

TRADERS ASK STAND ON FOREIGN POLICY

Want Official U. S. Statement
Defining the Nation's Over-All
World Economic Position

BRITISH RUMOR DISTURBING

Say Reputed Deal With Sweden
Points Up Need for Clear-
Cut Outline of Program

By EDWARD A. MORROW

With the National Foreign Trade Council now on record as favoring passage of the Bretton Woods Agreements Act "substantially as drafted," and other foreign trade organizations expected to take a similar stand, foreign traders stated last week that they now await only a statement from the Administration defining what has heretofore been described nebulously as the country's "overall foreign economic policy."

Secretary of the Treasury Morgenthau, it was pointed out, has frequently referred to the Bretton Woods proposals as "but one step in the broad program of international action necessary for the shaping of a free future." Other government officials from time to time, in calling for international action, have frequently referred to "the program."

British Action Cited

The need for the United States to define its planned stand in foreign economic activities was pointed up sharply last week by reports among foreign traders, still unconfirmed in London, that the British Government is negotiating a bilateral trade agreement with

Sweden. While it was understood that the proposed agreement would contain a clause which would permit cancellation on three months' notice, traders asserted that the negotiations themselves were "a manifestation that other countries are preparing a second line of trade defense awaiting a clearcut United States' declaration of policy."

The report of the London Chamber of Commerce on the Bretton Woods proposals, which characterized the proposals as seeking "to deprive the nations of their defenses whilst failing to remove the perils which called them into use," was cited as typical of the "watchfulness of other nations." The report emphasized that the major factor in international defaults has been unwillingness of sellers and creditors to accept payment in goods and services.

Policy in Tariffs Sought

In calling for a definition of the United States program, the National Foreign Trade Council asked the inclusion of a statement on the policies to be pursued on tariffs and other trade barriers—which would indicate to the other United Nations to what extent the United States is prepared to expect payment in terms of goods and services.

The council's endorsement, it was pointed out, was given in the face of strong opposition from foreign trade bankers who supported the "technical" objections of the American Bankers Association. Other reservations held by traders stemmed from the activities of Great Britain in seeking new bilateral agreements and that country's reticence on the future policy of the sterling bloc.

Emphasizing the reservations held and the reluctance to pass judgment on "a single measure which lacks coordination and integration with a broader pattern," the council stressed that it was the fact that disapproval would do more harm than approval.

"Rejection of the act," the council said, "would involve prolonged delays in pursuit of the broad objectives sought, and would lay the United States open to the charge of failing to cooperate internationally at a time when such cooperation is of vital importance not only to the world at large but also to the United States itself."