

to either stay in a situation of disequilibrium and live with it or painfully adjust to it.

I am ashamed to try to deal with a colossal subject of that sort in so few words, but what I want to leave with you is that this general problem of disequilibria in balances of payments is ever present in the International Monetary System.

Now, no international monetary system can deal with chronic balance-of-payments disequilibria. There is no system that operates on the basis of any kind of adjusting mechanism, with provision for emergency relief or supplementing reserves, and so on, which can cope with a persistent disequilibrium in a given country. All that an international monetary system can do is to provide some easement for disequilibrium to a certain limit, an undefined limit, beyond which the individual country will find itself, in a sense, left alone to struggle with the problem of disequilibrium without reference to the possibility of the international monetary system giving it help.

One of the major issues in the great current controversy among economists over what should be done to remake or improve the international monetary system lies right here in this question of the extent to which the international monetary system should have built into it means of helping countries to live with disequilibria in their balances of payments. If I epitomize the central issue here, it seems to me to be this: To what extent should creditor countries in a given situation, a given time in the world, have placed on them through the international monetary system