the transport workers, Hugh Scanlon of the engineering workers, and Len Murray, General Secretary of the TUC. One of the NEDC's most notable decisions was a call to British workers to maintain the level of productivity achieved during the three-day week. At that time production levels were maintained at 85 per cent of the normal rate, though the work week had been cut by over 50 per cent — self-enforced speedup of over 35 per cent!

Just yesterday, Jones and Murray visited Denis Healey, Chancellor of the Exchequer, to assure him that his latest plans to reflate Britain's economic balloon had the full support of the trade unions. Murray congratulated Healey on his "excellent grasp of our economic problems." The purpose of Healey's policy, which the British press is afraid to discuss, was revealed by the *Journal of Commerce* as the "fine-tuning" of industrial expansion plans for the depressed areas.

# Where Does NATO Get its Authoritative Opinions on the USSR?

July 20 (IPS) — The June issue of *NATO Review* contains an unsigned article entitled "The Soviet Union: A Financial Power." The principal argument of this article is that the Soviet Union should not be granted subsidized credit to import the products of the industrialized nations, but should be compelled to finance such purchases at current market interest rates.

To discover NATO's information source, compare the arguments of the NATO article with the statements of Chase Manhattan Bank economist Larry Brainard, in an interview conducted by IPS in May [See IPS No. 3].

**NATO Review**

*"The Soviet Union has seized on a well-established feature of the West, namely, inflation. Borrowing at rates of 6 to 8 per cent over a period of up to 15 years has been a highly profitable exercise with inflation rising from 5 to 6 per cent in most Western countries in 1970-72 to 10, 15, and 20 per cent at the present time...the Soviet Union borrowed over $1 billion worth of currency on the Eurocurrency market alone between early 1972 and mid-1973. This bolsters the impression referred to above since the credits must obviously have been granted by banking consortia which would not have ventured into this field without sound reasons for believing that the Soviet Union was creditworthy."* And, *"Extensive export credits to the Soviet Union at preferential rates may be considerably curtailed in the future."*

**Larry Brainard [from the notebook of our financial correspondent]**

*"I don't think the credit issue is a big problem. My impression is that credit will be available at market rates. It's a question of price, not the supply of credit. 12 per cent interest isn't a bad rate in terms of inflation. The Soviet Union is anxious for government-subsidized credit, so the strain is on the Soviet side. Our bank is very willing to lend to them."*