some U.S. capital to "jump" this barrier to U.S. exports. The removal of this barrier might slow down the capital flow. On the other hand should the UK begin to grow at an accelerated rate, U.S. investors, especially by direct investment, may consider UK investment opportunities enhanced and the U.S capital inflow may increase.

An Atlantic Free Trade Area would also create conditions which would strengthen sterling as an important trading currency and as one of the two key reserve currencies. It would be important to the world economy to continue a significant role for sterling; at least until the international monetary system is reformed to relieve the heavy pressure on the dollar and sterling. Our interest in the continuation of a role for sterling is not entirely unselfish. Should there be any general movement to shift reserves away from sterling to dollars, the effect would be to place tremendous additional burdens on the dollar and thereby to challenge the ability of the United States to maintain the free convertability of a dollar into gold at $35 an ounce. In the absence of new sources of international liquidity, a crisis of confidence in the dollar could cause a serious economic crisis in the world economy.

I have heard much talk about a 51st state if Britain must accept an alternative to the EEC. This is an invention of Britain's isolationists or Europhiles and is demeaning to and contemptuous of Britain, its people and its history and the United States, its national identity and its honour. What is more to the front is that Britain should not wait to the eve of disaster before joining in integration of the Atlantic economy as did Churchill in his call for union with France on the eve of the blitz.

Every person on both sides of the Atlantic who is in authority and of mature years has a great stake in the current course of Britain. Will we be good trustees and hand on a better and more unified world to our successors or will we be enmeshed in our own inability to agree and hand on a poorer and more disorganised world? This is the question that we must ask ourselves at this critical moment in the history of Europe.