

3 July 1945

Secretary Morgenthau

Mr. Luxford

The three amendments provided by the Senate Banking & Currency Committee today are as follows:

1. The Committee explicitly provided in Section 14 of the Bill that the assets of the Fund might not be used to finance armaments. Thus, where Section 14 now provides that the Funds resources may not be used for "relief or reconstruction", under the Senate amendment it will now read "for relief, reconstruction or armaments."

2. The Senate Committee deleted Section 6 of the Bill which stipulated that the par value of the U. S. dollar which should be communicated to the Fund would be 15-5/21 grains of gold (i.e. the gold value of our present dollar). The deletion of this Section of the Bill has no significance in fact. The reason for its deletion is that the silver Senators did not want a reference to gold without a reference to silver.

3. A section will be added to the Bill recommending to the President that he take such action as may be possible to convene an international economic conference for the purpose of working out trade policies, etc. This amendment is made in the form of a recommendation and is not significant since the State Department has already announced plans to have a conference of this character.

The Senate Committee voted out the Bill thus amended by a vote of 13 to 5.

A.F.L.

AFL:ehb
3/7/45

79TH CONGRESS
1ST SESSION

H. R. 3314

IN THE SENATE OF THE UNITED STATES

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

- 1 On page 9, at the end of line 9, strike the period and
- 2 insert a colon and the following: "*Provided*, That the Sec-
- 3 retary of the Treasury is authorized and directed to use all
- 4 silver in the Treasury not held as security for outstanding
- 5 currency of the United States, and all silver which may
- 6 from time to time come into the Treasury, to pay all or
- 7 part of the subscription of the United States as called for
- 8 to the International Bank for reconstruction and develop-

1 ment: *And provided further*, That all silver which may
2 be paid into such Bank shall be valued in terms of gold from
3 day to day on the basis of the commercial or fair world
4 price per ounce, and on such basis such silver shall be
5 regarded as the full equivalent of gold."

79TH CONGRESS
1ST SESSION

H. R. 3314

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

June 16 (legislative day, June 9), 1945

Ordered to lie on the table and to be printed

IN THE SENATE OF THE UNITED STATES

JULY 17 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. LANGER to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

- 1 On page 2, before the period in line 6, insert the
- 2 following: "*Provided*, That the President shall not accept
- 3 such membership on behalf of the United States unless and
- 4 until the Articles of Agreement of the Fund and the Articles
- 5 of Agreement of the Bank are amended so as to prohibit
- 6 the use of the resources of the Fund, or the making of loans
- 7 by the Bank, for the purpose of enabling any member to
- 8 purchase or produce arms, ammunition, or implements of
- 9 war".

79TH CONGRESS
1ST SESSION

H. R. 3314

AMENDMENT

Intended to be proposed by Mr. LANGER to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

JULY 17 (legislative day, JULY 9), 1945
Ordered to lie on the table and to be printed

H. R. 3314

IN THE SENATE OF THE UNITED STATES

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz: On pages 6 and 7, strike section 6, and substitute therefor the following:

- 1 SEC. 6. There is hereby established in the money of
- 2 account of the United States a gold coin to be known as
- 3 a gold ounce; such coin to contain four hundred and eighty
- 4 grains of pure gold (troy weight) and sufficient alloy to
- 5 make it nine-tenths fine and to be of the value of \$35 or
- 6 units.

79TH CONGRESS
1ST SESSION

H. R. 3314

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

H. R. 3314

IN THE SENATE OF THE UNITED STATES

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. TAFT to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

1 On page 2, at the end of line 6, add the following:

2 *“Provided, however, That this acceptance shall become ef-*
3 *fective only when the governments of the countries having*
4 *65 per centum of the quota set forth in schedule (a) shall*
5 *have agreed that the Articles of Agreement to the Fund*
6 *shall be amended to insert section 6 in article XIV as*
7 *follows:*

8 *“SEC. 6. No member shall be entitled to buy the cur-*
9 *rency of another member from the Fund in exchange for*
10 *its own currency until it shall have removed all restrictions*
11 *inconsistent with Article VIII, sections 2, 3, and 4.’”*

79TH CONGRESS
1ST SESSION

H. R. 3314

AMENDMENT

Intended to be proposed by Mr. TAFT to the bill
(H. R. 3314) to provide for the participa-
tion of the United States in the Interna-
tional Monetary Fund and the International
Bank for Reconstruction and Development.

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed.

H. R. 3314

IN THE SENATE OF THE UNITED STATES

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. TAFT to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

- 1 On page 9, strike out all of line 1 after the comma,
2 and all of lines 2 to 9, inclusive, and insert: "there is hereby
3 authorized to be appropriated the sum of \$4,125,000,000.
4 In order to secure the necessary funds therefor, the Secre-
5 tary of the Treasury is authorized to issue United States
6 securities under the Second Liberty Bond Act, as amended,
7 and the purposes for which securities may be issued under
8 the Act are extended to include such purpose".

79TH CONGRESS
1ST SESSION

H. R. 3314

AMENDMENT

Intended to be proposed by Mr. Tarr to the bill
(H. R. 3314) to provide for the participation
of the United States in the International
Monetary Fund and the International
Bank for Reconstruction and Development.

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

79TH CONGRESS
1ST SESSION

H. R. 3314

IN THE SENATE OF THE UNITED STATES

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. TAFT to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

1 On page 2, at the end of line 6, add the following:
2 *“Provided, however,* That this acceptance shall become effec-
3 tive only when the governments of the countries having 65
4 per centum of the quota set forth in schedule (a) shall have
5 agreed that the Articles of Agreement to the Fund shall
6 be amended and that a new section be added to Article
7 reading as following:

8 *“The provisions of this Article shall be subject to the*
9 principle that the Fund shall use its resources only for cur-

1 rent monetary stabilization operations and to afford temporary
2 assistance to members in connection with seasonal and
3 emergency fluctuations in balance of payments of any mem-
4 ber for current transactions, and that the Fund shall not
5 use its resources to provide facilities for relief, reconstruc-
6 tion, development or armament, or to meet a large or
7 sustained outflow of capital on the part of any member;
8 and that before a member may purchase currency from the
9 Fund, it shall comply with the condition (which shall not
10 be subject to waiver) that it must show to the satisfaction
11 of the Fund that the member has a reasonable prospect of,
12 and agrees to make, repayment in full within a period of
13 eighteen months.'”

79TH CONGRESS
1ST SESSION

H. R. 3314

AMENDMENT

Intended to be proposed by Mr. TART to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

JULY 16 (legislative day, JULY 9), 1945
Ordered to lie on the table and to be printed

H. R. 3314

IN THE SENATE OF THE UNITED STATES

JULY 16 (legislative day, JULY 9), 1945
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MILLIKIN to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

1 On page 2, at the end of line 6, add the following:

2 “*Provided, however,* That this acceptance shall become effec-
3 tive only when the governments of the countries having 65
4 per centum of the quota set forth in schedule (a) shall have
5 agreed that the Articles of Agreement to the Fund shall be
6 amended by striking out section 5 of Article VII and
7 inserting the following:

8 “SEC. 5. The provisions of this Article shall not be
9 invoked to excuse failure to comply with any treaty, recip-
10 rocal trade agreement or public or private debt agreement
11 or other contract now or hereafter in effect.’”

AMENDMENT

Intended to be proposed by Mr. MILLIKIN to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

H. R. 3314

IN THE SENATE OF THE UNITED STATES

JULY 16 (legislative day, JULY 9), 1945

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MILLIKIN to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

- 1 On page 2, at the end of line 6, add the following:
- 2 *“Provided, however, That this acceptance shall become effec-*
- 3 *tive only when the governments of the countries having 65*
- 4 *per centum of the quota set forth in schedule (a) shall have*
- 5 *agreed that the Articles of Agreement to the Fund shall be*
- 6 *amended by striking out Article VII.”*

79TH CONGRESS
1ST SESSION

H. R. 3314

AMENDMENT

Intended to be proposed by Mr. MILLIKIN to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

JULY 16 (legislative day, JULY 9), 1945
Ordered to lie on the table and to be printed

IN THE SENATE OF THE UNITED STATES

MAY 24, 1945

Referred to the Committee on Banking and Currency and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (S. 540) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

- 1 On page 4, line 7, before the period, insert a colon and
- 2 the following: "*Provided*, That the Secretary of the Treasury
- 3 is authorized to coin coins containing an ounce of gold, such
- 4 coins to contain four hundred and eighty grains of pure
- 5 gold (troy weight) and to contain sufficient alloy to make
- 6 them nine-tenths fine and to weigh thirty-five times the
- 7 weight of a gold dollar containing fifteen five twenty-firsts
- 8 grains of gold nine-tenths fine".

79TH CONGRESS
1ST SESSION

S. 504

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (S. 540) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

MAY 24, 1945

Referred to the Committee on Banking and Currency
and ordered to be printed

IN THE SENATE OF THE UNITED STATES

MAY 24, 1945

Referred to the Committee on Banking and Currency and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (S. 540) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

- 1 On page 4, line 7, before the period, insert a colon and
- 2 the following: "*Provided*, That the Secretary of the Treasury
- 3 is authorized to coin coins containing an ounce of gold, such
- 4 coins to contain four hundred and eighty grains of pure
- 5 gold (troy weight) and to contain sufficient alloy to make
- 6 them nine-tenths fine and to weigh thirty-five times the
- 7 weight of a gold dollar containing fifteen five twenty-firsts
- 8 grains of gold nine-tenths fine".

79TH CONGRESS
1ST SESSION

S. 504

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (S. 540) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

MAY 24, 1945

Referred to the Committee on Banking and Currency
and ordered to be printed

IN THE SENATE OF THE UNITED STATES

MAY 24, 1945

Referred to the Committee on Banking and Currency and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (S. 540) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz:

- 1 On page 4, line 7, before the period, insert a colon and
- 2 the following: "*Provided*, That the Secretary of the Treasury
- 3 is authorized to coin coins containing an ounce of gold, such
- 4 coins to contain four hundred and eighty grains of pure
- 5 gold (troy weight) and to contain sufficient alloy to make
- 6 them nine-tenths fine and to weigh thirty-five times the
- 7 weight of a gold dollar containing fifteen five twenty-firsts
- 8 grains of gold nine-tenths fine".

79TH CONGRESS
1ST SESSION

S. 504

AMENDMENT

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (S. 540) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

MAY 24, 1945

Referred to the Committee on Banking and Currency
and ordered to be printed

There is hereby established in the money of account of the United States a gold coin to be known as a gold ounce; such coin to contain 480 grains of pure gold (troy weight) and sufficient alloy to make it nine-tenths fine and to be of the value of \$35 or units.

This amendment proposes to establish a coin containing one ounce of gold as money of account of the United States. When Senator Thomas explained the amendment to the Banking and Currency Committee, he stated that it would not require the Secretary of the Treasury to actually coin gold ounces or place them in circulation, but it would merely establish a unit of account which the Fund and Bank might find useful.

It is clear to me, and I believe it is clear to the Banking and Currency Committee, that this amendment would not really do anything. I see no reason why more than one gold unit is necessary or desirable in our monetary system, and I see no reason why a second gold unit would be of any value to the Fund or the Bank. We already have established by law a gold unit of account which is the United States dollar, containing $1/35$ of an ounce of gold. The amendment would create a second unit containing one ounce of gold worth \$35. Whether you want to call one ounce \$35, or you want to call $1/35$ of an ounce \$1 is certainly not a problem that requires legislative action.

It would be a serious mistake for the Senate to adopt an amendment of this character which changes the Bretton Woods Agreements Act. This is one of the most important pieces of legislation ever to come before Congress, and its contents should be restricted to those provisions which are absolutely essential to effective

participation of the United States in the proposed international institutions. Matters which are not really germane to the question now before the Senate should not be incorporated in this legislation, but should be taken up separately at the appropriate time.

Senator Thomas suggested to the Committee that an amendment be made directing the Secretary of the Treasury to use all the silver in the Treasury not presently held as security for outstanding certificates, and all silver which may come into the Treasury from time to time, to pay part of the subscription of the United States to the International Monetary Fund. The amendment would also provide that the Fund should value silver paid to it in terms of gold on the basis of the commercial value of silver. In explaining his amendment Senator Thomas stated that silver is now worth about 50 cents an ounce and under this amendment we would put our surplus silver in the Fund on the basis of 50 cents an ounce.

There are really two problems raised by this proposed amendment which should be carefully considered by the Senators. First, and most important, the Fund has no authority under the Articles of Agreement to accept silver bullion in payment of this country's subscription. It is only authorized to accept silver as collateral security when it sells foreign exchange to a member country beyond the quantitative limits specified in the Articles of Agreement. Senator Thomas told the Committee that he did not intend to amend the Fund Agreement but only to amend the enabling legislation. The result of his proposal would be, however, an amendment of the

Agreement, and it would be an amendment which would not be acceptable to foreign countries.

The assets of the Fund must be capable of being used in the settlement of international balances. To the extent that they are not so usable, the Fund will, in effect, be frozen. Regardless of anyone's views as to the desirability of silver as a medium of exchange, we must recognize that today silver is not universally accepted in payment of international balances. Other countries will not agree to an amendment such as this one, which would mean that part of the Fund's assets would be unavailable for use in accomplishing the objectives of the Agreement.

The second problem concerns the advisability, from our own point of view, of using up all of the silver now in the Treasury which is not held as security for silver certificates. I know that many of the Senators are familiar with the excellent use which has been made of the silver stocks during the war. They have been used in aluminum and magnesium plants in the form of bus-bars and part of the stocks have been sold to war industries producing airplane engines and many other essential armaments. In addition, a considerable quantity has been used to produce coins for circulation in the United States. The Treasury is not currently acquiring any silver

at all, since the demands of industry consume the entire output of our own mines and those abroad, so that it would be extremely unwise to dispose of the entire stock of silver a considerable part of which will be needed for domestic coinage and sale to essential war industries.

Revised - 5/25/45

5/24/45

"SAFEGUARDING" FUND PROPOSAL

The following new section will be added:

STABILIZATION OPERATIONS BY THE FUND

Sec. 14. (a) The governor and executive director of the Fund appointed by the United States are hereby directed to obtain promptly an official interpretation by the Fund as to (i) whether its authority to use its resources extends beyond current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions and, (ii) whether it has authority to use its resources to provide facilities for relief or reconstruction or to meet a large or sustained outflow of capital on the part of any member.

(b) If the interpretations by the Fund answer in the affirmative either of the questions stated in subsection (a), the governor of the Fund representing the United States is hereby directed to propose promptly and support an amendment to the Articles of Agreement for the purpose of expressly negating such interpretation. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

5/24/45

Revision of Information Provision

Section 9 is amended to read as follows:

OBTAINING AND FURNISHING INFORMATION

Sec. 9. (a) Whenever a request is made by the Fund to the United States as a member to furnish data under Article VIII, section 5, of the Articles of Agreement of the Fund, the President may, through any agency he may designate, require any person to furnish such information as the President may determine to be essential to comply with such request. In making such determination the President shall seek to collect this information only in such detail as is necessary to comply with the request of the Fund. No information so acquired shall be furnished to the Fund in such detail that the affairs of any person are disclosed.

(b) In the event any person refuses to furnish such information when requested to do so, the President, through any designated governmental agency, may by subpoena require such person to appear and testify or to appear and produce records and other documents, or both. In case of contumacy by, or refusal to obey a subpoena served upon any such person, the district court for any district in which such person is found or resides or transacts business,

upon application by the President or any governmental agency designated by him, shall have jurisdiction to issue an order requiring such person to appear and give testimony or appear and produce records and documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(c) It shall be unlawful for any officer or employee of the Government, or for any advisor or consultant to the Government, to disclose, otherwise than in the course of official duty, any information obtained under this section, or to use any such information for his personal benefit. Whoever violates any of the provisions of this subsection shall, upon conviction, be fined not more than \$5,000, or imprisoned for not more than five years, or both.

(d) The term "person" as used in this section means an individual, partnership, corporation or association.

5/24/45

Council Proposal

Section 4 is amended to read as follows:

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL
MONETARY AND FINANCIAL PROBLEMS

Sec. 4. (a) In order to coordinate the policies and operations of the representatives of the United States on the Fund and the Bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial exchange or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the Council), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of Trustees of the Export-Import Bank of Washington.

(b) (1) The Council, after consultation with the representatives of the United States on the Fund and the Bank, shall recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and the Bank.

(2) The Council shall advise and consult with the President and the representatives of the United States on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank.

(3) The Council shall coordinate, by consultation or otherwise, so far as is practicable, the policies and operations of the representatives of the United States on the Fund and the Bank, the Export-Import Bank of Washington and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions.

(4) Whenever, under the Articles of Agreement of the Fund or the Articles of Agreement of the Bank, the approval, consent or agreement of the United States is required before an act may be done by the respective institutions, the decision as to whether such approval, consent, or agreement, shall be given or refused shall (to the extent such decision is not prohibited by section 5 of this Act), be made by the Council, under the general direction of the President. No governor, executive director, or alternate representing the United States shall vote in favor of any waiver of condition under Article V, Sec. 4

or in favor of any declaration of the United States dollar as a scarce currency under Article VII, Sec. 3 of the Articles of Agreement of the Fund without prior approval of the Council.

(5) The Council from time to time, but not less frequently than every six months, shall transmit to the President and the Congress a report with respect to the participation of the United States in the Fund and the Bank.

(6) The Council shall also transmit to the President and the Congress special reports on the operations and policies of the Fund and the Bank, as provided in this paragraph. The first report shall be made not later than two years after the date of the establishment of the Fund and the Bank, and a report shall be made every two years after the making of the first report. Each such report shall cover and include: the extent to which the Fund and the Bank have achieved the purposes for which they are established; the extent to which the operations and policies of the Fund and the Bank have adhered to, or departed from, the general policy directives formulated by the Council, and the Council's recommendations in connection therewith; the extent to which the operations and policies of the Fund and the Bank have been coordinated, and the Council's recommendations in connection

therewith; recommendations on whether the resources of the Fund and Bank should be increased or decreased; recommendations as to how the Fund and Bank may be made more effective; recommendations on any other necessary or desirable changes in the Articles of Agreement for the Fund and the Bank or in this Act; and, an over-all appraisal of the extent to which the operations and policies of the Fund and the Bank have served, and in the future may be expected to serve, the interests of the United States and the world in promoting sound international economic cooperation and furthering world security.

(7) The Council shall make such reports and recommendations to the President as he may from time to time request or which the Council may consider necessary to more effectively or efficiently accomplish the purposes of this Act or the purposes for which the Council is created.

(c) The representatives of the United States on the Fund and the Bank, and the Export-Import Bank of Washington (and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions) shall keep the Council fully informed of their

activities and shall provide the Council with such further information or data in their possession as the Council may deem necessary to the appropriate discharge of its responsibilities under this Act.

5/24/45

C. E. D. Proposal

The following new section will be added:

STABILIZATION LOANS BY THE BANK

Sec. 13. The governor and executive director of the Bank appointed by the United States are hereby directed to obtain promptly an official interpretation by the Bank as to its authority to make or guarantee loans for programs of economic reconstruction and the reconstruction of monetary systems, including long-term stabilization loans. If the Bank does not interpret its powers to include the making or guaranteeing of such loans, the governor of the Bank representing the United States is hereby directed to propose promptly and support an amendment to the Articles of Agreement for the purpose of explicitly authorizing the Bank, after consultation with the Fund, to make or guarantee such loans. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

5/24/45

One Person as Governor of Both Fund and Bank

Section 3 is amended to read as follows:

Sec. 3. (a) The President, by and with the advice and consent of the Senate, shall appoint a governor of the Fund who shall also serve as a governor of the Bank, and an executive director of the Fund and an executive director of the Bank. The executive directors so appointed shall also serve as provisional executive directors of the Fund and the Bank for the purposes of the respective Articles of Agreement. The term of office for the governor of the Fund and of the Bank shall be five years. The term of office for the executive directors shall be two years, but the executive directors shall remain in office until their successors have been appointed.

(b) The President, by and with the advice and consent of the Senate, shall appoint an alternate for the governor of the Fund, who shall also serve as alternate for the Governor of the Bank.

(c) The President, by and with the advice and consent of the Senate, shall also appoint one alternate for each of the executive directors. The alternate for each executive director shall be appointed from among individuals

recommended to the President by the executive director. The terms of office for alternates for the governor and executive director shall be the same as the terms specified in subsection (a) for the governor and executive directors.

(d) No person shall be entitled to receive any salary or other compensation from the United States for services as a governor, executive director, or alternate.

5/23/45

Sec. 14. (a) The governor and executive director of the Fund appointed by the United States are hereby directed to obtain promptly an official interpretation by the Fund as to whether the Fund interprets its authority to use its resources to extend beyond current monetary stabilization operations in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions.

(b) If the Fund interprets its authority to use its resources as extending beyond that prescribed in subsection (a) of this section, the governor and executive director of the Fund representing the United States are hereby directed to propose promptly and support an amendment to the Articles of Agreement for the purpose of explicitly limiting the authority of the Fund in accord with subsection (a) of this section. The President is hereby authorized and directed to accept such amendment on behalf of the United States.

C.E.D. Proposal

The following new section will be added:

"STABILIZATION LOANS BY THE BANK"

"Sec. 13. If the management of the Bank does not interpret its powers under the Articles of Agreement as authorizing the Bank to make or guarantee loans for programs of economic and monetary reconstruction which may include long-term stabilization loans, the governor and executive director of the Bank appointed by the United States are hereby directed to promptly propose and support an amendment to the Articles of Agreement for the purpose of explicitly authorizing the Bank, after consultation with the Fund, to make or guarantee such loans. The President is hereby authorized and directed to accept such amendment on behalf of the United States."

Revision of Information Provision

Section 9 is amended to read as follows:

"OBTAINING AND FURNISHING INFORMATION"

"Sec. 9. (a) So long as the United States is a member of the Fund, the President, through any agency that he may designate, may, by order or regulation, require any person to furnish under oath, in the form of reports or otherwise, such data or information as the President may determine to be necessary in order for the United States to comply with the provisions of Article VIII, section 5, of the Articles of Agreement of the Fund.

(b) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Government in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this section, or to use any such information, for personal benefit.

(c) Whoever wilfully violates any of the provisions of this section or of any order or regulation issued pursuant hereto, shall, upon conviction, be fined not more than \$5,000.00, or, if a natural person, may be imprisoned for not more than one year, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both. As used in this section the term 'person' means an individual, partnership, association, or corporation."

Sec. 9. So long as the United States is a member of the Fund, the President, through any agency that he may designate, may require any person to furnish under oath, in the form of reports or otherwise, complete information with respect to any act, transaction or property relating to data which may be requested by the Fund under article VIII, section 5, of the Articles of Agreement of the Fund, and in any case in which a report could be required, the President, through any agency that he may designate, may require the production of any books of account, records, contracts, letters, memoranda or other papers, in the custody or control of such person. Any person who shall, without just cause, fail to comply with any order issued pursuant to this section shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than \$1,000 or to imprisonment for a term of not more than one year, or both.

(b) It shall be unlawful for any officer or employee of the Govt, or for any adviser or consultant to the Govt in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this section, or to use any such information, for personal benefit.

Sec. 9.(a) So long as the United States is a member of the Fund, the President, through any agency that he may designate, may, ^{by order or regulation,} require any person to furnish under oath, in the form of reports or otherwise, ~~complete~~ ^{such data or} information as the President may determine to be necessary ~~information with respect to any act, transaction or property relating~~ in order for the U.S. to comply with the provisions of ~~to data which may be requested by the Fund under Article VIII, section 5,~~ Article VIII, section 5, of the Articles of Agreement of the Fund, and in any case in which a ~~report could be required, the President, through any agency that he may designate, may require the production of any books of account, records, contracts, letters, memoranda or other papers, in the custody or control of such person. Any person who shall, without just cause, fail to comply with any order issued pursuant to this section shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than \$1,000 or to imprisonment for a term of not more than one year, or both.~~

(c) Whoever willfully violates any of the provisions of this section or of any order ~~and~~ or regulation issued pursuant hereto, shall, upon conviction, be fined not more than \$5000, or, if a natural person, may be imprisoned for not more than one year, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both, as used in this ~~and~~ section the term "person" means an individual, partnership, association, or corporation.

Revision of Information Provision

Section 9 is amended to read as follows:

OBTAINING AND FURNISHING INFORMATION

Sec. 9. (a) Whenever a request is made by the Fund to the United States as a member to furnish national data under Article VIII, Sec. 5, of the Articles of Agreement of the Fund, the President may, through any agency he may designate, require any person to furnish such information as he deems necessary to comply with such request, provided that no information so acquired shall be furnished to the Fund in such detail that the affairs of individuals or corporations are disclosed.

(b) In the event any person refuses to furnish such information when requested to do so, the President, through any designated governmental agency, may by subpoena require such person to appear and testify or to appear and produce records and other documents, or both. In case of contumacy by, or refusal to obey a subpoena served upon any such person, the district court for any district in which such person is found or resides or transacts business, upon application by the President or any governmental agency

designated by him, shall have jurisdiction to issue an order requiring such person to appear and give testimony or appear and produce records and documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(c) It shall be unlawful for any officer or employee of the Government, or for any advisor or consultant to the Government, to disclose, otherwise than in the course of official duty, any information obtained under this section, or to use any such information for his personal benefit. Any violation of the provisions of this subsection shall, upon conviction, be fined not more than \$5,000, or imprisoned for not more than five years, or both.

(d) The term "person" as used in this section means an individual, partnership, corporation or association.

(6) The Council shall also transmit to the President and the Congress special reports on the operations and policies of the Fund and the Bank, as provided in this paragraph. The first report shall be made not later than two years after the date of the establishment of the Fund and the Bank, and a report shall be made every two years after the making of the first report. Each such report shall cover and include: the extent to which the Fund and the Bank have achieved the purposes for which they are established;

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(3) The Council shall transmit to the Congress not later than two years after the date of the establishment of the Fund and Bank a special report on the operations and policies of the Fund and the Bank including: (i) the extent to which they have achieved the purposes for which they are established, (ii) the extent to which the operations and policies of the Fund and the Bank have adhered to, or departed from, the general policy directives formulated by the Council and the Council's recommendations in connection therewith, (iii) the extent to which the operations and policies of the Fund and the Bank have been coordinated and the Council's recommendations in connection therewith, (iv) recommendations on whether the resources of the Fund and Bank should be increased or decreased, (v) recommendations as to how the Fund and Bank may be made more effective, (vi) recommendations on any other necessary or desirable changes in the Articles of Agreement for the Fund and the Bank or in this Act and (vii) an over-all appraisal of the extent to which the operations and policies of the Fund and the Bank have served, and in the future may be expected to serve, the interests of the United States and the world in promoting sound international economic cooperation and furthering world security.

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Council Proposal

Section 4 is amended to read as follows:

"NATIONAL ADVISORY COUNCIL ON INTERNATIONAL
MONETARY AND FINANCIAL PROBLEMS"

"Sec. 4. (a) There is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the Council), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System and the Chairman of the Board of Directors of the Export-Import Bank.

(b) The Council:

(i) in consultation with the representatives of the United States on the Fund and Bank, shall formulate, for the approval of the President, general policy directives for the guidance of the representatives of the United States on the Fund and Bank.

(ii) shall advise and consult with the President and the representatives of the United States on the Fund and Bank on major problems arising in the administration of the Fund and Bank.

(iii) except as otherwise provided in section 5 of this Act is hereby authorized, under the general direction of the President, to give or refuse the approval, consent, or agreement of the United States whenever, under the Articles of Agreement of the Fund or the Bank, such approval, consent or agreement of the United States is required before any act may be done by the respective Institutions.

(iv) from time to time, but not less frequently than every six months, shall transmit to the Congress a report, approved by the President, with respect to the participation of the United States in the Fund and the Bank.

(c) The representatives of the United States on the Fund and Bank shall keep the Council fully informed of their activities and shall provide the Council with such further information or data as the Council may deem necessary to the appropriate discharge of its responsibilities under this Act.

(d) The Council, with the approval of the President, is also directed to coordinate the policies of the Export-Import Bank with those pursued by the United States in connection with the Fund and Bank.

One Person as Governor of Both Fund and Bank

Section 3: Section 3 is amended to read as follows:

"Sec. 3. (a) The President, by and with the advice and consent of the Senate, shall appoint one governor to represent the United States on both the Fund and the Bank, an executive director of the Fund and an executive director of the Bank. The executive directors so appointed shall also serve as provisional executive directors of the Fund and the Bank for the purposes of the respective Articles of Agreement. The term of office for the governor shall be five years and for the executive directors two years but the executive directors shall remain in office until their successors have been appointed.

(b) The President, by and with the advice and consent of the Senate, shall appoint one or two alternates for the governor and one alternate for each of the executive directors. Alternates for the executive directors shall be selected by the President from names recommended to him by the executive directors.

(c) No person shall be entitled to receive any salary or other compensation from the United States for services as a governor, executive director, or alternate."