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Alternative A

#Section 1. General Scarcity

~~When~~ the Fund finds that a general scarcity of a particular currency is developing, the Fund may so inform member ~~countries~~ and may issue a report setting forth the causes of the scarcity and containing recommendations designed to bring it to an end. In the preparation of such report there shall participate a representative of the member ~~country~~ the currency of which is involved.

& Section 2. Scarcity of the Fund's Holdings

~~When~~ it becomes evident to the Fund that the demand for a member's ~~country's~~ ^{sly} currency seriously threatens the Fund's ability to supply that currency, the Fund shall formally declare such currency scarce and shall thenceforth apportion the existing and accruing supply of the scarce currency with due regard to the relative needs of member ~~countries~~ and the general international economic situation and any other pertinent considerations. The Fund shall ^{also} issue a report ^{concerning its action} ~~either before or after declaring such~~ currency scarce. The formal declaration shall operate as an authorization to each member, ~~country~~, after consultation with the Fund, temporarily to restrict the freedom of exchange operations in the affected currency; and, in determining the manner of restricting the demand and rationing the limited supply among its nationals, the member ~~country~~ shall have complete jurisdiction subject to the provisions of Article IX, Section 3, (J.S.).

NONE OF THIS MATERIAL IS ~~FOR~~
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Joint Statement VI, 1 and 2

7/1/44

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J.S. and VI
Secs. 1 & 2