

Now, supposing the position of the United States was that it consisted of almost independent groups of States, say New York State, California, the Middle West, et cetera, and that all these regions had practically independent governments, but had only arranged, perhaps, to have no tariffs between them. Well, then, wouldn't you have to say about these countries—these are really not *one* country, and ought not to have, by some unanimity rule, a veto on new projects in the world. They are not entitled to a veto any more than the whole of Latin America is entitled to a veto. That is where I see a difference between the United States and the Common Market.

After all, the United States is really one country, and it is a very big one, and in relation to its size, it has an appropriate quota. Of course, all this argument depends on the voting procedure within the Common Market.

If we can have a guarantee that they would have fair majority voting, and that there could be absolutely no pressure on EEC as a whole, say, by France or by Belgium or by Germany or by Holland, or whatnot, if it were absolutely assured that there would be no pressure in the voting but that each country would vote independently, then I would not mind the group as a whole having a veto.

If there is to be some unanimity rule within the Six, then there does seem to me to be a grave danger in allowing "the Six" in its turn to have a veto, because it really does give one country a veto as against the whole world. I cannot help feeling that there is a danger there.

Taking the corresponding case over here of the United States, it would be like giving California a veto over the whole world.

Mr. TRIFFIN. Mr. Chairman, I think that the case is perfectly similar if we followed the assumption of Sir Roy and said there are 50 states in the United States, each one free to act as it wishes, just as every one of the Six at the moment is free to act as it wishes, and it is still true that if these 50 voted the same way they would have 26 percent of the vote, and they would have a veto.

It is only insofar as the Six act together, that they would have the same kind of situation, and we must not forget that there is something—one may regret it really from a moralistic or maybe utopian point of view—but it is very hard to believe that countries which put at the moment 60 percent, and tomorrow certainly more, of the total financing in the Fund, would agree to have less votes really than half the votes of the two countries which are now the largest debtors of the Fund, which are borrowing the money.

It is regrettable, but it is the fact that it would be impossible to get large contributions if they know that they have not, they do not have an adequate voice on the funds which they put in.

In any case, I mean this is something which has been agreed at Rio, and I doubt very much whether it would be, it could be, changed very easily.

But what I was arguing was that we should try to induce them to accept the present rules of the Fund, the 20 percent, they would have a veto if they had 20 percent of the total quotas, and we should induce them to try to raise their combined quotas to 20 percent rather than to have a veto with 15 percent.

But in any case, as you know, Mr. Bernstein made the point this morning, I think, in fact, they already have more than 20 percent in