

## **Toward Middle Ground**

Champions of the Bretton Woods proposals are cheered by two important endorsements of the plan for a world bank and monetary fund, even though these are offset somewhat by the United States Chamber of Commerce's opposition to the fund.

The endorsements come from the Committee for Economic Development and the Board of Governors of the Federal Reserve System. Both contain recommendations which could be carried out without endangering the achievement already made at Bretton Woods.

The C. E. D. has asked simply for clarification of a phrase in the bank agreement. The Federal Reserve Governors propose formation of a council to advise the American section of the management of the world agency.

The effect of these recommendations on the opinion of bankers who are, like the Chamber of Commerce, opposing the monetary fund, will be watched with interest. Likewise, the Treasury's attitude toward them is a subject of some speculation. The C. E. D. suggestion would go far toward removing the possibility of the fund's being caught without adequate resources of dollars, a possibility which bankers have viewed with apprehension. The Federal Reserve suggestion for an advisory council should help to reassure bankers that the Bretton Woods agencies will not be abused by its managers, since the council would be almost certain to contain a representation of "conservative" as well as "progressive" opinion.

So far there is no indication that the committees represented in the American Bankers Association's critical report on Bretton Woods are at all impressed by these proposals. This important group and the Chamber of Commerce seem convinced that the monetary fund should be made subordinate to the international bank, a change which Treasury officials and others say would entail overhauling all Bretton Woods agreements in another world conference.

The proposals point the way toward middle ground between proponents and opponents of the Bretton Woods plan. It is to be hoped that both sides will show a willingness to consider seriously these efforts to meet objections to the plan without exposing it to disaster.