

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Martin

FROM : Mr. Willis

SUBJECT: Documents Relating to Implementation of the Anglo-American
Financial Agreement

DATE: March 30, 1950

We have rather hastily pulled together some of the letters and documents relating to the implementation of the Financial Agreement. You may wish to glance over some of this material in order to give you an idea of what is available.

The material in the attached folder is as follows:

1. Correspondence between policy officials of the British Government and the U. S. Treasury on matters which relate primarily to the Financial Agreement. Some of the communications from the British merely describe new arrangements or new developments, and do not deal directly with the more substantive questions. However, you may be particularly interested in:

- (a) The press release of February 5, 1947 which covers the controversy over the British agreement with Argentina and its relationship to the sterling balance provision;
- (b) Secretary Snyder's letter of May 7, 1947, and Chancellor Dalton's reply of May 23, 1947 on the techniques used by the British in seeking sterling balance settlements;
- (c) The letter from Mr. Christelow of July 3, 1947, Secretary Snyder's reply of July 10, and NAC Document No. 477 of July 15, 1947 relating to the exceptions to the convertibility clause;
- (d) The press release of August 20, 1947 on the suspension of convertibility; and
- (e) A press release of December 6, 1947 with regard to the release of the final \$400 million of the loan.

We do not have a copy of Cripps' letter to the Secretary of December 23, 1949.

2. A chronology of discussions with the British in August 1947, written by Frank Southard.

3. A copy of a statement used by the Secretary in appearing before Congressional committees in December 1947 to discuss the release of the final \$400 million of the loan, as well as a memorandum written by Mr. Southard reporting on the Secretary's conversations with the committee chairman.

4. Minutes of meetings between Mr. Southard and Sir Henry Wilson-Smith at the time of the Fund-Bank meetings in 1948. Secretary Snyder had two brief talks with Sir Stafford on the Financial Agreement at this time but we have no written record of those conversations. Minutes of a further meeting with Mr. Southard and of one which took place in your office early in 1949 are also included.

5. As you are probably aware, there is a large mass of NAC material on this subject and nearly all of the implementation problems are covered in great length in NAC documents. Rather than attach all of these documents I have attached:

- (a) An index of NAC documents which gives some slight indication of the subject matter of each, and
- (b) Copies of the NAC actions dealing with the Financial Agreement.

6. An "aide memoire" to Larry Hebbard which he was authorized to show the British but which probably cannot be said to have any official status. It is indicative of our plans in early 1948.

In addition to this material there are several documents regarding conversations at the working level, most of them taking place in August 1947. No material has been attached relating to the Tripartite talks of last fall, although they may well be said to constitute a part of the history of the implementation of the Financial Agreement.