

79TH CONGRESS
1ST SESSION

H. R. 2211

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 15, 1945

MR. SPENCE introduced the following bill; which was referred to the Committee on Banking and Currency

A BILL

To provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

SHORT TITLE

4 SECTION 1. This Act may be cited as the "Bretton
5 Woods Agreements Act".

ACCEPTANCE OF MEMBERSHIP

7 SEC. 2. The President is hereby authorized to accept
8 membership for the United States in the International
9 Monetary Fund (hereinafter referred to as the "Fund"),
10 and in the International Bank for Reconstruction and De-

1 velopment (hereinafter referred to as the "Bank"), provided
2 for by the Articles of Agreement of the Fund and the
3 Articles of Agreement of the Bank as set forth in the
4 Final Act of the United Nations Monetary and Financial
5 Conference dated July 22, 1944, and deposited in the archives
6 of the Department of State.

7 APPOINTMENT OF GOVERNORS AND EXECUTIVE DIRECTORS

8 SEC. 3. The President, by and with the advice and con-
9 sent of the Senate, shall appoint a governor of the Fund and
10 an alternate, and a governor of the Bank and an alternate.
11 The term of office of each shall be five years. The Presi-
12 dent, by and with the advice and consent of the Senate, shall
13 appoint an executive director of the Fund and an executive
14 director of the Bank, who shall also serve as provisional
15 executive directors for the purposes of the respective Ar-
16 ticles of Agreement. The term of office of each shall be
17 two years, but they shall continue in office until their suc-
18 cessors are appointed. Each executive director shall, with
19 the approval of the President, appoint an alternate. Gover-
20 nors and their alternates shall be eligible to appointment
21 either as executive directors or as their alternates. No
22 person shall be entitled to receive any salary or other com-
23 pensation from the United States for services as a governor,
24 executive director, or alternate.

REPORTS

1

2 SEC. 4. The President from time to time, but not less
3 frequently than every six months, shall transmit to the Con-
4 gress a report with respect to the participation of the United
5 States in the Fund and the Bank.

6

CERTAIN ACTS NOT TO BE TAKEN WITHOUT

7

AUTHORIZATION

8 SEC. 5. Unless Congress by law authorizes such action,
9 neither the President nor any person or agency shall on
10 behalf of the United States (a) request or consent to any
11 change in the quota of the United States under article III,
12 section 2, of the Articles of Agreement of the Fund; (b)
13 propose or agree to any change in the par value of the
14 United States dollar under article IV, section 5, or article
15 XX, section 4, of the Articles of Agreement of the Fund,
16 or approve any general change in par values under article
17 IV, section 7; (c) subscribe to additional shares of stock
18 under article II, section 3, of the Articles of Agreement
19 of the Bank; (d) accept any amendment under article XVII
20 of the Articles of Agreement of the Fund or article VIII of
21 the Articles of Agreement of the Bank; (e) make any loan
22 to the Fund or the Bank. Unless Congress by law author-
23 izes such action, no governor or alternate appointed to
24 represent the United States shall vote for an increase of

1 capital stock of the Bank under article II, section 2, of the
2 Articles of Agreement of the Bank.

3 PAR VALUE OF UNITED STATES DOLLAR

4 SEC. 6. When the United States is requested by the
5 Fund to communicate the par value of the United States
6 dollar, such par value shall not be communicated as other
7 than $15\frac{5}{21}$ grains of gold nine-tenths fine.

8 DEPOSITORIES

9 SEC. 7. Any Federal Reserve bank which is requested
10 to do so by the Fund or the Bank shall act as its depository
11 or as its fiscal agent, and the Board of Governors of the
12 Federal Reserve System shall supervise and direct the
13 carrying out of these functions by the Federal Reserve banks.

14 PAYMENT OF SUBSCRIPTIONS

15 SEC. 8. (a) Subsection (c) of section 10 of the Gold
16 Reserve Act of 1934, as amended (U. S. C., title 31, sec.
17 822a), is amended to read as follows:

18 “(c) The Secretary of the Treasury is directed to use
19 \$1,800,000,000 of the fund established in this section to
20 pay part of the subscription of the United States to the
21 International Monetary Fund; and any repayment thereof
22 shall be covered into the Treasury as a miscellaneous
23 receipt.”

24 (b) The Secretary of the Treasury is authorized to pay
25 the balance of \$950,000,000 of the subscription of the

1 United States to the Fund not provided for in subsection
2 (a) and to pay the subscription of the United States to the
3 Bank from time to time when payments are required to
4 be made to the Bank. For the purpose of making these
5 payments, the Secretary of the Treasury is authorized to
6 use as a public-debt transaction not to exceed \$4,125,000,-
7 000 of the proceeds of any securities hereafter issued under
8 the Second Liberty Bond Act, as amended, and the purposes
9 for which securities may be issued under that Act are ex-
10 tended to include such purpose. Payment under this sub-
11 section of the subscription of the United States to the Fund
12 or the Bank and repayments thereof shall be treated as
13 public-debt transactions of the United States.

14 (c) For the purpose of keeping to a minimum the cost
15 to the United States of participation in the Fund and the
16 Bank, the Secretary of the Treasury, after paying the sub-
17 scription of the United States to the Fund, and any part
18 of the subscription of the United States to the Bank required
19 to be made under article II, section 7 (i), of the Articles
20 of Agreement of the Bank, is authorized and directed to
21 issue special notes of the United States from time to time
22 at par and to deliver such notes to the Fund and the Bank
23 in exchange for dollars to the extent permitted by the re-
24 spective Articles of Agreement. The special notes provided

1 for in this subsection shall be issued under the authority and
2 subject to the provisions of the Second Liberty Bond Act, as
3 amended, and the purposes for which securities may be
4 issued under that Act are extended to include the purposes
5 for which special notes are authorized and directed to be
6 issued under this subsection, but such notes shall bear no
7 interest, shall be nonnegotiable, and shall be payable on de-
8 mand of the Fund or the Bank, as the case may be. The
9 face amount of special notes issued to the Fund under the
10 authority of this subsection and outstanding at any one time
11 shall not exceed in the aggregate the amount of the sub-
12 scription of the United States actually paid to the Fund, and
13 the face amount of such notes issued to the Bank and out-
14 standing at any one time shall not exceed in the aggregate
15 the amount of the subscription of the United States actually
16 paid to the Bank under article II, section 7 (i), of the
17 Articles of Agreement of the Bank.

18 (d) Any payment made to the United States by the
19 Fund or the Bank as a distribution of net income shall be
20 covered into the Treasury as a miscellaneous receipt.

21 OBTAINING AND FURNISHING INFORMATION

22 SEC. 9. So long as the United States is a member of
23 the Fund or of the Bank, the President may require at
24 any time, in the manner and under the penalties provided

1 in section 5 (b) of the Trading With the Enemy Act, as
2 amended (U. S. C., title 50 App., sec. 5), the furnishing of—

3 (a) any data that may be requested by the Fund
4 under article VIII, section 5, of the Articles of Agree-
5 ment of the Fund; and

6 (b) any data of the type which may be required
7 under section 5 (b) of the Trading With the Enemy
8 Act, as amended, and which in his judgment is essential
9 for the guidance of the United States in its participation
10 in the Fund or the Bank.

11 FINANCIAL TRANSACTIONS WITH FOREIGN GOVERNMENTS

12 IN DEFAULT

13 SEC. 10. The Act entitled "An Act to prohibit financial
14 transactions with any foreign government in default on its
15 obligations to the United States", approved April 13, 1934
16 (U. S. C., title 31, sec. 804a), is amended by adding at
17 the end thereof a new section to read as follows:

18 "SEC. 3. While any foreign government is a member
19 both of the International Monetary Fund and of the Inter-
20 national Bank for Reconstruction and Development, this
21 Act shall not apply to the sale or purchase of bonds, secu-
22 rities, or other obligations of such government or any politi-
23 cal subdivision thereof or of any organization or association
24 acting for or on behalf of such government or political sub-

1 division, or to the making of any loan to such government,
2 political subdivision, organization, or association.”

3 JURISDICTION AND VENUE OF ACTIONS

4 SEC. 11. For the purpose of any action which may be
5 brought within the United States or its Territories or pos-
6 sessions by or against the Fund or the Bank in accordance
7 with the Articles of Agreement of the Fund or the Articles
8 of Agreement of the Bank, the Fund or the Bank, as the
9 case may be, shall be deemed to be an inhabitant of the
10 Federal judicial district in which its principal office in the
11 United States is located, and any such action at law or in
12 equity to which either the Fund or the Bank shall be a
13 party shall be deemed to arise under the laws of the United
14 States, and the district courts of the United States shall
15 have original jurisdiction of any such action. When either
16 the Fund or the Bank is a defendant in any such action, it
17 may, at any time before the trial thereof, remove such ac-
18 tion from a State court into the district court of the United
19 States for the proper district by following the procedure
20 for removal of causes otherwise provided by law.

21 STATUS, IMMUNITIES AND PRIVILEGES

22 SEC. 12. The provisions of article IX, sections 2 to 9,
23 both inclusive, and the first sentence of article VIII, section
24 2 (b), of the Articles of Agreement of the Fund and the
25 provisions of article VI, section 5 (i), and article VII,

1 sections 2 to 9, both inclusive, of the Articles of Agree-
2 ment of the Bank shall have full force and effect in the
3 United States and its Territories and possessions upon
4 acceptance of membership by the United States in, and
5 the establishment of, the Fund and the Bank, respectively.

79TH CONGRESS
1ST SESSION

H. R. 2211

A BILL

To provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

By Mr. SPENCE

FEBRUARY 15, 1945

Referred to the Committee on Banking and Currency

Union Calendar No. 171

79TH CONGRESS
1ST SESSION

H. R. 3314

[Report No. 629]

IN THE HOUSE OF REPRESENTATIVES

MAY 25, 1945

Mr. SPENCE introduced the following bill; which was referred to the Committee on Banking and Currency

MAY 30, 1945

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE

4 SECTION 1. This Act may be cited as the "Bretton
5 Woods Agreements Act".

6 ACCEPTANCE OF MEMBERSHIP

7 SEC. 2. The President is hereby authorized to accept
8 membership for the United States in the International
9 Monetary Fund (hereinafter referred to as the "Fund"),
10 and in the International Bank for Reconstruction and De-

1 velopment (hereinafter referred to as the "Bank"), provided
2 for by the Articles of Agreement of the Fund and the
3 Articles of Agreement of the Bank as set forth in the
4 Final Act of the United Nations Monetary and Financial
5 Conference dated July 22, 1944, and deposited in the
6 archives of the Department of State.

7 APPOINTMENT OF GOVERNORS, EXECUTIVE DIRECTORS, AND

8

ALTERNATES

9 SEC. 3. (a) The President, by and with the advice
10 and consent of the Senate, shall appoint a governor of the
11 Fund who shall also serve as a governor of the Bank, and
12 an executive director of the Fund and an executive director
13 of the Bank. The executive directors so appointed shall also
14 serve as provisional executive directors of the Fund and
15 the Bank for the purposes of the respective Articles of
16 Agreement. The term of office for the governor of the Fund
17 and of the Bank shall be five years. The term of office for
18 the executive directors shall be two years, but the executive
19 directors shall remain in office until their successors have
20 been appointed.

21 (b) The President, by and with the advice and consent
22 of the Senate, shall appoint an alternate for the governor
23 of the Fund who shall also serve as alternate for the governor
24 of the Bank. The President, by and with the advice and con-
25 sent of the Senate, shall appoint an alternate for each of the

1 executive directors. The alternate for each executive direc-
2 tor shall be appointed from among individuals recommended
3 to the President by the executive director. The terms of
4 office for alternates for the governor and the executive
5 directors shall be the same as the terms specified in sub-
6 section (a) for the governor and executive directors.

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

10 NATIONAL ADVISORY COUNCIL ON INTERNATIONAL
11 MONETARY AND FINANCIAL PROBLEMS

12 SEC. 4. (a) In order to coordinate the policies and
13 operations of the representatives of the United States on the
14 Fund and the Bank and of all agencies of the Government
15 which make or participate in making foreign loans or which
16 engage in foreign financial, exchange or monetary trans-
17 actions, there is hereby established the National Advisory
18 Council on International Monetary and Financial Problems
19 (hereinafter referred to as the "Council"), consisting of the
20 Secretary of the Treasury, as Chairman, the Secretary of
21 State, the Secretary of Commerce, the Chairman of the
22 Board of Governors of the Federal Reserve System, and
23 the Chairman of the Board of Trustees of the Export-Import
24 Bank of Washington.

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

6 (2) The Council shall advise and consult with the
7 President and the representatives of the United States on the
8 Fund and the Bank on major problems arising in the ad-
9 ministration of the Fund and the Bank.

10 (3) The Council shall coordinate, by consultation or
11 otherwise, so far as is practicable, the policies and oper-
12 ations of the representatives of the United States on the Fund
13 and the Bank, the Export-Import Bank of Washington and
14 all other agencies of the Government to the extent that
15 they make or participate in the making of foreign loans or
16 engage in foreign financial, exchange or monetary trans-
17 actions.

18 (4) Whenever, under the Articles of Agreement of
19 the Fund or the Articles of Agreement of the Bank, the
20 approval, consent or agreement of the United States is
21 required before an act may be done by the respective
22 institutions, the decision as to whether such approval, con-
23 sent, or agreement, shall be given or refused shall (to the
24 extent such decision is not prohibited by section 5 of this
25 Act) be made by the Council, under the general direction of

1 the President. No governor, executive director, or alter-
2 nate representing the United States shall vote in favor of
3 any waiver of condition under article V, section 4, or in
4 favor of any declaration of the United States dollar as a
5 scarce currency under article VII, section 3, of the Articles
6 of Agreement of the Fund, without prior approval of the
7 Council.

8 (5) The Council from time to time, but not less fre-
9 quently than every six months, shall transmit to the Presi-
10 dent and to the Congress a report with respect to the par-
11 ticipation of the United States in the Fund and the Bank.

12 (6) The Council shall also transmit to the President
13 and to the Congress special reports on the operations and
14 policies of the Fund and the Bank, as provided in this para-
15 graph. The first report shall be made not later than two
16 years after the establishment of the Fund and the Bank,
17 and a report shall be made every two years after the
18 making of the first report. Each such report shall cover
19 and include: The extent to which the Fund and the Bank
20 have achieved the purposes for which they were established;
21 the extent to which the operations and policies of the Fund
22 and the Bank have adhered to, or departed from, the general
23 policy directives formulated by the Council, and the Coun-
24 cil's recommendations in connection therewith; the extent
25 to which the operations and policies of the Fund and the

1 Bank have been coordinated, and the Council's recommenda-
2 tions in connection therewith; recommendations on whether
3 the resources of the Fund and the Bank should be increased
4 or decreased; recommendations as to how the Fund and the
5 Bank may be made more effective; recommendations on
6 any other necessary or desirable changes in the Articles of
7 Agreement of the Fund and of the Bank or in this Act; and
8 an over-all appraisal of the extent to which the operations
9 and policies of the Fund and the Bank, have served, and in
10 the future may be expected to serve, the interests of the
11 United States and the world in promoting sound international
12 economic cooperation and furthering world security.

13 (7) The Council shall make such reports and recom-
14 mendations to the President as he may from time to time
15 request, or as the Council may consider necessary to more
16 effectively or efficiently accomplish the purposes of this
17 Act or the purposes for which the Council is created.

18 (c) The representatives of the United States on the
19 Fund and the Bank, and the Export-Import Bank of Wash-
20 ington (and all other agencies of the Government to the
21 extent that they make or participate in the making of foreign
22 loans or engage in foreign financial, exchange or monetary
23 transactions) shall keep the Council fully informed of their
24 activities and shall provide the Council with such further
25 information or data in their possession as the Council may

1 deem necessary to the appropriate discharge of its responsi-
2 bilities under this Act.

3 CERTAIN ACTS NOT TO BE TAKEN WITHOUT

4 AUTHORIZATION

5 SEC. 5. Unless Congress by law authorizes such action,
6 neither the President nor any person or agency shall on
7 behalf of the United States (a) request or consent to any
8 change in the quota of the United States under article III,
9 section 2, of the Articles of Agreement of the Fund; (b)
10 propose or agree to any change in the par value of the
11 United States dollar under article IV, section 5, or article
12 XX, section 4, of the articles of Agreement of the Fund,
13 or approve any general change in par values under article
14 IV, section 7; (c) subscribe to additional shares of stock
15 under article II, section 3, of the Articles of Agreement
16 of the Bank; (d) accept any amendment under article XVII
17 of the Articles of Agreement of the Fund or article VIII of
18 the Articles of Agreement of the Bank; (e) make any loan
19 to the Fund or the Bank. Unless Congress by law author-
20 izes such action, no governor or alternate appointed to
21 represent the United States shall vote for an increase of
22 capital stock of the Bank under article II, section 2, of the
23 Articles of Agreement of the Bank.

24 PAR VALUE OF UNITED STATES DOLLAR

25 SEC. 6. When the United States is requested by the

1 Fund to communicate the par value of the United States
2 dollar, such par value shall not be communicated as other
3 than $15\frac{5}{21}$ grains of gold nine-tenths fine.

4

DEPOSITORIES

5 SEC. 7. Any Federal Reserve bank which is requested
6 to do so by the Fund or the Bank shall act as its depository
7 or as its fiscal agent, and the Board of Governors of the
8 Federal Reserve System shall supervise and direct the
9 carrying out of these functions by the Federal Reserve banks.

10

PAYMENT OF SUBSCRIPTIONS

11 SEC. 8. (a) Subsection (c) of section 10 of the Gold
12 Reserve Act of 1934, as amended (U. S. C., title 31, sec.
13 822a), is amended to read as follows:

14 “(c) The Secretary of the Treasury is directed to use
15 \$1,800,000,000 of the fund established in this section to
16 pay part of the subscription of the United States to the
17 International Monetary Fund; and any repayment thereof
18 shall be covered into the Treasury as a miscellaneous
19 receipt.”

20 (b) The Secretary of the Treasury is authorized to pay
21 the balance of \$950,000,000 of the subscription of the
22 United States to the Fund not provided for in subsection
23 (a) and to pay the subscription of the United States to the
24 Bank from time to time when payments are required to
25 be made to the Bank. For the purpose of making these

1 payments, the Secretary of the Treasury is authorized to
2 use as a public-debt transaction not to exceed \$4,125,000,-
3 000 of the proceeds of any securities hereafter issued under
4 the Second Liberty Bond Act, as amended, and the purposes
5 for which securities may be issued under that Act are ex-
6 tended to include such purpose. Payment under this sub-
7 section of the subscription of the United States to the Fund
8 or the Bank and repayments thereof shall be treated as
9 public-debt transactions of the United States.

10 (c) For the purpose of keeping to a minimum the cost
11 to the United States of participation in the Fund and the
12 Bank, the Secretary of the Treasury, after paying the sub-
13 scription of the United States to the Fund, and any part
14 of the subscription of the United States to the Bank required
15 to be made under article II, section 7 (i), of the Articles
16 of Agreement of the Bank, is authorized and directed to
17 issue special notes of the United States from time to time
18 at par and to deliver such notes to the Fund and the Bank
19 in exchange for dollars to the extent permitted by the re-
20 spective Articles of Agreement. The special notes provided
21 for in this subsection shall be issued under the authority and
22 subject to the provisions of the Second Liberty Bond Act, as
23 amended, and the purposes for which securities may be
24 issued under that Act are extended to include the purposes
25 for which special notes are authorized and directed to be

1 issued under this subsection, but such notes shall bear no
2 interest, shall be nonnegotiable, and shall be payable on de-
3 mand of the Fund or the Bank, as the case may be. The
4 face amount of special notes issued to the Fund under the
5 authority of this subsection and outstanding at any one time
6 shall not exceed in the aggregate the amount of the sub-
7 scription of the United States actually paid to the Fund, and
8 the face amount of such notes issued to the Bank and out-
9 standing at any one time shall not exceed in the aggregate
10 the amount of the subscription of the United States actually
11 paid to the Bank under article II, section 7 (i), of the
12 Articles of Agreement of the Bank.

13 (d) Any payment made to the United States by the
14 Fund or the Bank as a distribution of net income shall be
15 covered into the Treasury as a miscellaneous receipt.

16 OBTAINING AND FURNISHING INFORMATION

17 SEC. 9. (a) Whenever a request is made by the Fund
18 to the United States as a member to furnish data under
19 article VIII, section 5, of the Articles of Agreement of the
20 Fund, the President may, through any agency he may desig-
21 nate, require any person to furnish such information as the
22 President may determine to be essential to comply with
23 such request. In making such determination the President
24 shall seek to collect the information only in such detail as is
25 necessary to comply with the request of the Fund. No

1 information so acquired shall be furnished to the Fund in
2 such detail that the affairs of any person are disclosed.

3 (b) In the event any person refuses to furnish such
4 information when requested to do so, the President, through
5 any designated governmental agency, may by subpoena re-
6 quire such person to appear and testify or to appear and
7 produce records and other documents, or both. In case of
8 contumacy by, or refusal to obey a subpoena served upon
9 any such person, the district court for any district in which
10 such person is found or resides or transacts business, upon
11 application by the President or any governmental agency
12 designated by him, shall have jurisdiction to issue an order
13 requiring such person to appear and give testimony or appear
14 and produce records and documents, or both; and any failure
15 to obey such order of the court may be punished by such
16 court as a contempt thereof.

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

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

3 FINANCIAL TRANSACTIONS WITH FOREIGN GOVERNMENTS
4 IN DEFAULT

5 SEC. 10. The Act entitled "An Act to prohibit financial
6 transactions with any foreign government in default on its
7 obligations to the United States", approved April 13, 1934
8 (U. S. C., title 31, sec. 804a), is amended by adding at
9 the end thereof a new section to read as follows:

10 "SEC. 3. While any foreign government is a member
11 both of the International Monetary Fund and of the Inter-
12 national Bank for Reconstruction and Development, this
13 Act shall not apply to the sale or purchase of bonds, secu-
14 rities, or other obligations of such government or any politi-
15 cal subdivision thereof or of any organization or association
16 acting for or on behalf of such government or political sub-
17 division, or to the making of any loan to such government,
18 political subdivision, organization, or association."

19 JURISDICTION AND VENUE OF ACTIONS

20 SEC. 11. For the purpose of any action which may be
21 brought within the United States or its Territories or pos-
22 sessions by or against the Fund or the Bank in accordance
23 with the Articles of Agreement of the Fund or the Articles
24 of Agreement of the Bank, the Fund or the Bank, as the
25 case may be, shall be deemed to be an inhabitant of the

1 Federal judicial district in which its principal office in the
2 United States is located, and any such action at law or in
3 equity to which either the Fund or the Bank shall be a
4 party shall be deemed to arise under the laws of the United
5 States, and the district courts of the United States shall
6 have original jurisdiction of any such action. When either
7 the Fund or the Bank is a defendant in any such action, it
8 may, at any time before the trial thereof, remove such ac-
9 tion from a State court into the district court of the United
10 States for the proper district by following the procedure
11 for removal of causes otherwise provided by law.

12 STATUS, IMMUNITIES AND PRIVILEGES

13 SEC. 12. The provisions of article IX, sections 2 to 9,
14 both inclusive, and the first sentence of article VIII, section
15 2 (b), of the Articles of Agreement of the Fund, and the
16 provisions of article VI, section 5 (i), and article VII,
17 sections 2 to 9, both inclusive, of the Articles of Agree-
18 ment of the Bank, shall have full force and effect in the
19 United States and its Territories and possessions upon
20 acceptance of membership by the United States in, and
21 the establishment of, the Fund and the Bank, respectively

22 STABILIZATION LOANS BY THE BANK

23 SEC. 13. The governor and executive director of the
24 Bank appointed by the United States are hereby directed to
25 obtain promptly an official interpretation by the Bank as to

1 its authority to make or guarantee loans for programs of
2 economic reconstruction and the reconstruction of monetary
3 systems, including long-term stabilization loans. If the Bank
4 does not interpret its powers to include the making or guar-
5 anteeing of such loans, the governor of the Bank represent-
6 ing the United States is hereby directed to propose promptly
7 and support an amendment to the Articles of Agreement
8 for the purpose of explicitly authorizing the Bank, after con-
9 sultation with the Fund, to make or guarantee such loans.
10 The President is hereby authorized and directed to accept
11 an amendment to that effect on behalf of the United States.

12 STABILIZATION OPERATIONS BY THE FUND

13 SEC. 14. (a) The governor and executive director of
14 the Fund appointed by the United States are hereby di-
15 rected to obtain promptly an official interpretation by the
16 Fund as to (i) whether its authority to use its resources
17 extends beyond current monetary stabilization operations to
18 afford temporary assistance to members in connection with
19 seasonal, cyclical, and emergency fluctuations in the balance
20 of payments of any member for current transactions, and
21 (ii) whether it has authority to use its resources to pro-
22 vide facilities for relief or reconstruction or to meet a large
23 or sustained outflow of capital on the part of any member.

24 (b) If the interpretation by the Fund answers in the
25 affirmative either of the questions stated in subsection (a),

1 the governor of the Fund representing the United States
2 is hereby directed to propose promptly and support an
3 amendment to the Articles of Agreement for the purpose
4 of expressly negating such interpretation. The President
5 is hereby authorized and directed to accept an amendment
6 to that effect on behalf of the United States.

Union Calendar No. 171

79TH CONGRESS
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H. R. 3314

[Report No. 629]

A BILL

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