

Watergate Effect on Trade Talks

President Nixon's chief trade negotiator said here last night that the Watergate affair is certain to have some effect on international economic negotiations, but minimized its importance on the world scene.

"Psychologically, it's bound to have its bearing," Ambassador William D. Eberle said in answer to a question about Watergate's effect on the administration's ability to negotiate trade pacts with other countries.

He said Watergate is "certainly a very serious matter," but that its significance is small in relation to the tangled world economic situation, and "I hope we can get on with building an open world" for trade.

DINNER

Eberle spoke at a dinner meeting at International Airport's Hilton Inn, sponsored by the Santa Clara Valley World Trade Club and attended by about 70 businessmen, mostly importers and exporters.

He devoted his talk primarily to the administration's major trade reform bill, now before Congress. He said chances for passage of the bill "look reasonably good" despite the fact that the administration is "on a collision course with Congress" over the bill's provision of most-favored-nation status for the Soviet Union.

EXIT TAX

A strong contingent in Congress is demanding that the Soviet Union be denied that status unless it drops the hefty exit taxes on educated persons who wish to emigrate from that country.

Eberle said the most-favored-nation portion of the bill might be killed, or at least heavily amended, in which case a broad economic agreement with Moscow would "go down the drain."