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### The International Monetary Fund, 1944-1960

At the origin of the idea that the post-war settlement should be planned in advance lies the bitter experience of the interwar period. It was well-known that the economic chaos precipitated the rise of the Nazis to the German Government. Thus, in July 1944, when the outcome of the WWII was still uncertain, representatives from 44 countries, including the Soviet Union, met in Bretton Woods, New Hampshire, to establish a new monetary regime. The result of that meeting was the creation of the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development, better known as the World Bank.

The goal of the IMF was to shorten the duration and reduce the disequilibrium in the international balances of payments of its members, to promote exchange stability, to maintain orderly exchange arrangements among members and to avoid competitive exchange depreciation. It was also intended to facilitate the expansion of the international trade. At the time of the Bretton Wood conference, the United States and the United Kingdom agreed that the primary focus of the IMF during a transitional post-war period which in fact ended in the 1960's, would be the reconstruction of Western Europe.

The IMF (with its current 184 members) occupies today an important part in the debates about the globalization in general and the globalization of the financial markets in particular. In some cases, the IMF is criticized and described as a powerful international organization that aims to implement, and even impose, a single capitalist model on all its members, without considering either their stage of development or the necessities of their population. In other cases, this multilateral lending institution is described as one of the principal enemies of the underdeveloped and developing world.

In order to try to understand how an organization that was established with apparently such “noble” purposes has become so ambivalent in such a short period of time, I looked for bibliography concerning the creation and the formative years of the IMF. My findings were unexpected: the focus of a substantial part of the research is the IMF after the 70’s, when the Bretton Wood’s system collapsed; and there is a significant lack of research regarding its formative period. Most of the researchers are specialists in Economics, others in Law and Political Science. Only a few historians had written about this subject. Almost all the research is based on primary and secondary sources that were made public by the IMF itself.

Innovation of the present research:

The focus of my thesis is the IMF during the period 1944-1960 and analyzes it in its historical context. I refer to this lending organization as a critical player in the international economical arena. In order to avoid the use of the sources that were published by the IMF and that are cited in almost every paper or book, I looked for different types of primary sources. American newspapers (“Newsweek” and “The New York Times”) and academic articles are the primary contemporary sources of my research. The reading of these sources shows that some American groups of interests, such as the New York Bankers and part of the Republican members of the House and the Senate, were very militant in opposing the idea of the creation of the IMF. The opposition supported the idea of isolation and return to the gold standard. In general, these sources prove that the process of the establishing the IMF was fraught with difficulties and opposition.

In this thesis I will try to analyze the US's role and interests during the inception and the formative years of the IMF. I will analyze the IMF as part of the American foreign aid in the post-war period assuming that this was an instrument to establish the US's hegemony. I will also refer to the circumstances of the approval of the Marshal Plan and compare them with the circumstances of the establishment of the IMF. I assume that the economic well-being of allies and enemies (and Germany among them) was considered imperative for the establishment of a satisfactory and durable world order.