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herent asymmetry between the position of a financial center and that of its clients, there is little reason to expect much improvement in the condition of contained crisis which has prevailed during the sixties. Thus, a radical change in the prevailing doctrine is needed. With such a change, the task of devising appropriate measures to end the crisis and provide an international monetary environment favorable to growth and development, and to commercial and financial liberalization, would be a simple task. It could be accomplished either by steps of the type outlined above or by other measures having equivalent effect.

The result would be the establishment, in effect, of a world dollar standard under which loan finance, short and long term, would be available to borrowers with credit standing at the market rates (with aid to underdeveloped countries at concessional terms). United States monetary policy, and the resulting level of interest rates, would have to be determined in full consultation with foreign governments and appropriate international agencies in order to provide financing terms consistent with world economic growth and stability. Purely domestic stabilization policy would then rely largely upon fiscal instruments, unless the requirements of both domestic and international stabilization coincided in pointing to a need for greater monetary expansion or restraint.