

INTERNATIONAL MONETARY FUND

June 26, 1947

TO: Members of the Executive Board
FROM: The Secretary
SUBJECT: ITO Charter Discussions - Article 29 and 37

Attached is a cable just received from Mr. Saad advising of further changes being proposed in Article 29 of the draft I.T.O. Charter and in Article 37.

This matter has been placed on the agenda for Meeting 181 in connection with Mr. Saad's telegrams on this subject distributed as Executive Board Memorandum 77 and Supplement 1.

Att: (1)

Other Distribution:
Department Heads

SZ 9163 Geneve 110 25 1210

NLT INTERFUND FOR GUTT WASHINGTONDC

QUOTE AMERICAN DELEGATION CONSIDERS SUGGESTING THAT IMPORTATION AND EXPORTATION OF GOLD AND SILVER BE COMPLETELY EXCLUDED FROM SCOPE OF ITO BECAUSE TRANSACTIONS IN GOLD AND SILVER PRIMARILY AFFECT MONETARY MATTERS AND HAVE ONLY REMOTE RELATION TO TRADE. AMERICAN INTENTION TO INCLUDE IN ARTICLE TWENTYNINE BRIEF PROVISION EXCLUDING INTERNATIONAL TRADE IN GOLD AND SILVER FROM SCOPE OF ITO AND TO DELETE THIS ITEM FROM ARTICLE THIRTYSEVEN. US ARGUES THAT WHILE ARTICLE THIRTYSEVEN PURPORTS TO EXCLUDE GOLD AND SILVER STILL EXCLUSION IS QUALIFIED AND NOT COMPLETE. BELIEVE SUGGESTION SOUND FROM FUND'S POINT OF VIEW. IF AGREEABLE TO BOARD I WILL SUPPORT PROPOSAL. UNQUOTE

SAAD.