aside from France there is now serious danger of a very basic impairment of our gold stock, the need for repealing the 25 percent cover et cetera, or 20 percent I think it is now, the 20 percent cover, and, second, is international monetary reform therefore more urgent than ever?

Should the United States take a strong initiative in that because we may be very much under the gun, not withstanding our wealth and productive power, because of the completely obsolescent system of world reserves under which we live?

Mr. HELLER. In brief, I would say I don't think we are up against any immediate crisis, yet the cause of international monetary reform is very urgent. May I comment on both of these quickly.

As to the position of the dollar, I would like to cite very briefly some findings, some views that I found in a month long survey that I made in Europe last October. Indeed, it is fair to say that in areas where people didn't have an ax to grind, that is where they are objective—and perhaps I am subjective in picking out who is objective about the dollar—it seemed to me that the confidence in the dollar was higher than at any time since convertibility. Indeed, an official of the Swiss National Bank told me he had just made a study of the relationship of the dollar to other currencies for that period—well, actually from 1960, but he said it would have shown the same results from 1958 on—which showed that the dollar was never stronger relative to other currencies than it was last year.

The hunger for dollars—and we have increased that hunger at least temporarily, by drawing some of them out of Europe, so this is partly self-enforcing if you will—seemed quite strong indeed.

Secondly, of course, it is an encouraging development that France hasn't been piling up as many dollars. With its own commitment in expansionary policies domestically, it is less able to run a balance-of-payments surplus and pile up the dollars that it converts into gold. Not that its basic policy is changed, but I just don't think France is quite as flush as it was.

Third, and quite facetiously, the French counterfeiters are expressing the greatest confidence in the dollar that you could ask for. They are printing more dollars than any other currency, Senator Javits, and if you do that under penalty of life imprisonment, it must be a pretty strong currency. If you want to strike that from the record——

Senator JAVITS. No, it is very good. Anything you say disagreeable on that subject we like.

Mr. HELLER. But I do believe—and you probably know from my previous appearances here and from your colloquys with my colleagues over the years in the Council of Economic Advisers—that I have felt for some years that the time has arrived for expanding the world's international currency.

The more recent developments of this effort of the Group of Ten, as negotiations have moved into the IMF, have been somewhat encouraging. I hope that we will be able, so to speak, to quarantine France in these operations, if they continue their oppositionist tactics on this issue.

The crisis isn't on us now, but the present system will gradually put a restrictive impact on the world's economies if we don't give our-