

MAR 27 1945

## Financial Markets and News Of the Day in Wall Street

Stocks Hold Moderate Gains in Face of Peace Rumors  
—Bonds Turn Irregular.

By CARLTON A. SHIVELY,

President Roosevelt proposes that he be given authority to cut tariffs 50 per cent. Some persons may wonder why it is that tariffs are too high, since the party of low tariffs has had undisputed power in and out of Congress for a good dozen years and could have made the tariff whatever it wished it to be. The President now asks Congress for additional tariff reduction powers, under reciprocal treaties, so that, as he says, economic wars may be averted and the world set on the road to prosperity, and employment in this country be increased.

Many will disagree that tariff cuts, designed to let in foreign goods, will help employment here. To be sure, the quid pro quo is a cut in foreign tariffs, for certain countries, but whether even on a strictly free trade basis all around, we could compete with European labor is an unanswered question.

There seems to be a conflict in the economic objects at Washington. On the one hand, we are told that we must take in foreign goods, if the lend-lease goods are to be paid for, and in the same breath we are told that, in effect, no attempt is going to be made to collect for lend-lease. In the next breath we are told that we must let in a flood of European goods, if we are to have higher employment on this side and world prosperity.

And while that is going on, a real triple expansion of the chest accompanies the vocal message that we must approve Bretton Woods and be prepared to lease, lend and lose many billions of dollars in order to give Europe the means for buying our goods. The fellow standing along the curb probably is scratching his head and wondering why, if we are going to lend or give money to our friends abroad for the purchase of our goods, we must also buy their goods so that they can pay for our goods.