

409



A. Bourneuf - Oct. 8.
Summary of meeting
notes in order to
check redraft to be
presented by Treasury
Oct. 9.

DRAFT STATEMENT OF PRINCIPLES
(Numbers refer to U.S. draft)

Experts of the United Nations have agreed on the following principles. Governments will not be asked to give final approval of the principles until they have been embodied in the form of definitive proposals by a Conference of delegates of the United and Associated Nations.

1. Preamble - U.S. draft of October 8. ✓
2. (1) To promote exchange stability and to prevent competitive depreciation and to maintain orderly exchange arrangements among member countries. ✓
 - (II) To ensure multilateral payment facilities for the conduct of current transactions among members and to eliminate restrictions on exchange transactions.
 - (III) U.S. draft.
 - (IV) To give confidence to member countries and to facilitate the correction of maladjustments by the provision of actual and potential support to member countries.
3. (1) Member countries shall subscribe in gold and their local funds amounts determined by a formula to be agreed on a scale which, if all the United Nations agree to subscribe, would result in aggregate subscriptions from these nations of about \$8-1/2 billions, and from the world as a whole of about \$10 billions.
 - (II) Reserved for later discussion.
4. (I) U.S. draft.
 - (II) U.S. draft except that say subject to (III) below and 6(I) and eliminate needed.

4. (III) U.S. draft
5. (I) U.S. draft
 (II) Omit U.S. draft 5 (II) (a)
 (II) (b) and (c) Reserved
 (III) U.S. draft
6. (I) Takes British 5 (I) - add with that member's currency or with gold.
 (II) Reserved
 (III) British 5(III)
7. (I) U.S. draft
 (II) Omit current in U.S. draft.
 (III) British 6 (III)
 (IV) Members shall agree not to propose changes in the parity of their currency unless they consider it appropriate to the correction of a fundamental disequilibrium and changes will be made only with the approval of the Fund. The Fund shall not reject a requested change on the ground of the social or political policies which may have led to the application ~~of~~ ^{to} a change which in the de facto situation is required to restore equilibrium.
 (V) After consulting the Fund, a member country may change the established rate for its currency, provided the proposed change, inclusive of any previous changes, does not exceed, within any 10 year period, 10 per cent of the rate at the beginning of the 10 year period. (?)
 (VI) U.S. draft
 (VII) Reserved. Considering Luxford formulation of British 6 (VII).

- 6
8. (I) U.S. draft
(II) Reserved
 9. (I) U.S. draft (?)
(II) U.S. draft
(III) and (IV) Reserved
(V) ?
 10. British version and add "after consultation with the Fund."
 11. U.S. draft
 12. U.S. draft
 13. (I) U.S. draft
(II) U.S. draft
(III) Omit (?)
(IV) U.S. draft
(VI) The local currency holdings of the Fund in a member country shall be freely transferable subject to the provisions of the plan.