

# Bretton Pacts Defended By Planning Association

*By a Staff Correspondent of The Christian Science Monitor*

WASHINGTON, April 23—Emphatic approval of the Bretton Woods monetary proposals, and a warning that congressional modification would jeopardize long-range American economic objectives, are given here by the nonpolitical, nonprofit National Planning Association, composed of representatives of business, labor, farming, and government.

The agreements achieved by representatives of 44 nations, the lengthy report declares, represent "an American triumph" in obtaining "international agreement to reverse the trend toward stage-managed trading systems."

Failure of Congress now to approve the compromise agreement would start the world trend back to economic nationalism.

Included on the committee issuing the report are Stacy May, President, McGraw-Hill Publishing Company; Frank Altschul, President, General American Investors Company; J. B. Condliffe, University of California economist; Milton Eisenhower, President, Kansas College of Agriculture; Carter Goodrich, Columbia University economist; Joseph D. McGoldrick, Comptroller, City of New York, and other representatives of farm, labor, and government. Among officers of the National Planning Association is Beardsley Ruml, author of the Ruml tax plan, and economist.

President Truman has recently endorsed the Bretton Woods proposals setting up a world bank, and a monetary loan fund. The matter is now before a House committee where it is under bitter dispute.

## Compromise on Exchange

Rejection of the Bretton Woods monetary agreement would leave the United States "isolated in a world of hostile economic blocs," the report declared. With rejection, the report declared:

"The free enterprise system in foreign trade, at least, would be seriously crippled . . . and the United States probably would have to match the state management of other groups."

The international monetary fund, which has been most frequently criticized, constitutes a compromise between the British and the Americans, the report says. Britain agrees to work toward a truly international economic system, to abandon exchange controls and other discriminations, and to aid in stabilizing the relative values of all exchanges. The United States agrees to allow a certain

flexibility in exchange rates, limited by the provisions and management of the fund, and to allow Britain to continue exchange controls during a transitional period of five years.

Views in Great Britain vary on the extent to which state control should be exerted over economic life, the study says. In the United States, the emphasis is placed on the revival of world-wide, non-discriminatory, multilateral trade. As a potentially great creditor nation with large gold reserves and the most widely acceptable currency in the world, the United States can only benefit from suppression by other countries of their restrictions on international payments.

With many industries uniquely geared to a large-scale production of goods desired by other nations, this country needs equality of access to foreign markets and assurance of stable monetary parities.

## Caution on Changes

The report declares:

"Through acceptance of membership in the institutions proposed at Bretton Woods, the world at large would follow policies essentially favorable to America's point of view. Adoption of the proposed agreements will not solve all the problems of attaining world economic prosperity, the Committee asserts, but it will encourage the nations of the world to work out the other commercial and economic policies that are necessary to attain the goal."

The Committee urges that possible amendment of the agreements be postponed until such action can be taken in the light of experience, under the provisions for amendment that are included in the plans for both the fund and the bank.

The introduction of amendments dealing with the basic structure of the proposed institutions at this time, the report asserts, would be very dangerous.

If a call for basic amendment is made, other voices than ours will be heard, the Committee says. Our demands would bring forth further demands for fundamental changes on the part of other countries, and would jeopardize the whole proposal.