

WORLD FUND and BANK Inaugural Meeting



MEETING OF THE BOARD OF GOVERNORS
of the
INTERNATIONAL MONETARY FUND

Held in Savannah, Georgia
on
March 14, 12:15 p.m.

MR. VINSON: The meeting will come to order and the Chair recognizes the Secretary General, Mr. Kelchner.

MR. KELCHNER: Mr. Chairman, I have to report the receipt of a communication from the Department of State of the United States informing the Board of Governor that the following Governments have signed and deposited their respective instruments of acceptance with the Department of State: El Salvador with the signature and the deposit of the instrument of acceptance, March 14, 1946; Nicaragua with the signature and the date of deposit of the instrument of acceptance also March 14, 1946; the Government of Panama has signed the two instruments on March 14, 1946, and the instrument of acceptance was deposited this same day.

We are also in receipt of communications from the Embassy of El Salvador stating that the Government of El Salvador has designated the Ambassador to the United States as the Governor of the Fund and of the Bank for that Government. We have likewise a communication from the Embassy of Panama stating that the Ambassador of Panama to the United States will serve as the Governor of the Fund and of the Bank on behalf of Panama. We are also in receipt of a communication from the Embassy of Nicaragua stating that the Ambassador of Nicaragua to the United States will serve as the Governor of the Bank and the Fund for Nicaragua. The question arises as to whether it is the desire of the Boards of Governors to have these credentials referred to the Credentials Committee or whether the Board of Governors wishes to accept them as they are.

MR. VINSON: What is the desire of the Board of Governors?

MR. Le MALLAIS: As Reporting Delegate of the Credentials Committee, I would more that we decide this here and that it should not go back to the Credentials Committee.

MR. MASCHKE: I second the motion.

MR. VINSON: You heard the motion of the Governor for Luxembourg. Those in favor of the motion signify by saying "Aye".

("Ayes".)

("Ayes".)

Contrary, "No".

(None.)

The "Ayes" have it, and the motion is adopted.

This is a very happy moment. We have new additions to the happy family. On one occasion reference was made to twins. This morning we are presented with triplets. I want to say to the Governors representing these three Governments, on behalf of the Boards of Governors, that we welcome you around our table and are very happy that you have fully accepted membership in this body.

MR. VALLARINO: Mr. President, in the name of the Government of Panama and in my own name I want to thank the members of the Board of Governors for the courteous way in which they have handled our case, and I am very happy to be here with you and to form a part of this organization as a full member.

MR. VINSON: Without objection, the Governors for the respective countries will be assigned to the Committee on By-laws. The Chair hears no objection, and it is so ordered.

MR. CASTRO: Mr. Secretary, I want to express on behalf of the Government of El Salvador and myself sincere thanks for the cordial words of welcome that have been extended to me on this occasion when I come for the first time to represent El Salvador on the Board of the International Monetary Fund. On this occasion I pledge the full support of my Government and of the Central Bank of El Salvador toward the purposes of the Monetary Fund. I want also to avail myself of this opportunity to express to our Chairman and to the Boards of Governors of both the Fund and the Bank which is meeting here, the sincere appreciation of El Salvador because the acceptance of the new members has been as original members of the organization. My Government wanted that very much because it was due to reasons beyond the control of my own Government that the documents of acceptance reached me in Washington after the last day of December 1945. I again thank you, Mr. Chairman and all the members of the Boards of Governors of the two institutions, for the cordial welcome to me.

MR. SACASA: (The Representative of Nicaragua expressed in Spanish appreciation at being accepted as a member of the two institutions.)

MR. VINSON: The Chair now recognizes the Reporting Delegate of the Committee on Membership, Mr. Carceres.

MR. CARCERES: (Read Report of Committee on Membership. See Fund Doc. 9)

MR. VINSON: You have heard the report of the Reporting Delegate of the Committee on Membership. Is any discussion desired?

MR. DESHMUKH: Before you put this to a vote I submit that it would be premature to decide the matter now in advance of the receipt by the Board of the report of the ad hoc committee appointed to investigate the constitutional implications of accepting the resolution. If you accept the resolution now, then automatically you terminate the function of the ad hoc committee, which is yet to meet and yet to examine the implications. The

resolution

resolution as a whole must, I submit, be deferred until the ad hoc committee has reported.

MR. VINSON: It occurs to the Chair that there is no conflict between the issue submitted to the ad hoc committee and the amendment to the report proposed by the Committee on Membership. The Board of Governors, even if there were conflict could take action that would clarify the situation. Certainly it is clear to the Chair that the adoption of the report of the Committee on Membership would not and should not in any way affect the problem that is being considered by the ad hoc committee. The Chair would so rule if that problem were presented in opposition to the consideration of the report of the ad hoc committee.

MR. DESHMUKH: May I understand it that if as a result of the consideration of the report of the ad hoc committee a change in wording of the resolution as now adopted becomes necessary the matter will be recalled for consideration?

MR. VINSON: If the report of the ad hoc committee should include the content suggested by the Governor for India, it seems to me that it might be in order at that time to have consideration of the suggestion in the ad hoc committee report by the Committee on Membership.

MR. DESHMUKH: Thank you.

MR. VINSON: We won't even leave here on Monday without having the matter reviewed to assure no conflict in the resolution. The question is shall the report of the Committee on Membership be adopted and approved? Is there any further discussion? Those favoring the approval and adoption of the report will signify by saying "Aye".

("Ayes".)

Contrary, "No".

The "Ayes" have it, and the report is adopted and approved.

The Chair recognizes the Secretary General.

MR. KELCHNER: Mr. Chairman, I have to report the receipt of communication of the Department of State of the United States, stating that the United States Government has been requested by the Government of Turkey to prepare an application in behalf of the Government of Turkey for membership in the International Fund.

This request was made in a note presented by the Turkish Ambassador to the Secretary of State, dated March 13, 1946.

MR. VINSON: Without objection the application is referred to the Executive Directors in accordance with the report of the Committee on Membership.

MR. CLAYTON: Mr. Chairman, I just want to say that the United States Government is pleased to support the application of Turkey for membership in the International Monetary Fund.

MR. VINSON: The Chair now recognizes the Governor from Mexico, the Reporting Member of the Site Committee.

MR. MONTEROS

MR. MONTEROS: Mr. Chairman, Governors, as reporting delegate of your Committee on Site, I wish to submit to you the following report: (Read Report of Site Committee. See Fund Doc. 11)

MR. VINSON: You heard the report of the Committee on Site. The question arises on the approval and adoption of the report. Is a discussion desired?

(No response.)

If not, the question is shall the report of the Committee on Site be approved and adopted? Those favoring the adoption and approval will signify by saying "Aye".

("Ayes".)

Contrary, "No".

(None.)

The "Ayes" have it. The report is adopted.

The meeting stands adjourned.

(Thereupon at 12:40 o'clock p.m., March 14, 1946, the meeting of the Board of Governors was adjourned.)