

FROM

LONDON

DATE May 2, 1946

UNRESTRICTED

Secstate

Washington

A-483, May 2, 1946.

FOR SECRETARIES OF STATE AND TREASURY.

This is part II of A-480, May 2, 1946.

Fry expresses the following view regarding these two appointments:

"The only criticism that could be made of these appointments is that they will place on the board of the two bodies British directors trained and accustomed to press the British case rather than to promote an international recovery scheme; but it would have been hard to find others free from this limitation."

Oscar Hobson, City Editor of the News Chronicle, regards the experience of these two men as complementary:

"The one gained in the City and the other in Whitehall - but in one thing they strongly resemble one another: each has strong and definite views and is accustomed to express them unequivocally."

Hobson comments as follows on Dalton's taking Keynes' place as Governor of the Fund and the Bank:

"It is thoroughly good news that the Chancellor of the Exchequer, Mr. Hugh Dalton, has decided to take over the posts of British Governor

cc: 5/22/46 Messrs. Glasser, Mikesell, Eddy, Brenner,  
E. Hebbard

of the International Monetary Fund and of the International Bank of Reconstruction and Development, rendered vacant by the lamented death of Lord Keynes.

"As I noted here a week or two ago, the Americans have tended to enlarge their conception of the importance and functions of both the Fund and the Bank in the two years which have elapsed since their constitutions were worked out at the Bretton Woods Conference. They have appointed Mr. Fred Vinson, Secretary to the United States Treasury, as their Governor of both institutions, and they have established in the National Advisory Council a high-powered inter-ministerial body, of which the Secretaries of State and Commerce as well as the Secretary to the Treasury are members, to guide their representatives on the Fund and the Bank and to act as intermediary between Congress and the two institutions.

"It is therefore entirely fitting that the British Chancellor of the Exchequer should take his place with his American opposite number at the board room table of the Fund and the Bank. It is calculated to allay ~~any~~ doubts which the American public may be entertaining whether our sense of the importance of these two international financial organisations is as great and as sincere as theirs. It is to be hoped it may do so acting too to correct the rather unfortunate impression (in view of the delicate state of the Loan discussions in Congress) created by recent Government announcements here on steel industry nationalisation and the closing of the Liverpool cotton market."

HARRIMAN