abandon it. He is determined to encourage communism in other countries.

We have to face it. If I may say, we are not going to stop that with nuclear bombs. CIA is our first line of defense. That means getting accurate information on what is going on all over the world and seeing that we are there first with a helping hand. We should study whether it is in our interests to assist countries who want to protect themselves from Communist outside financial support.

This in no sense indicates I condone the abuses that came into the operations of the CIA. But the CIA functions are very important. In fact, they were important to the success of the Marshall plan. The Soviet Union wanted to strengthen the Communist labor unions, and they were an important force in the country. We tried to help, with the cooperation of the AFL-CIO, the non-Communist unions, the non-Communist publications and so forth. We do not interfere with their policies. The Communists were giving help during that period when help was very short in Europe.

These are all factors which the committee might want to consider. The group that you are suggesting getting together are all countries that believe fundamentally in the freedom and the dignity of the individual, their standard of human rights is high. We have our own weaknesses. Every country has its own.

The group that is suggested to get together at this conference are all nations who have democratic principles which we place so much stock in.

I will be very glad to answer any questions that any of you may have. This subject is such a broad one. I want to indicate I am in strong support of the initiative of this committee in this resolution, and I hope it will be successful in getting joint action of the Congress.

Mr. FRASER. Thank you very much, Governor.

The progress politically in Europe seems to be continuing. I note the Parliament of the European Community is going to be directly elected in 1978. This I think, conceptually will be a major step forward.

Mr. HARRIMAN. I agree with you. I think they have made more progress economically than politically.

Mr. FRASER. I have one question which relates to your experiences in the executive branch. Some may argue that we should let the executive branch take whatever initiatives are necessary with respect to building institutions of the nations in the Atlantic Community, and in the Pacific. And that Congress really should not be taking this initiative, but should wait until the executive branch steps forward with its requests. Is that a reasonable expectation?

Mr. HARRIMAN. I do not agree with that thought. Not with you; I don't agree with that thought. I think the executive branch has a responsibility for the presentation of programs in operation. But I think it is very much the responsibility of Congress under the Constitution to take the initiative in any field that it wishes to do so. I think it is very stimulating that Congress takes this lead. If it is only an administration proposal, then Congress is apt to look at it askant and wonder if it is right. This will have more appeal, I think, in the nations as a whole, if the Congress does originate it because, as you well know,

in recent years, there has been suspicion of Government. I think fortunately Congress has not shared as much as the executive branch has in the fears in that respect that developed as a result of certain events.

I think it is very important that this sort of thing come from the Congress. I think the people of the country are apt to give it even greater support if it does come from the Congress than if it is the administration's idea.

Mr. FRASER. Thank you, Governor.

Mr. Findley.

Mr. FINDLEY. Thank you very much for your excellent testimony. It is gratifying that a person with your great experience and great public service in general as well as in particular to the Marshall plan development and execution would take the time to share your thoughts with us and to give the strong support that your statement does give. I find it very reassuring. I'm grateful to you.

You mentioned at the outset a potential problem, at least I viewed your comments that way, that some of the OECD nations are not members of NATO. There is nothing in the resolution which would preclude the conference from inviting participation from other nations if it saw fit. It may well be that may be a way to meet any problem of that nature should it arise.

Thank you, Mr. Chairman.

Mr. HARRIMAN. Congressman Findley, I did not suggest OECD members be included, but it be given consideration because they are not involved in the security aspect of NATO.

The OECD is the organization which results from the Marshall plan and the members did not all join NATO. Of course, there are others that have joined it.

As a result of the Marshall plan, as Senator Humphrey indicated, the OECD is a very live and vigorous organization. It can be useful if it gets the support of the member nations and this leadership of this resolution, I would think, would encourage OECD to more important action.

Mr. FINDLEY. Thank you, Mr. Chairman.

Mr. FRASER. Congressman Diggs.

Mr. DIGGS. Thank you, Mr. Chairman.

Just my highest compliments to you, Governor, for the marvelous historical perspective that you have given us on these issues.

My particular appreciation for your comments on the ramifications of this resolution for other parties of the world, because I confess that I was beginning to get a little nervous about what could be a very conventional approach to this matter. And in view of the changed circumstances in the present international community, now as compared to political configuration of the post war world, your comments were very reassuring.

Mr. HARRIMAN. I would like to say, if I may, Congressman. I think our first responsibility, not only to ourselves but to the world, is to get our own economy in shape again. If we want to do something to help the world—Europe and the developing nations—we must learn how to develop our own economic procedures, to provide a more stable economy and greater social justice. We have to do that more than any-

thing else in helping them. By the same token, if the industrial nations would join together and get a more stable national life and join in working together in assisting the developing nations, there could be broader organized development. I think it would be a mistake—the purpose of this resolution, it seems to me, is the industrial nations will be joining together to develop greater strength which would then make it possible for them to play a greater role in the obligations of the developing nations. And some perhaps can be developed which will result from the unity I hope will be created by the conference which this resolution calls for. I do want to emphasize, we used to have the expression in the Marshall plan days, “when the United States sneezed, Europe had pneumonia.” It is nothing like that today. We have to recognize that our recession has done more to accentuate the difficulties of Italy, for example, than almost anything else. We talk about what we can do to help Italy. Strengthening our own economy can do perhaps more than anything else to help Italy stabilize its own situation. I only mention one country. It is true of every other country as well. It is also true of the developing nations, that is, better markets and also, this whole question of giving special consideration by the industrial nations for lower tariff considerations, for developing industry.

Our own problems can be dealt with better in combination with other nations than by individual action.

Mr. DIGGS. Thank you, Mr. Chairman.

Mr. FRASER. Mr. Bingham.

Mr. BINGHAM. Thank you, Mr. Chairman.

Governor, it has been a pleasure to have you give us this background on the Marshall plan and remind us of some of the ways in which the Marshall plan took shape and some of the implications.

I think, in connection with Mr. Diggs' question, it is possibly worth recalling another bit of history. In his inaugural address in 1949, President Truman outlined four basic points of American foreign policy. Everybody remembers the fourth point which had to do with technical assistance to the developing countries. It was a new idea at the time. Very few people remember what the other three points were.

In fact, in the late fifties, I discovered that President Truman himself couldn't remember what the other three points were.

But to remind you—and you probably do recall—the first point was support of the United Nations.

The second was the NATO concept, and the third was the Marshall plan.

My point in recalling this is that he put the four together as a whole, and I think there is certainly nothing inconsistent with recalling the ideals of the Marshall plan and of NATO and the other concern for the North-South relationship.

I do have one question, Governor. What impact do you think the calling of this conference, as contemplated in this resolution, would have on United States-Soviet relationships?

Mr. HARRIMAN. I think it would be good myself, as long as it is made clear that its purpose is for a peaceful purpose.

There is no doubt security should be recognized. The security of the Soviet Union is one of their first considerations. If there was any

idea that this was a warlike conception, why then it might be considered a threat to the Soviet Union.

At the same time, they are not bashful about saying they believe their system will work, and it is the best one. And the other nations are going to be compelled to adapt to it. This is a great challenge to the competition which we have with the Communist system and that we cannot help, I think it would be healthy to make them realize they cannot walk all over the world and try to impose their will. There is a force of people who believe in human rights. We are jointly interested in helping people develop life in freedom and independence and not under Communist dictatorship.

It would be very helpful if we reemphasized that we are working for world peace and prosperity and not for military, but second, it might help them recognize they are wasting some of their efforts.

Mr. BINGHAM. Thank you.

Mr. FRASER. Mrs. Pettis.

Mrs. PETTIS. Thank you, Mr. Chairman.

Governor, I do not have any questions, but I want to thank you personally for this historical account from you who was so intimately involved and was a moving factor in implementing the Marshall plan. Thank you very much.

Mr. FRASER. Mr. Ryan.

Mr. RYAN. Governor, I have a thousand questions to ask you considering all the experience you have had. There is a parallel that has intrigued me for some time in relation to the developing countries. At the end of World War II, if my memory serves me correctly, about half of the world's GNP was concentrated right here in the United States.

When we proposed the Marshall plan as a means of bringing Europe back to its feet, we did so, I suppose, implicitly because we had the financial basis to do so. Today, looking at the conference such as has been proposed by this resolution, we are far from that relative position at the end of World War II. We hold somewhat less than 25 percent of the world's GNP and our percentage is declining.

I presume if we were to put together the combination of countries proposed in this resolution, we would be approaching or perhaps even exceeding that portion of the world's GNP again. And while I realize historic parallels do not remain parallel very long, the idea is still intriguing to me.

What if this group of countries would propose something of the same magnitude for the world's developing countries together, do you think from your experience, that is a political possibility at least, if not an economic possibility?

Mr. HARRIMAN. I would think it would be the objective and one of good cause, we could use our influence to try to develop it. I think it is a little premature to propose it. I like the idea very much. It appeals to me very much. I do believe if we propose it, it would not be acceptable. I think it requires a lot more education of these countries in order to be in a position to make such a proposal. I certainly would be highly gratified if such a proposal came out of this conference because I think it is very much in our own self-interest to do so, and I think it is very stimulating and constructive if we suggest the subject on the agenda to try to develop in some form a program which you have in mind.

Mr. RYAN. Thank you, Governor.

Thank you, Mr. Chairman.

Mr. FRASER. Mrs. Meyner.

Mrs. MEYNER. Thank you, Mr. Chairman.

Thank you, Governor Harriman, for a most interesting discussion and testimony.

I am a sponsor of the Marshall plan resolution, but following a little bit on what Mr. Ryan said, I think it is a good plan, but I do worry a little bit that with the NATO democracies and New Zealand, Australia, and Japan included that perhaps it does look a little bit like a club of industrialized nations. What would your thoughts be about asking other nations to be observers? Does it worry you that it does look like a club of industrialized nations?

Mr. HARRIMAN. Let me put it this way, further on Mr. Ryan's question, it might be well if that objective was put forward as one of the objectives of the American delegation. I don't suggest making this a proposal, but as an objective. I think if that were done, it would tend to offset your fears.

I share your fear, this must not be given the idea this is a rich country club interested only in its own success.

In addition to these objectives, their relationship with the developing world responsibilities might be well to include if it is not in the resolution, perhaps in the debate and in the publicity that comes out of it. But I do think Congressman Ryan has made an analysis which I think is very important to put forward. Congressman Diggs has left. You heard his concern. I think he expressed the concern you have in mind. So I think I fully endorse any reference that might be made in the resolution and indicate one of the objectives of this conference must be the analysis of responsibilities for the developing world, and interest and concern for that as developing nations.

Mrs. MEYNER. Thank you.

Thank you, Mr. Chairman.

Mr. FRASER. Governor, thank you very much. I speak on behalf of all of us in expressing our very strong appreciation that you could be with us today.

Our next witness is General Lemnitzer. General before you start, I wondered if after you complete your statement it might be feasible to have Professor Pogue also give his statement? Then we might ask questions of the two of you. Would that be agreeable?

General LEMNITZER. Yes.

Mr. FRASER. We are delighted and honored to have you with us.

STATEMENT OF GEN. LYMAN L. LEMNITZER, U.S. ARMY (RETIRED), NATO SUPREME ALLIED COMMANDER, EUROPE, 1962-69

General LEMNITZER. Mr. Chairman and members of the committee, it is an honor and a privilege for me to discuss the importance of the North Atlantic Treaty Organization, NATO, as indicated in the resolution.

NATO, of course, is very much in the news these days. I have had a long association with NATO, having participated in the drafting of the treaty in 1948 and 1949. I assisted Gen. Omar Bradley who was then

Chairman of the Joint Chiefs of Staff in presenting the military aspects of the treaty to the Senate Foreign Relations Committee during the ratification hearings.

I was present at the signing of the treaty here in Washington on the 4th of April in 1949 and, except for a period of 1951-52 when I was in the Korean war, where I had commanded the 7th U.S. Infantry Division, and in 1955-57, when I was Commander in Chief of the Far East and United Nations Commands, my various assignments in Washington have kept me closely in touch with the developments and activities of NATO.

During the final 6½ years of my active duty, I was privileged to be the Supreme Allied Commander of Europe, which is one of NATO's principal commands.

Before developing the continuing and increasing importance of NATO today, let me recall very briefly why the alliance was born. One of the principal assumptions behind the establishment of the United Nations, founded in 1945, was that the principal World War II allies would act in concert to keep the peace. It is a well known fact that back in 1945 when World War II ended, the Western democracies in their hurry to return to peaceful pursuits demobilized almost immediately and within a year their forces in Western Europe which had numbered 5 million men had shrunk to less than 900,000.

Not so with the Soviets, however, who maintained their forces at a very high level. The results of this power imbalance immediately became clear.

The members of this committee will well remember the postwar aggressive expansionist record of the Soviet Union under this massive military power to include the annexation of Latvia, Estonia, Lithuania, and their dominance over the Satellite States in Eastern Europe.

In short, the hope of the World War II allies "acting in concert to keep the peace" was completely shattered when repeated efforts to make headway with the Soviets failed—and failed absolutely.

Realizing this threat from the East, the Brussels Pact and its defense organization—the Military Committee of the Five Powers—was established in 1948. This started discussions of the larger and broader defense organization by the Western European democracies, the United States and Canada.

In this connection, I was designated by Secretary of Defense Forrestal as his representative and observer to sit in on meetings of the Military Committee of the Five Powers in London during the summer of 1948. This provided me with an opportunity to contact U.S. representatives in Europe dealing with the implementation of the Marshall plan.

While the plan was gradually getting underway, it was obvious that it was not progressing as rapidly as anticipated. It was the opinion of most of those with whom I talked that the principal handicap to the Marshall plan was the complete lack of military security in Western Europe in the face of the formidable Soviet military power imbalance in Europe.

It is the unanimous opinion today of those who have worked with the Marshall plan, that the establishment and development of the military security provided by NATO was a major factor in accelerat-

ing the effectiveness of the Marshall plan and in making it the enormous success that it was. I believe the approval of the joint resolution under consideration here today would be a most appropriate and significant step in commemorating the 30th anniversary of the inception of the Marshall plan.

It was a Communist coup in Czechoslovakia in February 1948 that provided the final shock to the Western Allies, which made them realize that they must band together if peace with freedom and security was to be maintained in Western Europe.

After February 1948 events began to move rapidly—especially in Washington. Senator Vandenberg played a key role in these developments. His resolution “to associate the United States by constitutional processes, with regional and collective security arrangements, as are based on self-help and mutual aid as affect its national security.” That resolution was a key factor in the establishment of NATO.

Such an arrangement had been explicitly provided in articles 51 and 52 of the U.N. Charter.

The Vandenberg resolution was a major departure from our traditional foreign policy. It was adopted by the Senate on 11 June 1948 by a vote of 64 to 4.

The NATO Treaty was signed by 12 nations in Washington on April 4, 1949. Ratification by the member nations having been completed, the treaty came into force on August 24, 1949. Since that date, three more States requested and were granted full partnership in the alliance. Greece and Turkey became members in 1951 and the Federal Republic of Germany on May 5, 1955. Thus, the original 12 are now 15.

During the following months of 1949 and 1950, there were periodic meetings of Foreign and Defense Ministers and the Military Committee, comprising the top military officers of the member nations. At these conferences, agreements were reached on certain policies, tentative plans and procedures. After these meetings the Ministers and top military officers would return to their respective capitals to implement the agreements on a national basis.

It soon became apparent, however, that little or no real increase was being accomplished in the overall military strength and capability of the alliance to carry out the vital mission of deterrence and of defending the NATO area against Communist military aggression.

After many meetings and considerable discussion, the NATO Council in December 1950, approved the recommendation of the Defense Committee for the creation of an integrated European defense force, for the establishment of a Supreme Headquarters in Europe and unanimously agreed to request the United States to make General of the Army, Dwight D. Eisenhower, available as the first NATO Supreme Allied Commander Europe.

The annals of history are filled with reports on alliances formed to achieve the objectives of war. But, when, on April 2, 1951—26 years ago—General Eisenhower issued his General Order No. 1, establishing Supreme Headquarters Allied Powers Europe (SHAPE) and activating Allied Command Europe (ACE), it was a notable and unprecedented event. Coming into existence for the first time in history was an allied military organization devoted not to war but to peace.

The organization, policies and procedures adopted by General

Eisenhower in SHAPE and ACE were those developed and tested in the crucible of World War II, and are as sound today as when SHAPE and ACE were established in 1951.

The alliance was at its inception, and continues to be today, a solely defensive collective security arrangement. NATO is a defensive alliance—it threatens no one.

The mission of the NATO military structure in a capsule is short, simple, and straightforward. It is:

(a) To deter (prevent) aggression against NATO territory and people.

(b) Should aggression nevertheless occur, to defend NATO as far forward as possible.

In previous wars, fought by alliances in this century, the need for a structure such as NATO was clearly demonstrated. However, its construction in World Wars I and II had to be improvised after war had begun. This was accomplished barely in time to avert disaster, but in both cases at a tragically unnecessary cost in lives, property, and other resources.

A recent U.S. foreign policy report states that:

The peace in Europe is crucial to the peace of the world. This truth, learned at terrible cost twice in the 20th century, is the central principle of U.S. foreign policy. For the foreseeable future, Europe must be the cornerstone of our foreign and defense policy and the basis for structuring a durable peace.

There can be no argument about the success which the NATO Allies have achieved to date. While Europe has endured its share of crises during the past 28 years, the ultimate crisis that could have provoked a nuclear war has been prevented.

There are some Americans who hold that the only thing that gives meaning to NATO is the American nuclear capability. From this, they argue, there is no need for U.S. deployment of forces to Europe in more than token strength.

I disagree. I believe that Europe combines three characteristics which are crucial to the United States.

One is that U.S. interests involved in Europe are vital.

The second is that the danger of any conflict in Europe developing into another world war is greater than in any other combat area in the world.

The third is that time and space for effective resistance to an attack in Europe are severely limited.

In brief, to prevent a war in Europe we, with our allies, must have the capability, available on the spot, to raise serious doubts in the minds of a potential enemy that they could achieve even a limited military objective without paying an unacceptable price.

Such an American presence is visible evidence to our allies and potential enemies of our ability to meet limited as well as all-out attacks. It is visible evidence also that the United States honors its commitments. I consider that the U.S. contribution to NATO is of critical importance and should not be lightly set aside or further reduced.

On April 4, 1977, NATO celebrated its 28th anniversary. After 28 years of NATO, what have been the results?

During that period there have been more than 60 wars in the world—in Asia, the subcontinent of Asia, Africa, Latin America and the Middle East but not in the NATO area.

During those 28 years, not 1 square inch of NATO territory has been lost to Communist aggression.

Also during that period there has been more stability in Europe than that continent has experienced in more than a century.

I submit that this happy condition has not come about by accident but by 28 years of NATO effort and defensive vigilance.

NATO stands today as the one successful means of halting Communist aggression without resort to war. That concludes my statement.

Mr. FRASER. General, thank you very much. That is a very graphic portrayal of what I agree is one of the success stories of the Western World, certainly in this century and perhaps in a much longer timespan.

If you are agreeable, we will ask Dr. Pogue to make his statement.

I would invite attention of the subcommittee members to the biographical data about Dr. Pogue which shows extensive experience in the areas which we are discussing today.

STATEMENT OF DR. FORREST C. POGUE, DIRECTOR, DWIGHT D. EISENHOWER INSTITUTE FOR HISTORICAL RESEARCH, SMITHSONIAN INSTITUTION; FORMER DIRECTOR, MARSHALL FOUNDATION

Mr. POGUE. Mr. Chairman, members of the subcommittee, I will very briefly summarize my remarks.

Mr. FRASER. We will have your entire statement in the record.

Mr. POGUE. I am speaking, of course, not as the other three as a participant who helped form the various structures that have been built to bring about international cooperation and peace since World War II, but on the basis of my long-term association with the biographical work connected with Gen. George C. Marshall and the fact that on a number of occasions, I talked to him in particular about the Marshall plan and that I have also interviewed many of the people who helped him with developments.

Thirty-two years ago, and not 30 as appears in the prepared statement, last Sunday, 32 years ago, war ended in Europe on VE-Day. As has been so often the case, we did not have peace. However, in 1947 on June 5, at Harvard, Secretary of State Marshall laid down certain principles that might start us on the way to peace. And I would like to recapitulate some of the things that he said and some of the things that he did to lay the groundwork for the success of the European recovery program.

As Governor Harriman has pointed out repeatedly, General Marshall was one of the last people to give up the hope that there might be found some accommodation with the Soviet Union. As Chief of Staff, as Secretary of State and, later, as Secretary of Defense, he was committed to the notion that we do not achieve warlike preparations nor defense preparations without long-range planning. And I think that this particular point has great pertinence in this resolution which is an attempt to change a tendency to react to crises.

Because as General Marshall said, in time of war we are so often faced with meeting another crisis every morning or every evening that

we must have staffs which can sit down and put up their feet and think about 10 and 20 years from now. This is something he attempted to do by establishing the Policy and Planning Staff at the State Department.

Marshall, of course, did not write the Marshall plan. He never claimed responsibility for all that. He did claim a share in setting up groups to study these matters who would draw on the experience of a great number of experts in the economic and political field and bring together the combined proposal for the speech at Harvard.

He did feel, in addition to making the other statements he made at Harvard, that the offer of aid would be open to all who would be willing to abide by the principles that had been established in his speech for Marshall plan cooperation. He also wanted very much that the initiative should come from Europe, that Europe would show first what it could do, that the interested states of Europe would first establish machinery for getting together.

Once the Soviet Union and satellites fell out of the arrangement, he insisted that the Western European nations establish their own system and then find what they could do for themselves.

And third, they should ask the United States to help bring about the final result.

This speech, I believe, helps provide the absolute essential stimulus that would get Europe started again. Because those of us who saw something of Europe while stationed there or traveling about had known that the long struggle, the great manpower losses, the great economic cares, the breakdown of trade, the breakdown of currencies required some kind of common effort which, unfortunately, had faltered in the closing days of the war and came almost to a complete standstill once the great impetus that helped to bring together the Allied Powers against Germany had come to an end.

That stimulus, I think, was provided, first of all, in the Marshall plan speech and second, in the response that Western European members made to it and by the definite effort that European powers made to start Europe on its feet again. Without the United States, they could have done very little.

I think it is important for us to recall the enormous cooperation that took place between Congress and the President and the executive departments.

Mr. Truman started by setting up three committees, one of the most important of which was headed by Secretary of Commerce Harriman to study what the American economy could support, to study the effect on the American economy of the measures that were to be carried out and to bring together the best informed experts in the field of economics to suggest new approaches for this new Western European and United States effort. I think it is terribly important to recall to this committee, when you were asking as you did earlier of Senator Humphrey whether or not the Congress should take the initiative in this matter, that it was General Marshall's great belief that the Marshall plan could never have succeeded, particularly since the U.S. Congress was in the hands of a party different than that of the administration, without the extremely close cooperation between the Secretary of State, between the President and the Members of Congress—

this was also true, as you [General Lemnitzer] pointed out, when it came to the making of NATO—the tremendous role of Senator Vandenberg.

I know General Marshall said to me once the columnists got on him because he wasn't paying any attention to the leaders of the Congress. He said they didn't know that he saw Vandenberg every day. He used to slip him in the back of Blair House so they [the newsmen] wouldn't know what was going on.

He knew he could not move without that day-to-day cooperation. I think sometimes we lose sight of the terrific role that committees here in Congress—200 different Congressmen made trips abroad in 6 months that preceded the first consideration of the Marshall plan legislation.

Mr. FASCELL. They have been going forever.

Mr. POGUE. Most important, a select committee helped to draw up the main outlines of what was necessary, this European recovery program, in effect.

It has been my pleasure over several years to attend a number of programs in Europe and here that attempted to thank the United States and thank General Marshall for this impetus. I saw him get the Nobel Peace Prize in 1953 in Oslo the only soldier, the only professional soldier, ever to get this prize, not for his great deeds as a war leader, but for symbolizing the efforts of the American people to help bring peace through economic accord.

And then I remember attending meetings in Bonn on the 20th anniversary and again in Brussels. In Brussels I was struck by the fact that the idea was to take the spirit of the Marshall speech and the Marshall plan and extend it to not only to further efforts toward cooperation in Europe but to find the means whereby the industrialized countries of Europe could help Third World development. That has been stressed here.

I think it is something you had in mind in this resolution. I think there is no more fitting tribute to the Marshall plan speech, on the 30th anniversary of that speech, than to have this ongoing careful planning, long-range goal, that you have outlined in this resolution.

[Dr. Pogue's prepared statement follows:]

PREPARED STATEMENT OF DR. FORREST C. POGUE,¹ DIRECTOR, DWIGHT D. EISENHOWER INSTITUTE FOR HISTORICAL RESEARCH, SMITHSONIAN INSTITUTION; FORMER DIRECTOR, MARSHALL FOUNDATION

Thirty years ago last Sunday marked V-E Day in Europe. But in the pattern of many past conflicts, the Armistice did not bring peace. Along with the physical, moral and economic losses of the struggle there went an imbalance of power which threatened the stability of Central and Western Europe. The almost total dislocation of normal economic life, the disruption of trade, the loss of confidence in investments, the instability of currencies, the immense losses in productive capacity—all these contributed to economic stagnation, misery, lost hope. All of these pointed toward political division and dangerous apathy. Europe still had great latent potentials for production and trade, but a strong stimulus was needed from the outside. It was that stimulus that was suggested in Secretary of State George C. Marshall's speech at Harvard thirty years ago on June 5th.

Marshall had made a valiant effort in the period 1942-45 to work with our

¹ Dr. Poage is the biographer of General Marshall.

European Allies, including the Soviet Union. He had repeatedly striven to dispel Russian suspicions and to minimize Soviet doubts and fears.

The General, also, had sought no draconian penalties from the defeated Germans. He had shared Secretary of War Henry L. Stimson's opposition to drastic reduction of Germany's industrial possibilities. Perhaps he recalled the plan that he drew up early in 1919 in the Corps of which he was Chief of Staff was called on to enforce the Armistice of November 11, 1918 by occupation of Germany. He opposed action that might create economic chaos lest it spread Bolshevism in the territory of the defeated.

To Marshall's dismay, the closing months of the war found mutual suspicions growing among the wartime Allies. In a letter he helped draft from the dying Franklin Roosevelt to Marshal Stalin, he deplored the recriminations and doubts of the Soviet Union.

After a long and frustrating year in 1946, attempting to bring accord in China, where he met opposition from the Chinese Communists and the Chinese Nationalists, he returned to the United States to take up the duties of Secretary of State in late January 1947. Much had happened in Europe and the Middle East while he was away. Especially pressing were crises in Greece and Turkey. Problems dating from the wartime period were worsened by the growing political and economic weaknesses of Great Britain which had led to a decision to withdraw forces from some of the trouble spots of the world. Disturbed by the indications of continued crisis, he still hoped to maintain a bridge to the East. En route to a Foreign Minister's meeting in Moscow, he suggested to President Harry Truman that he delete provocative rhetoric from the message he proposed to send to Congress on the situation in the Eastern Mediterranean area.

Marshall's observations of the desperate economic problems of Western Europe, worsened by an extremely cold winter and power shortages, were sharpened by his discussions with Soviet representatives at the Moscow conference. From lengthy talks, he concluded that Marshal Stalin had no interest in the prompt conclusion of peace treaties and that he hoped to benefit from uncertainty and chaos in the West. Reports of growing Communist strength in France and Italy heightened his growing concern.

Shortly after his return to Washington, Marshall asked members of his staff to start pulling together material from studies already in progress for a possible policy statement in the spring. Charles Bohlen and George Kennan were asked to work on such a statement. They drew on statements or studies of Will Clayton, Dean Acheson, W. Averell Harriman and others and their own special knowledge of Europe for their conclusions. Secretary Marshall approved heartily of the statement prepared for his Harvard speech—that the initiative come from Europe and that the European countries first find what they could do in concert for their recovery and then come to the United States for aid.

Still hoping to maintain bridges to the East, Marshall proposed that his address leave open the way for the Soviet Union and its satellite countries to join in the common effort. Some observers have written that the United States did not mean the offer to be taken seriously. However, Marshall always insisted that he was in earnest provided the Soviet Union entered into the spirit of true cooperation. He considered this one of the points of which he was most proud.

Secretary Marshall always declined to claim special credit for the outline of the European Recovery Plan ("the so-called Marshall Plan" he sometimes said). But he believed that he helped win the support of many groups in the United States for the proposal and especially that through his work with members of Congress, he aided materially in putting the plan into effect. He recalled that in 1947 and 1948, the Truman Administration faced a Congress controlled by the opposition party. To put through a program, it was necessary to have the support of Senator Arthur Vandenberg, President Pro Tempore of the Senate, and many of the Republican members. It was here that Marshall was at his best.

As aide to Pershing from 1919-24, Marshall had appeared with his chief before congressional committees. And in the years as Chief of Staff, he had impressed senators and representatives by his candor and his open dealings. The fact that he had no political ties and no political ambitions also helped. Even as he had once worked closely with Senator Harry Truman, who headed a special committee on the conduct of the war during the years of conflict, he now worked with Senator Vandenberg.

The speech at Harvard had been followed by prompt response by British Foreign Minister Ernest Bevin and French Foreign Minister George Bidault who accepted the challenge to summon European powers to a special conference to work out common plans and establish an organization for coordination of efforts. On July 4, 1947, they invited 24 countries to attend. Ultimately, the Soviet Union and its satellites decided not to take part in the new venture. Fourteen countries of Western Europe plus Greece and Turkey joined with Britain and France and began at once to prepare the way for cooperation with each other and the United States.

The jolt of the speech at Harvard had supplied a force for European joint action. But there still remained action to put the United States solidly behind this effort. Wisely, the President carefully laid the ground for participation by concerned citizens and especially by members of both parties in Congress so that there could be full consultation and accord. Mr. Truman named a committee under Secretary of Interior J. A. Krug to study U.S. resources which could be used to support the aid plan, a committee of economic advisers under Edwin G. Nourse to study the possible effects of such a program on the United States, and third, a committee of 19 distinguished American leaders under Secretary of Commerce Averell Harriman to advise on the broad effects of economics internationally and on the possible effects on the United States economy. From these studies flowed extremely valuable information aiding public understanding of the proposed legislation.

Of even greater value to the final passage of legislative measures were the efforts made by members of Congress. Between July 1947 and the special session of Congress called by the President for November 10, 1947, more than 200 Congressmen went abroad on fact-finding efforts. Of outstanding importance was the work of the House Select Committee on Foreign Aid headed by Representative Christian H. Herter of Massachusetts. The Herter Report has received special notice in the book of Ernest H. van den Beugel, "From Marshall Aid to Atlantic Partnership," which brilliantly outlines the developments of this era. The report recognized the limitations on American ability to impose measures of cooperation which did not emerge from Europe itself. He cites the concluding paragraph:

"If we undertake the proposed European Recovery program, we are in effect assuming responsibility for the economic revival of Europe. Responsibility without power is a situation generally avoided by cautious people. But the alternative in terms of human lives, human misery and human slavery is perhaps too frightful to permit us the luxury of being cautious. We can only hope that the nations of Western Europe, who have the power over their own economic destinies, will themselves realize the responsibilities of their predicament and by actively cooperating with each other, help themselves."

On December 19, 1947, President Truman sent to Congress his message on the European Recovery program. On January 8, 1948, the Senate Foreign Relations Committee began its hearings on the European Recovery plan. Senator Henry Cabot Lodge asked Secretary Marshall, the first witness, about the value of American good offices in promoting the integration of Europe. Marshall replied: "I like the words you used, 'good offices'; because that is one of the delicate phases of the problem, that we do not move in such a way to awaken hostilities because of national pride. . . . My concern in the matter . . . is to get the affair going in such a way that the cooperation, the commitments which bring these countries together will increase rather than remain as they are at the time they begin to get more or less on their feet . . ."

As a result of careful preparations and an especially effective campaign of explaining the plan to the general public, the Senate passed the bill authorizing American aid for European recovery by 69-17 on March 17, 1948. Two weeks later the House of Representatives approved it by 329-74. Congressional approval had been won by close cooperation between the Executive and Legislative branches and the demonstrated readiness and European powers to cooperate.

The story of four years of progress under the European Recovery Plan, the attempts at closer economic integration are tied up with many gains by European and world economy. The members of the Administration, the members of Congress and the American people can be pleased with the success that was achieved. In 1953 General Marshall was given the Nobel Prize for Peace not because of his contributions as a soldier but as a figure who represented American aid for European recovery.

Economic recovery was not enough. Early in 1948, a need arose in Western Europe for closer military association to fill the political vacuum that existed in Europe. To this effort the Truman administration lent its support to Western European initiative. Again the State Department worked closely with Senator Vandenberg and other congressional leaders to favor an organization of North Atlantic powers. That story can better be told by other witnesses, particularly by Senators Humphrey and General Lemnitzer than by me. My main point is to emphasize that this North Atlantic Treaty Organization again showed the value of careful preparation by the Executive and Legislative branches and the overriding importance of cooperation between European states. Despite divisions and dissensions that have arisen among member nations, great advantage has accrued to the West by the reestablishment of a balance of power in Europe.

In late years, numerous changes in the North Atlantic community have appeared—brought by deteriorating economy, inflation, new pressures in various parts of the world, national dissatisfactions with international organizations, and rising American doubts about continued heavy financial supports for organizations abroad. I gather that it was in recognition of these problems and the belief that much of value can be achieved by the continuance and the strengthening of the North Atlantic community that the current resolution has been offered in Congress.

The history of thirty years has shown that no short-range project undertaken by one power or a few large powers can provide stability and confidence in a troubled world. The United Nations, with many divisions, has provided at least a place where a world dialogue can be held. Regional organizations provide the possibilities for more detailed planning and even closer cooperation. General Marshall used to say that one of the great lessons that he learned in World War II was that the Joint Chiefs of Staff had to spend too much of their time in handling crises. There was no time for long-range planning. In the latter part of the war and, later, as Secretary of State, he insisted on having committees that had such time. It would be too late, he believed, if we waited until an actual crisis arose.

Despite weaknesses or shortcomings that may have been revealed in the fields of economic and military cooperation in western Europe and in the North Atlantic community, much has been gained by the spirit of cooperation that has been developed in the great undertakings of three decades. Just last week, a number of the leaders of the world met in London to see if by meeting face-to-face, it was possible for a number of concerned leaders to find a force by common action that could spark the kind of inspired reaction that helped bring European recovery. Much of the machinery is still intact with economic and military machinery. On the eve of his departure for London, President Carter made clear to Representative Findley that "your own effort could be a useful complement to the London Summit meetings and other efforts in working with other nations."

I recall going in June 1967 to Bonn where I was a member of a small group of Americans entertained by Chancellor Kiesinger in recognition of the contributions of the European Recovery Plan to German prosperity. A few days later, in Brussels, I spoke briefly at a conference organized by Paul-Henri Spaak to consider what could be done next in the context of the Marshall Plan to aid newly developing nations of the world. Various suggestions were offered by Paul Hoffman and Averell Harriman and various leaders of the Marshall Plan activities in the late 1940s for using the same cooperative spirit to solve other problems. On the twenty-fifth anniversary of Marshall's famous speech, I heard Chancellor Willi Brandt pay tribute to the American effort. A few nights ago the George C. Marshall Research Foundation brought together here in Washington a number of participants in the development of the European Recovery program to hear Governor Harriman and the Ambassadors of Great Britain and France describe the amazing things that had been wrought by mutual cooperation.

In a year of tribute to the earlier American proposal to meet an international rather than a national crisis, I can think of no better way in which to pay tribute to Secretary of State Marshall and to the great efforts of the American people and the Congress and all those here and in Europe who worked together to bind up grievous wounds of a great world conflict than to make effective the aim of this resolution which seeks to preserve the spirit of earlier challenges and the machinery of collaboration for an ever broader and greater effort at international accord.

Mr. FRASER. Thank you, Dr. Pogue.

Both of you have outlined very forceful responses affecting the Atlantic community and the urgencies of the post-World War II period. I have the impression sometimes that after a war there is a greater degree of unanimity of consensus and, of course, the Soviets aided these efforts in things that have happened in Czechoslovakia and other events. So there was a capability of collective action among the Western nations.

I wonder sometimes, though, as the years roll by and as new generations come along where that same sense of urgency and that experience generates the kind of discussion, where that is to come from.

Now, for example, we are looking here at institutional development among Western and Pacific countries sharing common values. But there is lacking the same context or environment that prevailed after World War II, a sense of urgency. Where do we get the commitment that will enable us to move forward in building new capabilities among these nations?

General LEMNITZER. I think within the European area, it is pretty clear that the threat that existed in 1946, 1947, 1948, after World War II, is still very much with us. I believe there is the incentive of security present today as was, indeed, it was right after World War II, after Allies demobilized and the Soviets kept very, very large forces.

If you extend that to other areas of the world, I think the situation is somewhat different. And that would have to be viewed by the organizations which are proposed in the resolution. Certainly within the European area, while as I pointed out, they have had many crises in the European area—I have participated in too many of them—the determination to band together to resist Communist aggression is still the basis for the alliances to continue, and while they have trouble as they did in 1956 when England and France went into the Suez, reduced a major crisis in the Alliance.

In my own time, the withdrawal of France from the integrated structure was a major shock. Soviet nations took a look at their own security, vis-a-vis their enormous military capability across the Iron Curtain. They concluded that their safety lay in a team organization, such as NATO. And while this happened during my tenure as Supreme Allied Commander of Europe, I considered that the closed ranks and the solidarity of NATO was greater after the shock of the development structure than it was before.

Mr. FRASER. Dr. Pogue.

Mr. POGUE. I think you never have a continuous bond between peoples that is always strong, not always evident commitment. This is why you have to renew these things, you have to restudy situations over 5 years, over 10 years, perhaps continually, just as the State Department or Defense Department has to reassess its situation every so often.

I think there are also certain economic, certain political, certain military worries or threats that require people with something like common interests to decide whether or not they can lay aside smaller, petty irritations with each other and frustrations, and say there are still some things we must get together on for the next 3 years, 5 years.

This has been shown repeatedly in the actions in the Middle East and problems in parts of the northern tier, and the states of Africa, that

countries that get together against the very threatening aggression in some parts of the world, may say, I am more interested in selling these weapons to that particular country than I am for getting along with country A, B, or C.

This is why it is essential to have the meetings of friends together periodically to say what are overriding things that must take place. There was hope for the United Nations to do that. The League of Nations was kept alive earlier to afford a dialog. This one has become too top heavy, so unwieldy that we have to make use of small organizations, regional organizations, to do two things—to permit national activities, but to remind us there are spheres in which they must act together in order to forward their own national interest.

Mr. FRASER. Mr. Fascell.

Mr. FASCELL. I have no questions, Mr. Chairman.

Mr. FRASER. Mr. Derwinski.

Mr. DERWINSKI. Thank you, Mr. Chairman. I would like to commend you gentlemen for your support of this resolution. Mr. Findley knows I have opposed the so-called Atlantic resolution, but since this is an adjusted version, I think both historically and tactically, it is a good proposal.

One of the things that attracted me to it was the inclusion of Australia, New Zealand, and Japan. During my trips to Australia and New Zealand, I sensed a growing isolation there, since the withdrawal of the British and their feeling of almost near dependency on the United States for support should they ever be threatened.

I think it is a very practical step to include those countries and the Japanese because of their economic strength. I would hope, therefore, this subcommittee and the Congress would expeditiously process the resolution in this session. I commend you, Dr. Pogue, and you, General Lemnitzer, for your continued support.

Mr. FRASER. Mr. Diggs.

Mr. DIGGS. No questions, Mr. Chairman.

Mr. FRASER. Mr. Ryan.

Mr. RYAN. I have two questions. One of them is military in nature; the other is political, I think. I was in the NATO countries about a year and a half ago, and having previous to that done some digging in the Middle East just after the 1973 war, I was struck by the sudden use and the enormous effect of the TOW missile from its virtual non-use to its effective use in turning back the Syrian tanks in the Golan Heights, especially.

Later when I went to Europe I was struck by the tremendous emphasis and the assumption of attacks by the Soviets on Middle Europe, presuming tank attacks as the main thrust to begin with. Using, I suppose, the same theories as they used toward the end of World War II, I wondered if the assumptions upon which NATO is built today, as far as strength is concerned, is somewhat out of date. Should we not have battalions of TOW missiles to kill tanks so that the tanks become, as they did in the Israeli war, secondary to the advance of the infantry and just the reverse of what it was in the military system developed by Germany?

Do you think, General Lemnitzer, there are NATO forces today militarily relying on assumptions that are current and useful or is there a need for reexamination of their military base?

General LEMNITZER. I think they are constantly under examination, and I think necessary adjustments have been made. One of the things that worries me, and I have been lecturing, public speaking on NATO for 8 years now with the idea of informing the American people what NATO is, why it was established, what it has accomplished and why it is needed, is the fact many people think NATO is a static organization. No way. It has changed its organization and it has changed its strategy to meet changing developments—political, economic, military. And I can assure you there is every effort being made to provide the units where they are committed to NATO, American and others, with antitank, effective antitank missiles such as TOW.

During the 6½ years I was NATO's Supreme Allied Commander, Europe, I regarded this as the No. 1 priority in pressing the nations, including the United States, to come up with an effective antitank missile which turns out to be the TOW missile in the U.S. inventory.

It is under constant review. In fact, tomorrow General Haig is holding a conference which is known as SHAPE, which is attended by the top military officers in NATO. They discuss the type of questions you pose here.

The principal problem is getting the materiel to respond to the requirements. As you point out quite properly, the Mideast war in 1973 made a great impression upon people and was a major factor in stepping up the production of the TOW missile. What I am saying is, modernization of the NATO forces is a constant chronic problem within the alliance.

Mr. DERWINSKI. Will the gentleman yield?

Mr. RYAN. I yield.

Mr. DERWINSKI. In view of the new and generally favorable political developments in Spain, would you feel that possible entry of Spain into NATO would at this point be a positive and practical development?

General LEMNITZER. Very much so. I do not believe it would take a PH. D. in military science tactics and strategy to take a look at the geography of Spain and see what a very, very important position it plays at the western end of the Mediterranean. During the days, I discussed in my presentation, of writing the NATO treaty and during the ratification hearings, Spain's entry into the organization was discussed considerably with Spain. The government at the head and the association Franco had with Hitler precluded getting a unanimous agreement for Spain's entry.

As you know, we have had some very important air bases in Spain. The famous Rota base is an expedient to assist us in our interest in Europe. But I believe it was Spain moving toward the democratic form of government, and if Spain would desire to become a member of the NATO Alliance, it would be a very positive move to strengthen the NATO Alliance.

Mr. RYAN. Dr. Pogue, I have one short question. In relation to the question I asked earlier of Governor Harriman, I think you can infer from his answer, the political difficulties in dealing with countries in the world that are still relatively unshaped in their political mix in comparison to the European nations at the end of World War II.

Would it be a good idea or could it be done for the purposes of the idea that I suggested to him? Would it be possible to divide the world,

for the world to divide itself perhaps—to pick the words very carefully here—into not just the third world as such but perhaps a third, fourth, fifth world, those countries that have less than, say \$100 per capita annual income who might be in a special class, special assistance needed there, and a fourth world composed of readily undeveloped to the LDC's usually referred to, could that be done without causing more problems than they resolve?

Mr. POGUE. It gets very dangerous to get into this because you are separating into mixed compartments the amount of money they have. Actually there may be geographical combinations or there may be alliances, there may be neighbors—who should be considered together.

Mr. RYAN. Did you say separate them according to the amount of assistance needed?

Mr. POGUE. Something like this was done once in the framework of the league when they set up divided types of mandates. They said, well, this country is going to need 20 years of preparation, this needs 10 years, this needs 5 years. But it didn't always work out that way. These things tend to solidify sometimes. I think while it is worth considering that it almost certainly would create more problems than it solves.

Mr. RYAN. Thank you, Mr. Chairman.

Mr. FRASER. Mr. Findley.

Mr. FINDLEY. Thank you, Mr. Chairman.

I thank these gentlemen for their very excellent statements, I realize we have a number of members who are going to have to leave shortly.

In the interest of getting to the markup of the bill, I will not ask questions.

Mr. FRASER. Mr. Hamilton.

Mr. HAMILTON. No questions, Mr. Chairman.

Mr. FRASER. Mrs. Meyner.

Mrs. MEYNER. No questions, Mr. Chairman, but my thanks to General Lemnitzer and Dr. Pogue.

Mr. FRASER. Mr. Buchanan.

Mr. BUCHANAN. No questions.

Mr. FRASER. Mrs. Pettis.

Mrs. PETTIS. No questions.

Mr. FRASER. Gentlemen, Dr. Pogue, our thanks to both of you. You have made a very important contribution. It will be especially helpful when we go to the floor with the background you have given us. And I know that Representative Findley and the rest of us will continue to welcome your ideas on this subject, if we are successful in the adoption of this resolution.

Thank you, both of you.

I think Chairman Fascell is the ranking chairman. Chairman Diggs.

Mr. DIGGS. I defer, Mr. Chairman.

SUBCOMMITTEE MARKUP ON HOUSE JOINT RESOLUTION 436

Mr. FRASER. We have before us House Joint Resolution 436. What is the pleasure of the subcommittee?

Mr. FINDLEY. I move it be considered as read and open for amendments.

Mr. FRASER. Mr. Findley moves it be considered read and open for amendments. Is there any objection?

[No response.]

Mr. FRASER. Are there any amendments?

Mr. Findley, I will recognize you as the principal author. Do you want to say a word or two about the version we have before us?

Mr. FINDLEY. Mr. Chairman, I think it might expedite things if I might respond to any questions members may have. I will be glad to summarize it. I think most have read it.

Mr. FRASER. One point that I think is worth noting is that the size of the delegation called for in this resolution is now half the size of the delegation proposed in earlier resolutions.

Mr. FASCELL. As I said earlier, your similar resolution in the last Congress would never have gotten out of committee if it wasn't for Mr. Findley. I never saw such a thing that was supported so strongly. Only by your leadership has the resolution gone as far as it has. As you know, I was a cosponsor and supporter in the last Congress. I still have the same fundamental reservation, however. I think we ought to go through them and discuss them openly and candidly.

The basic one is that I do not see us going anywhere with these resolutions except as a gesture. And I think that is unfortunate. Maybe the gesture is important. By that I mean that I do not believe anybody in the State Department really seriously wants to do anything with this resolution. I have heard nothing from the administration on it. I do not think we can or will. And so the question arises, how will this delegation, under the mandate of this resolution, undertake the leadership to organize this conference? That is a fundamental problem.

Mr. FINDLEY. May I respond to that?

Gestures are important. I think Dr. Pogue made the point very eloquently, we need—

Mr. FASCELL. I will not argue the value of political symbolism.

Mr. FINDLEY. I certainly hope this will lead to much more than just a gesture. It is true the State Department historically has been opposed to initiatives of this sort. But the reasons why the State Department is reluctant comprise the various strengths of this project which provides a way in which the legislative branch can operate with the executive branch in a communitywide initiative involving delegations from other nations. This, in a sense, takes the President off the hot seat. It reduces the risk that might be involved.

Mr. FASCELL. Excuse me, I do not see any hot seat. Discussing the effectiveness of institutions that are already in existence or perhaps even making recommendations on new institutions is not particularly a hot seat. The only hot issue that was involved was the possibility, the potential of a dilution of national sovereignty. That has been the only issue in this resolution. There hasn't been anything else. And there is no dilution of national sovereignty in this solution.

Mr. FINDLEY. There is the risk that the conference will not produce anything useful. So there is some risk to the President being identified with a failure. Most importantly it provides a way in which the legislative and executive branches of our Government can participate in a semiofficial capacity with delegations of other nations in this assessment and idea formulation without becoming automatically committed to certain positions.

Mr. FASCELL. Let's just go at it this way. The United States is going to have to carry the ball, right? No European country is going to organize a delegation on its own.

Mr. FINDLEY. That is true, and what the United States does in forming the delegation is of critical importance. If we have a nine-member delegation that really is blue ribbon, then the other nations will respond.

Mr. FASCELL. From a practical standpoint, we have seen this happen already. No Senator, no Member of Congress, is going to be in a position to go promoting, lobbying, discussing and what not. He is going to be lucky if he can attend a meeting.

Mr. FINDLEY. May I respond to that?

Because I think this gets to the heart of it. Hubert Humphrey was our first witness. I talked with him about this before. I think he is so deeply interested personally that he is willing to set aside other responsibilities if he were selected to be in this delegation. And he is the type of personality with the background, the expertise, with prestige worldwide who could really put some spirit into this project.

James Wright, our majority leader, it is perhaps difficult to see him vacating his responsibilities for this, but I know he has a very deep interest in an enterprise of this sort.

Mr. FASCELL. I am sure, Paul—

Mr. FINDLEY. The quality of people that this requires if it is to do a good job.

Mr. FASCELL. I understand that. With your enthusiasm and spirit, if you are on that delegation, you would do a good job, too.

Mr. FINDLEY. I am not trying to get on the delegation.

Mr. FASCELL. The concern I have is that, given the normal dynamics of this thing, there would be nine staff guys running all over trying to put together a conference. I think that would be unfortunate.

Mr. FINDLEY. I think it is useful for you to bring this up as a warning.

Mr. FASCELL. I only do it in the spirit of laying everything out on the table. As I told you earlier when we discussed this matter, you are too fine a statesman, and I am for the symbolism if that is what we want to do. I am not sure I am yet for the staff and the money.

Mr. FINDLEY. There is one point you mentioned initially. President Carter did write a very supportive letter to Chairman Fraser and myself.

Mr. FASCELL. I have not seen the letter, but I understand it says that I am delighted to work with you to develop the concepts of the proposal.

Mr. FASCELL. Here is the text.

Mr. FASCELL. Let somebody else take it up. I have some more questions.

Mr. FRASER. Mrs. Meyner.

Mrs. MEYNER. I just wanted to ask my colleague, Mr. Findley, just a couple of questions. There is a nine-member delegation. They need not be Members of Congress.

Mr. FINDLEY. That is right. I would not expect this to be a congressional delegation. I think it would be most unfortunate if nine members were all from the House and Senate, although I would hope there would be some. But the important thing is to have people of great competence and prestige so they can do a good job in the conference and then explain effectively what was accomplished later on.

Mrs. MEYNER. How do you in your mind divide it up? Six from Congress and three from the civilian world?

Mr. FINDLEY. I know it is hazardous to mention names, but Arthur Burns is a man of great prestige and great interest on this subject matter. Now, here again maybe it is unthinkable to some of you that he would set aside some of his present responsibilities for this. I do not view that as out of the question.

Mrs. MEYNER. How long do you envision the first conference if it included Members of Congress? How long would they be away from their job here?

Mr. FINDLEY. Certainly it would be several weeks at a stretch. I might say your colleague from Illinois, Mr. Derwinski and others have been in the delegation of the United Nations, have vacated their congressional responsibility for a very worthy purpose and have survived.

Mr. FASCELL. Excuse me. You were an ambassador representing the President of the United States. That is a different thing.

Mr. FINDLEY. Nevertheless, they set aside legislative responsibility.

Mr. FASCELL. I think that is a little different.

Mrs. MEYNER. Do you have one meeting in 3 years—

Mr. FINDLEY. I would hope they would continue this project as much. I would hope the whole thing would be done in 1 year, at least 18 months. It does have a 3-year lifetime to it.

Mr. FRASER. Leo Ryan has been asking for the floor.

Mr. FASCELL. He is going to fire at me, I can tell.

Mr. RYAN. I think Dante has an excellent point not carried too far which is to say if it does not have sufficient support from those who have enough substance, enough of a cachet around the world to indicate to the world in general that this is a substantive matter where substantive matters can come from such a conference, then probably it should quietly be taken apart stick by stick and put away after a while.

But from what I can see, Dante, the world today will not last much longer with the paste pot and glue that has been used to keep it together.

There has been no significant initiative that I know of that has produced any kind of visible result in trying to meet the needs of a world that is about to explode as far as the poor countries are concerned, and they are moving, I think, aggressively and somewhat rapidly to do it themselves.

Mr. FASCELL. I agree with all that. What we are talking about here basically started out as a concept with respect to the Atlantic nations. Now it has been broadened a little bit and, I think, probably wisely so. I haven't really had a chance to reflect on inclusion of the other countries—Japan, Australia, New Zealand, and all of us talking about what we can do to be more effective as democracies. That makes a lot of sense. I don't have a problem with that.

Mr. FINDLEY. It also is relevant to our Third World relationships.

Mr. RYAN. If we can get down to page 2 of this resolution beginning on line 8 on page 2 where it says, "For the purposes of," and those four or five lines are what will either help get this thing off the ground or not. It is the purpose which will either lift people's imagination, ambitions, hopes, or let the thing die. I think it is worth pursuing. I think it is worth reporting out of this committee. I think it is

worth seeing how far we can go. I do not agree with you if nothing happens it has been a failure.

Mr. FASCELL. I didn't say that.

Mr. RYAN. I drew that conclusion from your comments.

Mr. FASCELL. Let me hasten to correct that. I think it is useful, absolutely, but we have been doing that in NATO, for example. We have been doing that in the NATO parliamentary group. We have been doing that in all kinds of cross European institutions. As parliamentarians, we have had ample opportunity to talk. Now this has got to be something a little bit different, don't you see?

Mr. RYAN. Parliamentarians who talk know they can only talk. Parliamentarians especially in European nations, unless they are Members of Parliament who have some kind of ministry of their own haven't the power to do anything else except talk.

If we put this together, I think as Mr. Findley has said, it seems to me it will be a possibility it will be that much different in its composition.

Mr. FASCELL. It depends on how the other nations make up their delegation.

Mr. BUCHANAN. Will the gentleman yield on that point?

Mr. FRASER. Mr. Hamilton also is asking for the floor.

Mr. RYAN. I am through, Mr. Chairman. I just want to make the point I think the essence of this resolution and the possibility of success or failure is based upon the four or five lines here that ought to be examined, and worded as carefully as possible. I think the idea is a great idea. It ought to be pursued because I can tell you right now from just my personal and very subjective and limited viewpoint that NATO today and the parliaments of Europe today will if they go on as they do lead inevitably internally to Eurocommunism because they are not that strong with external ideas. They are not that strong with ideas which will given them some kind of direction internationally, such as they might achieve by coming together and coming up with some kind of later day Marshall plan.

This is more specific than we have ever had before. This kind of instrument might do it. On that basis alone, I think it is worth giving it a try.

Mr. FRASER. Mr. Hamilton.

Mr. HAMILTON. Thank you, Mr. Chairman. I am sorry I was not here earlier this morning. I think Mr. Ryan is right in pointing to the language on page 2 of the draft. I guess I have some of the reservations that he has. I find the purpose of this conference or meeting very vague. The purpose is to make a comprehensive assessment of existing institutions. Yet, there must be hundreds of institutions in the North Atlantic community; and to make a comprehensive assessment of those institutions would be a very formidable task, which, I think, would extend over a very long period of time.

Also, while it speaks of comprehensive assessment of existing institutions, it doesn't say anything about exploring new institutions. Indeed, it says just the opposite. We are to formulate recommendations for preserving these institutions. In other words, we do not have the latitude under this resolution to think in terms of new institutions. We can only preserve and perfect those institutions that now exist.

If I were to support this kind of resolution, I would not want to be tied to a clause which only permitted perfecting existing institutions and would not let me think in terms of new institutions.

So I have a great deal of difficulty with the sentences where the purposes of the conference are stated, that Mr. Ryan calls our attention to. I am concerned about who the participants will be. I do not know that I understand why Japan, Australia, and New Zealand are participants, and why Austria, for example, is not; or some of the Scandinavian countries, or Spain, or Portugal. We lock ourselves here into allowing certain countries; and it seems to me there is no basis for excluding some of the countries that are not mentioned. I have not had the benefit of the testimony this morning, but I am not aware, and I can be corrected on this point, of any real European enthusiasm for this resolution. There may be some; it has not come to my attention. It would appear to me that this kind of an effort could not succeed without the strong support of the Europeans as well as, as Mr. Fascell said, of our own executive branch.

Despite President Carter's letter, I do not find that letter any ringing endorsement of this particular resolution at all. I do not think it is fair to construe that letter as an endorsement of this resolution.

Finally, I just observe that with all the groups that exist within the North Atlantic community, some with large staffs and all the rest, I just wonder whether a new group, a new staff, really quite limited in resources, could take on the task as well as some groups that now are in existence.

So those are some of the reservations I have about this resolution, and I express them with some reluctance because I know the strong enthusiastic support Mr. Findley and others have given to this concept.

Mr. FRASER. Mr. Buchanan, Mr. Diggs and Mr. Rosenthal want to be recognized.

Mr. Buchanan.

Mr. BUCHANAN. Thank you, Mr. Chairman. I would share the reservations of the gentleman from Florida and the gentleman from Indiana. I would add on page 3, subsection (c), the bill indicates all members of delegations shall be free from official obstructions and free to speak and vote individually. I know three are going to be appointed by the Speaker after he consults with us and House leaders, three of the Senate and three by the President.

I certainly hope the delegation would be composed of a high caliber of people. But we have foreign ministers in the NATO structure that meet regularly. You have ambassadors, you have the parliamentarians, you have all sorts of official entities that do represent and speak for the United States that on a continuing basis are working with these problems.

What I think I fail to see is how it is that a group of nine persons acting and speaking for themselves individually and not instructed in any official way are going to have more clout and accomplish more than all these persons who do have some degree of official responsibility and who on a continuing basis have been working with these problems.

Mr. FRASER. Mr. Diggs.

Mr. DIGGS. I just wanted to pick up on a point that Dante brought up which was not answered, and I assume after all the questions are in,

Mr. Findley will answer them. That is, who is going to really organize this group? Does the \$200,000 represent the cost of a secretariat that will organize the group? How did you come to the conclusion that this is the figure that would be required?

Mr. FRASER. Mr. Rosenthal.

Mr. ROSENTHAL. I want to associate myself with the remarks of the gentlemen from Indiana, Alabama, Florida, and so forth. I say that reluctantly because I have great respect for the sponsors of the resolution. I have been associated with this effort for some years. But I think this is a self-serving effort, as is evident in the second "Whereas" clause on page 2:

"Whereas, creative thought, comparable to the Marshall plan in sweep and vigor, is now urgently required to assure the preservation and perfection of these institutions."

You cannot compare the conditions that existed when the Marshall plan was conceived to today. Today we have different kinds of problems. We were the generous partner in the Marshall plan. It is embarrassing for us to reassert our claims for preeminence and say now we are going to look at other political institutions because we had some brilliant ideas at that time.

Frankly, I am not for the resolution, with considerable respect for the principal sponsor, my good friend from Illinois.

Mr. FRASER. Mr. Derwinski.

Mr. DERWINSKI. I do not want to be overzealous joining the cause. It seems to me one of the answers to Lee Hamilton is that given the history of this resolution, which has come out of our committee generally by a 30 to 4 vote and then have the rule denied that one must make some adjustments. That is what Mr. Findley has obviously done. Some of the strained language or things you question are, in fact, dictated by the facts of life on the floor.

Two things attracted me to this resolution. First, the absence of that language that used to frighten me about surrender of sovereignty and the presumption that this meeting would lead to some super government. So with that out and with the inclusion of Japan, Australia, and New Zealand, this obviously widens the geographic impact.

It seems to me you do not make major economic decisions in the world without consulting the Japanese. I think they ought to be the sixth member of the U.N. Security Council because of their economic leverage. And I think the Australians and New Zealanders want to be tied more often than they have been to date with any initiatives coming out of the United States because of their geographic isolation and the collapse of the British Commonwealth. So it seems to me that the reach into the Pacific is practical. I doubt everybody's reservations have been resolved. I can see the vagueness, but it is obvious when this meeting is held, when this thing is pulled together, if it does produce something, then you can build on it.

If it is a failure, no harm in a good try. And right at this point I think it is worth moving on.

Mr. FRASER. Mr. Pease?

Mr. PEASE. Mr. Chairman, could I just make a parliamentary inquiry about the Chair's plans? Many of us have been standing by in order to have a quorum present for action by the three subcommittees,

but other meeting obligations are intruding. Would you still hope to have a vote on this resolution today?

Mr. FRASER. It is up to the group, I think, as to whether they want to take a vote on this or not. I would judge the way the conversation is running that after a few more minutes of discussion we may be in a position to move along.

Mr. FASCELL. Is that what you want to do?

Mr. FINDLEY. I think there is a compelling case for this type conference, and there is an urgency to it.

There are practical political reasons why it should be initiated this year instead of next year or in a later year. This is the first session of a Congress which obviously has importance. It is the first year of the new administration. Therefore, this conference should develop some practical ideas that the Carter administration will want to advance, it will have the maximum chance to act upon these.

Mr. FINDLEY. Mr. Hamilton said there are perhaps hundreds, perhaps thousands of institutions serving the international interests of the countries identified in the resolution. There are a number of them but there are only a few major ones. I would expect the conference to have an open mind on consideration of any and all of these institutions. But I would certainly concentrate on the major ones such as NATO, the International Monetary Fund, and the Organization of Economic Cooperation and Development.

I realize a very narrow interpretation of the language could give the delegation very limited running room, but the language on page 3 that someone cited stipulating that all members of the delegation be free from official instruction and be able to speak individually would certainly give latitude to the prestigious group. I am sure the statement on page 2 would not inhibit them from a broader interpretation of the word "perfected." If they saw fit to suggest that something would take the place of the existing institution I would be very surprised if they felt constrained against that step if they thought the step were compelling.

There was a question as to why not include Austria, while other countries such as Japan, Australia, and New Zealand are included. The logical starting place is the NATO group, that group of nations which collaborated during the post World War II era. This group was extended to include the specific trilateral area or Japan, Australia, and New Zealand.

However, I would view the language as permitting the convention to invite in other nations if it saw fit. The resolution doesn't require that the U.S. delegation meet only with those countries, specifically mentioned. I am sure some emergence of discussions could occur if there were some support for it.

To illustrate, the North Atlantic summit meeting in Williamsburg last November adopted by a voice vote without dissent in the committee and plenary session, a resolution which looked to the same broad communitywide assessment of institutions that is embodied in this resolution. In fact, that action is one of the things that inspired me.

Mr. FASCELL. Paul, that resolution was really substantive because that resolution urged the Foreign Minister to call the conference. I can see that.

Mr. FINDLEY. It was within the institutions of NATO.

Mr. FASCELL. But they asked the governing council to do it, which is at the foreign ministers level.

Mr. FINDLEY. I believe I recall the language correctly. It urges the North Atlantic Council to commemorate the 30th anniversary of the Marshall plan by convening a conference. It does not limit it to a conference of the Council, but urges the Council to convene a conference of the NATO countries.

Mr. FASCELL. It does call upon the Council which is the governing body—I would be for that.

Mr. FINDLEY. If the gentleman would permit, the North Atlantic Council is an institution of the NATO community. What we are seeking to do here is go beyond that concept so it is not restricted to the confines of those nations.

Mr. FASCELL. I understand.

Mr. FINDLEY. To answer your earlier comment, this shows a broader interest in this type of assessment.

Mr. FASCELL. Who is our ministerial representative in that Council?

Mr. FINDLEY. We have a permanent U.S. representative; the Secretary of Defense is a member of the Council.

To answer Mr. Diggs' question, I fully expect my conservative instinct makes me feel the full amount will not be spent. The resolution certainly contemplates the cost of the conference we share. The \$250,000 is anticipated to be the cost of the U.S. secretariat. The members of the delegation would serve without pay. They would be reimbursed for travel and other expenses. That might be a considerable sum. But because of the experience of similar conferences, we came to that figure as being adequate.

May I add one other comment. I detect a negative tone of comments by two members. This resolution arises from my feeling that we are in for difficult days if we do not develop something that will reinvigorate the Atlantic community and hopefully involve the Pacific nations, too.

Mr. FASCELL. We have no agreement—

Mr. FINDLEY. In other words, what is in place may not continue to be good enough. That is my concern. Maybe there is a better way to approach this problem, but I do not see anything else on the table. Therefore, this conference would be well worth the experience.

Mr. FASCELL. I have no argument with the concept. We are talking about implementation.

Mr. FINDLEY. We can do nothing, or we as a legislative branch can try to spark something new and promising that might make a difference.

Mr. FRASER. Paul is looking at the budget deadline.

Mr. FINDLEY. It is in the budget.

Mr. FASCELL. If you make it a Presidential delegation to start with, you don't have that problem.

Mr. FRASER. In the form in which the resolution is written—

Mr. FASCELL. You can eliminate that in a minute because if you make this a Presidential delegation with the present staff in State's international organization section acting as the secretariat, you don't need the money. You pay your delegation members as you would pay

anybody who goes to a conference. You don't have a budget problem. You don't even have the money problem.

Mr. FINDLEY. Would this nevertheless permit the selection of a delegation that is provided in the resolution?

Mr. FASCELL. Sure—

Mr. FINDLEY. Or would it require the President name them all.

Mr. FASCELL. No; I think what you would have to do, for example, and this is just a suggestion—I don't know if I am ready to offer the amendment or not—all you would have to do is change the numbers so that the President has, instead of three members whatever it takes to give him a majority of appointments. That is one way to do it. And I have already made a note about State Department staff because we have the staff and you might as well use them, especially if you are going to mandate the President, which to me makes a stronger resolution. That is just my opinion.

Mr. FINDLEY. It does not alter the construction of it. It might actually alter the attitude of the President.

Mr. FASCELL. Then you don't need the money. You take the money out and your resolution is a heck of a lot safer. That is my thinking politically.

Mr. BUCHANAN. Mr. Chairman, I agree. I want to underline a point by Mr. Rosenthal. I have a reservation tying anything, when we get to European responses and reactions—these other countries, Japan as well—to the Marshall Plan.

Mr. FASCELL. We can change that around, John. I don't think he is wedded to that useful predicate.

Mr. BUCHANAN. It seems to me a self-serving declaration which could generate negative responses. All I am saying, if we do it at all I don't think we should do it on this basis. The words "The Marshall Plan shall be commemorated" are in the body or the resolved clause itself.

Mr. FASCELL. I have problems with that. The whereas, however, is easy. I think the main thing is how you are going to implement this thing.

Mr. ROSENTHAL. Why are you only picking out NATO countries, New Zealand, Australia, and Japan? I just don't like it. I really don't like it.

Mr. FASCELL. How about this, Ben. "In such other countries as the President shall deem appropriate."

Mr. FINDLEY. I have no objection to that.

Mr. ROSENTHAL. Can you tell us in simple language, in about four sentences, what you want?

Mr. FINDLEY. We had historically—

Mr. ROSENTHAL. What are we trying to do with it? Are the existing institutions a failure?

Mr. FINDLEY. Yes; I think there are some very serious challenges.

Mr. ROSENTHAL. I don't know what the problem is.

Mr. FINDLEY. I thought I stated it, but I will try again. In fact, I will be more specific this time. I think we are all very aware of the challenge of nuclear proliferation, reprocessing problem. It involves very directly, very intently, close allies—Germany—

Mr. ROSENTHAL. What does that have to do with this?

Mr. FINDLEY. If we consider continuing our present course——

Mr. ROSENTHAL. What does this have to do——

Mr. FINDLEY. You won't allow me to finish each sentence.

Mr. ROSENTHAL. There is a question at the end of each sentence.

Mr. FINDLEY. If we continue our present course even under the best circumstances, we are just delaying the proliferation of weapons. It is obvious that dealing with nuclear proliferation is a problem beyond the competence of one nation, even one as big as the United States. This conference could examine proliferation and come up with a recommendation in the institutional field that would be a decided improvement.

I think that alone, that search alone, makes this highly worthwhile. I would like to add, too, I hope it will not alter too substantially the formulation of the delegation. I think it is important that the legislative branch have a major role in this and that it not be a Presidential delegation. I think it gives it a unique thrust and cast and promise that it would otherwise——

Mr. FASCELL. I think that is fundamental.

Mr. HAMILTON. Mr. Chairman, I wonder, Paul, if you would be willing not to push this to a vote right at the moment but to have staff of the committee work with you on the basis of the opinions that have been expressed this morning and see if we can come up with a resolution.

Mr. ROSENTHAL. You better have two people work for me.

Mr. HAMILTON. Have two work for Mr. Rosenthal.

Mr. RYAN. One vote.

Mr. HAMILTON. I know I spoke critically of the resolution, but I also recognize what the gentleman says this morning has a lot of merit to it. It is not my intention at least to torpedo it or destroy it. I am of the impression that we probably could come up with something with a little more staff work.

Mr. FINDLEY. Mr. Chairman, I fear that this will mean a year's delay because—maybe I am wrong—but I am inclined to think in order to get over the May 15 deadline problem, it would require a very fundamental change that would weaken the thrust.

Mr. ROSENTHAL. You can get some kind of exclusion, Paul.

Mr. FINDLEY. I hope there is sufficient support for reporting out the resolution. If there is not, then that would be a more appropriate——

Mr. FASCELL. In that case, if we are going to go that route, I would like to offer one amendment right off the bat. That would be whatever it takes to strike out the money items and insert in lieu thereof, "salaries, expenses and other supporting expenditures necessary for carrying out the purpose of this resolution are authorized to be paid from funds authorized to be appropriated for the Department of State."

Mr. FINDLEY. I don't see any big problem on that.

Mr. FASCELL. You are covered and have no dollar items in this bill. I think you can go with it.

Mr. FINDLEY. I move it be amended.

Mr. FRASER. An amendment is pending.

Mr. FASCELL. Mr. Ryan said he has some comment.

Mr. RYAN. Based upon the discussion already preceding, the pur-

pose of the amendment is clear. The amendment itself is stated. I would suggest the previous question.

Mr. FRASER. Does anybody else want to say anything on this amendment?

Mrs. MEYNER. If this comes to the floor we will have a lot of trouble with people wanting to know how much expenditure is going to be involved. I am sure of that. Maybe you can stick it in—

Mr. DERWINSKI. We have precedents of committee staff manning all sorts of meetings. For example, our Post Office Committee staff mans the Franking Commission. So that is in line with practice.

Mr. FASCELL. Helen, to answer your question, you could leave in the language in section 3(b) on page 4.

Mrs. MEYNER. 3(b)?

Mr. FASCELL. 3(b). In other words, you have a legislative ceiling which ought to give people some measure of assurance and confidence.

Mr. FINDLEY. You would change only section 5?

Mr. FASCELL. Yes.

Mr. FINDLEY. I think it is a good provision.

Mrs. MEYNER. I go along with that.

Mr. FRASER. Is there any discussion on the amendment?

[No response.]

Mr. FRASER. All those in favor indicate by saying "aye."

[Chorus of ayes.]

Mr. FRASER. Those opposed.

[No response.]

Mr. FRASER. The amendment is adopted.

Mr. FASCELL. Following the discussion Mr. Rosenthal and others have raised with respect to the countries and Mr. Findley says he has no objection, I think wherever that is on line 8, page 2, add the language, "and such other countries as the President may deem appropriate." Some language like that. Is that any problem? I don't think it should be a problem.

Mr. RYAN. So move, Mr. Chairman.

Mr. FRASER. The amendment has been offered. Is there any discussion?

Mr. RYAN. Question.

Mr. FRASER. All those in favor indicate by saying "aye."

[Chorus of ayes.]

Mr. FRASER. Opposed.

[No response.]

Mr. FRASER. The amendment is agreed to.

Mr. FASCELL. I think we ought to get to the fundamentals we discussed, which is the cast of this delegation and how far we want to mandate the President. My own feeling on it is that it would strengthen the delegation if you gave the President more appointments. That is the way I see it. Therefore, I would like to consider increasing the size of the delegation from nine to fifteen and giving the President instead of three appointments, he would have nine appointments and you would have six from Congress.

This should eliminate all fear or doubt or reservation in the State Department and the executive branch. It gives them a better tool to talk to their ambassadors in all these countries who are going to be

nervous and upset about a bunch of guys running through their backyard and making deals. That is the spirit in which I offer the amendment.

Mr. FINDLEY. Mr. Chairman, I speak in opposition to it. I want to point out I will be surprised if the Speaker of the House names three Members of the House. I will be surprised if the President of the Senate names three Senators. He may, but I will be surprised.

I would hope that each branch—the House, Senate, and the executive branch—would try to seek out the very best people for it without regard of your present position in life or their past associations. I think it is vitally important that the role of the Congress be very prominent in the appointment process.

It would, I think, alter the thrust of it substantially if the President had the majority.

Mr. FASCELL. Let me just respond very quickly. I think what is involved here is a question of implementation and having a meaningful conference. The only way you can do that is if the people know that the Executive is directly involved in this. Otherwise you are just going to have another meeting, in my judgment. End of speech.

Mr. FRASER. The amendment is on page 2, line 15. Strike 9 and insert 15, and on page 3, line 7, you strike 3 and insert 9.

Mr. PEASE. I indicate my opposition. I support Mr. Findley's original motion.

Mr. RYAN. Mr. Chairman, may I make a substitute motion to read four—four and the sums to fit?

Mr. FASCELL. You raise the delegation to 10 and have the President appoint 4?

Mr. RYAN. I am not sure whether it is four or five. What I am trying to do is get somewhere in the middle there so we can accomplish what both elements want.

Mr. FASCELL. Seven would be the middle.

Mr. DERWINSKI. Seven would serve your purpose.

Mr. FINDLEY. May I suggest a compromise? Let each branch have six—three House, three Senate, six President.

Mr. RYAN. That is a different kind of change.

Mr. FASCELL. Maybe what Leo is talking about makes more sense. Ed mentioned this.

Mr. RYAN. We have six from the Congress.

Mr. DERWINSKI. Why not seven from the Executive?

Mr. RYAN. I think the Executive would be much more interested if it had some kind of handle on the course of the thing. I think probably it should. We are still the parliament. We still have the capacity to sit on the sidelines to cheer, too or do whatever we want to or go along with the meetings. The President, on the other hand, has some specific responsibilities, some ministerial responsibilities that are concurrent with what other countries have, whatever their particular parliamentary system is.

Mr. FRASER. What is your number?

Mr. RYAN. Seven, three, and three.

Mr. FRASER. Seven for the President and six for Congress.

Mr. FINDLEY. Right.

Mr. FASCELL. I don't want to make a deal with you across the table. I am really trying to be helpful.

Mr. RYAN. My substitute amendment is seven.

Mrs. MEYNER. Seven and six.

Mr. FRASER. As I understand it now, the maker of the original amendment is agreeable—

Mr. FASCELL. He is offering the substitute, which is fine to me. I will be glad to accept the substitute.

Mr. FRASER. The maker of the amendment now accepts the substitute so the amendment pending now is seven, and the total is to be adjusted accordingly.

Mr. PEASE.

Mr. PEASE. I would just like to make the point that I think Mr. Findley is not after a delegation which is responsible to the Congress but a delegation which is named by those entities and which is—

Mr. FINDLEY. Responsible to both.

Mr. FASCELL. I said it was a fundamental question. That is the reason I raised the issue.

Mr. PEASE. But pretty much free as individuals to make recommendations as they see them. If that is the case, whether there are seven by the President or three really doesn't make any difference. You are right. That is fundamental.

Mr. RYAN. I offer the question.

Mr. FASCELL. If you are really strong on that point, you have to be against the substitute and the amendment. I think it is fundamental. I am not trying to sandbag you.

Mr. FRASER. Mr. Solarz.

Mr. SOLARZ. Parliamentary inquiry. What is the procedure at this point? Are you going to go through the whole bill? The whole bill is open?

Mr. FRASER. The whole bill is open for amendment.

Mr. SOLARZ. I have a conflict.

Mr. FRASER. When we dispose of this one we will find out.

So the present pending motion is for seven, as I understand it.

Mr. DERWINSKI. Yes.

Mr. FRASER. All those in favor of that change indicate by saying "aye."

[Chorus of ayes.]

Mr. FRASER. Those opposed, say "no."

[Chorus of noes.]

Mr. FRASER. The motion is agreed to. So on page 3, line 7, we strike 3 and insert 7 and page 2, line 15, we strike 9 and insert 13.

Are there further amendments?

Mr. BUCHANAN. Mr. Chairman, I don't have an amendment. I strongly recommend somebody look at the "whereas" line and the lines in which Congress—

Mr. FASCELL. You better do it now because we will never do it in the full committee.

Mr. BUCHANAN. I don't know what to do with it. I surely think that has a very negative impact.

Mr. PEASE. Mr. Chairman, I would like to get this resolution out of the subcommittee today since we have our quorum here and before the full committee if we have a consensus members around the table are willing to do that, fine. If not, I would like to inquire if it is possible

to recommend the resolution out without recommendation so we can get it out, give Mr. Findley time to work with the committee staff for some alternate language to some of these sections that have caused concern.

Mr. FINDLEY. Could I move the previous question on the resolution as amended?

Mr. FRASER. Yes; I don't think we can foreclose further amendments if anybody wants to offer them at this time. Are there further amendments?

[No response.]

Mr. FRASER. Then the motion is to recommend to the full committee the resolution as amended. All those in favor indicate by saying "aye."

[Chorus of ayes.]

Mr. FRASER. Those opposed, "no."

[Chorus of noes.]

Mr. FRASER. I have two proxies to vote "no." That would not change the voice vote.

Mr. FASCELL. I did not want to vote "no" at this point, but I may have to vote "no" in full committee.

Mr. FRASER. I take it Paul would encourage further discussion between today and tomorrow.

Mr. DERWINSKI. Very strongly encourage.

Mr. FRASER. Thank you. We will leave the record open for any additional material. The subcommittees are adjourned.

[Whereupon, at 12:35 p.m., the joint subcommittees adjourned, subject to call of the Chair.]

to recommend the resolution and without recommendation so we can
not give Mr. K. any time to work with the committee and for
some other late coming to some of these resolutions that have passed
the committee.

Mr. K. says: Could I move the previous question on the resolution
at this time?

Mr. K. says: I don't think we can resolve further amendments
at this time as we have not time at this time, as we have not time.

Mr. K. says: I don't think we can resolve further amendments
at this time as we have not time at this time, as we have not time.

Mr. K. says: I don't think we can resolve further amendments
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APPENDIX 1

RESOLUTIONS ON THE THIRTIETH ANNIVERSARY OF THE MARSHALL PLAN PRESENTED BY THE POLITICAL COMMITTEE¹

The Assembly

Recognising that the year 1977 marks the 30th anniversary of the proclamation of the Marshall Plan

Recognising the importance of that initiative for the cause of Western freedom, security and prosperity

Recognising that our continued well-being depends on the quality of our intellectual imagination and upon our willingness to provide forums and opportunities in which creative impulses like the Marshall Plan may be born;

Urges the North Atlantic Council to commemorate the Thirtieth Anniversary of the proclamation of the Marshall Plan by convening a conference to undertake a comprehensive assessment of the adequacy of existing NATO institutions and to formulate recommendations for strengthening and perfecting these institutions over the next thirty years.

¹ Passed unanimously by the North Atlantic Assembly in Williamsburg, Va., in November 1976.

APPENDIX 2

LETTER FROM PRESIDENT JIMMY CARTER TO SUBCOMMITTEE CHAIRMAN FRASER CONCERNING THE MARSHALL PLAN RESOLUTION

THE WHITE HOUSE,
Washington, April 25, 1977.

Hon. DONALD M. FRASER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FRASER: I very much welcome your writing to me about your proposed Congressional resolution designed to set up a multinational conference in commemoration of the 30th anniversary of the Marshall Plan.

As we review developments over the past few years, and the long agenda of problems facing all the nations of the industrial world, it is clear that Western institutions must be adequate to the tasks facing them. Some of them—like NATO—continue to perform well the work they were designed to do. But as new challenges arise, it is important that all our efforts, in common with other nations, be undertaken in ways that will do the most to benefit us all.

Next month, I will travel to London, to meet the leaders of six other industrial states and the European Community, as well as leaders of our NATO Allies. At that time, I hope that we will be able to make real progress in developing relations that will help us together to meet the challenges of the years ahead.

Your own effort could be a useful complement to the London Summit meetings and our other efforts in working with other nations. As you proceed, I hope you will keep me informed, and give me the benefit of your ideas. In this way, I believe we can work effectively together in achieving the goals that we share.

Again, thank you for writing.

Sincerely,

JIMMY CARTER.

APPENDIX 3

TEXT OF PRESIDENT CARTER'S SPEECH AT NATO MINISTERIAL MEETING IN LONDON, MAY 10, 1977

INTRODUCTION

Mr. President, Mr. Secretary General, Excellencies, and Members of the Council:

We meet at an important time in the development of the international institutions on which our countries rely.

Here in London last week the leaders of seven nations and of the Commission of the European Communities pledged to join others in strengthening these institutions in the economic field.

Today and tomorrow this Council will discuss how to adapt the Alliance to meet the military and political challenges of the 1980's.

Taken together, these meetings should give new impetus to relations among our industrial democracies.

At the center of this effort must be strong ties between Europe and North America. In maintaining and strengthening these ties, my Administration will be guided by certain principles. Simply stated:

We will continue to make the Alliance the heart of our foreign policy.

We will remain a reliable and faithful ally.

We will join with you to strengthen the Alliance—politically, economically and militarily.

We will ask for and listen to the advice of our Allies. And we will give our views in return, candidly and as friends.

This effort rests on a strong foundation. The state of the Alliance is good. Its strategy and doctrine are solid. We derive added strength and new pride from the fact that all fifteen of our member countries are now democracies. Our Alliance is a pact for peace—and a pact for freedom.

The Alliance is even stronger because of solid progress toward Western European unification and the expanding role of the European Community in world affairs. The United States welcomes this development, and will work closely with the Community.

POLITICAL

In the aftermath of World War II, the political imperatives were clear: to build the strength of the West and to deter Soviet aggression. Since then East-West relations have become far more complex. Managing them requires patience and skill.

Our approach to East-West relations must be guided both by a humane vision and by a sense of history. Our humane vision leads us to seek broad cooperation with Communist states for the good of mankind. Our sense of history teaches us that we and the Soviet Union will continue to compete. Yet if we manage this dual relationship properly, we can hope that cooperation will eventually overshadow competition, leading to an increasingly stable relationship between our countries and the Soviet Union.

The United States is now discussing with the Soviet Union ways to control strategic arms. By involving the Soviet Union in a continuing effort to reduce and eventually to eliminate nuclear weapons we hope not only to minimize the risks and costs of continuing arms competition but also to promote broader cooperation between our countries.

The Soviet Union has not yet accepted our proposals. But it has made clear that it wants an agreement. We will persevere in seeking an early and a genuine end to the arms race, through both a freeze on modernization of strategic weapons and substantial reductions in their number. And as we pursue this goal, we will continue to consult with you fully—not only to keep you informed but also to seek your views.

I hope that our countries can also reach agreement with the Soviet Union in limiting and reducing conventional forces. The United States strongly supports the efforts of the Alliance to gain an accord on mutual and balanced reduction of forces in Central Europe. That agreement should be based on parity in force levels through overall ceilings for the forces of NATO and the Warsaw Pact. The Soviet Union, by contrast, seeks to preserve the present conventional imbalance and to impose national force ceilings. I hope that these obstacles can be overcome. MBFR must be a means for achieving mutual security, not for gaining one-sided military advantage.

As we pursue arms control with the Soviet Union and the Warsaw Pact, we should also try to draw the nations of Eastern Europe into cooperative undertakings. Our aim is not to turn this region against the Soviet Union, but to enlarge the opportunities for all European countries to work together in meeting the challenges of modern society.

Next month delegate of 35 countries will confer in Belgrade to plan for a meeting to review progress since the Helsinki Final Act. The United States shares with you a desire to make this a useful and constructive meeting. We support a careful review of progress by all countries in implementing all parts of the Final Act. We approach these meetings in a spirit of cooperation, not of confrontation.

America's concern for human rights does not reflect a desire to impose our particular political or social arrangements on any other country. It is, rather, an expression of the most deeply felt values of the American people. We want the world to know where we stand. (We entertain no illusion that the concerns we express and the actions we take will bring rapid changes in the policies of other governments. But neither do we believe that world opinion is without effect.) We will continue to express our beliefs—not only because we must remain true to ourselves, but also because we are convinced that the building of a better world rests on each nation's clear expression of the values that have given meaning to its national life.

In all these tasks and others facing the Alliance, it is vital for us to work together—particularly through close consultation and cooperation with the North Atlantic Council. We do not need new institutions, only to make better use of one that has served us so well. To this end I pledge that the United States will share with the Council our views and intentions about the full range of issues affecting the Alliance.

The Council should also examine long-range problems, so as to make this consultation more effective. A special Alliance review of East-West relations, undertaken by the Council and drawing in national experts, could serve this end. Such a review might assess future trends in the Soviet Union, in Eastern Europe and in East-West relations, and analyze the implications of these trends for the Alliance. The United States is prepared to make a major contribution to this study, whose conclusions could be considered at the May 1978 NATO meeting.

DEFENSE

Achieving our political goals depends on a credible defense and deterrent. The United States supports the existing strategy of flexible response and forward defense. We will continue to provide our share of the powerful forces adequate to fulfill this strategy. We will maintain an effective strategic deterrent, we will keep diverse and modern theatre nuclear forces in Europe, and we will maintain and improve conventional forces based here.

The threat facing the Alliance has grown steadily in recent years. The Soviet Union has achieved essential strategic nuclear equivalence. Its theatre nuclear forces have been strengthened. The Warsaw Pact's conventional forces in Europe emphasize an offensive posture. These forces are much stronger than needed for any defense purpose. Since 1965, new ground and air weapons have been introduced in most major categories: self-propelled artillery, mobile tactical missiles, mobile air defense guns, armored personnel carriers, tactical aircraft, and tanks. The pace of the Pact's buildup continues undiminished.

Let me make it clear that our first preference is for early agreement with the Soviet Union on mutual and balanced force reductions. Failing to reach this agreement, our military strength must be maintained.

The collective deterrent strength of our Alliance is effective. But it will only remain so if we work to improve it. The United States is prepared to make a

major effort to this end—as Vice President Mondale told you in January—in the expectation that our Allies will do the same.

There have been real increases in allied defense spending. But difficult economic conditions set practical limits. We need to use limited resources wisely, particularly in strengthening conventional forces. To this end:

We must combine, coordinate, and concert our national programs more effectively.

We must find better ways to bring new technology into our armed forces.

We must give higher priority to increasing the readiness of these forces.

To fulfill these goals, I hope our Defense Ministers, when they meet next week, will begin developing a long-term defense program to strengthen the Alliance's deterrence and defense in the 1980's. That program should help us make choices and set priorities. It should emphasize greater Alliance cooperation to ensure that our combined resources are used most effectively. It should take full advantage of work already done within the Alliance.

But plans are not enough. We must ensure that our Alliance has an adequate means for setting overall goals in defense, for measuring national performance against these goals, and for devising and carrying out joint programs. I propose that our Defense Ministers, working closely with the Secretary General, consider how best to strengthen the Alliance's ability actually to fulfill agreed programs.

After an interim report to the December 1977 meeting, I hope the Defense Ministers will submit their program to the Spring Meeting which might be held at the Summit to review their recommendations. I also hope the Defense administrators will agree next week to make high priority improvements in the capabilities of our forces over the next year.

As we strengthen our forces, we should also improve cooperation in development, production and procurement of Alliance defense equipment. The Alliance should not be weakened militarily by waste and overlapping. Nor should it be weakened politically by disputes over where to buy defense equipment.

In each of our countries, economic and political factors pose serious obstacles. None of our countries, the United States included, has been free from fault. We must make a major effort—to eliminate waste and duplication between national programs; to provide each of our countries an opportunity to develop, produce and sell competitive defense equipment; and to maintain technological excellence in all Allied combat forces. To reach these goals our countries will need to do three things:

First, the United States must be willing to promote a genuinely two-way trans-Atlantic trade in defense equipment. My Administration's decisions about the development, production and procurement of defense equipment will be taken with careful attention to the interests of all members of the Alliance. I have instructed the Secretary of Defense to seek increased opportunities to buy European defense equipment where this would mean more efficient use of Allied resources. I will work with the Congress of the United States to this end.

Second, I hope the European allies will continue to increase cooperation among themselves in defense production. I welcome the initiative taken by several of your countries in the European Program Group. A common European defense production effort would help to achieve economies of scale beyond the reach of national programs. A strengthened defense production base in Europe would enlarge the opportunities for two-way trans-Atlantic traffic in defense equipment, while adding to the overall capabilities of the Alliance.

Third, I hope that European and the North American members of the Alliance will join in exploring ways to improve cooperation in the development, production and procurement of defense equipment. This joint examination could involve the European Program Group as it gathers strength and cohesion. Some issues could be discussed in the North Atlantic Council. Whatever the forum, the United States is ready to participate in the way and at the pace that our allies wish. We are eager to join with you in trying to identify opportunities for joint development of new equipment and for increasing licensing or direct purchase of equipment that has already been developed. Together, we should look for ways to standardize our equipment and make sure it can be used by all allied forces. We should see if ways can be found to introduce into our discussions a voice that would speak for the common interests of the Alliance in offering advice about cooperation in defense equipment.

CONCLUSION

To conclude: It is not enough for us to share common purposes; we must also strengthen the institutions that fulfill those purposes. We are met today to renew our dedication to one of the most important of those institutions, and to plan for actions that will help it to meet new challenges. Some of these actions can be taken in the near future. Others can be developed for review at our meeting next year at this time. I would be glad to offer Washington as the site of that meeting.

The French writer and aviator, Saint-Exupery, wrote that "the noblest task of mankind is to unite mankind." In that spirit, I am confident that we will succeed.

As we strengthen our common purposes, we should also strengthen the institutions that fulfill those purposes. We must ensure that our Alliance has an adequate means for setting overall goals for defense, for economic and political cooperation, and for the development and maintenance of the common institutions that will help us to achieve these goals. We must also ensure that our Alliance has an adequate means for setting overall goals for the development of the common institutions that will help us to achieve these goals.

After an historic report to the Assembly, NATO Secretary General Lord Islay, in his opening address, stressed the importance of the common institutions that will help us to achieve these goals. He stressed the importance of the common institutions that will help us to achieve these goals.

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APPENDIX 4

STATEMENTS IN SUPPORT OF THE MARSHALL PLAN RESOLUTION, SENT TO CONGRESSMAN FINDLEY

[Telegram]

MAY 13, 1977.

HON. PAUL FINDLEY,
House of Representatives,
Washington, D.C.

I strongly support H.J. Res. 460, the Marshall Plan Resolution. For nearly 25 years of association with NATO, culminating in my 5½ years of service as SACEUR, I was deeply impressed with the strength and sense of purpose which each member nation, our own included, draws from the units of the alliance and so much collective effort on behalf of peace, security and freedom. The importance of this cohesive force and the benefits it accords was such that through my tenure of command I made solidarity one of the principal working objectives of the integrated military command for which I was responsible.

The preservation and perfection of NATO and the other institutions of western civilization is vital to our own security and the preservation of freedom.

Gen. ANDREW GOODPASTER,
Supreme Allied Command, Europe, 1969-74.

MAY 8, 1977.

DEAR CONGRESSMAN FINDLEY: The proposed Congressional resolution designed to set up an international conference in commemoration of the Marshall Plan is an excellent idea.

It should provide a new stimulus to strengthen NATO in certain fields where some weaknesses are beginning to appear. I am confident the conference will produce excellent results.

Sincerely,

Gen. ALFRED M. GRUENTHER,
Supreme Allied Commander, Europe, 1953-56.

[Telegram]

MAY 13, 1977.

HON. PAUL FINDLEY,
House of Representatives,
Washington, D.C.

NATO is vital to our security and to that of our allies. A meeting of distinguished citizens of the Atlantic countries to consider means of strengthening NATO and their other common institutions would serve a most useful purpose. I would urge support for H.J. Res. 460. It would establish the basis for such a meeting of interested and influential citizens of the allied countries.

Gen. LAURIS NORSTAD,
Supreme Allied Commander, Europe, 1956-63.

STATEMENT BY GEN. MATHEW B. RIDGWAY

MAY 17, 1977.

Today we face the greatest peril. We stand in clear view of the announced purpose of a sovereign power to pursue its primary objective, the defeat of capitalism by communism—and the active support of subversion everywhere. This is why I so strongly support passage of the Marshall Plan Resolution, which by finding ways to strengthen NATO and the other institutions of western civilization can help us protect the freedom and individual liberty we all cherish.

APPENDIX 5

REPORT ENTITLED "THE ORIGINS, DRAFTING, AND PASSAGE OF THE MARSHALL PLAN: A BRIEF HISTORY AND CHRONOLOGY"¹

The Marshall Plan is generally considered one of the true benchmarks in the history of American foreign policy. It represented a national decision to project American power overseas in a constructive way in time of peace. Although the plan is associated with the policy of containing communist expansion, it was not originally presented in those terms. The Soviet Union declined to accept the assistance that was offered, and pressured other members of her bloc, notably Poland and Czechoslovakia to do the same. Otherwise Marshall aid might have gone to all sections of Europe, with consequences upon which we can only speculate.

The Truman Doctrine, with its anti-communist thrust of U.S. support for governments resisting subjugation by armed minorities or outside pressures, had been coupled with a request for \$400 million in economic and military assistance for Greece and Turkey which had passed the Senate on April 23, 1947 and the House on May 9, 1947, by votes of 67-23 and 287-107 respectively. The special circumstances which impelled the United States to come to the assistance of Greece and Turkey, namely Great Britain's inability to continue its support and the military pressure of communist guerrillas, did not apply in Western Europe. But the economic distress of Europe in the winter of 1946-47 was very great, and the spectre of a communist political takeover, particularly in France and Italy, could not be dismissed. Indeed the economic extension was reaching crisis proportions when Secretary Marshall asked George F. Kennan, head of State's newly formed Policy Planning Staff to draw up a plan of action to cope with the situation in Europe.

The Policy Planning Staff developed a memorandum based upon studies and recommendations previously made by Will Clayton, Assistant Secretary of State for Economic Affairs. That memorandum was presented to Secretary Marshall on May 23, 1947. Among other points it stressed the disruptive effect of the war on Europe's economic, political and social structure, called for a joint European program with a joint request for American support, and contended that the effect to restore sound economic conditions should be seen as something we were interested in doing whether there were a communist menace or not.

The line of reasoning advanced by the Policy Planning Staff was generally accepted by Secretary Marshall. He believed it was particularly important to put the emphasis on what the Europeans themselves would do. He was also concerned with the timing of any public statement on the subject, and finally chose to make that statement in the commencement address which he gave at Harvard University on June 5, 1947. In that speech Marshall called upon the European governments to help themselves by drafting a program of mutual economic aid. After the Europeans decided on the allocation of resources among themselves, the United States would decide on its contribution.

Marshall put it as follows:

It would be neither fitting nor efficacious for this Government to undertake to draw up unilaterally a program designed to place Europe on its feet economically. This is the business of the Europeans. The initiative, I think, must come from Europe. The role of this country should consist of friendly aid in the drafting of a European program and of later support of such a program far as it may be practical for us to do so. The program should be a joint one, agreed to by a number, if not all, European nations." Earlier in the speech Marshall had said

¹ Prepared at the direction of Hon. Paul Findley, by Allan S. Nanes, Specialist in U.S. Foreign Policy, Foreign Affairs and National Defense Division, Congressional Research Service, Library of Congress, April 15, 1977.

that: "Our policy is directed not against any country or doctrine but against hunger, poverty, desperation, and chaos * * *. Any government that is willing to assist in the task of recovery will find full cooperation, I am sure, on the part of the United States government. Any government which maneuvers to block the recovery of other countries cannot expect help from us. Furthermore, governments, political parties, or groups which seek to perpetuate human misery in order to profit therefrom politically or otherwise will encounter the opposition of the United States.

These remarks indicated that the proposed program was not necessarily designed to exclude the Russians and their satellites, but that if the Soviets sought to block European recovery their efforts would be opposed. Marshall's advisers had told him that the Soviet Union would not join the plan, but in theory, at any rate, it could have done so.

On June 11, 1947, President Truman reiterated the central theme of the Marshall Plan in a speech at Ottawa, Canada. Senator Vandenberg, the Republican spokesman on foreign affairs, endorsed the Marshall approach. On June 17, 1947, Ernest Bevin, the British Foreign Minister met with his opposite number, Georges Bidault of France to discuss the Marshall proposals. Their talks were suspended in order to invite the Soviet Foreign Minister, Molotov, to attend. This invitation was accepted on June 23, and on June 27 the three countries were conferring in Paris.

But this conference did not last long. Britain and France proposed a coordinated recovery program to be run by a steering committee. The Soviets saw this as interference with national sovereignty, and presented a counter-proposal which would have called upon the United States to specify the exact amount of help it was prepared to grant, with each country to make its own surveys and estimates. Britain and France stood firm for a cooperative effort. The Soviet Union would not accept this position and withdrew from the conference.

France and Britain followed up this failure by inviting twenty-two other European countries to send representatives to Paris to consider a recovery plan. Although desirous of doing business with the West, Poland and Finland both declined. Czechoslovakia at first accepted, however, but reversed its position after a visit to Moscow by Premier Gottwald and Foreign Secretary Masaryk. The representatives of sixteen nations finally met in Paris on July 12, 1947.

This conference set up a working organization and instructed it to bring in a comprehensive report by September 1, 1947. Bound together as the Committee on European Economic Cooperation, the European countries presented a four-year program for recovery to the United States on September 22, 1947.

Meanwhile groundwork for the program was going forward in the United States. On June 1947, President Truman appointed two committees to make studies looking to the preparation of a program for congressional approval. He also directed the recently established Council of Economic Advisors to do a complementary analysis. The President's Committee on Foreign Aid, chaired by Averell Harriman, analyzed the principles and policies to be embodied in an aid program, the needs and capacities of the European countries, the probable volume of assistance required and its relation to the American domestic economy, and the problems of finance and administration. A second committee, chaired by Interior Secretary Julius Krug, evaluated U.S. resources and capabilities in relation to the projected aid program. The Council of Economic Advisers reported on the probable effect on anticipated exports, and on domestic consumption, production and prices. The consensus of the three reports was that Europe must have long range U.S. assistance on a comprehensive scale, that U.S. resources were equal to the task given skillful management, and that if such assistance were not extended, free institutions in Europe and even ultimately in the United States would be in jeopardy. Senator Vandenberg played an important role in the establishment of the Harriman Committee, which was composed of distinguished figures from various walks of life, and Senator La Follette wrote most of the Committee's report on America's interests in Europe.

It became apparent during the autumn of 1947 that the food and fuel situation in Europe might become critical before the aid suggested by Secretary Marshall could be provided. Thus, President Truman called a special session of Congress on October 23, 1947, to consider the continued price rises in the United States and the crisis in Western Europe. That special session passed an Interim aid program in December 1947, which granted \$522 million dollars to France, Italy, and

Australia. This stopgap measure bought time for full congressional consideration of the Marshall proposals.

But Congress had earlier begun to prepare for that consideration. Meetings had been held between House and Senate leaders of both parties and the President and Secretary of State shortly after Marshall had made his proposal, and these had been followed by a series of discussions between Senator Vandenberg and Secretary Marshall. On July 29, 1947 the House set up a select committee to examine the Marshall proposal. Speaker Martin designated Hon. Charles A. Eaton of New Jersey, the Chairman of the Foreign Affairs Committee, as chairman of this select committee. Congressman Herter of Massachusetts was named vice-chairman, but he was also appointed to head the group in its overseas study and observation, and the body became known as the Herter Committee. The Herter group was broken into subcommittees, and visited every European country except the USSR, Yugoslavia and Albania. Mrs. Bolton of Ohio and Mr. Merrow of New Hampshire visited the Middle East, and Mr. Judd of Minnesota went to China, Japan and Korea. Some other members of this select committee were Congressmen Donald L. Jackson, James P. Richards, Francis E. Walter, A. S. Mike Monroney, E. E. Cox, Francis Case, John Vorys & Richard Nixon.² The Herter Committee submitted an 883 page report which was favorably received in general, but its preliminary reports and the standing its members may have been more important in setting the tone for the congressional consideration of the Marshall Plan which was to follow.

On December 19, 1947, President Truman submitted the official request to Congress for legislation which would embody the European Recovery Program. He requested the authorization of a four-year program of assistance totaling \$17 billion, with a proposed appropriation of \$6.8 billion for the first fifteen months, beginning April 1, 1948. The Foreign Relations and Foreign Affairs Committees commenced hearings on this bill the same day, January 8, 1948.

Administration witnesses at these hearings included Secretary of State Marshall, Secretary of Commerce Harriman, Secretary of Interior Krug, Secretary of the Treasury Snyder, Secretary of the Army Royall, and Secretary of Defense Forrestal. On the House side some 150 nongovernmental witnesses were heard. Also on the House side, some 150 nongovernmental witnesses were heard. Also on the House side, General Clay, Commander of U.S. forces in Europe and military governor of the U.S. zone of Germany, and Robert D. Murphy, U.S. political adviser in Germany, testified in executive session.

Questions that concerned members of both relevant committees involved amounts of aid, the reliability of the aid estimates, whether conditions should be attached to the aid, and whether military assistance should be considered in conjunction with economic aid, among a number of others.

Floor debate in both houses was quite spirited, although it was apparent early that the Administration had enough votes to win. Senator Vandenberg and Lodge were responsible for floor management in the Senate. A number of changes were suggested, and the bill was amended to bar the transfer of American ships to Marshall Plan countries and to make possible the disposal of agriculture surpluses under the recovery program. The Senate passed the aid bill on March 13, 1947, by a vote of 69-17.

Before the House actually began debate on the European Recovery Program another interim aid bill was passed to keep the pipelines full. Congress, and particularly the House since it still had to act on the legislation, came under increasing pressure as the European political picture worsened following the communist coup in Czechoslovakia. On March 17, 1948, President Truman again addressed Congress, and called for speedy passage of the Marshall Plan along with measures to strengthen U.S. defense. This pressure tended to emphasize the anti-Soviet nature of the European Recovery Program.

On March 23, 1948, the House began consideration of a single package bill encompassing aid to China and military assistance to Greece and Turkey as well as Marshall aid. The Foreign Affairs Committee had recommended passage, referring to the critical character of approaching elections in Europe. The bill passed the House on March 31, 1948, by a vote of 329 to 74.

The House accepted an amendment to make Spain eligible for aid, but this was deleted in the conference. Among the House amendments which made it to final

² Personnel of the Herter Committee listed in Appendix I.

passage was a provision that the Joint Committee on Foreign Economic Cooperation which was set up under the act would be composed of representatives of the appropriations committees as well as the subject matter committees. In fact, the necessity to implement foreign aid legislation with the requisite appropriations was to significantly enhance the role of the House in the making of foreign policy.

The conference report was promptly approved by both houses, and the Marshall Plan became law on April 3, 1948. What Winston Churchill had called "the most unsordid act" in history was thus launched as an operational program. It was to prove one of the great successes of U.S. foreign policy in the postwar era.

APPENDIX I

HOUSE SELECT COMMITTEE ON FOREIGN AID 80TH CONGRESS, 2D SESSION

CHARLES A. EATON, New Jersey, *Chairman*

CHRISTIAN A. HERTER, Massachusetts, *Vice Chairman*

THOMAS A. JENKINS, Ohio
CHARLES A. WOLVERTON, New Jersey
AUGUST H. ANDRESEN, Minnesota
FRANCIS CASE, South Dakota
JOHN C. KUNKEL, Pennsylvania
JOHN M. VORYS, Ohio
CHARLES W. VURSELL, Illinois
W. KINGSLAND MACY, New York
RICHARD M. NIXON, California

E. E. COX, Georgia
JAMES P. RICHARDS, South Carolina
FRANCIS E. WALTER, Pennsylvania
HAROLD D. COOLEY, North Carolina
GEORGE H. MAHON, Texas
OVERTON BROOKS, Louisiana
EUGENE J. KEOGH, New York
A. S. MIKE MONRONEY, Oklahoma

APPENDIX II

COMMITTEE ON FOREIGN AFFAIRS, 80TH CONGRESS

CHARLES A. EATON, New Jersey, *Chairman*

ROBERT B. CHIPERFIELD, Illinois
JOHN M. VORYS, Ohio
KARL E. MUNDT, South Dakota
BARTEL J. JONKMAN, Michigan
FRANCES P. BOLTON, Ohio
LAWRENCE H. SMITH, Wisconsin
CHESTER E. MERROW, New Hampshire
WALTER H. JUDD, Minnesota
JAMES G. FULTON, Pennsylvania
JACOB K. JAVITS, New York
JOHN DAVIS LODGE, Connecticut
DONALD L. JACKSON, California
FRANKLIN J. MALONEY, Pennsylvania

SOL BLOOM, New York
JOHN KEE, West Virginia
JAMES P. RICHARDS, South Carolina
JOSEPH L. PFEIFER, New York
PETE JARMAN, Alabama
WIRT COURTNEY, Tennessee
THOMAS S. GORDON, Illinois
HELEN GAHAGAN DOUGLAS, California
MIKE MANSFIELD, Montana
THOMAS E. MORGAN, Pennsylvania
WILLIAM M. COLMER, Mississippi

WILLIAM Y. ELLIOTT, *Staff Director*
BOYD CRAWFORD, *Administrative Director*

APPENDIX III

COMMITTEE ON FOREIGN RELATIONS, 80TH CONGRESS

ARTHUR H. VANDENBERG, Michigan, *Chairman*

ARTHUR CAPPER, Kansas
WALLACE H. WHITE, JR., Maine
ALEXANDER WILEY, Wisconsin
H. ALEXANDER SMITH, New Jersey
BOURKE B. HICKENLOOPER, Iowa
HENRY CABOT LODGE, JR., Massachusetts

TOM CONNALLY, Texas
WALTER F. GEORGE, Georgia
ROBERT F. WAGNER, New York
ELBERT D. THOMAS, Utah
ALBEN W. BARKLEY, Kentucky
CARL A. HATCH, New Mexico

FRANCIS O. WILCOX, *Chief of Staff*



