

Sir ROY HARROD. I am all in favor of the Common Market countries being given larger quotas on the basis on which the other countries were given quotas originally, namely, the value of their foreign trade and GNP.

Chairman REUSS. And seeing their voting power come to a veto level by reason of that increase in quotas, is that correct, Sir Roy?

Sir ROY HARROD. That makes me worried because I want to explore more deeply the voting procedures within the Common Market.

It frightens me, the idea of giving one country in the Common Market alone an effective veto, resulting from the Common Market having a unanimous voting procedure. That, I think, ought to be thrashed out.

Chairman REUSS. But wouldn't you, whatever you found out as to the internal voting procedures in the Common Market, still want Common Market countries to have more representative and modern quotas, than they do now?

Sir ROY HARROD. Well, but it is a question of how much quota. Yes; I think they ought to have bigger quotas, but not so big as to give them a veto.

Chairman REUSS. Well, they have got 16½ percent of the voting power now, based on their present quotas. Most people seem to think that they are more than 3½ percent shy on what they ought to be putting in quotas.

Sir ROY HARROD. I quite agree.

Chairman REUSS. If so, then is not your quarrel with the Treaty of Rome in 1958 rather than with a proposal for forms of the quota today?

Mr. TRIFFIN. What you are suggesting, Sir Roy, would change the Articles of Agreement of the Fund to say that even if a certain number of countries vote against a decision, and have together 20 percent of the votes, the decision must go through anyway. What you are proposing is a revision in the present Articles of Agreement.

Sir ROY HARROD. You might reduce the qualified majority to 75 percent. That would take away the American veto, would it not?

Mr. TRIFFIN. No. I think we have about 26 percent.

Sir ROY HARROD. Well, suppose you made the qualified majority of 70 percent; then no one will have a veto, and you would get away from all these difficulties.

Chairman REUSS. It would be nice if the Common Market, I must say, did tell the rest of the world how they vote. You know, they have conned us into giving them trade preferences, and everything else.

But, Mr. Triffin, you are a great Common Marketer. What about that, shouldn't your friends in Brussels let us in on the secrets?

Mr. TRIFFIN. The secrets?

Chairman REUSS. The secret.

Mr. TRIFFIN. I think there is no secret, really. The voting rules are well known.

Chairman REUSS. What are they?

Mr. TRIFFIN. I cannot remember offhand to quote it for the record. But I know that it gives a somewhat larger vote to France, to Germany, to Italy, some lower one to Belgium, and the Netherlands, and a still lower one to Luxembourg.