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P.M.M. (44) 8TH MEETING

Confidential Annex

ECONOMIC POLICY

MR. CHURCHILL invited the Conference to discuss economic, monetary and financial questions. There were certain differences on these subjects, though he felt sure adjustable differences, between United Kingdom Ministers representing the various political parties in the National Government; and he was well aware of the complexity and difficulties of the matters in issue. He hoped that everyone would state his views quite frankly. If there was the chance of agreement in the outcome, so much the better; if not, he felt that the absence of unanimity could be kept in the background until the world had settled down further and victory been assured. Far more important matters were happening in the world today.

SIR JOHN ANDERSON said that he need not go into detail about the scheme for an international monetary fund. Discussions on the technical level had taken place only a few weeks ago, at which the technical representatives of the Dominion Governments had been present, and at which the monetary plan, and other connected subjects which had been considered with the official representatives of the United States, had been examined. The position of H.M. Government in the United Kingdom had been that they were very ready to take part in such discussions, but without committing themselves on the issues involved. That was still their position. The House of Commons had been informed that no commitment would be made until the matter had been fully debated and the point of view of the Dominions ascertained.

He assumed that the general lines of the proposed international monetary fund plan were familiar to all those present. The latest position as between H.M. Government in the United Kingdom and the United States Government was that Mr. Morgenthau, with the support of Mr. Cordell Hull, and the approval of President Roosevelt, was urging us to take part in a further conference on the subject in the near future. We had not so far informed the United States Government whether we would be prepared to do so, nor had anything been said finally as to the status of any such conference. The scheme was to be debated in the House of Commons on Wednesday, 10th May. H.M. Government would be greatly helped in the debate by hearing the general view of the Dominion Prime Ministers on the scheme.

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