

Delay Might Be Profitable

The United States Chamber of Commerce, in an approved report of its finance committee, has followed the lead of the American Bankers Association in rejecting the Bretton Woods proposal for the creation of an international monetary fund. At the same time the chamber endorses the International Bank proposal which came out of the same conference.

The Bretton Woods agreements provided for two fiscal agencies to which member nations would subscribe, a currency fund to stabilize foreign exchanges and the international bank to promote long-term development.

In rejecting the fund proposal the chamber points out that this plan has been subjected to widely differing interpretations in the United States and the United Kingdom and that it fears is that the parties may sign an agreement which each thinks means something different.

The federal administration wants both the bank and the fund and fears that any attempt at this time to amend or alter the Bretton Woods plan would only throw the door open at the coming San Francisco conferences to all sorts of hedging and withdrawing requiring new international and congressional action before a ratification.

The bankers and the Chamber of Commerce as well as the Committee for Economic Development are not enthusiastic about pushing congressional approval of both phases of the monetary proposal in advance of the San Francisco conference. The CED feels that the bank should be given authority to extend long and short term loans for stabilization, leaving the fund strictly for currency transactions.

The questions raised by this opposition are not readily to be disposed of and Congress has but a few weeks for deliberation prior to the opening of the United Nations Security conference on the Pacific coast. An Easter congressional recess will reduce the time considerably.

The security conference does not necessarily have to be a short one and perhaps it might be just as well for Congress to await developments at this conference, which might serve to clarify the situation, before acting.