

"A great opportunity to help Europe lift herself permanently out of a morass of bilateralism and restrictionism has floated in to us on a floodtide of destruction. If we fail to seize this opportunity now it will probably never return except possible after a third World War," wrote W. L. Clayton in a cable from Geneva in 1947. Two years later, it was but a natural progression that he advanced from the Marshall Plan and freer multilateral trade to become an active champion of Atlantic Union.

CLAYTON LEADS FOR ATLANTIC UNION

By ELLEN CLAYTON GARWOOD

ON APRIL 22, 1957, Will. Clayton was named to represent the U. S. on the Economic Commission for Europe, which had been established by the Economic and Social Council of the U. S. The *Houston Chronicle*, in an article on this appointment, remarked that that assignment would not interfere with the Undersecretary's other duties. By now such assurance was doubtless deemed necessary because of the great diversity of fields where Clayton's abilities were being called into service in many crucial spots, in addition to his own field of economics and international trade: world bank, atomic energy, Latin-American relations, UNRRA, reparations, and, now, postwar recovery of Europe.

It will be remembered that, among his special assignments, Clayton's principal one was that as chairman of the U. S. delegation at the trade conference in Geneva in the spring and summer of 1947, where he worked to carry out his theories of multilateral trade. After resigning from the State Department in October, he was asked to stand by as Special Adviser to the Secretary of State. It was in this capacity that he headed the U. S. delegation to the final world trade conference in Havana, in November, 1947, for the approval of the International Trade Organization Charter, which had been in his mind for so long and was so dear to his heart.

Attending the Havana Conference was an array of representatives from fifty-seven nations. Of these, fifty-one

signed the Charter, giving their approval to the plan which would have to be ratified, in each case, by the home government in order to go into effect. The other six, including men from the Communist satellites who had shown great daring in even attending the Conference, since it had been boycotted by Russia, looked on but did not go so far as to commit themselves.

One of the fearful nations, at this time, was Finland. Nevertheless, in March of 1952, the Finnish Minister to the U. S. and Mexico, the honorable Johan Nykopp, presented Will Clayton with the Order of the White Rose, Finland's highest award, in recognition of the faith he had shown in assisting the postwar economic recovery of the tiny republic. "The Finnish Minister said"—so ran an article in the *Houston Post* of March 22, 1952—"that Mr. Clayton proved himself a friend of Finland in his many governmental posts, as Undersecretary of State, as Assistant Secretary of Commerce, and especially as head of the Export-Import Bank. 'He extended us credit and helped us in other ways when we were in short supply of raw material,' said the dignitary..."

Evaluating Will Clayton's work as the first Undersecretary of State for Economic Affairs, Michael Hoffman wrote in the *New York Times Magazine* of September 21, 1947:

For nearly five months . . . the U. S. has been represented in Europe by William Lockhart Clayton . . . he has been the domi-



... As leaders of the free world, it is the responsibility of American statesmen."

nating figure in the international tariff discussions. In Paris, ... his has been the voice of America at the sixteen nation conference on the Marshall Plan. . . . Because of his white hair, his bronzed profile, and his height towering above the average European, he is a marked man wherever he goes. . . . Having turned his knowledge of economic forces with spectacular success to his own advantage, it is small wonder that Clayton has more confidence than most men in his ability to exploit these forces for the greater good of humanity. . . . He is probably the only man who ever created a \$75,000,000 business and lived to hear himself denounced as an impractical dreamer. . . . critics assume that the ideas behind the Marshall Plan, of which they approve, are superseding Clayton's in the counsels of Washington. The ideas behind the plan are Clayton's. Up to now Clayton is the Marshall Plan . . .

In spite of the perception of Michael Hoffman, Will Clayton has been almost better appreciated in France, Switzerland, and England than in his own country. Although, of course, some adverse criticism has appeared abroad, most of the remarks about him have been

This is the second part of chapter 2 of *Will Clayton—A Short Biography* by Ellen Clayton Garwood, which by special agreement with the University of Texas Press we began publishing in our April issue.

complimentary. The Paris *Le Monde* of October 17, 1947, called him the "champion of liberalism" and the man who had played a chief role in the labors of the committee of the Sixteen for the preparation of the Marshall Plan . . . Our diplomats . . . will deplore the absence of one of the Americans who knew best European affairs . . . who brought to international discussions a spirit of wisdom and moderation.

The *Journal de Geneve*, under headlines announcing Clayton's resignation, said, in its issue of October 17, 1947: The personal qualities of the American Under-Secretary of State for Economic Affairs will be sorely missed . . . But one is convinced . . . that his resignation comes at the moment when the die is cast. . . .

In the British delegation . . . the same feelings are expressed: "Mr. Clayton has steered the ship of American affairs into sight of the port. . . . We shall miss the personal qualities of the Under-Secretary of State who has shown himself a negotiator of the first order."

The Paris *UAurore* of October 16, 1947, said that news of Clayton's resignation had come with the "effect of a bombshell." *UAurore* went on to say of this "first economist of the U. S.:"

It is hardly necessary to recall that he was the first who took cognizance of the famous agreement of the Sixteen Marshall Plan participants and that it was on his recommendations that the final version, now being

studied in Washington before being sent to Congress, was drawn up. . . .

(It is then a little the "Clayton Plan" that is found to be up for consideration.)

Has the "lawyer advocate of Europe" (*l'avocat de l'Europe*) wished to remain behind the scenes in this critical phase?

The last dispatches from Washington allow the admission, in specifying that the retirement of Mr. Clayton is only temporary and that he will take up again, at his post, when the present difficulties have been surmounted, the defense of that Europe whose record (*dossier*) he knows better than anyone else.

It is true that in England there was criticism of Clayton's hardness in the British Loan negotiations—a hardness which grass-roots America had to be persuaded was hard enough. Also there appeared from the pen of Barbara Ward a rather strange commentary. In her book, *The West at Bay*, she criticized Clayton for urging, in 1947, the sixteen prospective recipients of Marshall Plan aid "to create in Western Europe a 'low tariff area' in which the Sixteen would give each other advantages denied to other nations." This, she says, is discriminatory, and looks "perilously like the formation of cartels," which Mr. Clayton was against in his support of international trade at the Geneva conference. Miss Ward wonders at his inconsistency. She fails to understand that Clayton, looking much farther ahead,

was already viewing "the sixteen" as one entity—and, in fact, for trading purposes, almost as one nation, which, indeed, the "*Comite d'Action four les Etats-Unis d'Europe*" may yet realize.

More in tune with the other European evaluations of Clayton is the view of John Dalgleish. Writing for *Everybody's Weekly*, August 30, 1947, in an article entitled "Man Behind Marshall," Dalgleish called Clayton "General Marshall's guide and mentor" in things economic, and said further: the things that Clayton has been fighting for all his life are mirrored in the public utterances of the Secretary of State.

When the full story of the genesis of the Marshall Plan is told, it will become evident that the inspiration was Clayton's; which means he will have a firm niche in history, for this, if for nothing else.

Atlantic Union Committee Founder

After Clayton's resignation, his advance from the Marshall Plan and freer multilateral trade to support of the Atlantic Union proposal was a natural progression. In 1949, at the request of Clarence Streit—originator of the idea—he became one of the two vice-presidents of the Atlantic Union Committee. The president was the late Owen J. Roberts, former Supreme Court justice, and the other vice-president was the late former Secretary of War, Robert Patterson. Today the Committee—which continues to carry on under the presidency of Elmo Roper—has been greatly strengthened by the addition to its Council of Adlai Stevenson.

The Atlantic Union Proposal—introduced in the Senate July 26, 1949, by Senator Kefauver—asked that there be called a convention of delegates from the democracies which had sponsored the North Atlantic Treaty, for the purpose of exploring how far their peoples, and the peoples of such other democracies as the convention might invite, could apply among them, within the framework of the U. N., the principle of free federal union. In the hope of facilitating passage, the wording of this resolution was altered in 1956, and among the changes was the substitution of the word "unitv" for "union." The Senate Foreign Relations Committee held a hearing on this version on July 11, 1956, but further hearings were postponed on the advice of Secretary Dulles, who said the NATO Council of



Undersecretary of State Clayton passing the Swiss guards at the Vatican after an audience with the late Pope Pius XII, July 24, 1947.



Ellen Clayton Garwood

While Will Clayton was working with the American Cotton Company in East Orange, N. J., his first child, Ellen, was born. Educated in the public schools of Oklahoma City and Houston and at the Shipley School, Ellen Clayton became a Phi Beta Kappa at Smith College and was graduated there *magna cum laude*. After her marriage to a promising young Houston lawyer, St. John Garwood, who became Associate Justice of the Texas Supreme Court (now retired), Mrs. Garwood obtained an M.A. degree from the University of Texas.

Her published writings include historical sketches of Texas and prominent Texans, published as a column in the *Houston Chronicle*; the English translation of a French novel, *Out of the Past a Sailor*, by Ligeioix de la Combe; "Early Texas Inns," published in the *Southwestern Historical Quarterly*; and a travel book on Spain.

Foreign Ministers was, itself, exploring ways of achieving greater unity. And this advice was given in spite of the fact that a resolution similar to the original was passed by the Canadian Senate as far back as 1950.

Campaigning for Atlantic Union

On June 11, 1949, the Houston papers reported a speech which Will Clayton made on Atlantic Union at the Forum of Civics. Of this speech, the following excerpts are illuminating: Soviet Russia has split the world into two parts—the communist world and the free world. . . . The Communists are organized as one. The free world is divided into separate compartments, but in . . . limited respects it must also organize as one if it would remain free.

... As a minimum the Union should have the power to maintain armed forces, conduct foreign relations, regulate currency, and . . . commerce between its members and with non-member nations. Its powers would be as great or as small as its citizens decided. I would expect that the delegation of powers to the Union would be explicit and limited.

This was the first of a number of speeches made in 1949, 1950, and 1951 by Will Clayton throughout Texas—in Austin, San Antonio, Dallas, and elsewhere. He also testified before Congress in support of the Atlantic Union resolution on February 13, 1950, and later, in 1951, when the resolution was again introduced. In the October 22, 1950, *New York Times Magazine*, there appeared an article by him, entitled, "We Must Trade Sovereignty for Freedom." In it he said, using the analogy of architecture, as if he were speaking with the voice of his famous ancestor, Sir Christopher Wren:

If a supranational government were to be established, the doubters ask, would the battle for American rights have to begin anew? What would the superstate do to governmental forms which now guarantee civil liberties . . . ?

To unite democratic governments is not to remodel the present structure, but to add another story in the same architectural design. This is not a proposal to mix dictatorships and democracies, but rather to unite the democracies in order to contain the dictatorships. . . . All civil freedoms would be safer in a world where nations that respect human dignity pooled their facilities for keeping the individual free. On the economic side, every producer in a Union of the Free would have 350 to 400 million consumers.

Again, in 1955, in the *Cotton Trade Journal* article previously quoted, Clayton spoke out for Atlantic Union, warning that the strengthening of NATO was not enough. "The ferment which is working at the heart of the world, keeping it in pain and anguish, is too potent to yield to the persuasion of armies, battleships and bombs.

While he was working for Atlantic Union, Will Clayton was asked to perform another task for his government. His appointment to the National Security Training Commission, created to work out a program for universal military training, was approved by the Senate, October 29, 1951. On this commission Clayton worked again, this time for a two-year term, alongside Dr. Karl T. Compton, former president of the Massachusetts Institute of Technology, with whom he had been associated in 1945, when both men were members of the policy commission on the atomic bomb.* The program recommended by the commission provided for six months' military training for all boys between

high school and college, with later service in the reserves, entailing two weeks' training every summer for a period of years. The trainees were to be subject to call for army duty only in case of emergency. Although universal military training, under that name, did not pass Congress, most of the Commission's provisions were later incorporated into the present reserve training program. Of Clayton's work on this commission, Edgar Shelton, former executive director of the Commission, has said:

Mr. Clayton was never vague in his decisions. Although he never became emotional or lost his temper over the bungling of a subordinate, he was always the most firm in cutting off the services of anyone who had committed an unpardonable error.

Clayton "Chair" at Law School

In 1952 Will Clayton was honored by the creation of a *Clayton Center for International Economic Affairs* at the Fletcher School of Law and Diplomacy conducted by Tufts College in cooperation with Harvard. The "Center" had been preceded, two years before, by a *Clayton Chair of International Finance*. At that time Dean Robert Stewart of the Fletcher School indicated the

*Other members of the National Security Training Commission were James W. Wadsworth, former Republican member of Congress from New York; Admiral Thomas C. Kinkaid, U.S.N., retired; and Lieutenant General Raymond S. Mc-Clain, U. S. Army.



This photograph inspired the portrait by Raymond Neilson which hangs in the *William L. Clayton Center for International Economic Affairs* at the Fletcher School of Law and Diplomacy, Medford, Mass.

"Chair" was being set up in recognition of Clayton's service to his nation in the various posts he had held in connection with the State Department.

On the flyleaf of a recent book by Dean Acheson called *Power and Diplomacy*, based on Acheson's "Clayton Lectures" and published in 1958 by the Harvard University Press, there appears the following description:

The program of the Clayton Center—devoted to education and research—includes the William L. Clayton Professorship of International Economic Affairs, a program of research and current policy studies, a program of Clayton Fellowships to encourage and assist outstanding young men and women to prepare for careers in international economic affairs and diplomacy, and the annual Clayton Lectures by persons distinguished in the field of diplomacy, trade, or scholarship in international affairs. The Clayton Lectures were inaugurated by former Secretary of State Dean Acheson in October, 1957, which also marked the opening of the 25th year of the Fletcher School of Law and Diplomacy.

While Will Clayton's chief thinking is along international lines, it cannot be said that he has neglected since his retirement conditions in his own city of Houston. In the summer of 1950 he and Mrs. Clayton, favoring, as they did, the establishment of a low-cost housing project for Houston, were strong supporters of slum clearance. Fiercely opposed to the idea was almost every real-estate firm and mortgage company in town.

"Obligation of Wealth"

Among the opponents of slum clearance and a federal low-cost housing project there appeared some of the same people who opposed Clayton's championship of Atlantic Union. On July 4, 1950, Will Clayton wrote a letter to the *Houston Post* pointing out that the words of the Declaration of Independence asserting "governments are instituted among men, deriving their just powers from the consent of the governed" entailed an obligation in men of responsibility and wealth to see that less fortunate people were provided with decent homes in which to live. He said: Certain of these responsibilities which were easily carried by individuals and communities in the early days of our Republic must now be assumed by organized society in our modern, industrial world or not carried at all. Certain of these rugged individualists

coming to the aid of the real estate and housing lobbies, say that slum clearance is socialism.

Reactionaries made the same charge when public schooling was first proposed.

Federal Judge Joseph Hutcheson, in a letter to the *Houston Post*, July 11, 1950, said: Mr. Clayton's statement, if not an acceptance of the Marxist, the Socialist, the Posi-tivist doctrine that men have no inherent, no God-given, no natural rights, that might and might alone gives rights, leaves me wondering whether many of us . . . have not been too complacent for too long.

With the same confusion about Clayton's meaning and the issues involved, Judge Hutcheson, at a meeting of the Texas Bar Association later in July of the same year, indirectly attacked the former Undersecretary of State's championship of Atlantic Union by stating that the idea, as advocated by Clayton's son-in-law, would mean "renouncing allegiance" to the U.S.A. and a "destruction of American independence."

While the "Right" criticizes Clayton for being "socialistic" and a dreamer, from the "Left" he is accused, as he was in *P.M.* of December 5, 1944, of possessing an insidious "business-is-business" philosophy.

The following picture of Clayton might give his critics from the "Right"

and from the "Left" a better understanding of him. One winter day, back in Jackson, Tennessee, the twelve-year-old Will was trying out a new sled on a hillslope covered with snow. A ragged boy from Irish town—the tough section across the railroad tracks—came up and watched him with envy. Will handed his sled to the boy and told him to try it out. The youngster tried it not only once, but a dozen times or more. Instead of asking for the sled back, Will stood to one side until the afternoon grew dark, enjoying the pleasure of the other boy. Finally the borrower returned the sled and left. A week later an Irishtown gang followed Will and some of his friends to school. "Let's jump on those kids," Will heard one of the tough boys say. Then another voice cried, "Not that bunch. Naw. Look who they've got with 'em. It's the guy who loaned me his sled!"

It may have been partly memory of the above incident which influenced Clayton to say in his 1957 day-after-Christmas letter to the *New York Times*:

We must adjust our thinking and acting in the political and economic fields to the needs and interests of the free world rather than the selfish interests of our own minority groups. . . . As long as there are in the



—Houston Post

Assistant Secretary of State Clayton in conference with N. I. Feonov, Soviet Council member, at 4th UNRRA Council Meeting, in Atlantic City, March 21, 1946.



"Let's not miss the bus," read the caption of this cartoon published with editorial comment in the *Dallas Morning News*, June, 1950.

world . . . people who go to bed hungry and cold every night, there is not really a surplus pound of cotton or a surplus bushel of wheat. As leader of the free world, it is our job to seek ways to increase the buying power of these people, instead of indulging in schemes that reduce it and thus add to their misery.

Congress reconvenes on January 7th. The Reciprocal Trade Agreements Act comes up for renewal. The very minimum that we can do now is to renew this act for five years . . .

Thus, although Clayton's theory of economic cooperation among nations under an international organization finds only partial fulfillment in extension of the Reciprocal Trade Agreements Act, he has known, realistically, that this extension is far better than nothing, and he has vigorously supported it each time the act has come up for renewal. In the same way he has urged the idea of a union of democracies which would be political as well as economic, where, to quote his own words, again, "nations that respect human dignity" would pool "their facilities for keeping the individual and to which other nations, would, in time, be attracted and admitted.

This emphasis on self-government and freedom was reflected recently, at the time of the Suez crisis, in Sam Rayburn's strongly worded statement, the authorship of which correspondent Robert Allen, January 13, 1957, noted

as being credited to Will Clayton. (On January 27, a reporter for the *Houston Post* said of the memorandum, "Clayton jotted it down on a scrap of paper in Baltimore, while waiting for his wife, who was undergoing medical tests.") The statement said, in no uncertain terms, that the U. S. regarded as vital to her interests the preservation of the integrity and independence of the Middle East. According to the *New York Times*, of January 20, it was rejected by Secretary of State Dulles as proposing "unilaterally" a U. S. "protectorate over the area, irrespective of

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the area, irrespective of the desire or request of the countries themselves."

To understand the reasons for Clayton's philosophy one must seek for causes in the man's background and training. Here may be found the answer to the confusion of opinion about him, the solution as to whether he will be looked on by future ages as the curious "dinosaur" of a dying and tangential trend or as the defender and advancer of the main stream of evolution, by which man progresses to a broader individualism and to peace.