

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

# Office Correspondence

Date April 18, 1944

To Board of Governors

Subject: International Monetary Fund

From Walter R. Gardner

Attached is a communication from the British, which is  
curiously suggestive of the John Williams approach.

Attachment

C O P Y

BRITISH EMBASSY

WASHINGTON, D. C.

April 15, 1944

S T R I C T L Y   C O N F I D E N T I A L

My dear Mr. White,

I have received a message from London stating that the United Kingdom Treasury would like a clear understanding at the expert level between the United Kingdom and the United States on three points. These would be separate from the actual terms of the agreed statement of principles, but the United Kingdom Treasury feel that these three points should be made clear to the United States Treasury now in order to avoid misunderstandings hereafter.

The three points are:

(1) The International Monetary Fund is primarily designed for the long term and cannot function satisfactorily unless there is in existence some international organization for long term investment and also unless the short term problems of reconstruction loans for war-damaged countries have been solved.

(2) The Fund should be established at the end of the war and it should come into operation by stages, beginning with the supervision of exchange adjustments and arrangements for regular consultation, and proceeding by calling up subscriptions by degrees and as experience is gained towards the use of quotas which are in fact an instrument for long term.

(3) The United Kingdom cannot enter the scheme at any rate with any acceptance of its obligations until we have seen how the difficulties in the transitional period are to be met.

I have received no instructions on the basis of which I could expand the above three points.

Yours sincerely,

s/ Redvers Opie

Redvers Opie.

Mr. H. D. White,  
United States Treasury,  
Washington, D. C.