

THE WORLD BANK GROUP ARCHIVES

PUBLIC DISCLOSURE AUTHORIZED

Folder Title: Eugene Black - Mr. Black's trip to Pakistan, India, Thailand, Australia and New Zealand - February and March 1952

Folder ID: 30017455

ISAD(G) Reference Code: WB IBRD/IDA EXT

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THE WORLD BANK

Washington, D.C.

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The World Bank

1818 H Street NW

Washington DC 20433

Telephone: 202-473-1000

Internet: www.worldbank.org

PUBLIC DISCLOSURE AUTHORIZED

MR. BLACK'S TRIP TO PAKISTAN, INDIA,
THAILAND, AUSTRALIA AND NEW ZEALAND
February & March, 1952

 **Archives**

 **30017455**

A1995-033 Other #: 20 Box # 212183B
Eugene Black - Mr. Black's trip to Pakistan, India, Thailand, Australia and New Zealand -
February and March 1952

DECLASSIFIED
WBG Archives

PRESIDENT OF WORLD BANK TO MAKE FAR EAST TOUR

Eugene R. Black, President of the International Bank for Reconstruction and Development, was to leave New York on 25 January for a two-month journey which will take him to Pakistan, India, Ceylon, Thailand and Australia. En route, he will spend a few days in London. On his way back to the United States, he will pay a brief visit to New Zealand at the invitation of that country's government.

The purpose of Mr. Black's tour is to acquaint himself at first hand with problems of economic development in some of the Bank's member countries. He will discuss these problems with officials and other persons concerned. Whenever possible, he will visit development projects being carried out in the countries he is visiting.

Itinerary

Mr. Black will be accompanied by Leonard B. Rist, the Bank's Economic Director, Joseph Rucinski, a loan officer of the Bank, and Harold Graves, the Bank's Director of Public Relations. His basic itinerary is as follows:

- 3 February - Arrive Karachi, Pakistan
- 10 February - Arrive New Delhi, India
- 23 February - Arrive Colombo, Ceylon (departing for Bombay the same day)
- 4 March - Arrive Bangkok, Thailand
- 10 March - Arrive Sydney, Australia
- 17 March - Arrive Wellington, New Zealand
- 18 March - Arrive Auckland, New Zealand
- 20 March - Arrive San Francisco (via Honolulu).

* * *

WHO EXECUTIVE BOARD RECOMMENDS \$8,490,000 BUDGET FOR 1953

After several days of discussion, the executive Board of the World Health Organisation unanimously recommended on 24 January that the fifth World Health Assembly approve a budget of \$8,490,000 for 1953.

This represents an increase of \$812,000 over the 1952 budget of \$7,677,780.

* * *

(MORE)

CAUTION - For release Monday
28 January 1952

INTERNATIONAL BANK PUBLISHES FIGURES
FOR LAST HALF OF 1951

The International Bank for Reconstruction and Development announced on 28 January that net income for the six months ending December 31, 1951 amounted to \$8,071,486 compared with \$7,574,631 for the six months ending December 31, 1950. The net income was placed in the General Reserve against losses on loans and guarantees, increasing this reserve to \$50,226,704.

Gross income for the six-month period amounted to \$16,637,921, after deducting loan commissions of \$3,558,912 which were appropriated to the Special Reserve. The gross income for the same period in the preceding fiscal year, after deducting loan commissions, amounted to \$13,370,710. The Special Reserve as of December 31, 1951, amounted to \$23,684,660.

Nine Loans

During the six-month period the Bank made nine loans, totaling \$118,253,000, in Belgium, the Belgian Congo, Chile, Italy, Yugoslavia, Nicaragua, Iceland, Colombia and Paraguay. These loans brought total commitments, as of December 31, 1951, to \$1,231,783,000. Disbursements on loans amounted to \$79,082,702, bringing total disbursements to \$770,809,831.

There were no bonds of the Bank and no obligations of borrowers sold during the quarter ended December 31, 1951. However, in the quarter ended September 30, 1951, the Bank sold a Swiss franc bond issue equivalent to \$11,634,671 and a U.S. dollar bond issue in the amount of \$100,000,000. Also in the same period the Bank sold from its loan portfolio U.S. and Canadian dollar bonds equivalent to \$424,884. On January 2, 1952 additional portfolio bonds amounting to \$1,586,000 were sold.

Two New Members

On August 31, 1951, Sweden joined the Bank. The Union of Burma became the fifty-first member on January 3, 1952 with a share subscription of \$15,000,000 thus increasing the amount of subscribed capital of the Bank to \$8,453,500,000 at the present time.

* *** *

(END)

UNITED NATIONS
Department of Public Information
Press and Publications Bureau
United Nations, N. Y.

Press Release IB/313
25 January 1952

BANK PRESIDENT BLACK TO LEAVE ON FAR EAST TOUR

(The following was received here from the International Bank, Washington, D. C.)

Eugene R. Black, President of the International Bank for Reconstruction and Development, leave New York today, 25 January, on a two-month journey which will take him to Pakistan, India, Ceylon, Thailand and Australia. En route, he will spend a few days in London.

The purpose of Mr. Black's journey is to acquaint himself at first hand with problems of economic development in some of the Bank's member countries. He will discuss these problems with officials and other persons concerned. Whenever possible, he will visit development projects being carried out in the countries he is visiting.

Mr. Black will be accompanied by Leonard B. Rist, the Bank's Economic Director, Joseph Rucinski, a loan officer of the Bank, and Harold Graves, the Bank's Director of Public Relations.

On his way back to the United States, Mr. Black will accept an invitation from the Government of New Zealand and will stop briefly in that country. His basic itinerary is as follows:

3 February	--	Arrive Karachi, Pakistan
10 February	--	Arrive New Delhi, India
23 February	---	Arrive Colombo, Ceylon (departing for Bombay the same day)
4 March	--	Arrive Bangkok, Thailand
10 March	--	Arrive Sydney, Australia
17 March	--	Arrive Wellington, New Zealand
18 March	--	Arrive Auckland, New Zealand
20 March	--	Arrive San Francisco (via Honolulu)


#

PRESS CLIPPING SHEET

ROUTING LIST		ROOM	FROM	COUNTRY	FILE
1.	<i>Fletcher</i>			<i>New Zealand</i>	
2.	<i>Holmes</i>				
3.				SOURCE <i>Wellington</i> <i>"Dominion"</i>	DATE <i>Jan 28, 1952</i>
4.					
5.					
6.	RESEARCH FILES	309			

Wellington "Dominion"
January 28, 1952
(Editorial page)

TO VISIT N.Z.



Mr. Eugene Black, president of the International Bank for Reconstruction and Development, who left New York on Friday for visits to Pakistan, India, Ceylon, Siam, Australia and New Zealand. He was accompanied by Mr. Leonard Rist, economic director of the bank, Mr. Joseph Rucinski, loan officer, and Mr. Harold Graves, public relations director. Mr. Black is scheduled to arrive at Sydney on March 10, and Wellington on March 18. Mr. Black's office says there is no special significance in his visit to New Zealand.—P.A.

FEB 11 1952

THE NEW YORK SUN
THE NEW YORK TIMES
THE AMERICAN BANKER
THE WALL STREET JOURNAL
THE NEW YORK HERALD TRIBUNE
THE NEW YORK WORLD-TELEGRAM
THE NEW YORK JOURNAL OF COMMERCE

THE TIMES HERALD
THE WASHINGTON POST
THE WASHINGTON STAR
THE WASHINGTON NEWS

THE PHILADELPHIA
INQUIRER
THE BALTIMORE SUN
THE CHICAGO JOURNAL
OF COMMERCE
THE COMMERCIAL AND
FINANCIAL CHRONICLE

Eugene Black in India

NEW DELHI, India, Feb. 11 (AP).
—Eugene R. Black, president of
the International Bank for Re-
construction and Development, ar-
rived here yesterday for a two-
week tour of proposed improve-
ment projects in India.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

**SAN FRANCISCO
EXAMINER**

Circ.: m. 221,506
S. 570,000

Page: 14

Date: FEB 11 1952

Loan Aide in India B

NEW DELHI (India), Feb. 10.
—(AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

**ASHEVILLE (N.C.)
CITIZEN**

Circ.: m. 31,340
S. 51,172

Page: 5

Date: FEB 11 1952

**World Bank¹³
Head In India**

NEW DELHI, India, Feb. 10 (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

MILWAUKEE JOURNAL

Circ.: e. 324,268

S. 435,939

Page:

16

Date: FEB 11 1952

Black at New Delhi ✓

New Delhi, India—(P)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here Sunday for a two week tour of proposed improvement projects in India.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

**BUFFALO COURIER-
EXPRESS**

Circ.: m. 149,465
S. 290,348

Page:

4

Date:

FEB 11 1962

Black in New Delhi 13

New Delhi, India, Feb. 10 (AP)—Eugene R. Black, president of the International Bank of Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**OKLAHOMA CITY
OKLAHOMAN**

Circ.: m. 143,894
S. 255,122

Page: 2

Date: FEB 11 1952

Banker in India 16

NEW DELHI, India, Feb. 10 (AP)—
Eugene R. Black, president of the
International Bank for Reconstruction
and Development, arrived here
today for a two-week tour of pro-
posed improvement projects in In-
dia. He came here from Pakistan
and expects to go on to Ceylon.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

AMARILLO (Tex.) NEWS

Circ.: m. 36,228
S. 52,271

Page: 7

Date: FEB 11 1952

TOURS INDIA PROJECTS
NEW DELHI, India, Feb. 10 (P)
—Eugene R. Black, president of
the International Bank for Recon-
struction and Development, arrived
here today for a two-week tour of
proposed improvement projects in
India.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

**LITTLE ROCK ARKANSAS
GAZETTE**

Circ.: m. 96,550
S. 109,642

Page:

FRONT

Date:

FEB 11 1952

Eugene R. Black, president of the International Bank for Reconstruction and Development, has arrived in New Delhi, India, on his tour of proposed improvement projects in Southeastern Asia.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

INDIANAPOLIS STAR

Circ.: m. 195,053
S. 269,645

Page: —

Date: FEB 11 1952

Checks On India Needs

New Delhi, India (AP) — Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here yesterday for a two-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States.

Argus International de la Presse S.A.

GENÈVE - Téléphone (022) 4 40 05

ZÜRICH - Telefon (051) 27 99 12 / 27 18 77

Extrait du Journal: Die Tat
Zürich

12. Feb. 1952

New Delhi. (Reuter) Der Präsident der Weltbank, Eugène R. Black, ist in Delhi eingetroffen, um mit den indischen Behörden verschiedene Fragen zu besprechen, die mit den Modernisierungsplänen Indiens zusammenhängen. Die indische Republik, die von der Weltbank bereits 58 Millionen Dollar erhalten hat, um die Projekte für Kraftwerke und Urbarmachung gewaltiger Landflächen zu finanzieren, hat sich um weitere Darlehen beworben.

2050

Argus International de la Presse S.A.

GENÈVE - Téléphone (022) 4 40 05

ZÜRICH - Telefon (051) 27 99 12 / 27 18 77

Extrait du Journal: National-Zeitung
(Abendausgabe)
Basel

11. Feb. 1952

gesunder Grundlage entwickeln zu können.

Weltbank und Indien. Delhi. ag. (Reuter) Der Präsident der Weltbank, Eugène R. Black, ist in Delhi eingetroffen. Die Indische Republik, die von der Weltbank bereits 58 Millionen Dollars erhalten hat, um die Projekte für Kraftwerke und Urbarmachung gewaltiger Landflächen zu finanzieren, hat sich um weitere Darlehen beworben.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**RALEIGH (N.C.) NEWS &
OBSERVER**

Circ.: m. 113,277
S. 116,910

Page: **FRONT**

Date: **FEB 12 1952**

Black Touring Asia
Karachi, Pakistan, Feb. 3 (AP)—
Eugene Black, president of the
World Bank, arrived tonight on a
tour of Southeast Asia. Black will
be in Pakistan for two weeks, ex-
amining projects financed by
World Bank loans.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

**PHOENIX ARIZONA
REPUBLIC**

Circ.: m. 70,025
S. 88,637

Page: 4

Date: FEB 12 1952

**Banker Making 2 Week
Tour Of India Projects**

NEW DELHI, India, Feb. 11 (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here Monday for a two-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

OMAHA WORLD HERALD

Circ:m.129,595 AM

e.115,592 PM

S.248,994

Page: 3

Date: FEB 12 1952

**International Bank Head
to Make India Tour**

New Delhi, India (P)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here Monday for a two-week tour of proposed improvement projects in India.

He came here from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

OMAHA WORLD HERALD

Circ:m.129,595 AM

e.115,592 PM ✓

S.248,994

Page: 26

Date: FEB 12 1952

International Bank Head
to Make India Tour

New Delhi, India (P)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here Monday for a two-week tour of proposed improvement projects in India.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PRESS CLIPPING SHEET

ROUTING LIST		ROOM	FROM	A. Basch	COUNTRY	FILE	
1.	Mr. Iliff	1004	DISPOSITION DESIRED AFTER CIRCULATION, KEEP FOR THREE MONTHS <input type="checkbox"/> INDEFINITELY <input type="checkbox"/> IF NOT CHECKED ABOVE, CLIPPINGS WILL BE DISCARDED AFTER CIRCULATION.		India		
2.	Miss Eliason	1111				SOURCE	
3.	Mr. Holmes	1124				Hindu	
4.							
5.							
6.	RESEARCH FILES	309			DATE	2/13/52	

THE HINDU, WEDNESDAY, FEBRUARY 13, 1952.



Mr. Eugene R. Black, President of the International Bank for Reconstruction and Development photographed with Mr. Jawaharlal Nehru, when he called on the Prime Minister, in New Delhi, on Monday.

Mr. Iliff
Parliament Relations

No.....

Argus International de la Presse S. A.

GENÈVE — ZÜRICH

Extrait du Journal :

Adresse :

Date MANCHESTER GUARDIAN MANCHESTER

13 Feb 1957

Australian Objectives

It is easy to understand why Australians are concerned at the new turn of events in the sterling area. They are encouraging immigration and need a large inflow of capital to carry out the supporting economic development. At this point it was bound to be awkward to be asked to restrain imports in order to preserve the sterling currency. Sir Douglas Copland, in a letter which we publish to-day, explains why relief is being sought from the United States. It is well that his recent public statements should not be misunderstood. But there

HOUSTON POST

Circ.: m. 171,519
S. 187,112

Page: IV-8

Date: FEB 4 1952

Bank Chief in Karachi

KARACHI, Pakistan, Feb 3—(P)—Eugene Black, president of the World Bank, arrived Sunday night on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

ALBANY TIMES-UNION

Circ.: m. 58,798
S. 119,150

Page:

Date:

FEB 4 1952

World Bank Chief
On Tour of Asia

KARACHI, Pakistan (AP) — Eugene Black, president of the World Bank, arrived last night on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

NASHVILLE (Tenn.)
TENNESSEAN

Circ.: m. 104,936
S. 165,815

Page:

Date:

FEB 4 1952

World Bank Head
On Asian Tour

KARACHI, Pakistan—(P)—Eugene Black, president of the World Bank, arrived last night on a tour of Southeast Asia.

Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

BUFFALO NEWS

Circ.: e. 281,218

Page: 2

Date: FEB 4 1952

Black Visits Pakistan

KARACHI, Pakistan, Feb. 4 (AP). —Eugene Black, president of the World Bank, arrived Sunday on a tour of Southeast Asia. Mr. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

OMAHA WORLD-
HERALD A.M.

Circ.: m. 129,595
S. 248,994

Page:

Date: FEB 4 1952

Black in Karachi

Karachi, Pakistan (P)—Eugene Black, president of the World Bank, arrived Sunday night on a tour of Southeast Asia. Mr. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

MILWAUKEE JOURNAL

Circ.: e. 324,268
S. 435,939

Page: 8

Date: FEB 4 1952

Eugene Black in Pakistan

Karachi, Pakistan — (P) — Eugene Black, president of the World Bank, arrived Sunday on a tour of southeast Asia. He will be in Pakistan two weeks, examining projects financed by World Bank loans.

SYRACUSE POST-
STANDARD

Circ.: m. 78,998
S. 102,999

Page:

Date: FEB 4 1952

ARRIVES IN KARACHI

KARACHI, Feb. 3. (P)—Eugene Black, president of the World Bank, arrived tonight on a tour of Southeast Asia. Black will be in Pakistan two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**ASHEVILLE (N.C.)
CITIZEN**

Circ.: m. 31,340
S. 51,172

Page: 16

Date: FEB 4 1952

**World Bank
Head On Tour**

KARACHI, Pakistan, Feb. 3 (AP)—Eugene Black, president of the World Bank, arrived tonight on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

DETROIT FREE PRESS

Circ.: m. 449,449
S. 473,004

Page: 2

Date: FEB 11 1952

Reaches India 16

NEW DELHI, India—(AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here for a two-week tour of proposed improvement projects in India.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**WINSTON-SALEM (N.C.)
TWIN CITY SENTINEL**

Circ.: e. 34,307

Page: 12

Date: FEB 4 1952

Banker in Pakistan

KARACHI, PAKISTAN (AP).—Eugene Black, president of the World Bank, arrived last night on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

PORTLAND OREGONIAN

Circ.: m. 224,314
S. 280,045

Page: 2

Date: FEB 4 1952

BANK OFFICIAL TRAVELS

8 KARACHI, Pakistan, Feb. 3 (AP)—Eugene Black, president of the World Bank, arrived Sunday on a tour of southeast Asia.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

ROANOKE (Va.) TIMES

Circ.: m. 43,916
S. 76,106

Page: 14

Date: FEB 4 1952

ON BANKING MISSION

6 KARACHI, Pakistan, Feb. 3 (AP)—Eugene Black, president of the World Bank, arrived tonight on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

SAN FRANCISCO EXAMINER

Circ.: m. 221,506
S. 570,000

Page: 14

Date: FEB 4 1952

Bank Head in Pakistan

8 KARACHI (Pakistan), Feb. 3. —(AP)—Eugene Black, president of the World Bank, arrived tonight on a tour of southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

JACKSONVILLE (Fla.) TIMES UNION

Circ.: m. 126,129
S. 133,625

Page: 2

Date: FEB 4 1952

World Banker in India

KARACHI, Pakistan, Feb. 3 (AP)—Eugene Black, president of the World Bank, arrived tonight on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

DENVER ROCKY MT. NEWS

Circ.: m. 133,331
S. 142,261

Page: 3

Date: FEB 11 1952

International Bank Head Reaches India on Tour

NEW DELHI, India, Feb. 10.—(AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India.

He came here from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States."

Press Intelligence, Inc.
WASHINGTON 1, D. C.

CLEVELAND (O.) PLAIN DEALER

Circ.: m. 299,461
S. 516,478

Page: FRONT

Date: FEB 11 1952

BANK CHIEF VISITS INDIA

NEW DELHI, India, Feb. 10.—(AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

CHARLESTON (W.Va.) GAZETTE

Circ.: m. 86,275
S. 88,845

Page: 8

Date: FEB 4 1952

Bank Chief in Pakistan

8 KARACHI, Pakistan, Feb. 3 (AP)—Eugene Black, president of the World Bank, arrived tonight on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

ATLANTA CONSTITUTION

Circ.: m. 175,915
S. 453,102

Page: FRONT

Date: FEB 4 1952

Black in Pakistan

8 KARACHI, Pakistan, Feb. 3.—(AP)—Eugene Black, president of the World Bank, arrived tonight on a tour of southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

PHOENIX ARIZONA REPUBLIC

Circ.: m. 70,025
S. 88,637

Page: 11

Date: FEB 4 1952

Black In Pakistan

8 KARACHI, Pakistan, Feb. 3 (AP)—Eugene Black, president of the World Bank, arrived Sunday night on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

NEW YORK NEWS

Circ.: m. 2,262,204
S. 4,123,276

Page: 6

Date: FEB 1 0 1952

**World Bank Head
To Tour Far East**

UN headquarters here has announced that Eugene R. Black, president of the UN's International Bank for Reconstruction and Development, has begun a two-month tour of the Far East which will take him to Pakistan, India, Ceylon, Thailand, Australia and New Zealand. The purpose of Black's trip, UN officials said, is to study first hand the economic needs of member states in Asia.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**RICHMOND (Va.) TIMES
DISPATCH**

Circ.: m. 122,745
S. 168,049

Page: 11

Date: FEB 1 1 1952

Bank Official in India

NEW DELHI, Feb. 10—(P)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**ST. LOUIS GLOBE-
DEMOCRAT**

Circ.: m. 292,214
S. 363,835

Page: 2

Date: FEB 4 1952

**Head of World Bank
Arrives in Pakistan**

KARACHI, PAKISTAN, Feb. 3 (AP).—Eugene Black, president of the World Bank, arrived tonight on a tour of southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**ROCHESTER (N.Y.)
DEMOCRAT & CHRONICLE**

Circ.: m. 109,871
S. 165,154

Page: 5

Date: FEB 4 1952

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**CHARLOTTE (N.C.)
OBSERVER**

Circ.: m. 138,183
S. 145,050

Page: 312

Date: FEB 4 1952

World Bank Tour

KARACHI, Pakistan, Feb. 3 (P)—Eugene Black, president of the World Bank, arrived tonight on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

TUCSON (Ariz.) STAR

Circ.: m. 20,257
S. 31,465

Page: 8

Date: FEB 4 1952

BANKER IN PAKISTAN

KARACHI, Pakistan, Feb. 3.—(P)—Eugene Black, president of the World Bank, arrived tonight on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

DES MOINES REGISTER

Circ.: m. 221,772
S. 536,707

Page: 160

Date: FEB 4 1952

EUGENE BLACK IN ASIA.

KARACHI, PAKISTAN (P)—Eugene Black, president of the World bank, arrived Sunday night on a tour of southeast Asia.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**SAN FRANCISCO
CHRONICLE**

Circ.: m. 155,626
S. 266,622

Page: FRONT

Date: FEB 4 1952

**World Bank
Head in Pakistan**

KARACHI, Feb. 3 (P)—Eugene Black, president of the World Bank, arrived tonight on a tour of Southeast Asia. Black will be in Pakistan for two weeks, examining projects financed by World Bank loans.

PICAYUNE

Circ.: m. 177,641
S. 277,442

Page: 2

Date: FEB 8 1952

**WORLD BANK LEADER
TO MAKE INDIA TOUR**
(The Associated Press)

New Delhi, India, Feb. 10—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here Sunday for a two-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

CHICAGO TRIBUNE

Circ.: m. 930,890
S. 1,488,409

Page: 2

Date: FEB 11 1952

**Black Begins India Tour
of Proposed Bank Projects**

NEW DELHI, India, Feb. 10
(P)—Eugene R. Black, president
of the ~~international bank~~ for re-
construction and development, ar-
rived today for a two-week tour
of proposed improvement projects
in India. He came here from Paki-
stan and expects to go on to Cey-
lon, Thailand, Australia, and New
Zealand before returning to the
United States.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**CLEVELAND (O.) PLAIN
DEALER**

Circ.: m. 299,461
S. 516,478

Page: 5

Date: FEB 4 1952

STARTS ASIAN TOUR

KARACHI, Pakistan, Feb. 3—
(P)—Eugene Black, president of
the World Bank, arrived tonight
on a tour of southeast Asia. Black
will be in Pakistan for two weeks,
examining projects financed by
World Bank loans.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

CHICAGO SUN-TIMES

Circ.: d. 614,687
S. 655,155

Page: 38

Date: FEB 11 1952

India Project Tour

NEW DELHI, India (AP)—Eu-
gene R. Black, president of the In-
ternational Bank for Reconstruction
and Development, arrived here Sun-
day for a two-week tour of proposed
improvement projects in India. He
came from Pakistan and expects to
go on to Ceylon, Thailand, Aus-
tralia and New Zealand.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**HARRISBURG (Pa.)
PATRIOT**
Circ.: m. 32,349

Page: 2

Date: FEB 1 1 1952

Banker in India

NEW DELHI, India (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here yesterday for a two-week tour of proposed improvement projects in India.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

ALBANY TIMES-UNION
Circ.: m. 58,798
S. 119,150

Page: 2

Date: FEB 1 1 1952

**Black on Tour of
India Projects**

NEW DELHI, India (AP)—Eugene R. Black, President of the International Bank for Reconstruction and Development, arrived here yesterday for a two-week tour of proposed improvement projects in India.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**NASHVILLE (Tenn.)
TENNESSEAN**
Circ.: m. 104,936
S. 165,815

Page: 12

Date: FEB 1 1 1952

**Banker To Tour
India Projects**

NEW DELHI, India (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here yesterday for a two-week tour of proposed improvement projects in India.

He came from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

PHILADELPHIA INQUIRER

Circ.: m. 678,064
S. 1,126,901

Page: 2

Date: FEB 2 3 1952

BACKS AID TO INDIA

BOMBAY, India (AP)—Eugene Black, World Bank president, said he would recommend that the bank make a "substantial investment" in India. Black, in India examining projects in the Government's five-year plan to step up food and industrial production, said he was "very favorably impressed" by their progress.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**ALBUQUERQUE (N.M.)
JOURNAL**

Circ.: m. 31,176
S. 36,620

Page: 6

Date: FEB 8 1952

BLACK IN INDIA

NEW DELHI, India, Feb. 10 (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India.

TULSA WORLD

Circ.: m. 76,911
S. 132,777

Page: 5

Date: FEB 11 1952

Bank Chief in India

NEW DELHI, India, Feb. 10 (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a 2-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States.

FORT WAYNE (Ind.) JOURNAL-GAZETTE

Circ.: m. 67,898
S. 88,513

Page: 13

Date: FEB 11 1952

World Banker Tours India

NEW DELHI, India, Feb. 10 (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon.

PROVIDENCE (R.I.) JOURNAL

Circ.: m. 46,046
S. 173,079

Page: 8

Date: FEB 11 1952

BLACK VISITS INDIA

New Delhi, India—(AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here yesterday for a two-week tour of proposed improvement projects in India.

ROANOKE (Va.) TIMES

Circ.: m. 43,916
S. 76,106

Page: 13

Date: FEB 11 1952

WILL TOUR INDIA

NEW DELHI, India, Feb. 10 (AP)—Eugene R. Black, president of the International Bank for reconstruction and development, arrived here today for a two-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon, Thailand, Australia and New Zealand before returning to the United States.

CHARLOTTE (N.C.) OBSERVER

Circ.: m. 138,183
S. 145,050

Page: 3

Date: FEB 11 1952

Bank Inspection

NEW DELHI, India, Feb. 10 (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India. He came here from Pakistan and expects to go on to Ceylon.

CHARLESTON (W.Va.) GAZETTE

Circ.: m. 86,275
S. 88,845

Page: 18

Date: FEB 11 1952

Black On India Tour

NEW DELHI, India, Feb. 10 (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here today for a two-week tour of proposed improvement projects in India.

TOLEDO BLADE

Circ.: e. 186,970
S. 150,268

Page: 3

Date: FEB 11 1952

Banker Reaches India

NEW DELHI, India, Feb. 11 (AP)—Eugene R. Black, president of the International Bank for Reconstruction and Development, arrived here yesterday for a 2-week tour of proposed improvement projects in India.

Feb. 21, 1952

RESPONSIBILITY TO WORLD FOR OUTPUT

Australia had a responsibility to the world to produce food in areas where she could, and also a responsibility to herself because it was wheat, wool and other primary products that paid for her imports.

"There must be some reduction of expenditure by Governments, both State and Federal, and there must be a turn back of the flow of employment to industries without which they could not produce. That was the Government's plan.

Mr. Hoit, Minister for Labour, said the Opposition was deliberately trying to shatter the confidence of the Australian people, not only in the Government but in the stability of the Government's economy.

Almost two years after the Government had taken office, the number of people registered in Australia as unemployed reached an all-time record low figure.

There was no country in the free world which had a lower proportion of unemployed nor a higher proportion of opportunities for those who were prepared to take them and go into jobs.

Mr. Ward (East Sydney) said the position to-day was infinitely worse than in 1949. Australia was facing disaster.

The recent increase of 9/- in the basic wage was a "doctored" decision.

"That increase surprised workers, managers and everybody else. Despite statistical evidence which might be produced to show that the rise compensated workers for the rise in the cost of living it was a doctored decision and did not indicate the actual increase in living costs.

"When the 9/- increase was officially announced an announcement followed the next day that the prices of many popular foods

were to be increased immediately. Before the worker received the 9/- it was taken away from him.

"That is the type of robbery that has been going on in this country for years."

Mr. Ward said he wondered whether the visit of representatives of the International Bank to Australia had anything to do with the Government's "provision for a depression."

It was rather interesting to note that on a previous occasion when overseas bankers visited Australia a depression followed.

The debate was gagged and the motion defeated.

Thursday, February 21, 1952.

Bank Mission To Visit All States

A two-man mission sent to Australia by the International Bank will visit every State to help them get a broad picture of the Australian economy.

Mr. Andrew Kamarck, chief of the Australia-African section of the economic department of the International Bank, and Mr. Raymond Cope, of the bank's loan department, form the mission, which is to investigate how Australia spent a 100,000,000-dollar loan.

The mission would talk with members of the Federal Government, officials of the Central Bank, as well as with leaders of industry, commerce and agriculture, said Mr. Kamarck.

In addition, they would "go out and see Australia at work."

The mission would remain in Australia five or

six weeks and make its report to the bank's headquarters in Washington.

"I will say the fact that Australia got 100,000,000 dollars from the bank without sending a mission here indicates that the bank was satisfied with Australia's economy as set out on paper," he said.

Mr. Kamarck added that to his knowledge Australia had not made a formal application for another dollar loan from the bank.

Mr. Kamarck has been with the International Bank for 18 months. Before that he was with the United States Treasury.

Mr. Cope will arrive in Sydney next Wednesday.

Thursday, February 21, 1952.

WORLD BANK OFFICIAL ON ECONOMIC SURVEY

Mr. A. M. Kamarck, an official of the International Bank, arrived in Sydney last night by B.C.P.A. to see the use being made of the 100 m. dollar loan to Australia.

The bank made the loan to the Commonwealth in 1950.

Mr. Kamarck is Chief of the Australia-South Africa section of the bank's economic department.

He will also investigate aspects of Australia's economy during his six weeks' visit.

Mr. Raymond Cope, from the loan department of the bank, will join Mr. Kamarck in Sydney next week.

BANK'S FAITH

"I am anxious to get as broad a picture as possible of Australia's economy while I am here," Mr. Kamarck said at Kingsford-Smith airport.

"The bank had such a high opinion of the economy of Australia that it gave it a loan without first sending a survey mission to Australia."

Mr. Kamarck said he knew of no formal application by Australia for another loan, and refused to comment on Australia's prospects of getting another loan.

Before joining the International Bank, Mr. Kamarck was a U.S. Treasury representative in Italy, and was in charge of the financial division of Marshall Aid in Italy.

Thursday, February 21, 1952.

CENSURE LOST; NOISY SCENE IN HOUSE

The Opposition motion of censure against the Government ended in near uproar in the House of Representatives last night after a two-day debate.

When the Leader of the Opposition, Dr. Evatt, rose at 11.5 p.m. to reply to the debate the Vice-President of the Executive Council, Mr. Harrison, immediately moved the "gag" amid loud Opposition protests and Government cheers.

Raising his voice to be heard above the din, the Speaker, Mr. Cameron, put the question for the "gag," and when there were no affirmative calls from the Government benches he declared the motion lost.

Uproar broke out again immediately, with Government members calling for a division.

Mr. Cameron said there were no "Yes" calls, but a division had been called for, and therefore under the standing orders, he had no alternative but to grant the division.

The motion for the gag was then carried by 62 votes to 47, and the censure motion was lost on a similar vote.

Economic policy was the theme of most speakers during the day-long debate.

The Minister for Navy and Air Mr. McMahon, said there could be little or no tendency to unemployment in Australia in the foreseeable future.

By the diversion of labour from unessential to essential industries the Government would strengthen the productive mechanism and economy of Australia.

The Government's policy had never been one of retraction or restriction of credit, but merely of keeping a "light rein" on credit facilities to see they did not expand too rapidly.

Causes of unbridled inflation last year were the extremely high wool cheque and the tremendous amount of transfer or speculation money coming to Australia.

Mr. Fairhall (Paterson) said he believed in shorter hours and higher pay when it was justified

Girr had virtually intimidated the Arbitration Court at a time when production was not keeping pace with demand.

He believed in full employment but over-employment was not a good thing.

"Workers have been exploiting the economic situation, many of them boasting of how little they worked for high pay."

Lack of competition during war time had led to the growth of many unessential mushroom industries. The Government's policy was getting rid of these, along with gamblers and speculators.

Mr. Costa (Banks) described the Government's attitude in causing unemployment as "denying men and their dependents the right to live." Credit restrictions were causing a grave lag in housing.

Mr. Joshua (Ballarat) said the Government's policy was crippling the textile industry, which now was in a very sorry state. It had been developed in Australia 80 years ago, and through varied times and conditions had hitherto remained an efficient unit in the Australian industrial set-up.

Mr. Osborne (Evans) said inflation could only be prevented by two means. They were:

1. Pressure of demand for goods had to be relieved by increased taxation and through credit restrictions.

2. The limited resources available of raw materials, labour and capital goods had to be used in production of essential goods rather than in the production of

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

ROUTING SLIP

Date 3/12/52

TO-		Name	Room No.
1		<i>Mr. Rosen</i>	306
2		<i>Glavin</i>	
3		<i>Harbo</i>	
4		<i>Belmont</i>	-1124

FOR-

	Action		Initialing
	Approval		Preparing Reply
	Comment		Previous Papers
	Filing		Noting and Returning
	Full Report		Recommendation
	Information		Signature

REMARKS

Mr. Rosen

FROM-

Wm. Gilmartin

THE WORLD BANK MISSION

Source: The Eastern Economist - 2/22/52

Mr. Eugene R. Black, President of the International Bank for Reconstruction and Development has been touring this country during the last two weeks to see the various projects of development in operation. The visit is no doubt intended as much to assess the general capacity of the country to plan and implement schemes of development as to watch the progress made in respect of the projects for which loans have been obtained from the World Bank, in the last two years. The loans have so far amounted to a little over sixty million dollars and it cannot be said that they represent by any means more than a fraction of what this country can utilize effectively, even if judged by the strict commercial considerations which govern the World Bank's operations. The loan for Indian railway rehabilitation, reduced from \$34 million to \$32.8 million at the request of the Government, has been fully disbursed and has already been reflected in the increase of the efficiency of the railways. The ten million dollar loan for the land reclamation project has perhaps been slower to show progress than planned but this is a work of a special kind and the technical experts who have been constantly in touch with the operations in Central India on behalf of the Bank have modified the original scheme of imports of tractors. The Bokaro power project has likewise been subject to modifications but the loan of \$18.5 million may on that account have to be disbursed over an extended period.

The prospects of further loans from the World Bank have been regarded as quite bright, but the Finance Minister's recent estimate of the probable amount did not exceed another sixty million dollars or about Rs. 30 crores. The specific projects for which these loans will be asked are not known but the visits to the Sindri Fertilizer factory and the steel plants may indicate that the Bank may consider the sanction of loans both to the Government and to private industry in respect of their industrial expansion schemes. There may thus be a variation in the choice of the type of investment in industry, which may also extend to the private sector. These are features which should be welcomed and it is hoped that no hesitation would stand in the way of speedy implementation of whatever aid programme is now decided upon.

This can only be regarded as a beginning. Even if the final report of the Planning Commission should remain broadly on the lines of the original report, there would be need for foreign aid to the extent of Rs. 300 crores for the second part of the Plan. But it has been since pointed out that both parts of the Plan have neglected the development of the industrial sector on any significant scale, thereby causing a serious gap in the plan. The inability to plan for the establishment of two new steel units with a total capacity of a million tons of steel has been a vital defect; it is certainly a matter which is not possible of achievement except through foreign capital, a large part of which must be in dollars. The establishment of the steel units is desirable not merely because of the existence of all the facilities for steel production in the country but also because the availability of steel at least at the end of five years will be essential for future planning.

There should be little difficulty in satisfying the canons by which the Bank has judged particular projects. According to its latest summing-up of loan policy, the Bank has held before itself not only the usual tests of soundness of particular projects but also their suitability from the point of view of priorities according to the most pressing needs of the economy as a whole. Obviously the increase of steel production is to be regarded as vital, considering the possibility of the Bank's favourable attitude to the expansion of the capacity of the steel units. But the scope for such expansion of existing units is necessarily limited and is of value only as the most feasible plan for the immediate future.

→ Another vital question that the Bank will have to answer, if it should take a more active part in helping the economic development of this country, is how far it is prepared to lend for purposes of general development, on the lines of the Australian loan. The loan of \$100 million to Australia was made to help pay the cost of importing capital goods and equipment needed for development projects, both private and governmental, over a period of two years. It is now clear that with the measures to be taken for the solvency of the sterling area, the problem of importing capital equipment for the replacement and extension of private industry in India will assume importance and meet with difficulty except to the extent to which foreign aid is available. The prospect for such aid in the shape of grants has lately improved with the efforts of Mr. Chester Bowles to persuade Congress and the Administration. The extent to which the World Bank can supplement these grants wherever they are inadequate to the programme of development will decide the measure of its readiness to take a more positive role in the economic development of the country.

Except for the steel plants and part of the needs of development of transport and power, it is obvious that there is less scope for the effective utilization of the Bank's loans in the public sector. There are of course multipurpose projects, which need more than double of what has been provided for under the Plan if all of them are to be completed. But the fact that even the few that have been taken on hand are now facing difficulties in implementation for lack of administrative and technical efficiency should not encourage the commencement of too many of such schemes. There is also the prospect of many of these schemes receiving other forms of aid as part of the assistance for food production schemes in this country.

On the other hand, there is very wide scope for exploring forms of assistance to Indian industry the needs of which at the moment seem likely to suffer by default, because the Planning Commission has been unable to present the case for private industry as a whole and the Commission has only made a general guess about its capital requirements for replacement and extensions. If for example aid has to be asked for power schemes, it is obviously necessary in the interest of a proper sense of priorities that thermal schemes in Bombay which lessen the risks of power-cuts are more important to the economy of the country than power schemes far away. There is also no reason why renewal and modernization in Indian industry should not be attempted on as wide a scale as is feasible in the immediate future.

→ It is possible that a similar idea underlies the present intention of the Industrial Finance Corporation to ask a loan of the World Bank but considering the Corporation's modus operandi during recent years, there is a likelihood of too much restriction by rule-of-thumb and little of initiative in making a positive attempt to aid industry. The Bank has now been able to obtain Canadian and European currencies through its borrowing operations and releases of 18% funds from members. This interchangeability of funds enables financing of capital goods over a wider area. If the Industrial Finance Corporation is to be the agency for any overall programme of assistance to private industry it is necessary that it should be made known and decided in consultation with all sections of Indian industry.

Source: The Eastern Economist - February 22, 1952

THE WORLD BANK MISSION

Source: The Eastern Economist 2/22/52

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This can only be regarded as a beginning. Even if the final report of the Planning Commission should remain broadly on the lines of the original report, there would be need for foreign aid to the extent of Rs. 300 crores for the second part of the Plan. But it has been since pointed out that both parts of the Plan have neglected the development of the industrial sector on any significant scale, thereby causing a serious gap in the plan. The inability to plan for the establishment of two new steel units with a total capacity of a million tons of steel has been a vital defect; it is certainly a matter which is not possible of achievement except through foreign capital, a large part of which must be in dollars. The establishment of the steel units is desirable not merely because of the existence of all the facilities for steel production in the country but also because the availability of steel at least at the end of five years will be essential for future planning.

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Source: The Eastern Economist - February 22, 1952

ASHEVILLE (N.C.)
CITIZEN

Circ.: m. 31,340
S. 51,172

Page:

Date: MAR 21 1952

Trade Winds

Reds Not Fooling West By Calling Trade Talk

By LOU SCHNEIDER

Moscow called an International Trade Conference for April 3-10. The Communists say the powwow aim is to increase East-West trade. London, Paris, Tokyo and Washington aren't being fooled. The Kremlin purpose is an anti-American propaganda stunt. It always happens at this time every year.

Let's face facts. The Canadian dollar did not move to above parity with the United States dollar. The United States dollar slumped to below parity with the Canadian dollar.

India's gold market has collapsed, and is in a state of emergency. Dumping by profiteering speculators caused the upset, which was aggravated by the steep decline in commodity and raw material prices. Calcutta hears that a settlement of the Korean conflict is imminent.

India is in line for a substantial loan from the International Bank. President Eugene Black made the recommendation—to aid India's five-year economic development plan.

Japan's trade ministry will approve the British \$14,000,000 order for 109,000 tons of steel placed with the Wayata and Fuji iron and steel companies. The British wanted to pay in sterling. The Japanese firms wanted dollars. Outcome: The United States will loan the British the dollars to pay for the steel.

Increased world newsprint production is easing the supply pinch, but not fast enough to keep up with increased consumption. Finland is

making a special trade-price concession to England, but Canada appears ready to increase prices to United States buyers. The world undercounter price is now considerably below the \$300 a ton quoted last year, but the market continues active because of the high demand. Your reporter knows that foreign buyers obtain more attractive prices when changes are made in purchasing agents.

Turkey's agricultural growth, mainly due to ECA contributions, is becoming the Near East bread basket. Her earnings this year from farm products exports may total more than that of the Marshall Plan aid.

The trade winds say Washington is satisfied it can allow a rearmament delay on three premises: No immediate war with Russia; no immediate international incidents of major proportions; and, no near-term prospect of Korean full-scale fighting. Because of the rearmament stretch-out, the defense spending peak originally planned for 1952 will not be reached until mid-1953.

Mexico's sugar crop this year may double last year's and leave a considerable surplus for export after filling domestic needs.

Soviet buying accounts for the price strength in industrial diamonds. Purchases are being made from Central and South American speculators who had acquired large hoards at low prices. The buying is done through satellite middlemen, and payment is in American dollars.

GREENSBORO (N.C.)
RECORD

Circ.: e. 21,481

Page: B-7

Date: MAR 21 1952

Trade Winds

BY LOUIS SCHNEIDER

WORLD TRADE NEWS

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Press Intelligence, Inc.

WASHINGTON 1. D. C.

COLUMBIA (S.C.) STATE

Circ.: m. 66,399
S. 70,991

Page: B-7

Date: MAR 21 1952

Trade Winds

By Lou Schneider

World Trade News

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Increased world newsprint production is easing the supply pinch, but not fast enough to keep up with increased consumption. Finland is making a special trade-price concession to England, but Canada appears ready to increase prices to United States buyers. The world undercounter price is now considerably below the \$30 a ton quoted last year but the market continues active because of the high demand. Your reporter knows that foreign buyers obtain more attractive prices when changes are made in purchasing agents.

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The trade winds say Washington is satisfied it can allow a rearmament delay on three premises: No immediate war with Russia; no immediate international incidents of major proportions; and, no near-term prospect of Korean full-scale fighting. Because of the rearmament stretch-out, the defense spending peak originally planned for 1952 will not be reached until mid-1953.

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Press Intelligence, Inc.
WASHINGTON 1, D. C.

OMAHA WORLD-
HERALD A.M.

Circ.: m. 129,595

S. 248,994

Page:

Date: MAR 21 1952

Trade Winds—

Moscow Seeks Trade Parley

But Propaganda Stunt Doomed to Failure

By Lou Schneider

Consolidated News Features.

Moscow called an international trade conference for April 3-10. The Communists say the powwow aim is to increase East-West trade.

London, Paris, Tokyo and Washington aren't being fooled. The Kremlin purpose is an anti-American propaganda stunt. It happens at this time every year.

Let's face facts. The Canadian dollar did not move to above parity with the United States dollar. The United States dollar slumped to below parity with the Canadian dollar.

India's gold market has collapsed, and is in a state of emergency. Dumping by profiteering speculators caused the upset, which was aggravated by the steep decline in commodity and raw materials prices. Calcutta hears that a settlement of the Korean conflict is imminent.

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GREENVILLE (S.C.) NEWS

Circ.: m. 65,690
S. 70,514

Page: 38

Date: MAR 21 1952

Trade Winds

By
LOU SCHNEIDER

WORLD TRADE NEWS

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Increased world newsprint production is easing the supply pinch, but not fast enough to keep up with increased consumption. Finland is making a special trade-price concession to England, but Canada appears ready to increase prices to United States buyers. The world undercounter price is now considerably below the \$300 a ton quoted last year, but the market continues active because of the high demand. Your reporter knows that foreign buyers obtain more attractive prices when changes are made in purchasing agents.

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The trade winds say Washington is satisfied it can allow a rearmament delay on three premises: No immediate war with Russia; no immediate international incidents of major proportions; and, no nearterm prospect of Korean full-scale fighting. Because of the rearmament stretch-out, the defense spending peak originally planned for 1952 will not be reached until mid-1953.

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Soviet buying accounts for the price strength in industrial diamonds. Purchases are being made from Central and South American speculators who had acquired large hoards at low prices. The buying is done through satellite middlemen, and payment is in American dollars.

WINSTON-SALEM (N.C.)
JOURNAL

Circ.: m. 50,658
S. 60,183

Page: 29

Date: MAR 21 1952

Trade Winds

West Sees Red Trade Meeting As Anti-American Propaganda

By Lou Schneider

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JACKSONVILLE (Fla.)

TIMES UNION

Circ.: m. 126,129

S. 133,625

Page:

59

Date:

MAR 21 1952

Trade Winds

By LOU SCHNEIDER
Consolidated News Features

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MORGANTOWN (W.Va.)
POST

Circ.: e. 8,983

Page: 10

Date:

MAR 22 1952

Trade Winds

MOSCOW CALLS TRADE MEETING FOR APRIL 3-10

Western Nations Not Fooled
By Kremlin's Propaganda
Maneuver

By LOU SCHNEIDER

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Press Intelligence, Inc.

WASHINGTON 1. D. C.

ST. LOUIS POST
DISPATCH

Circ.: e. 281,172
S. 432,297

Page:

A-7

Date: FEB 22 1952

**HEAD OF WORLD BANK FAVORS
HEAVIER INVESTMENT IN INDIA**

BOMBAY, India, Feb. 22 (AP)
—World Bank President Eugene
Black said today he will recom-

mend the bank make a "substan-
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Black, in India examining proj-
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plan to step up food and indus-
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"very favorably impressed" by
their progress.

He announced the World Bank
soon will send technical experts

to examine specific projects and
recommend amounts for the bank
to lend. The bank already has
lent India \$60,000,000.

Press Intelligence, Inc.

WASHINGTON 1. D. C.

TACOMA NEWS TRIBUNE

Circ.: e. 79,776
S. 66,860

Page:

Date: FEB 22 1952

Backs Indian Investment

BOMBAY, India. — AP — World Bank President Eugene Black said today he will recommend the bank make a "substantial investment" in India.

Black, in India examining projects in the government's five-year plan to step up food and industrial production, said he was "very favorably impressed" by their progress.

He announced the World Bank soon will send technical experts to examine specific projects and recommend amounts for the bank to lend.

Black declined to answer a journalist's question whether American capitalists hesitated to invest in India because of Premier Jawaharlal Nehru's neutrality in the cold war.

He remarked that "I don't represent American capitalists," but added the thought it would be a good idea for American business men to visit India to see investment conditions for themselves.

The bank already has lent India \$60 million. The five-year plan, intended to make India independent of its present annual imports of three million tons of grain, will cost still more.

Press Intelligence, Inc.
WASHINGTON 1. D. C.

ATLANTIC CITY UNION
Circ.: e. 10,038

Page: **FRONT**

Date: **FEB 22 1952**

**World Bank Leader
Urges India Loans** ✓

BOMBAY, India (UP)—Eugene Black, president of the World Bank, said today he is prepared to recommend that the bank make a "further substantial investment" in India.

The bank already has made loans totalling \$60,000,000 to India, he said. Black said the bank would give him priority in its loans to help stimulate food production.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**OAKLAND (Calif.)
TRIBUNE**

**Circ.: e. 160,824
S. 172,057**

Page:

Date: **FRONT**
FEB 22 1952

India Loan Favored

7

BOMBAY, India, Feb. 22.—(AP)—World Bank President Eugene Black said today he will recommend the bank make a "substantial investment" in India.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

OKLAHOMA CITY TIMES

Circ.: e. 114,870

Page: 25

Date:

FEB 22 1952

World Bank Head Urges Big Investment in India

BOMBAY, India, Feb. 22—(AP)—World bank President Eugene Black said Friday he will recommend the bank make a "substantial investment" in India.

Black, in India examining projects in the government's five-year plan to step up food and industrial production, said he was "very favorably impressed" by their progress.

He announced the World bank soon will send technical experts to examine specific projects and recommend amounts for the bank to lend.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

LOS ANGELES MIRROR

Circ.: e. 184,472

Page:

Date: FEB 22 1952

India May Get Loan

BOMBAY, India, Feb. 22 (AP) The World Bank's president, Eugene Black, said today he will recommend the bank make a "substantial investment" in India.

Press Intelligence, Inc.
WASHINGTON 1. D. C.

SACRAMENTO (Calif.) BEE

Circ.: e. 117,768

Page:

✓
FEB 22 1952

Date:

**World Bank Head Favors
Investment In India**

BOMBAY, India, Feb. 22.—AP President Eugene Black of the World Bank said today he will recommend the bank make a substantial investment in India.

After examining projects in the government's five year plan to step up food and industrial production, said he was favorably impressed by their progress.

He announced the bank soon will send technical experts to examine specific projects and recommend amounts for the bank to lend.

Press Intelligence, Inc.

WASHINGTON, D. C.

**CORPUS CHRISTI (Tex.)
TIMES**

Circ.: e. 32,453

Page: *S-B*

Date: FEB 22 1952

World Bank Loan to India To Be Asked

BOMBAY, India, Feb. 22. (AP)—World Bank President Eugene Black said today he will recommend the bank make a "substantial investment" in India.

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The bank already has lent India 60 million. The five-year plan, intended to make India independent of its present annual imports of three million tons of grain, will cost still more.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

EASTON (Pa.) EXPRESS
Circ.: e. 42,897

Page: 23

Date: FEB 22 1952

Head Of World Bank Urges Loan To India

BOMBAY, India (UP)—Eugene Black, president of the World Bank, said today he is prepared to recommend that the bank make a "further substantial investment" in India.

The bank already has made loans totalling \$60,000,000 to India, he said. Black said the bank would give him priority in its loans to help stimulate food production.

He added, at a press conference, that the bank also was considering granting a loan to India's Industrial Finance Corporation so it could lend money to small scale industries which need foreign exchange to purchase equipment.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

MILWAUKEE JOURNAL

Circ.: e. 324,268

S. 435,939

Page: 8

Date: FEB 22 1952

**Bank Chief Favors
Investing in India**

Bombay, India—(AP)—World Bank President Eugene Black said Friday he would recommend that the bank make a "substantial investment" in India. Black, in India examining projects in the government's five year plan to step up food and industrial production, said he was "very favorably impressed" by their progress.

NEW YORK WORLD
TELEGRAM-SUN

Circ.: e. 596,936

Page:

2

Date:

FEB 22 1952

The World Over

Edited by C. E. (Gene) Fisher.

(From Dispatches of United Press and Associated Press)

East German Atrocities, Misery Told by Fugitive From Red Terror

FRIDAY, FEB. 22, 1952.

A grim tale of atrocities and misery has come from one of the scores of persons who are monthly fleeing Stalin's puppet East Germany. An industrialist who made his way with his wife to Italy declared the Russians had taken everything he had "and soon they'd have had my skin,



Josef Stalin

if I had not fled. Anyone who doesn't work for them is against them." Asking that his name be withheld because of relatives in East Germany, he added: "You can't even sleep. The Russian political police (NKVD) arrest people during the night and take them to concentration camps. Recently over 25,000 have been shot in the Bautzen camp in Saxony. The Soviets hold collective trials and are known to have sentenced thousands in one day. A woman who resists a Russian is a traitor. Many have been found raped and shot at the entrances of their homes. Parents of the girls are compelled to sign statements declaring they died natural deaths. . . . Otherwise they'll be traitors, too." Prices are very high and wages shockingly low, he said. "A worker gets 50 marks for a 48-hour week. A kilo of butter (2.2 pounds) costs 25 marks at a state store and monthly ration per head is 5.5 ounces. A pack of cigarettes costs 10 marks, a handkerchief 5 to 7, a shirt about 70 and a pair of stockings 125." Elsewhere:

Europe, Africa and Asia.

Libya deported Beshir Bey Sadawi, the new nation's strongest foe of Western military bases, on charges that he incited election trouble. His anti-Western Congress party, resoundingly defeated in Tuesday's election, was blamed for yesterday's rioting which cost one life and injury to 12 as police fought off a bomb-throwing mob marching on the government building in Tripoli.

Israel and U.S. began negotiating a formal agreement for \$65,000,000 aid already arriving under Mutual Security Act provisional arrangements. U.S. Ambassador Davis said the specific projects planned "fit the most urgent needs" of Israel, including food production.

U.S. aircraft carrier Tripoli docked at Brindisi with 17 propellor-type training planes for Italy and 16 jet fighter-bombers for Greece and Turkey.

Tunisian nationalists stepped up their campaign of violence with sniper attacks, killing one French legionnaire at El Kef. Resident Gen. de Hauteclocque was reported on the way from Paris with "new instructions."

The Moscow church—Russian Orthodox—moved to extend its direct influence to Russians who live beyond the Iron Curtain. Archbishop Boris, senior prelate for East Germany, applied to the French High Commission for a visa to Paris to set up headquarters as Russian Orthodox bishop for all Western Europe.

In Bombay, World Bank President Eugene Black declared he will recommend "a substantial investment" in India. He announced his institution soon will send technical experts to examine specific projects.

At Greece's trial of a Communist spy ring of 29, the judge read radio messages of the Reds to their bosses behind the Iron Curtain. One told of fortifications under construction at Khalkidiki Peninsula, said Estibey Pass on the Greek-Bulgarian border was unguarded and warned: "Beware, this may be a trap."

France, short on trained officers, will call on captains and lieutenants to serve up to the age of 52.

Argus International de la Presse S.A.

GENÈVE - Téléphone (022) 440 05

ZÜRICH - Telefon (051) 27 99 12 / 27 18 77

Extrait du Journal: L'Information
Paris

23. Feb. 1957

**La Banque Mondiale
consentirait un prêt à l'Inde**

205
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BOMBAY, 22 février. — M. Eugène Black, président de la Banque Mondiale, a déclaré aujourd'hui à Bombay qu'il recommandera que la Banque accorde un prêt « substantiel » à l'Inde pour aider ce pays à développer ses ressources économiques.

Le plan quinquennal de l'Inde qui porte sur un budget de 1.345 millions de livres envisage une aide étrangère de 225 millions de livres pour revenir au niveau d'avant guerre en ce qui concerne le ravitaillement, l'habillement et les fournitures essentielles.

La Banque Mondiale a déjà prêté à l'Inde 60 millions de dollars pour la reconstruction du réseau ferroviaire, l'agriculture et l'énergie électrique.

L'irrigation et le développement de l'industrie sidérurgique seront alimentés par le nouveau prêt de la Banque Mondiale.

● LONDRES. — M. Robert Garner, vice-président de la Banque Internationale, arrivé à Londres venant de Téhéran, doit avoir des discussions au Foreign Office sur le problème du pétrole iranien.

Il a déclaré que l'accord s'était fait à Téhéran sur plusieurs points, mais qu'une impasse avait été atteinte sur plusieurs autres. « La durée de mon séjour à Londres dépend entièrement du Foreign Office — a-t-il affirmé. Je resterais au moins trois jours. Il se peut que je retourne ensuite à Washington pour de nouvelles discussions. »

WORLD BANK PRESIDENT IN INDIA

THE President of the International Bank of Reconstruction and Development, Mr. Eugene R. Black, paid a visit to Bombay this week and will soon leave India for Ceylon. Although his agenda has not been made available to the Press, the purpose of his two weeks' stay in India is said to be to acquaint himself with the broad aspects of India's development programme in the light of the Five-Year Plan. While in Delhi last week he held discussions with the Prime Minister, the Finance Minister and members of the Cabinet as well as with the Planning Commission. He then left for Bhopal to see the reclamation of *kans*-infested land in the State, aided by a loan from the Bank. It is reported that he was particularly impressed with the progress of this project. Thereafter he visited Jamshedpur and had a look at Asia's largest pig iron producing units and the giant blast furnaces of the Tata Iron and Steel Co., Ltd. He next visited Asansol, whither he went to obtain a first-hand impression of the locomotive manufacturing works. On the 20th inst., he returned to Calcutta. From there he arrived in this city on the following day. During his two-day stay in the city, Mr. Black met the Chief Minister and other Ministers of Bombay and held discussions with officials of the Reserve Bank of India and leading bankers and industrialists. He is due to visit Ceylon, Thailand, Australia and New Zealand in order to acquaint himself personally with the problems in these countries.

An idea of Mr. Black's personal impressions of the places he visited and the consultations he had is provided by his Press interviews both at New Delhi and at Calcutta. His references to the Five-Year Plan were complimentary to its authors. He thought that the Plan was "sensibly balanced" and "well-thought-out," that it was within reasonable proportions and that it could be successfully implemented. Many others who had seen and studied it also held similar views. Continuing, Mr. Black observed that the loans given to India so far, amounting to \$58 million, had strengthened its economy, thereby increasing its credit in world markets. The object of the Bank's loans was to reinforce economies of the recipient countries and to improve their balance of payments position, thereby enhancing their ability to borrow more money. Loans granted to India so far, he said, had served the purpose.

Terms of Fresh Loans

Emphasising that the World Bank was much interested in India's development programme, Mr. Black stated that it always made special efforts to help underdeveloped member-countries. He declined to say whether India would obtain fresh loans, but his favourable references to the Five-Year Plan and the general economy

of the country indicate that the prospects of India getting a new loan are bright. However, asked about the terms of possible fresh loans, he said that the rates of interest would probably be higher than those carried by the loans already sanctioned. The actual rate of interest depended on the interest paid by the Bank on the money it borrowed. He pointed out that the level of interest rates in world markets had moved upward and that the Bank could not show favour to one country as compared with another in such a matter. The period of repayment was linked with the time taken by the project concerned to give returns; the longer the period of repayment, the higher the rate of interest. Loans for power projects would, according to him, carry higher rates of interest than those for agricultural development. He revealed that during his talks with India's representatives, he had examined specific projects and the priority of execution of such schemes. The Bank was required by its constitution to sanction loans for specific projects. The term "specific" could be liberally defined, however, to cover a series of development proposals for a particular area or zone, he added.

While at Calcutta he observed, in the course of a short Press talk, that the main difficulty with the development projects in India in which the Bank was interested was the non-availability of equipment since most countries were busily rearming. He felt, however, that the great industrial countries like the U.S. were interested in development projects in other parts of the world, almost as much as they were interested in armaments. Speaking on India's prospects for obtaining equipment needed for raising pig iron production, Mr. Black stated that such might take some time, perhaps six or seven years.

Nevertheless, he felt that efforts could be made to get a part of the equipment from Europe and the rest from the U.S. Incidentally, the President of the World Bank revealed that it was possible that India would start another fertiliser plant like that at Sindri with the help of the Bank.

FEB 23 1952

THE NEW YORK SUN
THE NEW YORK TIMES
THE AMERICAN BANKER
THE WALL STREET JOURNAL
THE NEW YORK HERALD TRIBUNE
THE NEW YORK WORLD-TELEGRAM
THE NEW YORK JOURNAL OF COMMERCE

THE TIMES HERALD
THE WASHINGTON POST
THE WASHINGTON STAR
THE WASHINGTON NEWS

THE PHILADELPHIA
INQUIRER
THE BALTIMORE SUN
THE CHICAGO JOURNAL
OF COMMERCE
THE COMMERCIAL AND
FINANCIAL CHRONICLE

Favors More India Loans

World Bank Head to Recommend a 'Substantial Investment'

BOMBAY, Feb. 22 (UP).—Eugene Black, president of the International Bank for Reconstruction and Development (World Bank), said today he will recommend the bank make a "substantial investment" in India. He is in India examining projects in the government's five-year plan to step up food and industrial production. He said he was "very favorably impressed" by their progress.

He announced the bank will send technical experts to examine specific projects and recommend amounts for the bank to lend. He added he thought it would be a good idea for American businessmen to visit India to see investment conditions. The bank already has lent India \$60,000,000.

Press Intelligence, Inc.

WASHINGTON, D. C.

SEATTLE TIMES

Circ.: e. ~~211,275~~
S. 237,198

Page:

9

Date: FEB 23 1952

**World Bank Chief
To Back India Loan**

BOMBAY, India, Feb. 23.—(P)
— Eugene Black, World Bank president, said yesterday he will recommend the bank make a "substantial investment" in India.

Black, in India examining projects in the government's five-year plan to step up food and industrial production, said he was "very favorably impressed" by their progress. He announced the World Bank soon will send technical experts to examine specific projects and recommend amounts for the bank to lend.

Black declined to say whether American capitalists hesitated to invest in India because of Premier Nehru's neutrality in the cold war.

FEB 23 1952

THE NEW YORK SUN
THE NEW YORK TIMES
THE AMERICAN BANKER
THE WALL STREET JOURNAL
THE NEW YORK HERALD TRIBUNE
THE NEW YORK WORLD-TELEGRAM
THE NEW YORK JOURNAL OF COMMERCE



THE TIMES HERALD
THE WASHINGTON POST
THE WASHINGTON STAR
THE WASHINGTON NEWS

THE PHILADELPHIA
INQUIRER
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OF COMMERCE
THE COMMERCIAL AND
FINANCIAL CHRONICLE

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World Bank Head to Recommend a 'Substantial Investment'

BOMBAY, Feb. 22 (UP).—Eugene Black, president of the International Bank for Reconstruction and Development (World Bank), said today he will recommend the bank make a "substantial investment" in India. He is in India examining projects in the government's five-year plan to step up food and industrial production. He said he was "very favorably impressed" by their progress.

He announced the bank will send technical experts to examine specific projects and recommend amounts for the bank to lend. He added he thought it would be a good idea for American businessmen to visit India to see investment conditions. The bank already has lent India \$60,000,000.

Thursday, February 28, 1952.

Fadden Silent On Mission

The Federal Treasurer, Sir Arthur Fadden, who arrived in Sydney last night by B.C.P.A., from Great Britain and the United States, refused to discuss any aspect of his mission abroad with reporters at Kingsford Smith airport.

He assembled a party of newspapermen around him in an annexe at the air terminal and then said: "I cannot discuss my mission overseas until I submit a report to the Cabinet."

He said, however, that he had to leave Australia to get a full appreciation of Australia's Budget.

"The first appreciation I got of the Budget was from the Prime Minister of Italy, Signor de Gasperi," Sir Arthur said.

"He described it as the first happy rays of sunshine in the world's economic troubles."

"BE THANKFUL"

"It is my firm conviction that Australians have less to grumble about, and more to be thankful for, than any people in the parts of the world I visited."

"Australia is feeling the effects of inflation less than any other place I visited."

"I paid 9/ for a shave in San Francisco yesterday—in an ordinary barber's saloon."

The loan officer of the International Bank, Mr. S. R. Cope, arrived in Sydney on the same aircraft with Sir Arthur Fadden.

He has come to Australia to join Mr. A. M. Kamarek, another official of the bank. Together they will spend four weeks examining aspects of the Australian economy.

Mr. Cope said that so far Australia had not applied for a dollar loan other than that obtained in 1950.

"THE SUN"

(Melbourne)

Thursday, February 28, 1952.

BANK LOAN MAN HERE FOR SURVEY

Every aspect of Australia's financial set-up would be examined by the International Bank, the bank's loan officer S. Raymond Cope said last night when he arrived in Sydney by air from the US.

Mr. Cope has come to Australia to join Mr. A. M. Karnarck, another official of the bank, will spend three to four weeks in Australia.

"Our mission is to learn about Australia," he said.

"We will make contact with industrial, commercial and rural leaders."

Mr. Cope also expects to confer shortly with Federal Treasurer, Sir Arthur Fadden.

"All loans made by the bank have had as their objective an increase in basic production — agricultural or industrial — or the development and improvement of services essential to production and distribution," Mr. Cope said.

Follows through

"The bank follows through on a loan. It disperses the proceeds only on documentary evidence that the funds will be used solely in accordance with the loan contract.

"The bank receives periodic reports from borrowers and members of its staff visit loan projects from time to time to see whether satisfactory progress is being made."

Mr. Cope delayed his visit to Australia so that he could go to London to discuss a loan for Southern Rhodesia.

That country has been offered a 28-million pound loan.

Mr. Cope left last night in a special Commonwealth Bank plane for London.

"THE FINANCIAL REVIEW"

(Wentley, Sydney)

Thursday, February 28, 1952.

**TREASURER
RETURNS**

THE Federal Treasurer, Sir Arthur Fadden, on his arrival in Sydney last night by B.C.P.A. airliner, refused to discuss his mission to Britain and America.

"I cannot discuss my mission overseas until I submit a report to Cabinet," he told reporters.

He said that he had to leave Australia to get a full appreciation of the Commonwealth budget.

It was generally recognised in financial circles abroad. Sir Arthur said, that Australia had taken a very desirable stand in the budget.

"As a result of my trip it is my firm conviction that Australians have less to grumble about and more to be thankful for than any other people in the parts of the world I visited," he added.

The loan officer of the International Bank, Mr. S. R. Cope, arrived in Sydney on the same aircraft.

He has come to Australia to join Mr. A. M. Kamarck to examine the Australian economy for the International Bank.

"THE DAILY TELEGRAPH"

(Sydney)

Thursday, February 28, 1952.

U.S. economic mission here

The presence of an economic mission in Australia did not mean the International Bank was dissatisfied with Australia's economy. Mr. S. R. Cope said last night.

Mr. Cope is chief of the loans department of the International Bank.

He arrived in Sydney last night in a British Commonwealth Pacific Airways plane.

Mr. Cope is leader of a two-man mission to report to the International Bank, U.S.A., on the use Australia made of a 100,000,000-dollars loan the Bank made two years ago.

Mr. Cope said his mission partner (Dr. Andrew M. Kamarck) will spend about six weeks investigating Australia's industrial, social, and agricultural economy.

WORLD BANK LOANS FOR INDIA

MR. BLACK ASSURES FURTHER ASSISTANCE

AFTER acquainting himself on the spot with the problems facing India, Mr. Eugene Black, President of the International Bank of Reconstruction and Development, left the shores of this country for Ceylon on Saturday last. In the course of what he described as his first major statement of policy issued in Bombay on the eve of his departure, Mr. Black declared that India continues to be a good risk for further loans from the World Bank. This statement undoubtedly enhances the creditworthiness of this country. A perusal of the statement indicates that he had several good reasons for recommending this country to the World Bank for a substantial loan. These may be briefly stated as follows :

(1) The Five-Year Plan provides a useful framework within which the economic progress of India can be carried forward. Some of the projects included in it are worthy of assistance from the Bank.

(2) The country's achievements in the sphere of both agricultural and industrial production are impressive.

(3) Efforts have not been spared to resettle refugees, remove illiteracy and improve health conditions in towns and villages.

(4) The Administration in the Centre and the States is determined to mobilise the resources as fully as possible in order to raise the living standard of the people.

(5) The country has able technicians, but, as it needs more, attempts are being made to get qualified technicians from abroad.

(6) The Bank has advanced \$60 million to India for land reclamation, the Bokhara Project and for manufacturing locomotives. The money advanced by the Bank for these projects has been well utilised and their progress so far is impressive.

On these grounds, as also on the favourable impressions gained as a result of consultations with both Government officials and industrialists, Mr. Black has been able to form a judgment on the way in which the World Bank can most usefully assist further the economic development of the country. He stated that the Government of India had given information on a number of projects for which further Bank assistance was requested. These projects included development of power, irrigation, industrial production, fertiliser, iron and steel. The Bank had made, he said, a preliminary survey of these projects and would send technical experts to examine them in more detail and advise the Bank on how they could be carried forward in the most practical way. "I am prepared to recommend," he remarked, "that the World Bank should go ahead and make further substantial investment in India. Naturally that investment will have to be within India's capacity to carry and repay external debt."

Availing himself of the opportunity of his visit to meet the representatives of the Indian Merchants' Chamber in Bombay, Mr. Black expressed the view that the World Bank could extend loans to any private industrial unit, provided the soundness of the concern was guaranteed by the Government of India. He said that he was greatly impressed with the progress of the Indian steel industry and, therefore, would support any scheme to increase the production of pig iron. Speaking about the guarantees for the funds advanced by the Bank, he said that the projects themselves were guarantees and the amount of capital advanced depended upon the type of projects. Nevertheless, applications from individual industries for assistance from the Bank must be accompanied by a guarantee from the Government of the country concerned. This is essential, in accordance with the charter of the Bank. At no stage would the Bank interfere with the administration or the working of the schemes, said Mr. Black. The Chamber's deputation appealed to the President of the Bank to give special importance to power projects so that industrial cities such as Bombay would have sufficient power supply.

In this connection, it is interesting to note that Mr. Black stated, in the course of a Press Conference in Bombay, that the World Bank would shortly send an expert to study the Koyna Valley and the Kakrapara Projects in Bombay State. The expert would go through the plans and inspect the sites of the projects and would be available for consultations with local officials. Mr. Black revealed that he had discussions with the Bombay Ministers on problems relating to augmentation of power supply and irrigation. The Bombay Government was anxious to increase its power supply and provide adequate irrigation facilities to cultivators. He

acquainted himself with the steps taken by the Government so far and proposed to be taken to meet these problems.

The President of the World Bank also disclosed that the Bank was favourably considering a proposal for extending loans to the Industrial Finance Corporation of India which could finance the development of industries which does not require large sums. Asked about the prospects of private American capital investments in India, he said he could not speak on behalf of U.S. investors, but thought that American capital always went wherever it could make money. Although the yields on investments in the U.S. and South America were high, that factor should not, he said, necessarily rule out investment interest in other countries.

From La Cote Libre (Brussels)
March 6, 1952

International Bank Intervention For the Realization
of India's 5-Year Plan

Mr. Eugene Black, President of the International Bank, announced at a press conference in Bombay today that he intended to recommend to the Board of Directors of the Bank the grant of considerable assistance to India to permit it to carry out certain projects of the 5-year Plan. Mr. Black stated that he had had conversations with various Indian governmental and private persons and that he thought the plan was well-conceived and practicable.

Mr. Black said he had been favorably impressed by what has been accomplished toward increasing agricultural and industrial production and by the steps taken to improve public health conditions. He had been struck by the manner in which India was going about solving the refugee problem. The people themselves were showing sincere determination to make every effort to raise the standard of living. Speaking of the 5-year Plan Mr. Black said that in view of the size of the project and despite the capability of Indian technicians, he appreciated why the Government had decided to call in foreign experts.

Mr. Black expressed satisfaction concerning the progress made on the electricity generating project of Bokharo and the clearing of the land at Bhopal, for which the International Bank had advanced the funds. He said the railroad operation is very well managed and that their development was also the subject of a \$60,000,000 loan and added that the Indian Government had given the necessary information concerning projects which would require further assistance from the Bank. These include development of power production, irrigation, production of chemical fertilizers, iron and steel, and are already under preliminary study by the Bank. Later technical experts will tell the Bank the most practical way to carry them out.

In conclusion Mr. Black stated that he would recommend that the Bank make important investments in India and would advise it to give active support to India's 5-year Plan.

Translated by G.Aube
French
March 20, 1952

No.

Balasey John 2-28
Argus International de la Presse S.A.

32, Rue du 31 Décembre - GENÈVE

Extrait du Journal: **La Cote Libre**

Adresse: **Bruxelles**

Date: **- 6. März 1952**

**L'intervention de la Banque Internationale
en vue de l'exécution
du Plan Quinquennal de l'Inde**

M. Eugène Black, président de la Banque Internationale, a annoncé, au cours d'une conférence de presse à Bombay, qu'il avait l'intention de recommander au Conseil d'Administration de la Banque, l'octroi d'une importante assistance à l'Inde en vue de lui permettre l'exécution de certains projets du plan quinquennal. Au sujet du plan, M. Black a déclaré qu'il avait eu des conversations avec diverses personnalités gouvernementales et privées indiennes et qu'il estimait que ce plan était bien conçu et pratiquement exécutable.

M. Black a dit qu'il avait été favorablement impressionné par ce qui avait déjà été accompli pour accroître la production agricole et industrielle ainsi que par les mesures prises pour améliorer les conditions d'hygiène. Il avait été frappé par la manière dont l'Inde était en train de résoudre le problème des réfugiés. Le peuple lui-même montrait une sincère détermination à unir tous ses efforts pour relever le standard de vie. M. Black, parlant du plan quinquennal, a déclaré que vu l'importance du projet et malgré les capacités des techniciens indiens, il appréciait que le Gouvernement ait décidé de faire appel à l'aide d'experts étrangers.

M. Black a exprimé sa satisfaction pour les progrès réalisés dans les projets de production électrique de Bokharo et de défrichement au Bhopal — projets pour lesquels la Banque Internationale a avancé des fonds. Parlant de l'excellent fonctionnement des chemins de fer, il a déclaré que l'exploitation en est très bien dirigée et que leur développement faisait aussi l'objet d'un prêt de 60 millions de dollars, il a ajouté que le Gouvernement de l'Inde avait donné les indications nécessaires concernant des projets qui demanderaient une assistance complémentaire de la Banque. Ces projets comprennent le développement de la production d'énergie, l'irrigation, la production d'engrais chimiques, de fer et d'acier et sont déjà l'objet d'études préliminaires par la Banque. Par la suite, des experts techniques, après une étude détaillée, indiqueront à la Banque la façon la plus pratique de les exécuter.

En conclusion, M. Black a annoncé qu'il recommanderait à la Banque de faire d'importants investissements en Inde et en résumé, lui conseillerait de soutenir activement le plan quinquennal de l'Inde.

core été présentée à la Conférence sur les dettes allemandes, en vue d'une réduction des dettes extérieures d'avant-guerre de l'Allemagne. Selon une opinion généralement répandue, il ne devrait pas y avoir de proposition de ce genre. En ce qui concerne les opinions exprimées au Sénat américain, on souligne que les gouvernements britannique et français se sont joints au gouvernement des Etats-Unis pour offrir une réduction des dettes d'après-guerre, à condition que soit apporté un règlement satisfaisant à la question des dettes d'avant-guerre. Selon une opinion exprimée des deux côtés de la conférence, quelque arrangement spécial pourrait être nécessaire pour les transferts de dollars. La pénurie de dollars, dit-on, n'est pas un problème de l'Allemagne et de ses créanciers européens, mais plutôt un problème mondial ou un problème américain, qui déborde largement du cadre de cette conférence.

Allemagne Occidentale

AUGMENTATION DU PRIX DU CHARBON

Dans les milieux gouvernementaux, on affirme que les prix du charbon seront unifiés en date du 1er avril.

Le prix de base du charbon serait augmenté de 7 marks par tonne et les prix de l'énergie électrique seraient alignés sur ce prix. On procéderait simultanément à la suppression du marché à double secteur pour le charbon afin qu'à partir du 1er avril il n'y ait plus qu'un prix unique minimum d'environ 51 marks par tonne. On ne sait pas encore si ces modifications devront être approuvées par le Bundesrat.

L'augmentation des prix ne serait pas appliquée au seul charbon à usage domestique et au courant électrique à usage domestique. Cela signifie que le nouveau prix sera appliqué à des secteurs économiques qui bénéficiaient jusqu'à présent d'un traitement préférentiel tel que les Chemins de fer fédéraux, la navigation fluviale, les pêcheries, les moulins, etc.

From La Cote Libre (Brussels)
March 6, 1952

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Translated by G.Aube
French
March 20, 1952

Friday, March 7th, 1952.

ANOTHER BIG U.S. N POSSIBLE

World bank head coming

Herald Special Representative

CANBERRA, Fri.—Federal Ministers believe that the Government will find it possible soon to negotiate a 150-million-dollar (£A69½ million) loan from the International Bank.

Talks have been proceeding for some time and negotiations are expected to be completed soon after the visit to Australia of the Director of the Bank, Mr Eugene Black.

It is believed that if such a loan is granted it will be spread over three years with 50 million dollars becoming available in each year.

A Bank Mission of Investigation is here now.

The Commonwealth obtained a loan of 100 million dollars from the bank in June 1950.

At that time it was made known that, subject to investigation of Australian developmental prospects, the Bank would favorably consider increasing the amount of the loan to a total of 200 million dollars or 250 million dollars by later supplementary advances.

It is believed that a major condition of such advances will be that much of the money must be used for the development of rural industries and the expansion of food production and agricultural raw materials for export.

Hard currency

More hard currency loan funds are vital for development.

Reports on the Finance Ministers' conference in London show that revenue from dollar trade is falling and will probably continue to do so.

Australia will call on the sterling dollar pool for more than 90 million dollars to balance this year's accounts with North

From Agence économique et financière
March 12, 1952

Mr. Holmes

Will IBRD Finance International Communities?

Mr. Eugene Black, President of the IBRD writes in the "Times" that the Bank learned, particularly in its first years of existence "the importance of putting the balanced development of an entire country above the success of an individual project.

"Thus perhaps it will find in the future the way to encourage cooperation between groups of countries in order to ensure the prosperity of entire regions."

Translated by G. Aube
French
March 21, 1952

No _____

Jul # 728
Argus International de la Presse S.A.
GENÈVE — ZURICH

Extrait du Journal : Agence économique

Adresse : et Financière — Paris

Date : **12. März 1952**

**LA B.I.R. FINANCERA-T-ELLE
DES COMMUNAUTÉS INTERNATIONALES ?**

M. Eugen Black, président de la Banque Internationale pour la Reconstruction, écrit dans le « Times » que la B.I.R. a appris, en particulier, pendant ses premières années d'existence « l'intérêt qu'il y a à faire passer les progrès équilibrés d'un pays tout entier avant le succès d'un projet individuel. »

« Aussi peut-être trouvera-t-elle, dans l'avenir, le moyen d'encourager la coopération entre des groupes de pays pour assurer la prospérité de régions entières. »

From Agence économique et financière
March 12, 1952

Mr. Holmes

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Translated by G. Aube
French
March 21, 1952

Press Intelligence, Inc.
WASHINGTON 1, D. C.

MINNEAPOLIS TRIBUNE

Circ.: m. 185,468
S. 611,183

Page: 25

Date: MAR 13 1952

**Siam to Seek
60-Million Loan**

BANGKOK, SIAM — (Reuters) — Siam will seek loans totaling a billion ticals (60 million dollars) from the international bank, Maj. Gen. Prayoon Pramont Mentril, deputy finance minister, announced Wednesday.

He said the money would be used for hydro-electric projects, cold storage plants, and weaving and sock-making factories.

Argus International de la Presse S.A.

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**Extrait du Journal: L'Information
Paris**

14. März 1952

**La politique de prêts
de la B.I.R.D.**

Un article de M. E. Black

LONDRES, 13 mars. — Dans un article publié par le « Times » M. Eugen Black, président de la Banque Internationale pour la Reconstruction et le Développement a évoqué la possibilité pour cet organisme de procéder à des prêts en des monnaies autres que le dollar.

« Jusqu'ici, écrit M. Black, les prêts accordés par la Banque l'ont été en dollars. Cependant, déjà, certains signes montrent que l'Europe occidentale peut fournir certains biens d'équipement aux pays membres de la Banque avec des délais de livraisons plus courts que ceux offerts aux Etats-Unis. Cela signifie que la Banque pourrait se servir avantageusement des francs, des sterling et autres devises qu'elle détient pour faire des prêts. »

A new loan?

Mr. Eugene Black, president of the International Bank (below, left), was a luncheon guest yesterday of Mr. Holt, Labor and National Service Minister.



By the Financial Editor

Mr. Black is here with an entourage of experts to acquaint himself with the basic facts of the Australian economy and to satisfy himself that this country can make good use of any further dollars which the Bank may lend to us.

Australia received in 1950 a loan of \$100 million from the International Bank, and there was a tentative understanding at the time that the Bank would consider further loans to Australia to bring its total investment here to \$250 million over a five-year period.

Already in his few days in Australia, Mr. Black has seen enough to show him how valuable outside aid would be to assist in developing our farmlands

and extend our factory production.

"Australia is like Brazil," he said. "It is at once both developed and undeveloped."

"You have great modern cities, but between these points of population there are vast areas which are urgently in need of development."

He was impressed with Australia's great potential for producing iron and steel—the world's cheapest—and food and wool.

No.....

Argus International de la Presse S.A.

GENÈVE — ZURICH

Extrait du Journal :

Adresse : Machinery Lloyd, London

Date :

15 Mars 1952

PAKISTAN

Power Schemes in N.-W.F.P. 2050

Hydro-electric power schemes and stations in the North-West Frontier Province were recently inspected by Mr. Eugene Black, President of the International Bank for Reconstruction and Development. First call was at the Malakand Pass, where 14 years ago the Jabban plant, the first hydro-electric power station in Pakistan, was opened with a capacity of 9,600 kW. The station still remains the country's only water power plant, though output was more than doubled by the installation last year of two additional 5,000 kW sets. This additional power has been utilised for four districts in the Province and for supplying the factory area of Wah in the Punjab.

Mr. Black also saw the Dargai scheme, estimated to cost Rs. 20,000,000, in which the tail water from the Jabban station is to be diverted into a four-mile channel from which the water will drop 250ft. to generate 20,000 kW at Dargai. Work on this project is now fast nearing completion. Generators and other machinery has arrived on site, and Mr. Black was informed that the station should be in operation by the end of the year.

Finally, Mr. Black was shown the site of a proposed multi-purpose dam at Warsak, where 180,000 kW of electric power are to be generated in addition to plans for the irrigation of 65,000 acres of land. Preliminary work has been completed, and a scheme costing Rs.180,000,000 is awaiting funds for construction to start.

(WIN)

No.

Argus International de la Presse S.A.

GENÈVE — ZURICH

Extrait du Journal : **Machinery Lloyd, London**

Adresse :

Date :

15 Mars 1952

Another World Bank Loan Likely 2050

The President of the World Bank, **Mr. Eugene Black**, said in Bombay recently that he would recommend the Bank to give a substantial loan to India to help develop the country's economic resources through the £1,345,000,000 Five-Year Plan. The extent of the World Bank loan would have to be within the country's capacity to carry and to repay the external debt.

The Bank has already lent India £28,421,000 for railway, power and agricultural development (see our issue No. 21/49).

Earlier, **Mr. Black** had said it was possible that another fertiliser plant like that at Sindri (see above) would be started with the aid of the Bank. The possibilities of increasing the country's production of pig iron were also being explored. The main difficulty with the development projects in the country in which the Bank was interested was the shortage of capital equipment.

Prospects of further assistance to the country were opened up when the United States Ambassador in India, **Mr. Chester Bowles**, announced that he had asked his Government to grant aid amounting to \$250,000,000 for the twelve months beginning in July. Half of this sum would be in food grains and cotton, representing approximately a year's purchases from the United States. Part of the remainder would be in the form of aid for tube-well sinking, fertiliser, technical aid for rural development. Another part would be in money to help in carrying out irrigation schemes.

(FT/IN/T/O)

PERSIAN OIL WILL NOT FLOW YET Negotiations With World Bank Fail

(N.Z.P.A.-Reuter—Copyright.)

TEHERAN, March 16 (Rec. 11am).—The Persian Premier, Dr. Mussadiq, announced today the failure of the oil negotiations between the Government of Persia and the World Bank delegation.

Dr. Mussadiq signed a decree reporting inability to reach an agreement with the delegation. It said Persia and the delegation had agreed on some minor points, but had failed to agree on major issues.

The decree left the way open for a possible, but unlikely, renewal of negotiations by saying that if the report to the World Bank by the chief of the delegation, Mr. Hector Prudhomme, raised any hope for final agreement, the delegation could return to Teheran.

Kazem Hassibi, the chief Persian representative, said the negotiations broke down over the bank's insistence that British technicians be re-employed in the oilfields. He said the bank representatives had insisted that only British technicians could fill the gaps in the oilfield production staff.

Hassibi said Persia never would agree to the return of the British to the oilfields. "If the bank actually wants us to stand on our own feet and resume the export of oil, it should engage American experts for the Persian oilfields," said Hassibi. He estimated that Persia required about 700 foreign experts in her oilfields.

PERSIAN SUSPICIONS.

Hassibi said: "When the bank keeps on harping on the re-engagement of British technicians it makes Persians suspicious of a tie-up between the bank and the Anglo-Iranian Oil Company."

He added that Persia had proposed that the bank should limit oil exports to 10,000,000 tons yearly, thus eliminating the necessity for employing foreign experts; but the bank delegation vetoed this suggestion.

Mr. Prudhomme said the theory of employing American oil experts in Persia was impracticable. The bank delegation had been unable to come to an agreement because of the high price Persia was asking for oil and because Persia was not prepared to give the bank freedom to manage the whole oil operation. The delegation was ready to return to Persia some time later for further consultations, but it would be useless unless the Persian Government modified its terms.

The British Charge d'Affaires (Mr. George Middleton) conferred with the Persian Foreign Minister (Bagher Kazemi). He is said to have informed him and the Shah that the only chance for a settlement of the dispute was through the World Bank, and that if those negotiations failed Britain would no longer welcome resumption of the talks.

'CANNOT SAVE PATIENT.'

Persian Press attacks mounted against the Premier. Criticism of his oil policy is becoming all but universal.

Senator Imrahim Khajenouri criticised Dr. Mussadiq for his failure to solve the oil problem and said: "This doctor, after nine months, is yet unable to save his patient and it is high time we helped him out of the deadlock."

Khajenouri called on the Senate to hold a special closed session to appraise the Government's position and make a decision.

The Senate, which has recently been highly critical of Government policy, decided not to hold the session. When the Majlis (Lower House) is not in session the Senate has power to force the Premier out of office.

World Bank Officials Here On Tour

Mr. Eugene R. Black, president of the International Bank for Reconstruction and Development, Washington, and Mrs. Black arrived at Wellington in the Awatere from Sydney today. They will spend nine days in New Zealand and are due to return to the United States by air from Whenuapai on March 25.

Mr. Black was accompanied by the bank's Director of Public Relations (Mr. Harold Graves), the chief of the bank's Africa, Middle and Far East Loan Department (Mr. Joseph Rucinski), Mr. Leonard Rist, an economic director of the bank, and Mr. Black's private secretary (Miss Marie Linahan).

They were met on arrival by Mr. Roy I. Kimmel, an economic adviser representing the American Ambassador; the Governor of the Reserve Bank of New Zealand (Mr. E. C. Fussell); and Messrs. G. H. Weir and D. A. Beresford, reception officers of the Department of Internal Affairs.

Mr. Black and his party are completing an eight weeks' tour of countries in the Middle East and Asia which are members of the bank. They have been to Bahrein Island in the Middle East, Pakistan, India, Ceylon, Singapore, Siam, and Australia.

Because of ill-health Mr. Black has had to cancel a number of public engagements, but he was the guest of honour at a State luncheon at the Hotel Waterloo today. Tomorrow he will motor to the country residence of the American Ambassador (Mr. Robert M. Scotten) for lunch, and in the evening he and his party will be entertained by Mr. Fussell at a dinner at the Wellington Club.

On Wednesday the party will leave for Rotorua by air, accompanied by Mr. and Mrs. Fussell, the Director of the New Zealand Forest Service (Mr. A. R. Entrican), and Mr. Weir. On arrival they will go to Huka Lodge.

Sunday will be occupied by sight-seeing in and around Rotorua, and in the evening they will be guests at a Maori reception. The following day they will motor to Auckland, from where they will leave for the United States on March 25.

Aged 54, Mr. Black has had a long banking experience. He was educated at the University of Georgia and entered the Atlanta office of Harris, Forbes and Company (New York investment bankers) in 1919. In 1932 he was appointed manager of the Atlanta office of the Chase-Harris Forbes Corporation and rose steadily in the banking world till, in 1949, he became senior vice-president of the Chase National Bank of the City of New York. He was appointed to his present position three years ago.

Mr. Rist, who is 47, was with the French element of Lazard Freres before the war. Later he was a prisoner of war for a period and subsequently joined the International Bank for Reconstruction and Development.

Mr. Rucinski was a financial expert in the Polish Government, but fled the country when the Communists began to get control. He went to the United States about 1946 to join the International Telegraph and Telephone Company, and subsequently became a naturalised American citizen. He is 47.

A newspaper man who served with the American Navy in South-east Asia during the war, 37-year-old Mr. Graves was Washington correspondent for a New England newspaper till appointed to his present position in 1950.

Official Tells Of Bank's Work

An insight into the working of the International Bank for Reconstruction and Development was given by its Director of Public Relations (Mr. Harold Graves), on his arrival at Wellington by Solent from Sydney today.

Though the International Monetary Fund was separate from the bank, he said, entrance to the bank was gained only by joining the fund. The fund decided what quota, or subscription, a country had to pay to join in. In the case of the fund 25 per cent. of the quota had to be paid in gold.

To join the bank 2 per cent. of the agreed quota had to be paid in gold and 18 per cent. in the currency of the member country. Member countries were stock owners of the bank, which could make loans to Governments, Government agencies, or trading departments and to private individuals. In all cases Governments had to ratify the loans before the money was made available.

The bank's charter was written at Bretton Woods in 1944 and it was set up and began operations in 1946-47.

So far, said Mr. Graves, the bank had lent one billion two hundred and ninety million dollars in 25 different countries. Most of this money was in dollars, but loans were also made in other currencies—Swiss francs, Norwegian kroner, Italian lire, British sterling Canadian dollars.

Before the Marshall Plan came into operation the bank lent half a billion dollars in Europe for reconstruction. This was spent mostly on materials and equipment for reconstructing industry and for beginning new industries. It went, too, on developing agricultural industries and providing tractors and fertilisers.

POWER AND TRANSPORT.

The first loans for development were made in the spring of 1948. Most were for new development, principally the provision of electric power, transportation, and the construction of roads, port facilities, and highways. Much was spent on agriculture. Only a little was spent on industry except for that phase of the bank's operations in Europe immediately after the war.

The bank had also helped establish new banks in Ethiopia and Turkey which would make medium and long-term loans at medium rates of interest for the development of industry. A similar organisation had been set up in Mexico among eight banks which were already in existence.

Total civilian employment in the United States is now 3,000,000 higher than four years ago.

*Evening Post
Wellington, June 17*

New Source For Murupara Cash?

WILL some of the money for the development of the huge Murupara timber milling, pulp and paper-making scheme come from the International Bank of Reconstruction and Development?

IF it does New Zealand will have to reverse its previous policy of standing aloof from the International Monetary Fund. Only members of the fund can borrow from the International Bank.

Speculation is given strength by the failure of the recent negotiations between powerful British financial interests headed by the Bowater Corporation and the Tasman Pulp and Paper Company Limited and by the arrival at Wellington today of Mr. Eugene R. Black, president of the International Bank for Reconstruction and Development.

"I don't know. You'd have to ask Mr. Holland about that," replied Mr. Black when asked if there was a likelihood of New Zealand joining the International Monetary Fund and, through it, his bank. "We would welcome New Zealand to membership of the bank," he added.

Mr. Black said he had first met Mr. Holland in Washington a little over a year ago. Then he had met the Prime Minister again while passing through London at the beginning of his present tour of South-east Asian countries.

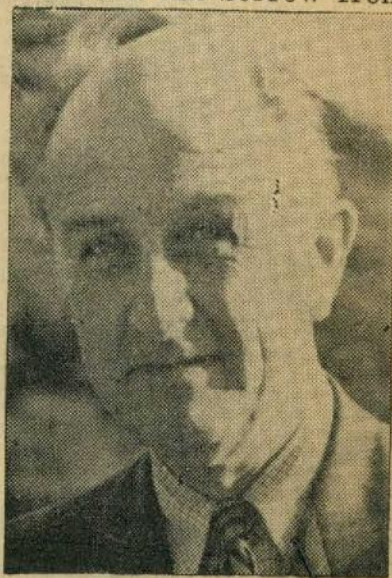
"Yes," he said smilingly in reply to another question, "we had some discussions. They were mostly about where I could go to fish."

Mr. Black indicated that he had come to New Zealand for a rest, but said he had told Mr. Holland he would be happy "to do a little work" while in New Zealand.

"Mr. Holland said he would like to show me a few things," said Mr. Black, "and I suppose Murupara's one of the things he wants to show me. It is just the sort of project we would help finance, but we can't make loans to anyone unless they are members of the bank."

Mr. Black added that Mr. Holland had said he had hoped he and his party would have time to look at the area in which the project is to be established.

The party will have plenty of time to look. Their nine-day New Zealand itinerary gives them three full days at Huka Lodge after their arrival at Rotorua by air on Wednesday. And they will be "looking at a few things" in company with the Director of the New Zealand Forest Service (Mr. A. R. Entrican).



Mr. Eugene Black.

MAR 17 1952

THE NEW YORK SUN
THE NEW YORK TIMES / P. 9.
THE AMERICAN BANKER
THE WALL STREET JOURNAL
THE NEW YORK HERALD TRIBUNE
THE NEW YORK WORLD-TELEGRAM
THE NEW YORK JOURNAL OF COMMERCE

THE TIMES HERALD
THE WASHINGTON POST
THE WASHINGTON STAR
THE WASHINGTON NEWS

THE PHILADELPHIA
INQUIRER
THE BALTIMORE SUN
THE CHICAGO JOURNAL
OF COMMERCE
THE COMMERCIAL AND
FINANCIAL CHRONICLE

World Bank May Aid Australia
-SYDNEY, Australia, March 16
(Reuters)—Eugene R. Black, presi-
dent of the International Bank for
Reconstruction and Development,
said tonight the bank was con-
sidering backing Australian de-
velopment with more dollars.

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(WELLINGTON)

8

THE DOMINION, TUESDAY, MARCH 18, 1952

President Of International Bank To Meet Members Of N.Z. Government Today

Possibility Of N.Z.'s Joining Monetary Fund Expected To Be Discussed

The president of the International Bank for Reconstruction and Development, Mr. Eugene R. Black, will meet the Prime Minister, Mr. Holland, and Government representatives today.

Asked in Wellington last night if the possibility of New Zealand's joining the International Monetary Fund would be discussed, Mr. Black said: "I can't say. I'm president of the International Bank. It seems the natural thing to talk about—but I won't bring it up first."

Later he added: "We would be delighted to welcome New Zealand to membership of the bank."

Mr. Black is here at Mr. Holland's invitation, extended when the Prime Minister was in Washington. There were discussions then, Mr. Black said, but they were mostly about where he could go to fish.

Accompanying Mr. Black are Mrs. Black, Mr. J. Rucinski, chief of the bank's Africa, Middle and Far East loan department, Mr. L. Rist, the bank's economic director, Mr. H. Graves, public relations director, and Miss M. Linahan, private secretary.

The party will return to the United States by air from Whenuapai on March 25.

The visitors have just completed a tour of countries in the Middle East and Asia which are members of the bank.

Murupara Scheme.

Tomorrow Mr. Black will inspect the £30 million Murupara timber milling, pulp and paper-making scheme with the director of the New Zealand Forest Service, Mr. A. R. Entrican.

Of Murupara Mr. Black said: "It is just the sort of project we would help to finance." But, he stressed, only members of the monetary fund could borrow from the bank and New Zealand was not yet a member.

During their Washington talks, Mr. Black said, he had indicated to Mr. Holland that he wanted to come to New Zealand for a rest, but had told him that he would be happy to do a little work while in the country.

"Mr. Holland said he would like to show me a few things and I suppose Murupara is one of them," he said.

Mr. Black said he wanted to view the Murupara site to give him ample



MR. BLACK.

background knowledge in case the question of financial assistance for the scheme arose in the future.

Ill-health has forced Mr. Black to curtail his New Zealand itinerary. Yesterday he was accorded a State luncheon at the Hotel Waterloo and today he will motor to the country residence of the American Ambassador, Mr. R. M. Scotten. He and his party will later be entertained by the Governor of the Reserve Bank, Mr. E. C. Fussell, at a dinner at the Wellington Club.

The party will leave by air tomorrow for Rotorua and will later motor to Auckland.

Mr. Black described Britain's recent move to strengthen sterling as "courageous." Sterling, he said, had been strong during the last few days.

Asked if this was the result of Britain's move he said: "It happened right after so I guess that's the result."

Bank's Functions.

Mr. Graves, explaining the bank's functions, said entrance to the bank was gained only by joining the monetary fund. The fund decided what quota or subscription a country had to pay to join. To join the fund, 25 per cent. of the quota had to be paid in gold; to join the bank two per cent. of the agreed quota in gold and 18 per cent. in the currency of the member country.

Member countries were stock owners of the bank, which could make loans to governments, government agencies, trading departments and private individuals. In all cases governments had to ratify the loans before the money was made available.

The bank's charter, he said, was written at Bretton Woods in 1944 and was set up and operated in 1946-47. So far the bank had lent 1290 million dollars to 25 countries. Before the Marshall Plan operated the bank lent half a billion dollars in Europe for reconstruction.

Development loans were principally for providing electric power, transportation and railroad construction, port facilities, highways and agriculture. The bank also lent foreign exchange.

**BOSTON CHRISTIAN
SCIENCE MONITOR**

Circ.: e. 169,563

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Date: MAR 18 1952

Australia May Reenter World Loan Market

By Albert E. Norman

Chief of the Australasian News Bureau of
The Christian Science Monitor

Sydney

Australia may go back into the international loan market in a big way. Financial circles here are drawing that conclusion from the federal government's new 50 to 80 per cent cut in Australian imports and introduction of complete licensing control, a step without precedent in Australian peacetime history.

The cuts have knocked the bottom out of this biggest of Britain's postwar car export markets.

The timing of the Australian import cuts seems especially significant. They came just ahead of the arrival here of Eugene Black, president of the International Bank, who was making an economic survey of Australia, New Zealand and other countries in this general Asian region.

World Bank Loan

In 1950, Prime Minister Robert G. Menzies personally negotiated in Washington a \$100,000,000 loan from the International Bank for national development, and under its terms bank officials are free to check up in Australia how the loan has been used.

While Mr. Black indicated that he would be looking into that aspect, the clearing of Australian economic decks before his arrival cannot be entirely dismissed as pure coincidence.

On the possible loan-making side of this American visit, it is being recalled here that at the January conference of British Commonwealth finance ministers in London, commonwealth countries retained the right to negotiate "long-term borrowing from outside the sterling area," on the understanding presumably that such individual deals did not react on the collective hard currency resources in the so-called "empire pool."

The weakening of the international wool market, on which Australian postwar developmental spending largely depended, has focused new attention on this independent-borrowing conference decision.

In fact, Australia's action over the past year or so in building its own gold and dollar reserves, was in some anticipation of weakening wool prices. The government made little secret of its desire to put an independent floor under Australia's credit in the dollar loan market.

Certainly, the stage seems all set for a return to international borrowing to finance Australian development.

Urged by Economists

This course has been repeatedly proposed by eminent Australian economists. They deplored the absence of Australian activity in the international loan market and said that Australia was not doing as much as it could in developmental investment when the serious world food shortage imposed a moral demand on this country to boost production.

The long absence of Australia from world loan markets however was due to the previous Labor government's policy as rigidly laid down by the late Prime Minister Joseph B. Chifley.

Influenced by Australian difficulties in meeting loan payments in the depressed thirties, Mr. Chifley clung to the idea of cleaning the loan slate and paying for national development from taxation and national savings.

Under this policy, Australia actually repaid many overseas bondholders. But the key to continued independence was the buoyancy of the world wool market.

It is interesting to note that the efforts of both Labor and Liberal governments in recent years, to put a government controlled international floor-price under wool (defeated last year by Australian wool-grower organizations) can be traced to a desire to retain this vital key to loan-free Australian development.

Equipment Source Problem

But it is not so much a question as to where the finance comes

from, as to where the actual developmental equipment can be secured.

The American preoccupation with rearmament has been the main hurdle for Australian developmental progress. It actually has been difficult for the government to spend the International Bank's \$100,000,000 loan in America.

But as American rearmament steadily moves towards its production climax, Australia's future loan and equipment prospects proportionately improve.

This hopeful outlook has direct relationship to the government's determination to retain the high level of Australian postwar immigration, now set at 200,000 persons a year.

To ease the strain which this influx imposes on resources particularly housing, there has been pressure in the federal cabinet to cut this figure. But the enterprising and imaginative minister for immigration, Harold E. Holt, has successfully resisted it this far.

Meanwhile, following the heavy cut in imports and the uncertainty as to the future buoyancy of Australia's export income from wool, it is evident that the country is approaching some kind of crossroads.

As large-scale development has become an Australian political axiom, it is hard to envisage the government making heavy cuts in present developmental programs to match the import cuts in the budget-balancing plans. International loans seem the way out. At least, Mr. Black's mission suggests there is a chance for Australia to do business with America.

No _____

Argus International de la Presse. S.A.

GENÈVE — ZÜRICH

Extrait du Journal: Agence économique

Adresse: et Financière — Paris

Date: 18. März 1932

LE SIAM RECHERCHE UN PRET AUPRES DE LA B.I.R.D. — Bangkok. — Le ministre adjoint des Finances a annoncé que le Siam cherchait à obtenir un prêt d'un milliard de ticals de la Banque Internationale pour la Reconstruction et le Développement, dont le produit sera utilisé pour un programme de production d'énergie hydroélectrique et de construction de frigorifiques, d'usines de tissage et de fabrication de sacs en toile de jute.

Mr. Hobbes.

Thailand wants Bank B an.

The Assistant Minister of Finance has announced that Thailand seeks a one billion tical loan from the I. B. for power production, cold storage, cloth mills and the manufacture of jute bags.

A. B.

BIG DOLLAR LOAN FOR AUSTRALIA

CANBERRA ("Truth" Special). —Federal Ministers are confident that the International Bank will grant Australia a further loan of 150 million dollars (about £66,670,000 in Australia's 25% devalued currency).

IN Melbourne the chairman of the International Bank (Mr. Eugene Black) said that the size and time of the United States dollar loan to Australia would be decided when he returned to Washington next month.

Mr. Black said he would leave two economic experts in Australia to continue investigations.

It is expected, however, that the bank will insist on the Federal Government devoting most of the loan to the development of Australia's primary industries.

Mr. Black had conferred with the

Prime Minister (Mr. Menzies), the Federal Treasurer (Sir Arthur Fadden) and other senior Ministers at Canberra.

Two other officials of the bank have been in Australia investigating conditions before making a recommendation to the board in Washington.

They are Mr. Andrew Kamarck, chief of the Australian-African section of the Economic Department of the International Bank and Mr. Raymond Cope, of the bank's loan department.

They have nearly completed their investigations as to how Australia spent the first part of the loan, (100,000,000 dollars) and are expected to recommend that Australia receive another 150,000,000 dollars.

These two members of the bank, who preceded Mr. Black's

arrival in Australia, have had discussions with Treasury officers, officials of the Commonwealth Bank and with leaders of industry, commerce and agriculture.

It is understood that Mr. Black told Ministers that the Australian Government should give more thought to increasing food production in Australia.

The Secretary to the Treasury (Dr. Roland Wilson) and the governor of the Commonwealth Bank (Dr. H. C. Coombs) attended the talks.

The Minister for Immigration (Mr. Holt) explained in detail the Government's plans for developing outback rural areas with rural migrant labor.

Federal Cabinet will discuss in detail the desires of the International Bank that Australia should intensify its rural development and expand primary production.

New Zealand Truth (National Weekly) March 19

Dr. Mussadeq's Intransigence

With another failure recorded in the attempt to reach a solution of the Persian oil dispute it would almost seem that all the efforts so far made have been largely a waste of time. For it appears that nothing short of complete capitulation to Dr. Mussadeq's views will satisfy him. The efforts of the World Bank delegation to find an acceptable formula—a reported offer to give 50 per cent. of the oil revenues to Persia—have proved sterile. This latest failure serves to underline how virtually impossible was the task which succeeding missions have undertaken from the time of the British Government's negotiating team led by the former Lord Privy Seal, Mr. Stokes, last August. On each occasion the Persian Government has persistently endeavoured to confine discussions to the narrow field of excluding the British rather than the need to ensure the continued efficiency of the oil refineries. According to reports, the recent talks broke down over a conflict of views between Kasem Hassibi, the principal Persian representative, and the World Bank delegation chiefly because Persia refused to re-employ British technicians and the bank asserted that the use of American experts was "impracticable."

This negative outcome and declining Persian hopes of receiving a 25 million dollar loan from the American Export and Import Bank must make Dr. Mussadeq's position increasingly uncomfortable. As one Opposition Senator said: "This doctor after nine months is yet unable to save his patient." But the Prime Minister

manages to hang on. Early this year he was able to announce to the Persian people that the United States Government had allocated over 23 million dollars under the Mutual Security Programme for Point Four aid. Dr. Mussadeq did not explain, however, that none of the money goes to the Persian Treasury. Nor were the Persian people told that a requirement of Point Four is that American advisers supervise the technical assistance and capital investment. And Dr. Mussadeq did not mention that his efforts to obtain dollars for current spending were of little avail, even though he played astutely on American fears of the spread of Communist influence in his country. The comment of the New York Times was pertinent when it termed Dr. Mussadeq's tactics a "species of blackmail" and said that to encourage it would be condoning "international immorality."

The Persian economy has survived the loss of oil revenues for 10 months with less damage than was believed possible. But the slide into bankruptcy cannot be long delayed. Persia desperately needs two things: foreign currency and a market for her oil. And though her economy is primitive by Western standards, the pinch is being felt. It may be that Dr. Mussadeq is never without the fear that the same fate may await him as the "pro-Western" Premier, General Rasmara, who was assassinated last year. This may explain his refusal to retreat from the anti-British attitude he has adhered to. But until he does the prospects of a settlement must remain bleak indeed.

INTERNATIONAL BANK DEPENDS ON CO-OPERATION

The International Bank for Reconstruction and Development depended on the co-operation of world governments in the most traditional meaning of the word, the bank's economic director, Mr. L. B. Rist, said in Wellington last night.

He told members of the Wellington branch of the Economic Society of Australia and New Zealand that the bank hoped that the effect of its operations would be to strengthen the economic structure of member countries, their national life and their international equilibrium.

Mr. Rist is at present touring New Zealand with a party of the bank's officials headed by the president, Mr. Eugene R. Black.

The bank, Mr. Rist explained, could lend money only to countries which were members of the International Monetary Fund. In making loans the bank had to be sure that there were reasonable prospects of repayment.

Mr. Rist said the bank was committed to the amount of 1260 million dollars, the rate of commitments being from between 300 million and 350 million dollars a year.

Of the 51 countries which were members of the bank, 23 had so far been lent 1290 million dollars. (OVER)

No _____

Argus International de la Presse S.A.

GENÈVE — ZÜRICH

Extrait du Journal: Agence économique

Adresse: et Financière — Paris

Date:

19. März 1952

SYDNEY

(par câbles et dépêches
de nos correspondants)

L'AIDE DE LA B.I.R. A L'AUSTRALIE. —
Sydney. — Avant de quitter l'Australie, M. Eugène
Black, président de la Banque Internationale de
Reconstruction, s'est refusé à révéler si une nou-
velle aide serait accordée par la B.I.R. à ce pays.
Il a toutefois précisé qu'une mission de cette insti-
tution continuerait à étudier sur place les projets
de développement de la production australienne de
matières premières de base.

Mr. Holmes.

Before leaving Australia, Mr. Black
refused to reveal whether new IBRD
assistance would be granted there.
He stated, however, that a Bank
mission would continue to study
on the spot projects for development
of Australian production of ^{basic} raw materials.

GA.

ATLANTA (Ga.)
ATLANTA WORLD
Circ.: d. 29,500

Page: 2

Date: MAR 19 1952

World Bank President Urges Foreign Investment In India

NEW YORK — The practicality and soundness of India's Five-Year Plan received another boost when Eugene Black, president of the International Bank of Reconstruction and Development, stated at a press conference in Bombay that he would recommend that the Bank give a substantial loan to India in order to speed the Republic's economic development.

He said that as a result of the talks he had had with Government officials and private businessmen in the country he had come to the conclusion that India's Five-Year Plan was well thought out, and "well within the capacity of being carried out."

Mr. Black added that he was favorably impressed by what had been achieved in India to increase

agricultural and industrial production. He was struck with the way India was solving her refugee problem and the way the Central and State Governments were improving health conditions in towns and rural areas.

He declared: "I have seen a good many talented people in this country, both in the government and in private business. It is very impressive to find that there is widespread sincere determination among the people to mobilize their efforts and resources as much as possible to raise the economic standard of the country."

He described the Five-Year Plan as a big scheme and said that India would need the assistance of foreign technicians in implementing it. While he said he had high regard for the ability of Indian technicians, he welcomed the willingness of the Indian Government to get experts from abroad.

Mr. Black said he was perfectly satisfied with the projects of the Bokharo Thermal Station and the land reclamation scheme in Bhopal, for which the World Bank had advanced a loan. Although there was some difficulty in the beginning, the projects are now making good progress.

FURTHER BANK ASSISTANCE

"The Indian Government," Mr. Black observed, "has given us information regarding projects for which further Bank assistance may be requested; these projects include the development of power and irrigation projects and industries for the production of such important commodities as fertilizer, iron and steel. The Bank has already preliminary studies of these and we will send in the very near future several technical experts to examine these projects in more detail and advise the Bank on how they can be carried forward in the most practical way."

Summing up his reaction as a result of the tour, Mr. Black said "I am prepared to recommend that the World Bank go ahead and make further substantial investment in India. I am prepared, in short, to recommend that the Bank actively support the Five-Year Plan by making loans for some of the projects in the plan as soon as they have been finally prepared and are ready for financing."

19. März 1952

Die Weltbank als Pionierunternehmen

Von Eugen Black, Präsident der Internationalen Bank

In den fünf Jahren ihres Wirkens hat sich die in Bretton Woods gegründete Weltbank zu einem Pionierunternehmen ausgewachsen, das nicht nur tatkräftig mitgeholfen hat, die Kriegsschäden wieder gutzumachen, sondern dessen Experten die entferntesten Winkel der Erde aufsuchen, um geplante wirtschaftliche Unternehmungen auf ihre Durchführbarkeit hin zu prüfen.

So kehrte erst kürzlich eine Mission von einer Reise durch Zentral- und Ostafrika zurück, wo sie mit Regierungsstellen, Technikern und Kaufleuten eine Reihe von großen und kleinen Plänen für die Entwicklung der reichen Schätze

Afrikas besprochen hatte. Einige der untersuchten Projekte können vielleicht bald durchgeführt werden, andere müssen möglicherweise zehn Jahre zurückgestellt werden, und wieder andere dürften für immer Träume bleiben.

Gesamthaft gesehen versprechen sie den Beginn einer neuen Entwicklungsperiode in einem Gebiet, dessen Schätze man noch kaum abzubauen begonnen hat. So wurden, um nur einige Beispiele zu nennen, Pläne für den Bau einer Eisenbahn von Südrhodesien zur Küste aufgestellt; am Zambesifluß soll an der Stelle, wo er durch die Karibaschlucht fließt, ein Kraftwerk entstehen, das eine Million Kilowatt liefern und mit Fernleitungen das Industriegebiet von Südrhodesien und die Kupfergruben von Nordrhodesien speisen kann. Weiterhin ist vorgesehen, Kraftwerke am Shirefluß zu bauen und das Niveau des Nysasees zu regulieren.

Seit langer Zeit studiert die Weltbank die Entwicklungsmöglichkeiten der überseeischen Territorien ihrer Mitgliedstaaten. Nach eingehender Prüfung der für den Belgischen Kongo aufgestellten Pläne wurden im vorigen Herbst der belgischen Regierung und der Kongoverwaltung ein Darlehen von total 70 Millionen Dollar bewilligt. Südrhodesien erhielt 28 Millionen. Gegenwärtig befindet sich eine Expertenkommission der Bank in Jamaica, um die dortigen Entwicklungsmöglichkeiten zu untersuchen.

Seit Mai 1947 hat die Weltbank 1,2 Milliarden Dollar an 24 Länder ausgeliehen. Davon erhielten Frankreich, Holland, Dänemark und Luxemburg 500 Millionen, die für den Wiederaufbau verwendet wurden (bevor der Marshallplan in Erscheinung trat). Seit dem Frühjahr

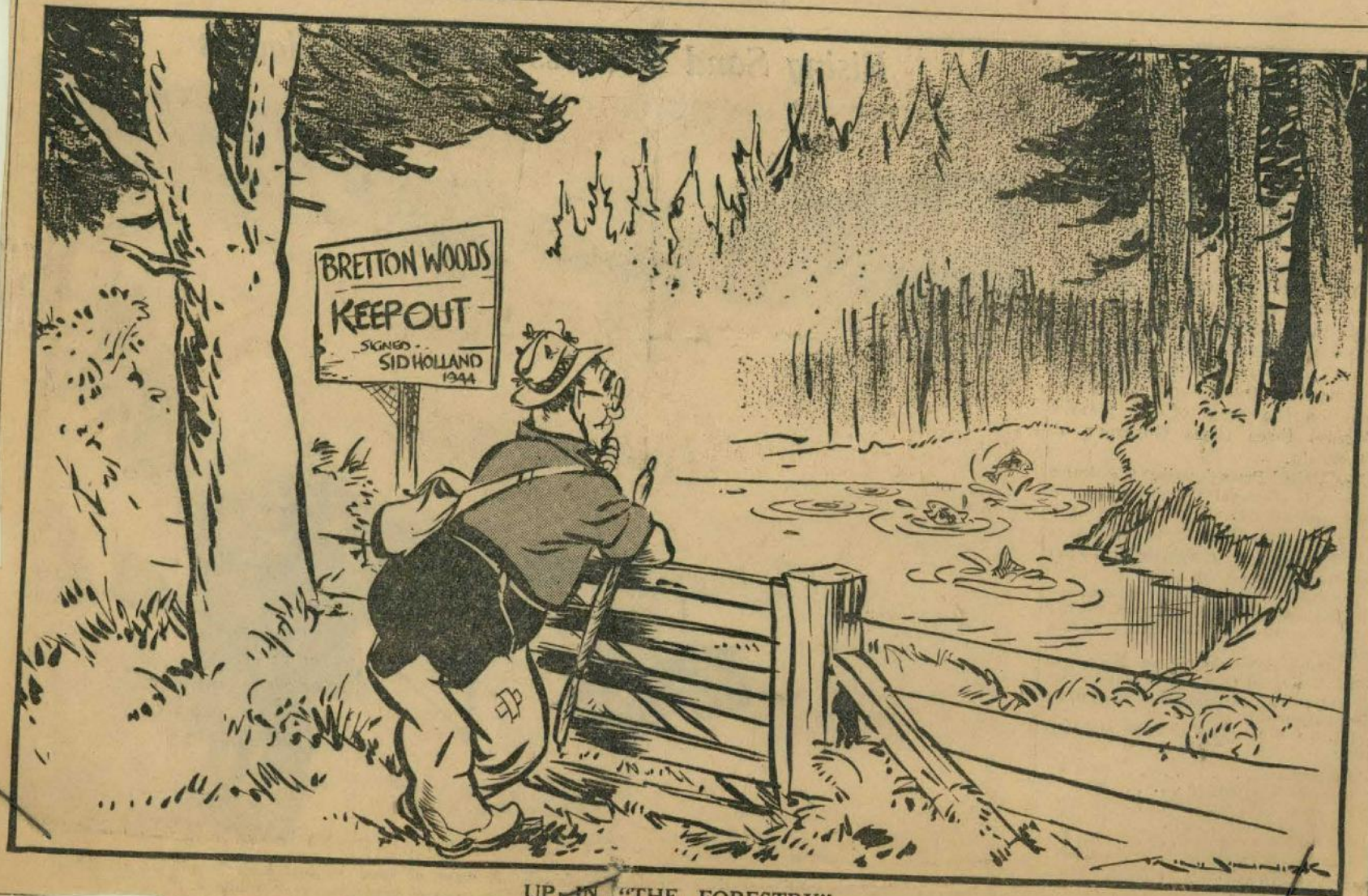
1948 wurden 700 Millionen ausgeliehen, und zwar hauptsächlich für die Entwicklung rückständiger Gebiete.

Als im Jahre 1944 die «Verfassung» der Weltbank in Bretton Woods ausgearbeitet wurde, glaubte man, dieses Finanzinstitut werde das wichtigste Instrument für die Finanzierung der Kriegsschädenbeseitigung sein. Damals sahen nur die wenigsten, wie die eigentlichen, durch militärische Handlungen erfolgten Zerstörungen geringere Verheerungen angerichtet hatten als der Bruch der wirtschaftlichen Beziehungen zwischen den Völkern, wie sie vor dem Krieg bestanden hatten.

Nachdem der Marshallplan die Organisation des Wiederaufbaus an die Hand genommen hatte, verschob die Weltbank ihr Aktionsfeld immer mehr von der Wiederherstellung des Zerstörten auf die Entwicklung von noch unangezapften Quellen neuen Reichtums.

In den ersten Jahren ihrer Existenz mußte die Bank ihre Arbeitsmethoden den veränderten Umständen anpassen. In Anbetracht dessen, daß ein Darlehen der Weltbank nur für den Zweck verwendet werden darf, für den es gewährt wurde, beschloß man, nicht den ganzen Betrag am Tag der Unterschrift des Darlehensvertrages auszubezahlen, sondern die Zahlungen zu staffeln, um auf diese Weise die Anschaffung von Maschinen und Arbeitsmaterialien und die Einstellung neuer Arbeitskräfte laufend zu finanzieren. Bevor Zahlungen gemacht werden, versichert sich die Bank, ob die anzuschaffenden Materialien für ihren vorgesehenen Zweck tauglich und die Preise angemessen sind.

Vom Augenblick, da die Weltbank sich erstmals für ein Unternehmen interessiert, bis zum Tag, da dieses Unternehmen fertiggestellt ist, erhält sie laufend Entwicklungsberichte, welche die möglichen Schwierigkeiten, wie Mangel an Arbeitskräften, technische Komplikationen, Mangel an Bargeld usw., rechtzeitig aufzei-



UP IN "THE FORESTRY"

MAR 20 1952

THE NEW YORK SUN
THE NEW YORK TIMES
THE AMERICAN BANKER
THE WALL STREET JOURNAL
THE NEW YORK HERALD TRIBUNE
THE NEW YORK WORLD-TELEGRAM
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THE CHICAGO JOURNAL
OF COMMERCE
THE COMMERCIAL AND
FINANCIAL CHRONICLE

P.32

New Zealand Is Weighing World Fund Membership

WELLINGTON, N. Z., March 19 (AP).—New Zealand is reconsidering a 16-month-old decision to remain aloof from the International Monetary Fund in order to finance a \$98 million pulp and paper plant.

Eugene R. Black, chairman of the International Bank for Reconstruction and Development who is visiting here, has had long discussions with the cabinet and directors of the New Zealand Reserve Bank.

New Zealand is the only major country in the British Commonwealth of Nations outside the Monetary Fund.

The paper mill will be constructed by two American firms, Merritt-Chapman & Scott Corp. and Raymond Concrete Pile Co. of New York in co-operation with a New Zealand firm.

HOW WORLD BANK WORKS

President Explains: Link (* London) With Murupara

Now the International Bank for Reconstruction and Development works in financing new projects in member countries is explained by Mr Eugene R. Black, president of the bank, in the following article reprinted from The Times. Mr Black is in New Zealand with other officials of the bank, and after talks with Government leaders travelled north yesterday to view from the air the Kaingaroa State forest.

From that great forest it is proposed to develop the Murupara newsprint, pulp and timber project, finance for which, it is suggested, might be obtained from the International Bank if New Zealand joined the Monetary Fund. Mr Black will visit Auckland at the week-end.

The International Bank has lent more than \$1200 million to 24 countries since May, 1947, says Mr Black. Of this amount, \$500 million went to France, the Netherlands, Denmark and Luxemburg to assist in the earlier phase of reconstruction before the Marshall plan was in operation. Since the spring of 1948 over \$700 million has been lent, most of it for the development of under-developed countries.

When the bank's charter—its Articles of Agreement—was drawn up at Bretton Woods in 1944 some people thought the bank would be the main instrument for financing the foreign exchange cost of post-war reconstruction. At that time few realised that the most serious effects of the war would not be the physical damage caused by the fighting, but the disruption of pre-war economic relationships among nations.

Shift to Development

After the war it became clear that to provide a readjustment—if not a restoration—of those relationships would require unusual emergency measures on a large scale. It was to help bring about this readjustment—and to prevent a breakdown in western Europe—that the Marshall plan came into being. In these circumstances, the bank's operations tended to shift from reconstruction to development.

Whether financing reconstruction or development, however, the bank was forced in its first years of existence to evolve new operating techniques. The bank decided at a very early stage that it would not pay to the borrower the full amount lent on the day the loan agreement was signed, but would disburse the money as the goods needed for the project were bought and paid for.

Before disbursement is made the bank satisfies itself that the goods are suitable and that the price is reasonable. From the time the bank first takes an interest in the project to the time the project is completed it receives regular progress reports which bring to light difficulties which might jeopardise the project, such as shortage of labour or materials, technical hitches or lack of funds. By receiving advice of these difficulties as soon as they arise the bank is in a position to help in their solution.

Assessing Priorities

A basic task arises from the provision in the Articles of Agreement that the bank should "arrange the loans . . . so that the more useful and urgent projects, large and small alike, will be dealt with first." The question is, which projects are the "more useful and urgent"? Before this question can be answered it is first necessary to survey the whole economy of a country and to determine what will do the most to raise that country's productivity and its standard of living.

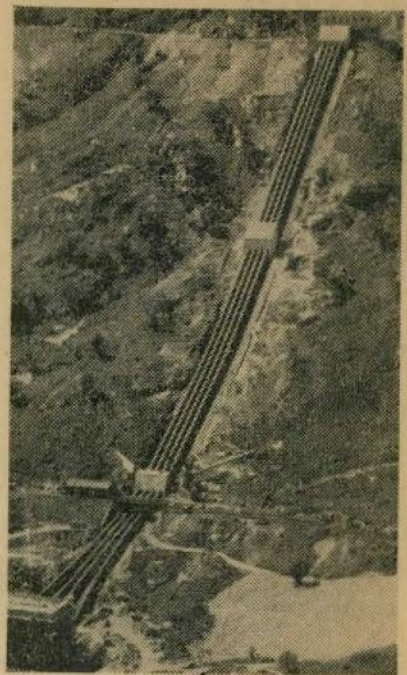
Most of the under-developed countries have attempted such surveys, but in many cases have found that they did not have the specialists, necessary for such tasks, or that they needed an independent opinion from outside. To meet this need the bank has organised "general survey missions"—composed of a number of specialists in various fields, ranging from transport and power to health and education. The aim of such a mission is to assess the potentialities of a country and then draw up recommendations for an orderly and effective programme of development. Missions of this type have gone to Colombia, Cuba, Turkey, Guatemala, Iraq, Ceylon and Surinam.

General survey missions are not related directly to the bank's lending. Sometimes, however, they may be organised as the result of experience gained by the bank and a member country in the course of negotiating a loan. Most of the missions sent out by the bank are directly related to its lending activities. Some are sent out to investigate loan possibilities; others assist countries in executing projects when loans have been made.

Assistance by Missions

Such missions often render valuable technical assistance in the normal course of their work. Some missions, for example, have shown borrowers how they could produce the same results at lower cost through the substitution of different equipment for that which had been contemplated. Others have helped to increase operating efficiency by suggesting new ways of tightening financial controls. Still others have been able to work out with borrowers entirely new methods of organisation and management for the more efficient operation of bank-financed projects.

The bank's assistance to countries desiring to carry on their economic development in accordance with a programme has become increasingly important with every year—perhaps because



One of Europe's new hydro-electric power stations of the type which the Bank finances.

the bank has come to realise more clearly every year that the general growth of a country is more important than the success of any single project. When a country has drawn up a sound plan of development, and has chosen a number of projects as the most important and urgent, the bank is relatively unconcerned about which of these projects it helps to finance—so long as it has assurance that the others will be financed and carried through by other means.

In keeping with its belief in the importance of systematic programmes of development, the bank has, in the past year and a-half, lent a total equivalent to more than \$200 million to help finance four broad development programmes—in Australia, the Belgian Congo, Yugoslavia, and Italy. In supporting these programmes the bank is acting as the catalyst. By supplying certain scarce currencies needed to pay for key items of equipment the bank is making possible the completion of projects financed largely in other ways and is producing a benefit much greater than would be indicated by the amounts actually lent.

Basic Utilities Favoured

The bank has always favoured the financing of basic utilities: electric power, railways, roads, communication networks, irrigation, flood control and the like. With these provided, private capital and management, technician and farmer, can start new industries, open stores, and grow new and bigger crops. And public authorities can provide the social services needed for a higher standard of living.

(CONT'D)

(CONT'D)

It can finance such utilities as power dams and roads—projects which in most countries are not financed privately—on reasonable terms. This is true because the bank has been able to borrow money, through issues of its bonds, at relatively low rates. The bank's credit is in a sense the combined credit of all its members; 80 per cent of the bank's capital stock is callable only to meet the bank's obligations and is thus in the nature of a guarantee fund.

The bank, moreover, can reduce the risks of its lending in ways which are not open to private investors. For one thing, before lending, the bank is in a position to make a detailed investigation not merely of the project which is the immediate object of the financing, but also of the economic position, development prospects, and credit-worthiness of the country concerned.

Continuous Contact Kept

Then, too, the bank maintains continuous contact with the borrower, following closely the execution of the project and keeping in touch with the enterprise which is being financed, as

well as with the general economic position of the country in which it operates. In this relationship the bank can make its influence felt and help the borrower to overcome difficulties which might impede a successful completion of the project. Finally, member countries value highly their credit standing with the International Bank as a co-operative organisation of 51 member countries.

So far most of the bank's loans have been in dollars. At this period in history it is dollars that have been needed and dollars that have been available for lending. One of the bank's main purposes is to help build a world in which there will be a better balance among the productive powers of nations and among the world's currencies.

Greater Use of Sterling

Already there are signs that western Europe can provide the bank's member countries with some types of equipment on better delivery terms than can be offered by suppliers in the United States at the present time. This means that the bank could make good use of more sterling, more French francs, and other currencies for lending.

When the bank lends dollars, the dollars are not necessarily spent in the United States. The bank is forbidden by its charter to "tie" its loans to purchases in any one country. Our borrowers shop for the best possible buys, and then ask the bank to supply the currency they need to make the purchase. If the United Kingdom can supply the goods needed by the bank's borrowers, at prices that are competitive with those of other supplying countries, the loans of the bank may be a not inconsiderable source of dollars for the United Kingdom. In this connection it is of special interest that of \$29,700,000 lent to Mexico recently for electric power development, more than \$22 million will be spent outside the United States.

The bank has grown considerably in five years; and I am sure it will go on growing and learning. Its problems may become more difficult—but its opportunities are bound to increase and its horizons to widen.

The New Zealand Herald

AUCKLAND, FRIDAY, MARCH 21, 1952

HOW BRETTON WOODS COULD HELP

Two events have revived somewhat urgently a long-dormant question: Will New Zealand ratify the Bretton Woods Agreements? One is the launching of the Murupara timber utilisation project. The other is a visit from Mr Eugene Black, president of the International Bank for Reconstruction and Development.

For nearly six years this country all but forgot Bretton Woods and the international co-operation which New Zealand had helped to plan there in 1944. Now, on the eve of promoting a great new export industry, the Dominion finds that it cannot afford to let the drift and indecision continue. Oversea finance to the tune of millions is required for Murupara with the prospect that still more will be called for in years to come. A dollar ingredient is involved.

The International Bank exists to help just such developmental projects as this, and it has already helped numbers of them. New Zealand, in all probability, can make a most advantageous deal with the bank if only it ratifies the 1944 agreements and makes certain financial dispositions that are well within its capacity.

Apart from these practical considerations the Dominion should take thought of the odd company in which it finds itself outside the Bretton Woods fold. The only other non-members of any consequence are the Iron Curtain countries (with one exception) and Argentina. Apparently all the democratic peoples but New Zealand are out of step.

Our handling of the whole matter has been far from creditable. The meeting at Bretton Woods was held after nearly five years of war, when the tide of victory had begun to flow, to help recovery by clearing financial channels for greater freedom in world trade. To this end it was decided to set up, firstly, an International Monetary Fund for stabilising national currencies, financing imports, encouraging exports and generally helping member countries to overcome economic and financial difficulties as they arose.

The second organisation to be created was an International Bank for Reconstruction and Development. Its general purpose was similar, but its specific function was to help member countries, especially those that were under-developed, in obtaining international capital for sound developmental projects on favourable terms.

New Zealand was represented in the discussions, but Mr Fraser and Mr Nash showed no disposition to carry the matter further. Possibly one reason was that the Dominion had no prospect of requiring short-term aid from the fund or dollar capital from the bank under peacetime conditions. Membership would have to be financed, and there was likely to be hostility.

The matter was not effectively raised in Parliament until 1946, and it was then apparent that a good deal of opposition existed in both political parties. Some feared a stranglehold on New Zealand's economy and declared that control of currency and credit might be lost. Others were certain that the Ottawa Agreements would be put in jeopardy. In the end a decision was avoided and the objectors gained the day.

Actual experience has shown the fears and doubts of six years ago to be groundless. The Bretton Woods Agreements have not curbed national sovereignty, either financial or economic. American domination has not materialised. The Ottawa Agreements are still in force. Britain was not deterred from carrying out severe currency devaluation.

The International Monetary Fund has proved less valuable than was hoped, but the International Bank has had a fine career of varied and ever-growing usefulness. Mr Black's account of it, printed in this issue, should convince the most stubborn doubter. It is hard to imagine any valid reason why New Zealand should not join an organisation whose members make up almost the whole free world.

THE AUCKLAND STAR, MAR. 22

P.M. To Survey Financial Issues At Caucus Meeting

Wellington Correspondent

The Prime Minister, Mr Holland, will open a four-day caucus of the Parliamentary National party on Tuesday of next week by surveying the Commonwealth Finance Ministers' Conference in London, and subsequent measures taken by New Zealand to meet the sterling crisis.

He will report fully on recent negotiations for financing and organizing the Murupara paper and pulp scheme, and on discussions in Wellington this week with the chairman of the World Bank, Mr Eugene Black.

Caucus will also receive the reports of the five committees set up earlier this year to investigate housing, agricultural research, taxation, the cost of living and works. The two last-named are likely to be final reports but the other three will be interim surveys.

For Friday of next week Mr Holland has also convened a meeting of the Parliamentary Select Committee on External Affairs so that he can report on his recent trip overseas and on international developments.

The Minister of External Affairs, Mr Webb, will report to the committee on his recent visit to the island territories.

There are five Labour members of the External Affairs Committee, Messrs Nash, Skinner, Moohan, Connolly and Mathison, but Mr Nash is overseas and will have a deputy.

Mr Holland met members of the executive of the New Zealand Federation of Labour this morning and gave them a comprehensive survey of the sterling area crisis.

INTERNATIONAL MONEY POOL

Reconstruction And Development Bank

Accompanying Mr Eugene R. Black, president of the International Bank for Reconstruction and Development and other high officers of the bank is Mr Harold N. Graves, Jun., director of public relations, who is visiting Rotorua in advance of the other members of the party, who will be entertained tomorrow night at a Maori concert party at Whaka.

The party will comprise Mr and Mrs Black, Miss Marie Lenihan, private secretary; Mr Leonard Rist, economic director of the Bank, Mr Joseph Ruinski, a loan officer of the institution, and Mr Graves.

On Monday morning, the party will proceed to Auckland, leaving by air for the United States.

In discussing the operations of the Bank today, Mr Graves said that it now had 51 members, countries and it had made 58 investments in 25 of these lands. It has been in operation for five years.

He emphasised that the Bank was an international institution and not a United States Agency.

The Bank's capital was provided by all member nations and decisions regarding loans, which today totalled a value of 1,290 million United States dollars, were taken by a group representing all member nations.

The purposes of the loans were to raise the standard of living and economic resources, and applications were judged by three standards: A credit assessment of the applicant government, the economic justification of the project it was proposed to finance and technical aspects of the venture.

The money was distributed over a period, as required and the progress of the works was subject to inspection, which might be more in the nature of instruction and investigation.

The goods for the projects which were not available locally could be bought in any member country whose currency was available.

Interest rates on, say, a 25 years loan were calculated broadly, but generally they were $3\frac{1}{2}\%$, plus 1% commission for the first ten years and a further $\frac{1}{2}\%$ for administrative charges, a total of $4\frac{3}{4}\%$ per cent.

Each member nation was allotted to 18% of stock in its own currency and interest earnings of the Bank's issues totalled 15 million dollars a year.

Extract from "NORTHERN ADVOCATE

" Newspaper.

Published at WHANGAREI

, on [date]

MARCH 19th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

No Financial Slavery

By World Bank

"NORTHERN ADVOCATE"

19 MAR 1952

Any popular belief that membership of the International Monetary Fund and the world bank implied financial slavery to the dollar or to the American financial system was erroneous.

The president of the International Bank of Reconstruction and Development (Mr Eugene R. Black) said this in an interview last night.

The bank dealt in currencies other than dollars and its loans or advances could be made in francs, sterling or any other monetary unit, he said.

"There are 51 member countries of the International Monetary Fund and before any step is taken it must be approved by popular vote," added Mr Black.

"It would not be possible for the United States or any other country to exercise individual control over the bank or its actions.

"It is an international organisation in which every member country participates."

AID TO MEMBERS

The International Bank depended on the cooperation of world governments in the most traditional meaning of the word, the bank's economic director (Mr L. B. Rist) told members of the Wellington branch of the Economic Society of Australia and New Zealand last night.

In making loans to members of the International Monetary Fund, the bank had to be sure that there were reasonable prospects of repayment, he said.

The bank was committed to the amount of \$1,260,000,000, the rate of commitments being from between \$300,000,000 and \$350,000,000 a year.

Of the 51 countries which were members, 25 had so far been lent \$1,290,000,000.

Extract from "AUCKLAND STAR

" Newspaper.

Published at AUCKLAND

, on [date]

MARCH 18th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

The Auckland Star

WITH WHICH ARE INCORPORATED

The Evening News, Morning News, The Echo and The Sun

TUESDAY, MARCH 18, 1952

"The Bretton Twins" In Theory And Practice

IT is for the Government to decide whether or not New Zealand will join the International Bank for Reconstruction and Development, commonly known as the World Bank. The fact that its president, Mr Eugene R. Black, has come to New Zealand, "primarily for a rest and some fishing," may or may not be of significance in a financial or political sense. Since, however, some members of his staff have also come here, at a time when the Murupara newsprint, pulp and timber project is of first importance, there is very naturally much speculation whether this country will make belated application for membership.

New Zealand is one of the few countries in the world which has refrained from membership, Burma being the last to join, with a subscription of 15 million dollars, in February. Both Czechoslovakia, an Iron Curtain country, and Communist Yugoslavia, are members. Principal non-members are the Soviet Union, Poland, Hungary, Bulgaria and Rumania.

The man-in-the-street may be pardoned for being confused and anything but clear in his understanding about the World Bank and the International Monetary Fund. Are they one and the same, is a question frequently heard. They are, in fact, two institutions, rather than one, but their close relationship and integration will be readily grasped in the knowledge that they have been designated facetiously as "the Bretton twins." They had their origin in 1944. It was believed that a concerted effort by the nations would bring about much desired exchange stability and that economic development would be strongly aided and international trade set free from many restrictions. A central world fund, it was thought, to which the majority of countries, if not all, made a substantial contribution, would be a prop for weaker countries. Those most desperately in need of help would the more easily overcome their currency difficulties. In short, it was a case of united we stand, divided we fall.

In practice, it has been found that the concept was rather too optimistic and idealistic. In a world where little is either wholly black or completely white, the two financial mechanisms, designed though they were to resist and sustain strains and shocks, had to be

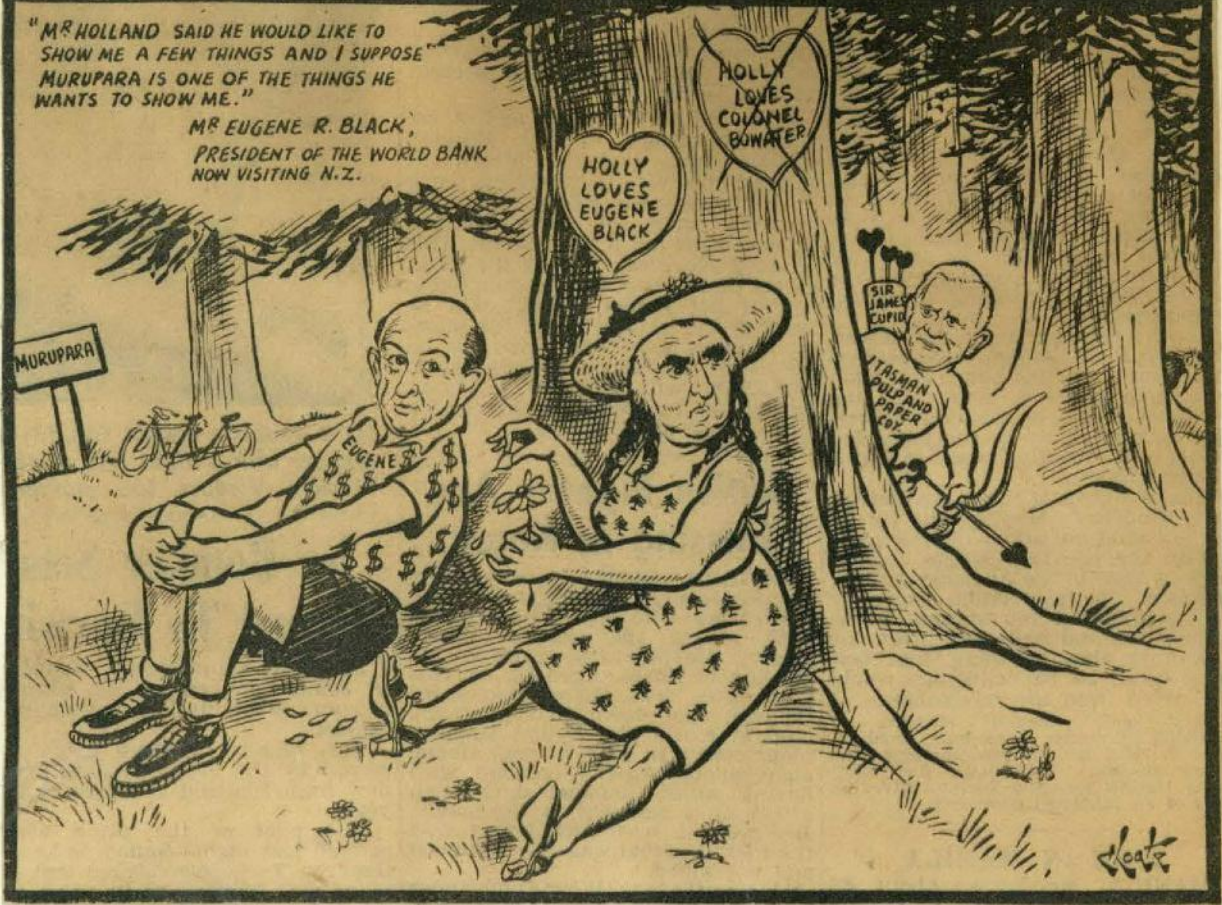
adjusted to deal with innumerable complexities. The weaker countries, it was found, wanted to make repetitive dips, more frequently than the more solid. Even when their credit became shaky they continued to be applicants for aid. A weakness was that it had not been specifically designated in the charter of the World Fund that accounts were to be balanced or settled regularly and within a reasonable time. Basically, the fund was created to make easier the convertibility of national currencies—that is, somehow to equate one currency (perhaps a weak one), with another, or all others. In practice it was found that there was a tendency to loose borrowing of gold or dollars. What were regarded as non-convertible currencies (the weaker currencies) tended to increase more quickly than the convertible.

Criticism, and even antagonism, developed when the managers of the fund clamped down on the too-ready acceptance of inconvertible currency, because such acceptance tended to foster a weakening situation. A sound financial and domestic policy, within each member-country, on a budgetary basis, and adherence to a realistic trade position, became increasingly apparent as the real imperatives. Financial crutches were not enough.

Managers of the fund assert today that deflationary action by the use of monetary and fiscal measures will be likely to prove more efficacious than too easily secured grants. One of the chief consequences of this has been a severe restriction of the use of the fund. Short-term credits have been little used. The fund has been virtually inactive for some 18 months. On the other hand, the World Bank has a record of achievement which is greatly to its credit. It has 51 customers, and by October last

year, when the annual meeting was held, it had made 53 loans of 1222 million dollars in 24 member-countries. The bank obtains new funds for lending by selling its own bonds. It has raised 400 million dollars in the American market and the equivalent of 36 million dollars in the Swiss and London markets.

The unquestioned success of the World Bank is found in its policy of insisting that a project for which a loan is advanced is wise, that it seems likely to yield adequate benefits and will, in reasonable time, pay for itself.



Extract from "AUCKLAND STAR

" Newspaper.

Published at AUCKLAND

, on [date]

MARCH 25th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

WORLD BANK WOULD WELCOME N.Z.

The president of the World Bank, Mr Eugene Black, told a Press conference on the eve of his departure from New Zealand this afternoon that "personally, I would like to see New Zealand join the Bank.

"But whether you do," he added, "isn't for me to say. That's over to Mr Holland."

New Zealand had been one of the countries which had helped to set the Bank up, and was now one of the very few outside the Iron Curtain which had not yet joined the International Monetary Fund and the International Bank for Reconstruction and Development.

The bank was started in 1944 as a co-operative effort on the part of the nations of the world to stabilize finances and encourage development, said Mr Black.

It facilitated money exchanges and proper exchange practices and had made more than one billion dollars available for loans for capital development.

"If New Zealand became a member of the bank, the bank could supply this country with foreign exchange needed to help its development. The only limit placed on the amount that could be lent would be the credit-worthiness of the country," said Mr Black.

The cost to New Zealand to join the fund and the bank would not be great. He had heard 50 million dollars for each organization as New Zealand's quota suggested in the past.

But in reality it would not cost New Zealand more than a small fraction of that as most of this sum was not paid and could not be called up except by default of World Bank bonds.

The Murapara paper scheme was similar to many schemes the bank had lent money on elsewhere, said Mr Black. New Zealand had an excellent credit record and should have no trouble proving its economic soundness to the bank directorate should it decide to apply for membership.

If New Zealand wanted to have a vote for next year's directorships of the fund and bank she would have to join before the annual meeting in September, he said.

Mr Black was to leave by air for Honolulu early this afternoon on the last stage of a two-month round-the-world journey back to the United States.

In that time he has visited England, Pakistan, India, Ceylon, Singapore, Siam, Australia and New Zealand.

Travelling with him are Mrs Black and the economic director of the bank, Mr Leonard Rist, a bank loan officer, Mr Joseph Ruchinski, its public relations officer, Mr Harold Graves, and Mr Black's private secretary, Miss Marie Linahan.

Extract from "NEW ZEALAND HERALD

" Newspaper.

Published at AUCKLAND

, on [date] MARCH 26th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

MR BLACK SUMS UP N.Z. AS A GOOD RISK

Welcome from World Bank Likely

Mr Eugene R. Black, president of the International Bank for Reconstruction and Development, would personally be glad to see New Zealand a member of the International Monetary Fund and the bank, "because I like the country, like the people, and would like to see this kind of people in the bank."

Mr Black made these comments in an interview yesterday at Government House, Auckland, a few hours before leaving on his return to the United States by B.C.P.A. air liner.

He could not speak for the bank, whose members would have to vote on any such issue, nor would he comment directly on what New Zealand would gain by joining, saying this could be inferred from what the organisation had done. About the Murupara newsprint, pulp and timber scheme, he would say only that it was the type of thing the bank had lent money on.

To another question, Mr Black said that no survey missions had yet been sent out to countries before they became members of the bank, and that had not been suggested here. The question of joining was one for the Government.

Probable Commitments

New Zealand's commitments if she joined the monetary fund and the bank were rather complex, said Mr Black. A committee would probably have to decide on her quota, but the figure discussed some time ago had been a contribution of \$50 million each to the fund and the bank.

Of the \$50 million to the bank, 2 per cent (\$1 million) was to be in dollars and 18 per cent in New Zealand pounds (NZ£3,290,000) in the form of a non-interest bearing note. This New Zealand money would be required only if a loan in the Dominion's currency was sought, and then could be used only with the permission of the New Zealand Government. The remaining 80 per cent of the money could only be called on to meet any default on the bank's bonds.

"The International Monetary Fund is in the same building as us, but I don't have much to do with it," said Mr Black. "But my impression is that you would have to pay in only 25 per cent of the quota—3 per cent in gold and 22 per cent in New Zealand pounds."

Sound Credit Abroad

New Zealand had a fine record in credit worthiness—the basis of which loans were made—and he did not think there would be any trouble in establishing that, he said. Nor, although members of the bank had to vote on new admissions, did he think this would be any more than a formality with New Zealand if she should apply.

If the Dominion came in before the annual meeting in September, she would vote for directors to represent her on the fund and the bank.

But although Mr Black talked about the bank a good deal—both officially and unofficially—during his short visit to New Zealand, he also had time to relax. He spent four days at Huka Falls trout fishing in the area, very surprised on occasion at the size of the fish that were thrown back. One of his party caught a 366lb striped marlin off Tauranga—convincing him of the truth of other fish stories.

Extract from "WEEKLY NEWS

" Newspaper.

Published at AUCKLAND

, on [date]

MARCH 26th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

The Week In New Zealand

By ONLOOKER

WORLD BANK CHIEF'S VISIT

A FAIRLY quiet week with winter's wheeze becoming just audible in the distance. The chief topic of interest in Wellington was the visit of Mr Eugene R. Black, president of the International Bank for Reconstruction and Development. Mr Black had discussions with the Prime Minister, Mr Holland, with members of the Cabinet and with the Governor of the Reserve Bank, Mr E. C. Fussell, and the Secretary to the Treasury, Mr B. C. Ashwin.

It was stated after the conference that Mr Black had explained the functions of the International Monetary Fund. Since most of those concerned would have been fairly well acquainted with the details of the fund's activities it was assumed in Wellington that discussions might have been a little less general. Main conjecture centred around the fact that if New Zealand were to seek world bank finance for, say, the Murupara newsprint pulp and timber project, it would first have to join the International Monetary Fund.

No Dollar "Slavery"

IN a subsequent interview Mr Black was careful to emphasise that membership of the fund and the world bank in no way implied financial slavery to the dollar or to the American financial system. "There are 51 member countries of the fund and before any step is taken it must be approved by popular vote," he said. "It would not be possible for the United States or any other country to exercise individual control over the bank or its actions. It is an international organisation in which every member country participates." Later in the week Mr Black went to Rotorua and on his way flew over the Kaingaroa State Forest, on which the Murupara project will depend.

Extract from "WAIKATO TIMES

" Newspaper.

Published at HAMILTON

, on [date] MARCH 24th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

President Of World Bank In Waikato: Mr Black's Views

He had made his tour of the North Island at the invitation of the New Zealand Government but as the Dominion was not a member of the International Monetary Fund he had not come to talk business, said Mr Eugene Black, president of the International Bank, in an interview in Hamilton today. Mr Black had luncheon at the Hamilton Hotel, en route to Auckland. He leaves on his return to America tomorrow.

Mr Black said he had flown over the Murupara timber forests and had been very impressed with this magnificent stand of timber. The International Bank was financing projects of this type in different parts of the world. It also financed power development, transportation, port development and other schemes. Twenty-five countries throughout the world were using loans from the bank at present.

Paper pulp schemes were, for instance, being financed in Finland and Chile. He thought it would be to New Zealand's advantage to become a member of the bank. New Zea-



MR BLACK

land, he considered, was already highly developed from the agricultural standpoint but was not, of course, far developed in the industrial sphere.

The Dominion was one of the few countries not belonging to the Fund, said Mr Black, and would be welcomed as a member. It was to the advantage of any country wanting to borrow foreign exchange over a fairly long period to join, he thought.

Mr Black was accompanied by his wife, Mr Leonard Rist, economic director, Mr Harold Graves, public relations director, and Miss Marie Linahan, private secretary.

The party has spent four days at Huka Lodge and attended a Maori concert in Rotorua last evening. Mr Black has visited Australia, India and Pakistan recently.

Extract from " ROTORUA POST

" Newspaper.

Published at ROTORUA

, on [date] MARCH 22nd. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

INTERNATIONAL MONEY POOL

Reconstruction And Development Bank

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Interest rates on, say, a 25 years loan were calculated broadly, but generally they were 3½%, plus 1% commission for the first ten years and a further ½% for administrative charges, a total of 4½ per cent.

Each member nation was allotted to 18% of stock in its own currency and interest earnings of the Bank's issues totalled 15 million dollars a year.

Extract from "N.Z. FREE LANCE."

"Newspaper."

Published at WELLINGTON, on [date] 26th. March 1952.

SUBJECT: VISIT OF MR. EUGENE R. BLACK... PRESIDENT OF INTERNATIONAL BANK.

Visitor Of World Importance

By the Wellington Representative of the "New Zealand Free Lance."

Waiting for a car outside a Wellington hotel, the tall middle-aged man in the discreet dark overcoat seemed little different from an average New Zealand business man—except perhaps for the rakish angle of his black Homburg. But under the hat was one of the world's important brains, with great influence over the development plans of many nations.

EUGENE R. BLACK, like the bank of which he is president (the International Bank of Reconstruction and Development, one of United Nations' specialised agencies), is friendly, but gives nothing away.

He told the "New Zealand Free Lance" he was here for the fishing—but agreed that with E. C. Fussell, Governor of the Reserve Bank, and A. R. Entrican, Director of the New Zealand Forest Service, he would be

flying over Murupara, scene of the pulp- and paper-making project to develop which New Zealand needs £30,000,000 of somebody's money.

He was here for a rest, he said, but agreed that he had told the Prime Minister, who twice invited him here, he'd be glad "to do a little work" on the side. An hour later he was meeting Cabinet and later was accompanied by (among others) Hon. E. B. Corbett, Minister of Forests, on a luncheon trip to the American Ambassador's Wairarapa home.

Fifty-one nations belong to the World Bank and—a prior necessity—to the International Monetary Fund; New Zealand isn't one of them. That fact made Mr. Black's visit here unusual, for only once since taking his present post has he been in a non-member country: Indonesia.

With the president came other bank officials, fresh from examining Australia's economy. Harold Graves, public relations director, echoed his chief's sentiment that "we would welcome New Zealand to membership of the bank" with the reminder that the Dominion would first have to join the fund by paying—in gold—a quarter of the quota of "capital" the fund decides New Zealand ought to pay. New Zealand, he added, was the only member of the British Commonwealth still outside the organisation, and Murupara (to quote the president) was "just the sort of project we would help finance"—if only New Zealand belonged to fund and bank.

Co-operative Effort

"The bank is doing a fine job," enthused Mr. Black, developing in general terms the theme of the institution's co-operative nature. It meant that member nations were combining to finance one another's rebuilding and progress in productive industry.

The bank was striving, not without success, he indicated, to achieve the purposes outlined for it at Bretton Woods in 1944:

- International monetary co-operation;
- Exchange stability and avoidance of competitive exchange depreciation;
- Removal of restrictions on international transactions and elimination of "multiple currency" practices;
- Use of International Monetary Fund resources by member nations to reduce, in time and extent, "disequilibrium" in their balance of payments.

But there was no significance, concerning Murupara, in his visit to New Zealand, reiterated the president.

"If anything develops, I shall have been here," he shrugged. "I was in Australia anyway; New Zealand is important; it was a chance to see the country—some day you may join us."

This quiet, 54-year-old influence from Atlanta, Georgia, in the banking business there and in New York since his teens, obviously knows all there is to know about financial finesse.

Maybe, however, on a longer stay, New Zealand could have taught him something of finny finesse.

"You New Zealanders believe in fly-fishing," said a knowledgeable bank official, almost apologetically for the revelation to come. "Mr. Black prefers to troll."

Extract from "DOMINION

" Newspaper.

Published at WELLINGTON

, on [date]

MARCH 15th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

BANKER'S VISIT

Illness has forced Mr. Eugene Black, president of the International Bank of Reconstruction and Development, at present in Australia, to shorten his New Zealand itinerary.

Mr. Black will arrive at Wellington by flying-boat on Monday, and will be the guest at a State luncheon on that day.

A cocktail party to have been tendered him by the New Zealand section of the British-American Co-operation Movement at the Royal Oak Hotel on Monday has been cancelled.

Extract from " DOMINION " Newspaper.

Published at WELLINGTON , on [date] MARCH 18th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK

President Of International Bank To Meet Members Of N.Z. Government Today

Possibility Of N.Z's Joining Monetary Fund Expected To Be Discussed

The president of the International Bank for Reconstruction and Development, Mr. Eugene R. Black, will meet the Prime Minister, Mr. Holland, and Government representatives today.

Asked in Wellington last night if the possibility of New Zealand's joining the International Monetary Fund would be discussed, Mr. Black said: "I can't say. I'm president of the International Bank. It seems the natural thing to talk about—but I won't bring it up first."

Later he added: "We would be delighted to welcome New Zealand to membership of the bank."

Mr. Black is here at Mr. Holland's invitation, extended when the Prime Minister was in Washington. There were discussions then, Mr. Black said, but they were mostly about where he could go to fish.

Accompanying Mr. Black are Mrs. Black, Mr. J. Rucinski, chief of the bank's Africa, Middle and Far East loan department, Mr. L. Rist, the bank's economic director, Mr. H. Graves, public relations director, and Miss M. Linahan, private secretary.

The party will return to the United States by air from Whenuapai on March 25.

The visitors have just completed a tour of countries in the Middle East and Asia which are members of the bank.

Murupara Scheme.

Tomorrow Mr. Black will inspect the £30 million Murupara timber milling, pulp and paper-making scheme with the director of the New Zealand Forest Service, Mr. A. R. Entrican.

Of Murupara Mr. Black said: "It is just the sort of project we would help to finance." But, he stressed, only members of the monetary fund could borrow from the bank and New Zealand was not yet a member.

During their Washington talks, Mr. Black said, he had indicated to Mr. Holland that he wanted to come to New Zealand for a rest, but had told him that he would be happy to do a little work while in the country.

"Mr. Holland said he would like to show me a few things and I suppose Murupara is one of them," he said.

Mr. Black said he wanted to view the Murupara site to give him ample background knowledge in case the question of financial assistance for the scheme arose in the future.

Ill-health has forced Mr. Black to curtail his New Zealand itinerary. Yesterday he was accorded a State luncheon at the Hotel Waterloo and today he will motor to the country residence of the American Ambassador, Mr. R. M. Scotten. He and his party will later be entertained by the Governor of the Reserve Bank, Mr. E. C. Fussell, at a dinner at the Wellington Club.

The party will leave by air tomorrow for Rotorua and will later motor to Auckland.

Mr. Black described Britain's recent move to strengthen sterling as "courageous." Sterling, he said, had been strong during the last few days.

Asked if this was the result of Britain's move he said: "It happened right after so I guess that's the result."

Bank's Functions.

Mr. Graves, explaining the bank's functions, said entrance to the bank was gained only by joining the monetary fund. The fund decided what quota or subscription a country had to pay to join. To join the fund, 25 per cent. of the quota had to be paid in gold; to join the bank two per cent. of the agreed quota in gold and 18 per cent. in the currency of the member country.

Member countries were stock owners of the bank, which could make loans to governments, government agencies, trading departments and private individuals. In all cases governments had to ratify the loans before the money was made available.

The bank's charter, he said, was written at Bretton Woods in 1944 and was set up and operated in 1946-47. So far the bank had lent 1290 million dollars to 25 countries. Before the Marshall Plan operated the bank lent half a billion dollars in Europe for reconstruction.

Development loans were principally for providing electric power, transportation and railroad construction, port facilities, highways and agriculture. The bank also lent foreign exchange.



MR. BLACK.

Extract from "DOMINION

" Newspaper.

Published at WELLINGTON

, on [date]

MARCH 19th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

Visitors Admire Panorama Of Wellington By Night

Though much-travelled, Mr. Eugene R. Black, president of the International Bank for Reconstruction and Development, and Mrs. Black think Wellington is wonderful scenically. On their first night in New Zealand they drove to the top of Mount Victoria and revelled in a view of the light-spangled hills of Wellington below.

Mrs. Black, like her husband, is from Atlanta, Georgia. Her speech is rich with a languid southern accent.

In Wellington and on the flight across the Tasman she has finally used the fur coat she had been carrying round for weeks.

With every part of the present nine-week tour being made by air, Mrs. Black has endeavoured to telescope her wardrobe into the smallest possible dimensions. It includes three suits, several evening gowns and some frocks, not nylon, because she does not like this material as a dress medium. Lingerie, however, is mainly of nylon.

Because she grew up in Atlanta and stores there know her likes in clothes she buys for her wardrobe only in her home town. Both her mother and her husband's mother still live there and Mr. and Mrs. Black visit them several times a year.

Home for Mr. and Mrs. Black is now in Washington. Till last year they owned a farm in New Jersey but sold it recently.

With her husband, Mrs. Black has been twice to South America recently, to Britain, Europe, Australia and now to New Zealand. She hopes to take back something typical of this country, a practice she follows wherever she goes.

Mr. and Mrs. Black have a 21-year-old son studying at Yale University. Mrs. Black has a stepson and stepdaughter and two step-grandchildren, whom she calls her "ready-made family."

BANKERS CONFER WITH POLITICIANS ON MURUPARA

The president of the International Bank of Reconstruction and Development, Mr. Eugene R. Black, had discussions yesterday with the Prime Minister, Mr. Holland, and his Cabinet colleagues. Though no official statement was made after the meeting, these talks are believed to have been on financial matters relating to the proposed Murupara pulp and paper scheme.

Also present at the meeting were the Governor of the Reserve Bank, Mr. E. C. Fussell, the deputy-Governor, Mr. A. Ross, the Secretary to the Treasury, Mr. B. C. Ashwin, and the Prime Minister's financial secretary, Mr. I. G. Lythgoe. Mr. Black was accompanied by the International Banks chief of the Africa, Middle and Far East Department, Mr. J. Rucinski, the bank's economic director, Mr. L. Rist, and the Public Relations Officer, Mr. H. Graves.

After the meeting Mr. Black, accompanied by Mr. Holland, the Minister of Customs, Mr. Bowden, and the Minister of Forests, Mr. Corbett, left for Featherston, where they were guests at lunch of the American Ambassador, Mr. R. M. Scotten.

Mr. Black will leave Wellington today to make an aerial inspection of the Murupara scheme. He was entertained at dinner last night by the Governor of the Reserve Bank.

Extract from "DOMINION

" Newspaper.

Published at WELLINGTON

, on [date]

MARCH 26th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

INTERNATIONAL BANK PRESIDENT LIKES N.Z.

Mr. Black Would Welcome "This Kind Of People" As New Member

AUCKLAND, March 25 (Dominion Correspondent).—Mr. Eugene R. Black, president of the International Bank for Reconstruction and Development, would personally be glad to see New Zealand a member of the International Monetary Fund and Bank "because I like the country, I like the people and I would like to see this kind of people in the bank."

He made these comments in an interview at Government House, Auckland, today, a few hours before leaving on his return to the United States by airliner.

Mr. Black said he could not speak for the bank whose members would have to vote on any such issue, nor would he comment directly on what New Zealand would gain by joining; this, he said, could be inferred from what the organisation had done.

About the Murupara newsprint, pulp and timber scheme he would say only that it was the type of thing the bank had lent money on. To another question he said that no survey missions had yet been sent to countries before they became members of the bank and that had not been suggested here. The question of joining was one for the Government.

New Zealand's commitments if she joined the Monetary Fund and Bank were rather complex, said Mr. Black. A committee would probably have to decide on her quota but the figure discussed some time ago had been a contribution of 50 million dollars each to the fund and the bank. Of the 50 million dollars to the bank 2 per cent., one million dollars, was to be in dollars and 18 per cent. in New Zealand currency, £N.Z.3,290,000 in the form of a non-interest-bearing note. This New Zealand money would be required only if a loan in the Dominion's currency was sought and then could be used only with permission of the New Zealand Government.

The remaining 80 per cent. of the money could be called on only to meet any default on the bank's bonds.

"The International Monetary Fund is in the same building as we are but I don't have much to do with it," said Mr. Black. "However, my impression is that you would have to pay in only 25 per cent. of the quota—3 per cent. in gold and 22 per cent. in New Zealand pounds."

New Zealand had a fine record in creditworthiness—the basis of which loans were made—and he did not think there would be any trouble in establishing that, said Mr. Black; nor, though members of the bank had to vote on new admissions, did he think this would be any more than a formality with New Zealand if she should apply.



MR. BLACK.

Extract from "EVENING POST

" Newspaper.

Published at WELLINGTON

, on [date]

MARCH 17th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

New Source For Murupara Cash?

WILL some of the money for the development of the huge Murupara timber milling, pulp and paper-making scheme come from the International Bank of Reconstruction and Development?

IF it does New Zealand will have to reverse its previous policy of standing aloof from the International Monetary Fund. Only members of the fund can borrow from the International Bank.

Speculation is given strength by the failure of the recent negotiations between powerful British financial interests headed by the Bowater Corporation and the Tasman Pulp and Paper Company Limited and by the arrival at Wellington today of Mr. Eugene R. Black, president of the International Bank for Reconstruction and Development.

"I don't know. You'd have to ask Mr. Holland about that," replied Mr. Black when asked if there was a likelihood of New Zealand joining the International Monetary Fund and, through it, his bank. "We would welcome New Zealand to membership of the bank," he added.

Mr. Black said he had first met Mr. Holland in Washington a little over a year ago. Then he had met the Prime Minister again while passing through London at the beginning of his present tour of South-east Asian countries.

"Yes," he said smilingly in reply to another question, "we had some discussions. They were mostly about where I could go to fish."

Mr. Black indicated that he had come to New Zealand for a rest, but said he had told Mr. Holland he would be happy "to do a little work" while in New Zealand.

"Mr. Holland said he would like to show me a few things," said Mr. Black, "and I suppose Murupara's one of the things he wants to show me. It is just the sort of project we would help finance, but we can't make loans to anyone unless they are members of the bank."

Mr. Black added that Mr. Holland had said he had hoped he and his party would have time to look at the area in which the project is to be established.

The party will have plenty of time to look. Their nine-day New Zealand itinerary gives them three full days at Huka Lodge after their arrival at Rotorua by air on Wednesday. And they will be "looking at a few things" in company with the Director of the New Zealand Forest Service (Mr. A. R. Entrican).



Mr. Eugene Black.

Extract from " **EVENING POST**

" Newspaper.

Published at **WELLINGTON**, on [date] **MARCH 17th. 1952.****SUBJECT : VISIT of MR. EUGENE BLACK, PRESIDENT of the INTERNATIONAL BANK.**

World Bank Officials Here On Tour

Mr. Eugene R. Black, president of the International Bank for Reconstruction and Development, Washington, and Mrs. Black arrived at Wellington in the Awatere from Sydney today. They will spend nine days in New Zealand and are due to return to the United States by air from Whenuapai on March 25.

Mr. Black was accompanied by the bank's Director of Public Relations (Mr. Harold Graves), the chief of the bank's Africa, Middle and Far East Loan Department (Mr. Joseph Rucinski), Mr. Leonard Rist, an economic director of the bank, and Mr. Black's private secretary (Miss Marie Linahan).

They were met on arrival by Mr. Roy I. Kimmel, an economic adviser representing the American Ambassador; the Governor of the Reserve Bank of New Zealand (Mr. E. C. Fussell); and Messrs. G. H. Weir and D. A. Beresford, reception officers of the Department of Internal Affairs.

Mr. Black and his party are completing an eight weeks' tour of countries in the Middle East and Asia which are members of the bank. They have been to Bahrain Island in the Middle East, Pakistan, India, Ceylon, Singapore, Siam, and Australia.

Because of ill-health Mr. Black has had to cancel a number of public engagements, but he was the guest of honour at a State luncheon at the Hotel Waterloo today. Tomorrow he will motor to the country residence of the American Ambassador (Mr. Robert M. Scotten) for lunch, and in the evening he and his party will be entertained by Mr. Fussell at a dinner at the Wellington Club.

On Wednesday the party will leave for Rotorua by air, accompanied by Mr. and Mrs. Fussell, the Director of the New Zealand Forest Service (Mr. A. R. Entrican), and Mr. Weir. On arrival they will go to Huka Lodge.

Sunday will be occupied by sight-seeing in and around Rotorua, and in the evening they will be guests at a Maori reception. The following day they will motor to Auckland, from where they will leave for the United States on March 25.

Aged 54, Mr. Black has had a long banking experience. He was educated at the University of Georgia and entered the Atlanta office of Harris, Forbes and Company (New York investment bankers) in 1919. In 1932 he was appointed manager of the Atlanta office of the Chase-Harris Forbes Corporation and rose steadily in the banking world till, in 1949, he became senior vice-president of the Chase National Bank of the City of New York. He was appointed to his present position three years ago.

Mr. Rist, who is 47, was with the French element of Lazard Freres before the war. Later he was a prisoner of war for a period and subsequently joined the International Bank for Reconstruction and Development.

Mr. Rucinski was a financial expert in the Polish Government, but fled the country when the Communists began to get control. He went to the United States about 1946 to join the International Telegraph and Telephone Company, and subsequently became a naturalised American citizen. He is 47.

A newspaper man who served with the American Navy in South-east Asia during the war, 37-year-old Mr. Graves was Washington correspondent for a New England newspaper till appointed to his present position in 1950.

Official Tells Of Bank's Work

An insight into the working of the International Bank for Reconstruction and Development was given by its Director of Public Relations (Mr. Harold Graves), on his arrival at Wellington by Solent from Sydney today.

Though the International Monetary Fund was separate from the bank, he said, entrance to the bank was gained only by joining the fund. The fund decided what quota, or subscription, a country had to pay to join in. In the case of the fund 25 per cent. of the quota had to be paid in gold.

To join the bank 2 per cent. of the agreed quota had to be paid in gold and 18 per cent. in the currency of the member country. Member countries were stock owners of the bank, which could make loans to Governments, Government agencies, or trading departments and to private individuals. In all cases Governments had to ratify the loans before the money was made available.

The bank's charter was written at Bretton Woods in 1944 and it was set up and began operations in 1946-47.

So far, said Mr. Graves, the bank had lent one billion two hundred and ninety million dollars in 25 different countries. Most of this money was in dollars, but loans were also made in other currencies—Swiss francs, Norwegian kroner, Italian lire, British sterling Canadian dollars.

Before the Marshall Plan came into operation the bank lent half a billion dollars in Europe for reconstruction. This was spent mostly on materials and equipment for reconstructing industry and for beginning new industries. It went, too, on developing agricultural industries and providing tractors and fertilisers.

POWER AND TRANSPORT.

The first loans for development were made in the spring of 1948. Most were for new development, principally the provision of electric power, transportation, and the construction of roads, port facilities, and highways. Much was spent on agriculture. Only a little was spent on industry except for that phase of the bank's operations in Europe immediately after the war.

The bank had also helped establish new banks in Ethiopia and Turkey which would make medium and long-term loans at medium rates of interest for the development of industry. A similar organisation had been set up in Mexico among eight banks which were already in existence.

Extract from " EVENING POST " Newspaper.Published at WELLINGTON , on [date] MARCH 18th. 1952.SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

Other Roads To Peace

"Armaments alone won't ensure peace," said Mr. Eugene R. Black, president of the International Bank for Reconstruction and Development, on his arrival at Wellington by Solent from Sydney yesterday.

"We must have a constant effort to develop the under-developed countries. In the bank's efforts in this respect I think we can make a real contribution to world peace."

Mr. Black, who has been making a tour of countries in South-East Asia, said that their biggest problem was irrigation. Only by irrigation could they make more land available for their increasing population. It was difficult to make land available as quickly as their populations increased.

In Pakistan, to which his bank would shortly be making a loan, colonisation schemes were in operation in an effort to take people away from the cities and attract them back to the land to increase food production.

Both India, where his bank had financed a number of projects, and Pakistan were making very good progress, said Mr. Black. Their main problems centred around water, transportation and the provision of electric power.

Both Siam and Ceylon were in a strong financial position. Both countries had been able to build very satisfactory reserves of overseas currencies.

Extract from " CHRISTCHURCH STAR-SUN " Newspaper.

Published at CHRISTCHURCH , on [date] MARCH 19th. 1952.

SUBJECT : VISIT of MR. EUGENE R. BLACK, PRESIDENT of the INTERNATIONAL BANK.

THE WORLD BANK

THE visit of Mr Eugene Black, President of the International Bank for Reconstruction and Development, may help turn the public mind to the important work of this institution. When it is realised that since May, 1947, the Bank has lent more than 1,200,000,000 dollars to twenty-four countries it can be seen that it works on a considerable scale.

As its title suggests, one of the main functions of the Bank was originally intended to be the financing of the foreign exchange cost of post-war reconstruction. However, the task of restoring the economy of Western Europe was so great that, in order to prevent a complete breakdown, the Marshall Plan came into being. In such circumstances the Bank's work tended to shift its emphasis from reconstruction to development.

It is in this role that the Bank has played and is now playing such an important part in assisting under-developed countries. The process involves a great deal more than the mere application for a loan. In the first place each application is thoroughly scrutinised by a staff of experts, economic and technical, and if need be a survey mission is sent to the country in question to study the project and suggest methods of finance and technical operation. Even if the loan is approved, the Bank just feeds the money in as required and supervises the whole operation.

The Bank, however, is not so much concerned with the successful completion of single and isolated projects. It lays emphasis on planned and integrated development over the whole country under consideration. It is tending to consider its function to be rather that of a catalyst; that is, by giving the initial stimulus it may set in train a whole series of developmental projects. It achieves this by supplying scarce currencies needed to pay for key items of equipment, so that projects, mainly internally financed, may be brought to a successful conclusion. In this way benefits accrue which are much greater than the actual sums lent would indicate.

Nor does the Bank tie its loans to purchases in any one country. It is a World Bank, and is not run for the benefit of one country. It aims to encourage co-operation among groups of nations.

POUGHKEEPSIE NEW YORKER

Circ.: e. 23,602
S. 24,091

Page: 4

Date: MAR 23 1952

● Lou Schneider

Trade Winds

Moscow called an International Trade conference for April 3-10. The Communists say the powwow aim is to increase East-West trade.

London, Paris, Tokyo and Washington aren't being fooled. The Kremlin purpose is an anti-American propaganda stunt. It always happens at this time every year.

Let's face the facts. The Canadian dollar did not move to above parity with the United States dollar. The United States dollar slumped to below parity with the Canadian dollar.

India's gold market has collapsed, and is in a state of emergency. Dumping by profiteering speculators caused the upset, which was aggravated by the steep decline in commodity and raw material prices. Calcutta hears that a settlement of the Korean conflict is imminent.

India is in line for a substantial loan from the International bank. President Eugene Black made the recommendation to aid India's five-year economic development plan.

JAPAN'S TRADE MINISTRY

will approve the British \$14,000,000 order for 109,000 tons of steel placed with the Wayata and Fuji iron and steel companies. The British wanted to pay in sterling. The Japanese firms wanted dollars. Outcome: The United States will loan the British the dollars to pay for the steel.

Increased world newsprint production is easing the supply pinch, but not fast enough to keep up with increased consumption. Finland is making a special trade-price concession to England, but Canada appears ready to increase prices to United States buyers. The world under-counter price is now considerably below the \$300 a ton quoted last year, but the market continues active because of the high demand. Your reporter knows that foreign buyers obtain more attractive prices when changes are made in purchasing agents.

Turkey's agricultural growth, mainly due to ECA contributions, is becoming the Near East bread basket. Her earnings this year from farm products exports may total more than that of the Marshall Plan aid.

Press Intelligence, Inc.
WASHINGTON 1. D. C.

SEATTLE TIMES

Circ.: e. 211,275
S. 237,198

Page:

Date: MAR 25 1952

**Pakistan to Get
\$27,200,000 Loan³**

KARACHI, Pakistan, March 2. (P) — The World Bank will extend Pakistan a loan of \$27,200,000 to develop the nation's railway system, it was reported in official circles tonight. The agreement is expected to be signed Thursday in Washington.

Pakistan is continuing its negotiations with the bank for additional loans to establish paper mills and for the purchase of agriculture machinery.

Press Intelligence, Inc.
WASHINGTON 1. D. C.

TULSA (Okla.)
TRIBUNE
Circ.: e. 66,536

Page: **FRONT**

Date: **MAR 25 1952**

Pakistan to Get Loan 3

KARACHI, Pakistan, March 25 (AP)—The World Bank is extending Pakistan a loan of \$27,200,000 to develop the nation's railway system, it was reported in official circles tonight. The agreement is expected to be signed Thursday in Washington.

"THE WEST AUSTRALIAN"

Tuesday, March 25, 1952.

WORLD BANK MISSION



Two representatives of the International Bank for Reconstruction and Development, Washington, arrived in Perth yesterday on a brief visit.

They were Mr. S. R. Cope, an Englishman and Dr. A. M. Kamarck, an American. Both men left by air for South Australia last night.

It was the first time a mission from the bank had

been to Western Australia, said Mr. Cope, and they had investigated the main lines of development being planned in this State.

He and Dr. Kamarck would prepare a report on the use made of the 1950 loan and were gathering information from all States for consideration in connection with a possible further dollar loan.

Wednesday, March 26, 1952.

DOLLARS AND FARMS

Two representatives of the International Bank for Reconstruction and Development have paid a flying visit to Perth to see what use Western Australia has made of its share of the dollars borrowed under the 1950 loan and whether it could profitably use more dollars. They saw little of the State but they talked with the men who are implementing the State Government's development plans and there is reason to believe that they were impressed by what they heard. Our land settlement policy made a good story in the ears of international bankers acutely aware of the world food shortage.

Any reluctance by Australia to borrow additional funds from the bank must be offset by the imperative need to obtain American goods for the development and expansion of electric power, water conservation, railways, land settlement, mining and refining and heavy and other essential industries. Because of the sterling area's dollar shortage it could be argued that Australia should be chary of assuming further dollar commitments. True, we ought to be less dependent on dollar goods than we are. But we are not, and since we must increase production or call a halt to national progress we should be prepared to seek further help from the bank. A greater danger might be our inability to find sufficient Australian loan money to enable us to put a dollar loan to maximum use.

The bank, it is understood, takes the view that its advances should serve the purpose of simultaneously strengthening the economy of the country which receives them and of strengthening the world economy as a whole. It follows that, in a country such as Australia, agriculture must have an extremely high priority in the distribution of bank loans because in primary production lie our principal and immediate hopes of augmenting sterling and dollar earnings. There is, of course, another side to the question because, as Mr. Menzies pointed out recently, every additional cargo of Australian wheat reduces the need for dollar wheat.

How much assistance Western Australia derived from the last loan and from other special arrangements for the supply of dollar goods is not known, but dollar bulldozers found their way into land settlement, railway rehabilitation, forestry, ~~coastal~~ mining and elsewhere. Not all of them were reserved for Government instrumentalities. We want more, many more, of them and also help in other directions, such as steel plate for country water reticulation.

We have reached a stage in land settlement when an extra "push" could yield spectacular results. We must seek to achieve them because a settlement policy that sought only to keep us self-sufficient in foodstuffs and contributed nothing for export would be merely a stop-gap measure. Our clearing goal on the more lightly timbered country and on the scrub plains might well be the equivalent of at least 200 farms a year. This would call for far-sighted planning and immense organisation and it would involve much more than American bulldozers, necessary as they would be. But it would be entirely in accordance with the bank's ideas and as settlers repaid their debts there would be more money for agricultural investment by Governments.

So far, Western Australia's land settlement scheme has been confined virtually to ex-servicemen. The dairying

side is approaching completion and it is most improbable that anything like all the applicants for mixed farming properties will be willing to accept them in virgin districts. It was a different story when the Government was buying developed farms and subdividing them. Now, surely, is the time for the State Government to make overtures to the Commonwealth for a general land settlement scheme in which all suitable Australians, including migrants, would be eligible to participate. There should be no hiatus once we have fulfilled our obligations to ex-servicemen.

Black of World Bank:

Borrowers Repay All Loans on 'Dot'

By LINDSAY ARTHUR
Call-Bulletin Financial Editor

In the five years of its operation, the International Bank for Reconstruction and Development has made 59 loans to 26 member countries. There has not been one minute's delay on payments of interest nor amortization of principal.

This summary of the World Bank's record was given today by

Eugene R. Black, president, during a press conference in the Bank of America headquarters.

In addition, Black explained, the World Bank, established by agreement at Bretton Woods in 1944 and which he has headed for three years, is making a profit of \$15,000,000 a year.

Black is in San Francisco on the last lap of a globe-circling tour of more than 30,000 miles. He arrived yesterday from Honolulu.

Paid-In Funds

At the press conference, arranged by Russell Kent, Bank of America vice president, Black discussed methods of World Bank financing. World Bank is capitalized at \$8,500,000,000, but paid-in funds amount to only 20 per cent of that total, or \$1,700,000,000. The balance can be called only to meet deficiencies or expected deficiencies.

The bank has no dollars available for loans at this time except residue of its last bond issue for \$100,000,000, sold at 3¼ per cent.

The World Bank president indicated there would be another issue "within a few months."

In lending to a member nation, Black pointed out, the bank adds to the interest cost of its bonds, the last 3¼ per cent, one-quarter of 1 per cent for expenses, plus 1 per cent as a reserve against losses. This first reserve has been built up to \$25,000,000 and a second reserve of \$50,000,000 has been established from earnings.

Not Competitive

The International Bank does not compete with private banks, Black said. When the financing of a foreign project is in prospect private banks are invited to make the loan first and in some cases, he added, such banks as Bank of America and Chase National Bank of New York either finance a part of a project privately or purchase the short maturity bonds issued and guaranteed by the World Bank.

Emphasizing that World Bank "finances projects," Black noted, too, that the foreign nations have financed on average two-thirds of their own developments with World Bank underwriting one-third.

The World Bank's most recent loan was one this week of \$27,000,000 to Pakistan for railroads.

Subsidiary Studied

Black disclosed there is consideration before Congress of the establishment of an International Finance Corporation, which as a subsidiary of International Bank, could make foreign loans without guarantee of the government of the country in which the loan is to be placed, a procedure forbidden to the World Bank.

In addition to this non-guaranteed loan it could also make equity investments.

Accompanied on his tour by Mrs. Black and several members of his staff, the World Bank president during the last nine weeks visited England, India, Pakistan, Ceylon, Malay, Thailand, Australia and New Zealand.

San Francisco - Mar. 28, 1952

World Bank's Net Profit \$15,000,000 Annually

President Black
S. F. Visitor

If the twenty-six nations of the world which have borrowed from the World Bank were given a credit rating, it would be Triple A-1.

"There has not been a minute's delay on payments of interest and amortization of principal on any of our loans," World Bank President Eugene R. Black told a press conference at Bank of America yesterday.

The bank, officially titled the International Bank for Reconstruction and Development, has made fifty-loans over the past five years. It now has \$1,300,000,000 of credit outstanding. Two loans have been paid off in full.

SOLE MONEY MAKER.

"We are making \$15,000,000 a year net profit. So far as I know it is the only international organization that ever made money," he said.

Loans are carefully screened to finance projects which will aid a nation's economy and improve its trade position with the world.

A \$28,000,000 loan to Yugoslavia for purchase of mining equipment will improve its balance of payments by \$50,000,000 a year.

A loan to Brazil for a hydroelectric project will save the Brazilian Government \$10,000,000 a year on coal purchases.

WORD LENDING.

Black reported a trend toward greater participation by private banks in World Bank lending. Recently Chase National Bank of New York, where Black was a first vice president before taking his present job, took half of a \$7,000,000



EUGENE R. BLACK

World Bank Creditors OK

loan to KLM (Dutch) Airlines. A group of banks committed themselves for \$30,000,000 of an \$80,000,000 loan to South Africa, with the World Bank putting up the balance.

MORE CURRENCY.

He also saw a tendency to lend less money in dollars and more in currencies outside the dollar area. Of a \$27,000,000 loan to Pakistan negotiated within the week, \$15,000,000 will be paid in dollars and the balance in French francs.

Black stopped over in San Francisco on his way back to Washington after a 30,000 mile inspection trip around the world.

Press Intelligence, Inc.
WASHINGTON 1, D. C.

**SAN FRANCISCO CALL
BULLETIN**

Circ.: e. 159,738

Page: ☒

Date: MAR 28 1952



WORLD BANK PREXY HERE

Money invested by the International Bank for Reconstruction and Development to assist economic rehabilitation of foreign countries has been "well placed," declares Eugene R. Black, pictured above with Mrs. Black as they arrived yesterday at San Francisco Airport from the Far East. Black will be honor guest at a dinner to be given in the St. Francis Hotel tonight by the San Francisco Committee on Foreign Relations.

Press Intelligence, Inc.

WASHINGTON 1, D. C.

**SAN FRANCISCO
EXAMINER**

Circ.: m. 221,506
S. 570,000

Page:

Date: 10 MAR 29 1952

World Bank's Net Profit \$15,000,000 Annually

President Black
S.F. Visitor 7

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CLEVELAND (O.) PRESS

Circ.: e. 294,747

Page: 15

Date: MAR 29 1952

**World Economy
in Good Shape,
E. R. Black Says** 20

SAN FRANCISCO, Mar. 29—(UP)—Eugene R. Black, president of the World Bank for Reconstruction and development, described world economic conditions as "good" today on his return from a nine-week round-the-world junket.

The World Bank, an international organization including 51 countries, was set up in 1944 to provide financing for reconstruction and development. It has loaned \$1,300,000,000, none of which has defaulted, Black said.

He noted there is an increasing trend to use foreign currencies instead of American dollars in granting loans. A large share of a recent \$27,000,000 loan was in French francs and British pound sterling.

Commenting on the East-Asian countries he visited, Black said that economic conditions were "prosperous."

"Thailand is in good shape and Malaya is quite prosperous," he stated. Malaya's internal troubles with Red guerrillas has not greatly affected that country's economy.

SAN FRANCISCO
CHRONICLE

Circ.: m. 155,626
S. 266,622

Page: 12

Date: MAR 29 1952

Business Trends and Comment

World Bank's Black Tells Global Story of Progress

By SIDNEY P. ALLEN, Financial Editor

The World Bank, set up not to supplant but to supplement the flow of private enterprise capital to needy and worthy points around the world, is by no means just another international charity. So far, in fact, it has operated as a highly successful and profitable financial institution.

One primary reason for this success, of course, is management. The head man, President Eugene Black, is in San Francisco on the last leg of a round-the-world trip. As a long-time private banker (Chase National), Black is keenly conscious of a reasonable risk. More than that, he's doubly alert to the bank's responsibility in helping the underdeveloped countries help themselves.

Black talked to the press yesterday at Bank of America headquarters, outlining some of the progress and detailing some of the policy points. And offering some observations anent conditions in various parts of the world he visited in his nine-week encirclement.

First, the World Bank is very profitable—so far. Black emphasized that it is earning about \$15,000,000 a year now, its fifth year of operation. All interest and principal payments have been met promptly. And it has built up reserves against losses of about \$75,000,000 already.

Balance Point

That's quite a record, obviously. And it's based on a considerable achievement as represented by bank activities up to date.

For the World Bank, more properly the International Bank for Reconstruction and Development, has so far made 59 loans in 26 countries in an aggregate amount of about \$1,300,000,000. Two of those loans already have been repaid in full.

Several have been sold, or partly sold, to private financial institutions. And Black said there are indications that more of the bond obligations (representing loans by the bank) will be purchased and taken over by private lenders.

Perhaps the most significant point of all in bank activities, however, is the evaluation of use of the money loaned. Black cited a few examples.

He said that the bank has made a dollar equivalent loan of \$28,000,000 to Yugoslavia, for one. But the loan was in currencies of countries in Yugoslavia's trading orbit. It was used to modernize and mechanize mining.

And Black estimated that it will result in improving Yugoslavia's balance of payments in her trade by at least \$50,000,000, or the equivalent.

A like story was told in regard to the loan to Brazilian Light and Traction. It reduced that country's coal bill by some \$10,000,000 annually. Quite an industrial item.

An Affiliate?

Object of Black's trip was to learn about the countries (51) that are bank members, and particularly those that have loans. He has visited 30 in his three years as president, he tallied.

This swing took him from England to India, which has three World Bank loans totaling \$60,000,000. Then to Pakistan, which just a week ago secured its first loan, \$27,000,000 in dollars and francs for railroad construction.

Prosperous Ceylon has requested an economic and financial report from the bank, which will be made shortly. Thailand has loans of \$25,000,000 for dredging, irrigation and communications, and is prospering.

Australia may seek loans in addition to the \$100,000,000 it already has obtained, he said. And New Zealand was visited to "talk about their becoming a bank member."

Black touched upon an International Finance Corp. as a possible affiliate of the bank. He suggested it should have a capital of about \$100,000,000, and should be financed by all member countries.

Its purpose: to make loans that do not have the guarantee of the country where they are made (as World Bank loans must). There is a need, Black found, for some good companies do not want the Government "partnership" implied by the guarantee. Or its interference.

Black flies back to Washington today.

Press Intelligence, Inc.
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PITTSBURGH PRESS

Circ.: e. 280,777
S. 499,081

Page:

Date:

31
MAR 30 1952

**World Economic
Condition Called Good**

SAN FRANCISCO, March 29 (UP)—Eugene R. Black, president of the World Bank for Reconstruction and Development, described world economic conditions as "good" today.

Mr. Black returned this week from a nine-week round-the-world junket that took him to Britain, India, Pakistan, Ceylon, Thailand, Australia and New Zealand.

The World Bank, an international organization totaling 51 countries, was set up in 1944 to provide necessary financing for reconstruction and development in the post-war period. It since has loaned \$1,300,000,000, none of which has defaulted, Mr. Black said.

"The Bank realized a \$15,000,000 net profit annually," he stated. This sum is placed in a reserve fund to protect against any losses. So far that fund, estimated at \$75,000,000, has not been touched, Mr. Black said.

APR 6 1952

THE NEW YORK SUN
 THE NEW YORK TIMES /P.4
 THE AMERICAN BANKER
 THE WALL STREET JOURNAL
 THE NEW YORK HERALD TRIBUNE
 THE NEW YORK WORLD-TELEGRAM
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THE PHILADELPHIA
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 THE BALTIMORE SUN
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THAILAND'S REGIME SHOWS ITS DEFECTS

**Military Chiefs Who Dominate
 Cabinet Vie for Profit From
 Corrupt Administration**

By TILLMAN DURDIN
 Special to THE NEW YORK TIMES.

BANGKOK, Thailand, April 5—

The future of Thailand's new military Government will depend largely upon whether unity can be maintained between the military leaders within the cabinet, observers here believe.

Army, air corps and police force commanders all occupy Cabinet posts in the new regime. Of twenty ministers, only four are civilians. The Commander in Chief of the Army, Gen. Phin Chunhawan, is installed as Deputy Premier. The Air Corps' Leader, Air Chief Marshal Fuen Ronapakart, is Minister of Communications. Gen. Phao Sri Yanond, chief of the police, is Deputy Minister of the Interior. Another strong military personality, Gen. Sarit Thepasden, commander of the Third Army, is Deputy Minister of Defense.

A majority of the members of the new Parliament are either military officers or civilian adherents of ruling military group. Half of the members of Parliament were appointed last December by the military junta after the bloodless coup that threw out the old Parliament and Constitution. The other half was elected in February.

Old Rivalries Dormant

Relations between the service chiefs now dominating the Government have been cooperative lately, but former rivalries may reassert themselves. General Phao is regarded as one of the strongest figures in the Government. Another is General Sarit. Army-police differences over the control of various money-producing operations, such as the opium trade, have put Generals Phao and Sarit at cross purposes in the past.

The role of Premier Field Marshal Pibul Songgram in the new Government will be that of front man and mediator among the Cabinet groups.

Marshal Pibul no longer has direct command of any of Thailand's armed forces and is not the strong man he once was in Thai politics. His experience and prestige are valuable to the service chiefs now in power, however, and he appears to have improved his position since he reluctantly agreed to participate in the overthrow of the old Government system last December.

Observers here are worried over the extent of corruption in the new Government. Its leaders are moving into new spheres of money-making activity, which in some instances clogs the wheels of effective administration.

A stepped-up anti-Chinese program reflecting Thai resentment against a virtual Chinese monopoly of retail trade in Thailand has become one of the principal policies of the new regime. The Chinese are being threatened with special levies for "profiteering" and further restriction on the occupations in which they can engage. Protests from all foreign diplomatic missions here have greeted a Thai Government order raising the registration fee for alien residents from the equivalent of one dollar to \$20 a year for each person. For Chinese with large families the new tax is an impossible burden and many Chinese say they will go to jail rather than pay.

In its application to Americans, the new measure violates a clause in the Thai-United States commercial treaty. It also contravenes agreements between Thailand and Nationalist China. So far that Government has not dropped the regulation, but is giving further consideration to the matter.

Opposition's Voice Heard

Meanwhile, evidence that some stubborn opposition elements have succeeded in getting into the new Parliament was provided during the debate on the new Government's policies. Several speakers attacked military domination in the new Government and com-

pared the regime with the governments of Hitler and Mussolini.

Nai Klaew described the new Government as one of force, which could send its "iron eagles" to bomb out enemies and its police "to kill members of my family." Nai Thian compared the situation to that before the downfall of Chiang Kai-shek's Government in China and said there was "too much militarism, too much corruption."

Another speaker declared that after twenty years of trying to establish democracy, Thailand now had less democracy than the young governments of newly independent states of Southeast Asia, such as the Philippines, Indonesia and Burma.

Premier Pibul defended the Government, denied large-scale corruption and asked for patience regarding Thailand's democracy. He said the process of establishing democracy had taken generations in other countries, even in Britain.

The Premier presented a Government program that emphasized an anti-communist policy and the objectives of stabilizing the currency, increasing land ownership and other benefits for farmers and improving communications. One point promised that the Government would strive to "create friendship with all members of the general public."

Argus International de la Presse S.A.

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Extrait du Journal: New York Herald
Tribune - Paris

- 7. April 1952

**New Zealand Is Urged
To Join the World Bank**

AUCKLAND, New Zealand, April 6 (A.P.).—The only limit on the amount that could be lent by the International Bank to New Zealand for development if the Dominion joined the International Monetary Fund would be the credit-worthiness of the country, Eugene Black, the bank president, said before leaving here for the United States.

Mr. Black said he would like to see New Zealand join the bank, "but whether you do is not for me to say. That is up to Mr. Sidney Holland, the Prime Minister." He added that the £30,000,000 newsprint, paper and timber project at Muru Para was similar to many schemes the bank had lent money on elsewhere.

New Zealand has an excellent credit record and should not have any trouble proving its economic soundness to the bank directorate should it decide to apply for membership, he said.

APR 8 1952

THE NEW YORK SUN
THE NEW YORK TIMES
THE AMERICAN BANKER
THE WALL STREET JOURNAL
THE NEW YORK HERALD TRIBUNE
THE NEW YORK WORLD-TELEGRAM
THE NEW YORK JOURNAL OF COMMERCE

THE TIMES HERALD
THE WASHINGTON POST
THE WASHINGTON STAR
THE WASHINGTON NEWS

P. 7

THE PHILADELPHIA
INQUIRER
THE BALTIMORE SUN
THE CHICAGO JOURNAL
OF COMMERCE
THE COMMERCIAL AND
FINANCIAL CHRONICLE

World Bank Plans More Loans in Asia

Back home from a two-month round-the-world survey, President Eugene R. Black of the International Bank for Reconstruction and Development yesterday forecast a "fairly sizable amount" of new loans to nations in south and southeast Asia.

On his trip, Black discussed the use of past loans, and the prospects for new ones, with officials in Pakistan, India, Ceylon, Thailand and Australia.

Throughout the area, he told a press conference, the paramount need was for increased food production and for greater power development. Also, he declared, the countries needed help and advice in the form of technical assistance.

Black also predicted that within a few months Japan and West Germany would become members of the World Bank. He said he also had discussions with officials of the New Zealand government on its possible membership in the World Bank and the International Monetary Fund.

Argus International de la Presse S.A.

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Extrait du Journal:

MANCHESTER GUARDIAN MANCHESTER

- 9 April 1952

WORLD BANK'S NEW PROJECTS

Developments in Asia

WASHINGTON, APRIL 8.

The International Bank for Reconstruction and Development is considering investing "sizeable amounts" in Pakistan, India, Siam (Thailand), and Australia, according to the bank's president, Mr Eugene Black, who returned last week from a 35,000-mile "familiarisation trip" to South and South-east Asia, Australia, and New Zealand. He said at a press conference yesterday that he had discussed possible loans to the following countries:—

Pakistan: For agricultural equipment, a fertiliser plant, paper mills, and power production.

India: For power production, pig-iron production, and an industrial finance corporation which would make small loans to industry to help to raise production.

Siam: For hydro-electric power development.

Australia: For general economic development.

Mr Black, who would not speculate on the size of the proposed loans, said he could draw no overall conclusions about conditions in the Far East, because each country had its own distinct economic problems. There was a pressing need to produce more food throughout South and South-east Asia, particularly in India and Ceylon, and to a lesser extent in Pakistan. Though he did not think India could solve its food problem within a few years, it should be possible to make "real progress" in raising agricultural production.

Mr Black was "very well satisfied" with the bank-financed projects now under way which he had inspected on his trip. The Governments of the United States and other industrial countries had been co-operative in giving good priorities to equipment purchased for the bank's projects in various parts of the world.

The Export-Import Bank has approved in principle a loan of \$50 millions (£17,857,000) for Belgium provided American private banks take up a substantial portion of the total.—Reuter and British United Press.

No.

Argus International de la Presse S.A.

GENÈVE, 11. April 1962

Extrait du Journal:

Adresse: **The Jerusalem Post**

Date:

World Bank Plans Increased Aid to Asia

WASHINGTON, Thursday. — (USIS). — The World Bank is considering further loans to Pakistan and India.

Pakistan needs the loan for agricultural development, a fertilizer mill and a paper mill. India proposes to expand pig iron production, and to establish a finance corporation to help develop industrial enterprises.

Announcing the proposed loans Mr. Eugene Black, the Bank's President, who has just returned from a tour of Asiatic countries, stated that the pressing need in the countries he had visited was for rapid development of power, agriculture, and industrial production.

The Bank has recently advanced \$27m. to Pakistan and \$6m. to India, for railway and power development.

APR 16 1952

THE NEW YORK SUN
THE NEW YORK TIMES 1P.12
THE AMERICAN BANKER
THE WALL STREET JOURNAL
THE NEW YORK HERALD TRIBUNE
THE NEW YORK WORLD-TELEGRAM
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FINANCIAL CHRONICLE

THAILAND DEEPENING RIVER

10,000-Ton Ships Soon Will Be
Able to Sail to Bangkok

Thailand is deepening the channel of the Chao Phya River, which connects the port of Bangkok with the sea, the Thai Information Service reports.

The dredging will permit 10,000-ton ships to sail up the river to Bangkok. The deepened channel will allow vessels with a draft of twenty-eight feet to pass safely. Heretofore ships that drew more than seventeen and a half feet could not navigate the river.

THE NEW YORK SUN
THE NEW YORK TIMES
THE AMERICAN BANKER
THE WALL STREET JOURNAL
THE NEW YORK HERALD TRIBUNE
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APR 17 1952

THE TIMES HERALD
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THE CHICAGO JOURNAL
OF COMMERCE
THE COMMERCIAL AND
FINANCIAL CHRONICLE

Menzies to Visit US After British Talks

Cable to Journal of Commerce

MELBOURNE, April 16.—Prime Minister Robert Menzies of Australia will visit the United States after discussions with the British Government in London next month, it was learned today. While in Washington he is expected to continue negotiations for a further dollar loan from the U. S.

Menzies told a press conference today he hoped to leave Australia for London about the middle of May. He is making the trip on the invitation of Prime Minister Winston Churchill. Observers here said he would discuss recent cuts in Australian imports from Britain, and a full range of defense topics related to his part of the world.