July 30, 1946 MEMORANDUM Mr. White FROM: Mr. Brenner The Executive Board has suggested that the Rules and Regulations include a definition of the word "national." This term is used only in Section P-1 which requires that the staff be composed of nationals of members of the Fund. Accordingly, any definition would relate solely to this provision. It would be difficult to make a precise definition of "national" for this purpose. Any attempt to do so might easily prove to be unsatisfactory. All of the members do not have the same political structure. Variations in their structures make it difficult to analyze the problems which will arise in terms of the application of the definition chosen within each member country. Citizenship, as a test, would not always be appropriate since different countries have different requirements of citizenship. It would also be troublesome to base the nationality definition on whether an individual is a "subject" of a member government. For example, citizens of the British Dominions are subjects of Great Britain. Thus a citizen of Australia or New Zealand might be a national of the United Kingdom if this were the test and eligible for appointment even though the Australian and New Zealand governments have not accepted membership. Other problems which can be foreseen at this time include those relating to political refugees, stateless persons and individuals who have dual nationality. In addition, there are probably many other troublesome nationality questions which will not be apparent until specific cases arise. For these reasons it seems to me that the most flexible way to handle this matter is to use the word "national" without defining it. Individual cases will then be decided on an ad hoc basis by the

Managing Director or someone designated by him. If the Managing Director or his designee is disturbed about the application of the general principle to any particular case, the matter can be raised with the Executive Board. Perhaps after some experience of this type, a satisfactory definition could be added to the Rules and Regulations.