

MAR 25 1945

WORLD MONEY FUND OPPOSED, BANK INDORSED

Split Program, U.S. Chamber Advises.

(Chicago Tribune Press Service.)

Washington, D. C., March 25. —

The Chamber of Commerce of the United States today recommended that the United States participate in the international bank proposed by the Bretton Woods, N. H., conference last July, but defer action on participating in the international monetary fund proposed by the same conference.

The report, made by the finance department committee of the chamber and endorsed by the board of directors, said the "committee has serious doubts as to the advisability or necessity of immediate action by congress on the plan for an international monetary fund."

Termed Heart of Program.

The Bretton Woods twin proposals are before the house banking and currency committee. President Roosevelt has urged speedy action, as has the treasury and the state department. Dean Acheson, assistant secretary of state, told the committee the 8.8 billion dollar international fund is the "heart" of the proposals without which the proposed 9.1 billion bank would have difficulty in functioning.

The proposed United States share in the bank is 3 billion 175 million. Its share in the fund would be 2 billion 750 million. The proposal calls for the United Kingdom to put 1 billion 300 million into each fund and Russia 1 billion 200 million into each. The shares of the other nations are much smaller.

In Accord with Objectives.

The chamber of commerce committee said it was in complete agreement with the objectives of the Bretton Woods conference and favored collaboration with other nations in a program of monetary stabilization, but raised questions as to methods under the proposed monetary fund. It recommended that the board of governors of the international bank prepare a program for monetary stabilization upon which the nations can agree, meanwhile taking leadership in stabilization activities, including agreements and loans. Otherwise, it said, the bank and fund might operate at cross purposes at times.

"The committee is not impressed with the argument that any action other than approval of both the fund and the bank would require another world conference, with probable failure of the entire program," the report said. Establishment of the bank should be accomplished more speedily under this program than if immediate action by the nations on both institutions were needed, it contended.

Fund Widely Questioned.

"Sentiment with respect to the bank is favorable in other countries as well as in the United States," the report said. "Serious doubts as to the fund have been expressed elsewhere, as in this country. Such recommendations as might be made by the board of governors of the bank with respect to a permanent stabilization program would carry weight in all nations."

The finance committee is headed by Robert M. Hanes of Winston-Salem, N. C., a former president of the American Bankers' association. The A. B. A. made a report last month calling proposed lending methods under the stabilization fund "novel and contrary to accepted credit principles." The chamber of commerce report referred to "ultra-liberal conditions applying to credits."