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that it is needed to keep their balance of payments in order, though such unbalance may have been the result of their own voluntary action.

There is a desire to get, and an importance in getting, the machinery for consultation and exchange of information going just as soon as possible, because these plans must be laid ahead, of course, and we should ask the people who join the bank that in doing so they subscribe to the same promises about economic warfare as those in the fund.

**Must Nations Be "Bought"?**

Why will they not be ready to do that? Have they got to be bought to do it? I do not think so. I believe that every country has learned from sad experience that economic warfare is not helpful to it, and that if they can get the mutual promises of all the other countries, which is the basis of every international treaty, it will be a great step forward: that a further consideration would be membership in this consolidated bank which would have a total lending power of ten billion dollars. That is a sum that cannot be laughed off; and it is a consideration for these promises.

They will have access to the monetary department of the bank for consultation and advice, and they will have access to its credit machinery. In other words, I would see a monetary department in the bank which would be empowered, (a) to make stabilization loans, (b) to make seasonal credits to countries that are under pressure, as certain types of countries are during certain season of the year—short-term emergency credits. In other words, we would have a department of the bank which would deal with these stabilization questions.

In the first instance, the bank's capital of ten billion dollars is adequate to do both jobs. If, as time progresses, it is demonstrated that more capital is needed, that can easily be dealt with when the time comes. And the bank would act on a program with a specific country, not on a global arrangement.

I cannot believe that it is in the best interests of the United States to run countries, or permit countries to run themselves, into debt, unless they have some plans for correcting the situation which brought about their difficulties. I cannot believe that it is a good thing for the United States to put up this huge sum of money when we recognize that the primary demand, certainly at the beginning, is going to be for our money. It is going to be for dollars. That is the money everybody wants. They are not looking for lits, lats, lei, or rubles. They are looking for dollars. After your dollars have gotten low, then the plan provides either that we must put up more, which goes on *ad infinitum*, or be morally liable before the world for its breakdown, we having more or less introduced it; or that penalties may be taken against the United States in the form of discriminatory trade arrangements and exchange agreements. All this business about refraining from economic warfare then goes out the window.

(To be continued here next Monday)