

Points for the Meeting with the Technical Financial
Delegation of the U.S.S.R., March 13

1. The technical financial delegation of the U.S.S.R. has suggested that the gold reserves of the Fund be held in the United States, the United Kingdom, the Soviet Union and China.

As a matter of practice the Fund will find it convenient to hold gold on earmark in several important places. It is the view of the American technicians that Moscow would be one of these places. It is not possible, however, to prescribe all of the places and the precise amounts of gold which the Fund will find it convenient to hold in each of its depositories. Such a technical matter on the disposition of the assets of the Fund is properly left to the decision of the directors.

2. The technical financial delegation of the U.S.S.R. has suggested that each of the four leading United Nations have 10 percent of the aggregate votes.

When the quota for the Soviet Union has been determined and the allotment has been made for adjustment of its quota, the U.S.S.R. will have at least 10 percent of the aggregate quotas and approximately 10 percent of the aggregate votes. It would not be possible without seriously distorting the quotas of other countries to raise the quota of any other country to 10 percent of the aggregate quotas. The American technicians would like to point out that there is only one provision of the Joint Statement, 5(5), where a country's having 10 percent of the aggregate quotas has any significance. There is no provision where 10 percent of the aggregate votes is significant.

3. It has been suggested by the technical financial delegation of the U.S.S.R. that the United States, the United Kingdom, the Soviet Union, and China all be represented on the Executive Committee.

Without prescribing at this stage the precise method of selecting the members of the Executive Committee, there is no doubt that each of these four countries will have a representative on the Executive Committee.

4. The technical financial delegation of the U.S.S.R. has suggested that countries engaged in state trade be exempted from the provision requiring them to give consideration to the views of the Fund on policies that affect the balance of payments of other countries.

In the opinion of the American technicians it is not desirable to exempt particular countries from the provisions of the Fund proposal. Furthermore, the American technicians believe that the technical financial delegation of the U.S.S.R. will not object to this provision when its intent is clarified. The purpose of this provision is to assure the members of the Fund that member countries will not overlook the significance of their international economic policies in their relation to other member countries. For this purpose, member countries are expected to give consideration to the views of the Fund on policies that directly affect the balance of payments of other countries. There is no compulsion upon any country to adopt the views expressed by the Fund. Each country remains the sole judge of the desirability of the action it takes on its international economic problems.

5. The technical financial delegation of the U.S.S.R. has suggested that the provision requiring the furnishing of information to the Fund is too broad and that such information should be given by a member country to the Fund only by mutual consent.

The American technicians believe that the proper operation of the Fund requires it to have necessary information on the international economic affairs of member countries. A list will be prepared of the types of information that the Fund will find it necessary to have for its operations, and the Russian technical delegation can indicate any objection there may be to the provision of such information. Other types of information, not covered in the listed categories, would be provided to the Fund by member countries only after consultation.

6. The technical financial delegation of the U.S.S.R. has made a number of suggestions regarding the gold provisions of the Joint Statement.

The American technicians would like to give further consideration to these suggestions and will express their views at the next meeting.

Gold and reserves holdings and production
Gold movements

