

agreed upon in vague principle. That kind of agreement is far from an immediate prospect.

One can't discuss payments and money without being aware of the problems in other fields. In trade the Kennedy Round is unhappily bogging down, and there is no agreement, indeed precious little discussion, of what the world is supposed to do after June 1967 when the Kennedy Round authorization runs out.

In AID, the decade of development is more than half over now. This was supposed to be the decade in which 1 percent of the gross national product of the developed world would be placed at the disposal of the developing nations. Nothing like this has happened, and in general the poor are very little better off than they were at the start of the decade.

In our domestic economies, in the 20-odd leading industrial countries of the world—the United States, Canada, Europe, Japan, et cetera—everywhere you find the same story: a good deal of prosperity and something like full employment; but all of the countries flutter in confusion as to how to manage such a prosperous economy without inflation.

The reason for the fact that the free world now finds itself largely on dead center in its international economics seems to the chairman of this subcommittee to be caused by several factors. These technical discussions on trade or aid or monetary problems are usually attended by technical officials, and while they are multilateral in character, the technician's level at which they are conducted has contributed to preventing any great morale-building forward drive.

Equally, when heads of government do get together, they tend to get together on a purely bilateral basis and for too short a time and there just isn't the opportunity to explore in depth and multilaterally and at the highest level how the free world can get moving forward once again.

The questions that are in the minds of the subcommittee, and on which we want the help of the panelists are, first, whether we now don't have technical solutions in sight to most of the technical problems of international economics that are presented, and whether the problem now is not very largely political, and one involving the will of the leaders of the free world to do something about these technical problems.

If our conclusion is that a new political will is necessary, we would like the panel to think specifically about the desirability of a high-level, heads-of-government conference of the 20 or so leading countries of the free industrialized world, to see if it isn't possible to recapture some of the international cooperation and dynamism that characterized the world 20 years ago, when we were evolving an International Monetary Fund, a World Bank, and in 1947 the Marshall Plan, whose 20th anniversary will come next June 5—the 20th anniversary of General Marshall's speech calling for a new and intensified level of international cooperation, and asking that countries other than the United States take some of the initiative.

Finally then, we ask of the panel, where do we go from here, what can be done at the IMF meeting later this month, at OECD upcoming meetings, and by the heads of government generally of the free world, to see if there cannot be evolved, 20 years after the first great example and monument of international cooperation, a second round of international economic cooperation on a grand scale.