

TREASURY MEETING
October 2, 1943

Present: White, Bernstein, Luxford, Richardson,
Casody, Coe, Cohen, Pasvolsky, Livesy,
Brown, Goldenweiser, Gardner, and
Bourneuf. 1c

Keynes suggested to White that an international drafting committee should meet and then publish a draft before any international conference is called. Keynes does not want another U. S. revision published. Pasvolsky, Cohen and White felt that the drafting committee's work would then become the proposal and that Congress etc., would start taking the draft to pieces. They prefer that the committee draft a plan just before the Conference and that it be published only after the Conference. Since the British have promised to have a discussion in Parliament before too long, The British are anxious to get out something. White suggests that there should be an announcement that all countries are agreed on certain broad principles - three or four page affair. It was suggested that the President might call in a few Congressmen and hand them the joint statement of principles. The joint statement would still be on the expert level. Keynes can only be here a couple of weeks more. He wanted to have the drafting Committee meet in London.

There was a long discussion on the question of controls. No one was ready to support the British position of absolutely no controls. White suggested that each country have an unquestioned right to 25% of its quota and then be subject to six months notice with a further 12 1/2% available in the six months. Mr. Gardner suggested ~~20~~ absolute right - rather that the Fund can at any time give six months notice and then that during the six months they would be allowed 25% of their quota.

Cohen suggested that perhaps they should have the assurance that they would not be given notice unless they were using the Fund at more than a certain rate. The others disagreed with Cohen on this point.

Pasvolsky was very anxious to give all countries an absolute right to 25%.

Bernstein was ^{opposed} to a 25% undisputed right. Bernstein seems to be thinking of 25% net assistance i.e. over and above gold contribution.

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Mr. Goldenweiser agreed with Gardner and Bernstein that there should be no 25% right and White also agreed - always providing that this position might be changed later.

White and Bernstein said that Keynes was set on monetizing unitas and that this is absolutely impossible. This would mean either that unitas would have to be stamped "not good in the United States" as soon as the Fund ran out of dollars or that the U. S. would have to keep on supplying dollars.

White also said that Keynes was set on larger quotas.

Next meeting Monday at 2:00 P M for Americans
3:30 with British.