

THE WORLD BANK GROUP ARCHIVES

PUBLIC DISCLOSURE AUTHORIZED

Folder Title: Ninth Annual Meeting - Mr. Black's Speeches - September 1954

Folder ID: 30017788

Series: Public Relations subject files and media monitoring

Dates: 09/26/1954 - 11/30/1954

Fonds: Records of the Office of External Relations

ISAD Reference Code: WB IBRD/IDA EXT-14

Digitized: 6/24/2020

To cite materials from this archival folder, please follow the following format:
[Descriptive name of item], [Folder Title], Folder ID [Folder ID], ISAD(G) Reference Code [Reference Code], [Each Level Label as applicable], World Bank Group Archives, Washington, D.C., United States.

The records in this folder were created or received by The World Bank in the course of its business.

The records that were created by the staff of The World Bank are subject to the Bank's copyright.

Please refer to <http://www.worldbank.org/terms-of-use-earchives> for full copyright terms of use and disclaimers.



THE WORLD BANK
Washington, D.C.

© International Bank for Reconstruction and Development / International Development Association or
The World Bank
1818 H Street NW
Washington DC 20433
Telephone: 202-473-1000
Internet: www.worldbank.org

PUBLIC DISCLOSURE AUTHORIZED

NINTH ANNUAL MEETING - Sept. 1954
Mr. Black's Speeches



30017788

A1995-033 Other #: 13 Box # 212176B

Ninth Annual Meeting - Mr. Black's Speeches - September 1954

DECLASSIFIED

WBG Archives

COMMERCE

*"For Commerce, though the child
Who else must sweat and toil"*

VOL. LXXXIX. No. 2276

BOMBAY, 2 OCTOBER, 1954

Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL,
COMMERCIAL AND INDUSTRIAL PROGRESS

Contents

LEADING ARTICLES—	Page
India and Convertibility	633
A Successful Borrower	634
Education and Industry	634
MARKET GOSSIP	635
ROUND THE EXCHANGES	636
NEWS IN BRIEF	637
PERSONAL	637
THIS WEEK'S SURVEY	638-639
SPECIAL FEATURES—	
Off the Record	639
American Letter	643

INDIA AND CO

IN our article on prospects for convertibility published in these columns last week, we pointed out that, although there had been an impressive improvement in the balance of payments position of countries outside the dollar area, the chances of early convertibility of sterling and other currencies were remote, as there were many imponderables in the situation. The discussions that subsequently took place at the meeting of the Board of Governors of the International Monetary Fund (I.M.F.) fully confirm this view. Almost every one who spoke at this meeting emphasised the necessity for hastening slowly. The Fund's Managing Director, Mr. Ivor Rooth, frankly admitted that he could set no time-table for convertibility. Mr. G. L. Mehta, India's Ambassador to the U.S., who represented India when Mr. C. D. Deshmukh could not be present at the meeting, drew attention to several weak spots in world economy and wondered whether convertibility in such circumstances would be a complete success. He felt that it would be prudent to temper the present spirit of optimism with caution. In a very candid statement, Mr. M. W. Holtrop, Chairman of the Board of Governors of the I.M.F., said that, although most of the member-nations had been flirting with the idea of free convertibility for some time past and many countries seemed to be standing on the edge of convertibility, "one cannot deny that there is an atmosphere of hesitancy and frustration around them." He felt that "at the bottom of their hesitation lies a proper concern for the risks involved in submitting oneself to the judgment of a jury that has not yet made clear by what it is going to be guided." In saying this, he apparently had in mind the need for restating the trading rules that should be followed by all countries in case convertibility was introduced. This statement reflects also the concern caused by the reappearance of rather strong protectionist tendencies in the U.S., among the European countries.

Making the position of Britain clear, Mr. R. A. Butler, British Chancellor of the Exchequer, left none in doubt that the future holds too many uncertainties for serious consideration at this time of a new major step towards convertibility. He is reported to have touched upon all aspects of this problem, such as U.S. business activity, U.S. trade policy, the role of the I.M.F., currency reserves and the need for appropriate trading rules, in a manner which gives rise to the impression that he believes that progress in each one of these directions still leaves much to be desired. After describing the welcome steps taken by Britain to reduce the restrictions on trade and activities in foreign exchange market, he declared that "further decisive and irreversible steps to freedom must depend on reciprocal actions by others and on reasonable prospects of dependable and continuing balance in international payments and trade." He drew pointed attention to the fact that the present favourable balance of payments position is artificial to some extent, in that it has been brought about partly by discrimination against dollar goods and partly by temporary contributions by the U.S., such as and offshore purchases. He stressed that convertibility could not be based on such frail foundations. By stable factors he meant "increased production in some countries, increased opportunity to trade and more will to invest overseas." In fine, Mr. Butler's remarks underline our conclusion last week that the key to the whole question is in the hands of the U.S. It is, of course, reassuring to hear that the U.S. Treasury Secretary, Mr. George Humphrey, gave a pledge on the spot that the Eisenhower Administration would continue to press for its

A SUCCESSFUL BORROWER

THE World Bank has proved to be as successful a borrower as a lender. Its \$50 million new issue, known as Five-year Bonds 1954, repayable at par, on or after 15th March, 1959, has been fully subscribed. In this new issue, which constitutes the first private placement of direct dollar obligations of the Bank, investors in 23 countries have participated. These countries include Australia, Japan, West European countries, Canada, Mexico and South Africa, but not the U.S. Indian investors have not participated and it is not clear why they did not. At least those who have dollar balances and dollar assets could have invested in them. Be that as it may, the response to this issue last week was striking, in that the total subscriptions amounted to as much as \$78 million, thereby necessitating partial allotment. The new issue raises the total of outstanding dollar bonds of the Bank to \$715 million, of which it is estimated that about \$220 million, or more than 30 per cent., are held by investors outside the U.S. Total issues of the Bank, including its non-dollar bonds, now stand at the equivalent of \$851 million, of which the equivalent of \$325 million, or about 40 per cent., is held outside the U.S.

The success of this issue demonstrates, once again, the Bank's ability to tap savings outside the U.S. When the Bank commenced its operations in 1946, its chief financial resources for some time to come were expected to be dollars drawn from the U.S. capital subscription and from the U.S. capital market. As world economic conditions improved, the Bank has been able to call for a greater proportion of the paid-in capital subscriptions and also raise funds in the capital markets in many countries. The World Bank's annual report for the year 1953-54 refers to the "markedly favourable" conditions which prevailed in the securities markets of the U.S. and most other major capital markets. These conditions have been effectively cashed in by the Bank. "The most significant development affecting the Bank over the last twelve months," Mr. Eugene R. Black, President of the Bank, declared, "has been the very rapid expansion of the market for its bonds abroad. Of the \$225 million in dollar bonds of the Bank, offered since September, 1953, more than \$100 million were purchased by investors outside the U.S. In addition, the Bank sold five issues denominated in Swiss francs, Canadian dollars, Netherlands guilders and pound sterling in the period, and the total of these issues aggregated more than \$70 million." The absorption of the new issue by as many as 23 countries indicates, as Mr. Black pointed out, the improvement in the world dollar position, as well as the increasing interest on the part of foreign institutional investors in international investment. It also reflects the willingness of the Bank's member-countries to co-operate with the Bank, "even to allowing the Bank to raise a part of its dollar requirements in their investment markets."

The success of the new dollar issue by the World Bank raises the question whether the banks in the countries which subscribed to the issue have all been allowed by their respective Governments complete freedom to spend their dollar resources in buying this issue. In the U.K., for instance, there is still a rule which lays down that a bank can take its dollars from its permitted reserves only when such a transfer is meant for financing direct investment in North American countries of a kind that will promote British exports to these countries. If, therefore, the British banks have taken up a part of the World Bank's new bond issue, they must have obviously done so by selling their dollar securities and re-investing these proceeds in the Bank's bonds purely on considerations of yield. There has thus been no diminution in the U.K.'s official gold and dollar reserves.

The World Bank's new bond issue reflects two things. First, it is a tribute to the financial acumen of the Bank's authorities. Secondly, investors in the world seem to feel that the possibility of any rise in interest rates in the near future is remote. The rate of interest offered on this issue is only 2½ per cent., a rate which is very much lower than what the Bank had to pay in the capital markets have changed in favour of borrowers will be evident from the fact that, last year, the Bank had to pay as much as 3 per cent. on its three-year bonds. That is, it is now paying ½ per cent. less, though the period of redemption is longer by two years.

The future will show whether the Bank will be as successful a lender as it has been hitherto, unless it makes the terms of its loans more favourable than they are now. There are some signs of resistance from borrowing countries. India, for instance, has cancelled a part of the

loans sanctioned earlier, because it could find resources at somewhat cheaper rates of interest elsewhere. Several private investors in this country are chary of borrowing from the World Bank, because the rate of interest, now amounting to nearly 5 per cent. for 15 to 20 years, is considered uneconomic. One of the private borrowers from the Bank, namely, the Indian Iron and Steel Co., Ltd., to which a loan of \$31 million has been granted, is reported to be not very anxious to use this loan; it is said to be pressing the Government of India to give it the same facilities that have been given to the Tata Iron and Steel Co., Ltd., to which, as readers are aware, the Government has given an interest-free loan of Rs. 10 crores. In any case, the I.I.S.Co. has not yet drawn a single cent on this credit, though it is now nearly two years since the credit was given. Further, in the competition for selling plant and machinery, manufacturers of several countries are prepared to offer medium- or long-term credit at rates of interest far more favourable than those quoted by the World Bank. It is, therefore, time the World Bank reduced its rates of interest on loans. By doing so, it will be effectively dissuading member-countries from accepting "supplier credit" which its President, Mr. Black, regards as something unhealthy. There are also two reasons why the Bank can afford to lower the cost of its credit. First, it has already established its reputation and built up a fair-sized reserve fund to cover risks. Secondly, the rates of interest even for long-term obligations in the principal capital markets of the world have gone down. The most appropriate way of cutting down the cost of the Bank's loan would be to lower its one per cent. commission to half per cent.

duty, at the rate of As. 12 per lb. But the Government of India has followed Ceylon only in raising the duty but not in reducing it. Thus, it did not reduce the duty when the tea industry was faced with a crisis, though Ceylon and other countries did. In 1951, the Government of Ceylon introduced a sliding scale of export duty under which the duty moved between 35 cents and 45 cents, as against a high of 60 cents which it used to collect before the introduction of the sliding scale. In 1953, however, it introduced a flat rate of duty at 45 cents which has since been raised to 75 cents. Pakistan and Indonesia have abolished the export duty. Thus, Ceylon and India are the only two countries which have an export duty on tea.

The Government of India seems to feel that a duty of As. 7 per lb. can be borne by the industry without any damage to its export prospects. Indeed, in its opinion, even a higher level of export duty would be justified at the present level of prices. But it must be emphasised here that it would be wrong to be dogmatic on this point. For it is very difficult to anticipate, with any degree of certainty, the effect of the higher duty on the level of consumption in other countries. The point at which buyer's resistance to prices will appear is dependent on so many factors, such as individual incomes of the consuming country, the general level of prices, the prices and availability of competing beverages, the strain on the national economy based on the total of the country's imports and exports, the strength of its currency in the international markets, etc. It must not be forgotten that the fortunes of tea, which has been able to maintain itself above the general level of prices temporarily, cannot continue to be isolated from the general economy for ever. This is particularly so when the prices of other beverages are falling. The latest reports from London indicate that, in view of the high prices of tea, there is a tendency among consumers to switch over to other beverages. It may, however, take some time before the full effect of the higher export duty on consumption of tea is known.

Be that as it may, the current indications are that a good part of the export duty will have to be borne by producers, sooner or later, and to that extent, the margin of profit of producers will be cut. The imposition of a higher export duty at a time when the industry is in urgent need of funds for extensive replanting is ill-advised. No doubt, during the year 1953 and so far during the current year, many tea producers have been able to make good the losses suffered in earlier years. But there are many still who have not been able to do so. The reserves of most of the producers stand depleted and it is only during periods of favourable prices that they will be able to build up reserves for purposes of rehabilitation. The Government of India does not seem to have learnt a lesson from the consequences of the levy of high export duties on jute goods. Not only did India lose some of its markets for jute goods but the jute industry's reserves stand depleted at a time when there is urgent need for modernisation of its plant. Surely the Government of India is not going to give a refund of even a part of the export duty levied on the jute industry for the purpose of financing its modernisation programme.

There is a world shortage of tea and it is expected to continue for some time till the producing countries expand their production. Many of them are already taking active steps to increase their acreage. They will now be further encouraged to do so by the imposition of the export duty on tea by the world's leading tea exporter, India. But this country has not utilised even the limited expansion and replantation permitted by the International Tea Committee for the five-year period 1950-55. The present acreage in India is said to be 19,000 short of the permissible acreage. In the matter of expansion of acreage, the other producing countries are placed in a more advantageous position. Wages in other countries are lower than those in India; land prices are also lower. Large-scale holdings are not viewed with disfavour as in India. Development of lands in India is being frustrated by the various land reforms. The cost of new planting in India is the highest, estimated at Rs. 6,000 to Rs. 7,500 per acre. Such a heavy capital outlay per acre has a restrictive effect on the investment and expansion which in turn may result in the Indian tea industry losing the world leadership which it wrested from China 50 years ago. The Government of India does not seem to have appreciated the gravity of this long-term factor when it decided to mop up a part of the profits by the levy of a higher export duty.

It is true that, in times of prosperity in the past, many tea companies frittered away their re-

sources by declaring very high dividends. If the Government fears that these companies will resort to such practices again, it can place restrictions on the declaration of dividends and compel them to conserve their resources. Further, even without the imposition of a higher export duty, the Government will be benefited from the high profits of companies by way of larger revenue in the shape of income-tax and corporation tax. On the other hand, the purpose of the higher levy would be self-defeating in the long run, if India were to lose some of its markets abroad on account of the enhanced levy. It may be contended that, if exports fall, the Government will reduce the export duty. But experience shows that, in this respect, the Government never acts in time; it requires a lot of pressure and agitation before the authorities can be induced to effect a cut in export duty and, in the meantime, much damage will have been done to the tea industry. The sad experience of the jute industry is there for all to see. Further, the imposition of higher export duty is incompatible with the energy and the time now being spent in popularising tea in foreign markets.

OUTLOOK FOR RICE

Those in this country who have followed the news of the ravage the floods have wrought on many rice-fields in North-West India, will no doubt be heartened by the report that the overall supply position in rice, both in this country and in the rest of the world, continues to be bright. India and Pakistan, which, till recently, were deficit in rice supply, have improved their position. Japan is, perhaps, the only country which suffered grievous damage to its rice crop, thanks to unfavourable weather, and was, therefore, compelled to import rice to the tune of one million tons, largely from the U.S., Burma and Thailand. But prospects for the next rice harvest in Japan, according to the Commonwealth Economic Committee, have improved, so that the crop is now officially estimated at 11.8 million tons (paddy), or nearly 2 million tons greater than the poor crop of the previous year. The rice harvest in Northern and Eastern Siam is, however, stated to have been affected adversely by drought conditions. The first rice crop in Formosa has reached the target of 825,000 tons of rice (or 1.08 million tons of paddy) and the prospects for fulfilling the complete 1954 plan of 1.73 million tons of brown rice (or 2.26 million tons of paddy) are held to be good. Record crops are predicted in the U.S., the September forecast is for a total crop of 2.80 million tons of rice—some 450,000 tons above the record figure of 1953. Although Spain and Italy in Europe, and Uruguay in Latin America, are likely to have a rather poor harvest, Egypt's rice crop is reported to be satisfactory.

Although rice supports more people than any other cereal, its importance to world trade is somewhat limited. Thus, only about 5 per cent. enters world trade, as compared with 10 per cent. before the war. This is because the rice-importing countries have themselves expanded their production. An incentive for such expansion is provided by the fact that the price of rice is still ten times the pre-war level and twice as high as wheat. This fact not only gives a fillip to rice output but also encourages a shift in food consumption from rice to wheat.

As a result of the improvement in output in the rest of the world, the chief rice exporters, Burma and Siam, have large stocks in hand. It is even feared that a part of these stocks is heavily damaged, thanks to the poor keeping quality of rice. The only way in which exports of rice can be increased is through a sizable reduction in prices. Rice export is a State monopoly in Burma and Thailand. And the prices charged have been on the high side. For instance, in Thailand, the sale prices, it is computed, are twice the production costs. Perhaps, the fact that the rice supply position is comfortable in nearly all producing countries will compel the exporting nations to be less exacting. World exports of rice in the first half of 1954 were little greater than in the corresponding period of 1953. Burma, however, was able to export in the first half of the current year 768,000 tons as against 428,000 tons in the first half of 1953, though Siam's share fell from 708,000 tons to 464,000 tons.

The improvement in Burma's share is evidently due to the bulk purchase by India. The stocks of rice in India are so large that this country is not likely to derive the benefit of the possible fall in the world price of rice. If only it had waited for some months before undertaking to buy 900,000 tons from Burma, it would

have been able to buy its needs at a much lower price. But the rice deal with Burma was not a business deal, it was dictated mostly by political considerations.

POSTAL SERVICES

India is celebrating the centenary of postal stamps. Inaugurating the Centenary Exhibition and the International Philatelic Show, in which 74 countries are participating in New Delhi, on the 1st inst., Mr. Jawaharlal Nehru, Prime Minister, remarked that the postal service was one of the significant forces which had brought the different peoples of the world together. Speaking on this occasion, Mr. Jagjivan Ram, Communications Minister, said that, while the philatelic exhibition brought home the fact that a hundred years ago from today was issued a small 'bit' of paper which brought the post office within the reach of the average Indian, the postal stamp exhibition commemorated an event of equal significance, the establishment of a centralised system of postal service.

The Indian postal service is today one of the largest nationalised public utilities in the world. It may be mentioned here that, in 1854, when the first postal stamps were issued for use in India there were only 201 headquarter post offices and 451 major post offices. On 15th August, 1947, when India became independent, there were 22,116 post offices. Since then, post offices have more than doubled and today they are 45,907 in number. Of these, 39,728 are in rural areas. Post-cards were introduced in 1869, V.P.P. in 1877 and insurance of letters and parcels in 1878. The post offices took over in 1880 the responsibility for moneyorders from the Government treasuries which had handled them till then, and the savings bank work from the treasuries in 1885. Now, the post offices handle nearly 2,600 million articles every year, which is more than 100 per cent. of what it was in 1947. Today, there are 220,000 telephones, as against 115,000 in 1947. Again, the number of inland telegrams handled at present is 29 million, an increase of 5 million over those in 1947. Apart from providing channels for communication by road, rail, air and steamer and by the telegraph offices and telephone exchanges thus, it functions also as the agency of the Government for collecting national savings.

It is true that, during the years since independence, there has been a marked increase in the matter of extension of postal facilities. But much still remains to be achieved. Although the progress towards the target for expanding postal facilities in rural areas has been maintained at a satisfactory rate, it has not been possible to achieve the same rate of progress in respect of the expansion of telegraph and telephone facilities. Expansion of postal and telegraph facilities is the main theme of the Five-year Plan, so far as the Postal Department is concerned.

The decision to open a post office in every village with a population of 2,000, taken in 1952-53, is being implemented satisfactorily. Care is being taken to locate new post offices in such a manner that no one would have to walk more than five miles to the nearest post office. Another aspect of the new policy of the Postal Department consists in the opening of post offices at the headquarters of *tehsils*, *taluks* and *thanas*, provided the loss does not exceed Rs. 750 per annum per post office, the limit of loss in the case of post offices in the less developed areas being Rs. 1,000. The expenditure on Posts and Telegraphs during the first three years of the Plan has been Rs. 19.70 crores, out of a provision of Rs. 50 crores. The slow rate of progress is due principally to the delay in the procurement of equipment from abroad and in the construction of the necessary buildings. The pace of progress has, however, been stepped up recently.

India will have to make more rapid progress during the second Five-year Plan in every phase of postal activity. It must expand the existing telegraph and telephone network far more rapidly than is being done now, and improve as well as extend the existing postal services. The Government intends providing mechanised services for speeding up work in larger post offices and sorting offices. The authorities should also bear in mind the need for progressively reducing the cost of postal service. There is a feeling that the cost of registration, for instance, is unduly high. Further, in cities, there is a demand for the introduction of one-anna postal cover for circulation within the limits of the town. These are some of the popular demands which the Government will do well to take note of in planning the future of the Postal Department.

DANGERS OF INDISCRIMINATE USE OF SUPPLIERS' CREDIT

WORLD BANK PRESIDENT'S WARNING

IN his address to the Boards of Governors of the World Bank at their Annual Meeting at Washington on 25th September, Mr. Eugene R. Black, President of the Bank, referred to a new feature in the field of international finance, namely, suppliers' credits, and highlighted the dangers to which this form of credit may lead the world. As his views on this subject have evoked some criticism in certain circles in this country and as the development referred to by him is a new one for many in India, we feel that Mr. Black's observations deserve to be reproduced in *extenso*. Here is what he said:

"We must, at this stage of the world's recovery, I think, remember the consequence of what happened in the 1920s and, bearing that example in mind, we must realise that the growth of credit brings its own problems. As the availability of capital and capital equipment has risen, we have passed from a seller's to a buyer's market and a competitive race is developing among suppliers. This takes the form not only of competition in terms of price, quality and delivery date but also competition in the offer of medium-term suppliers' credits. The Bank does not know—nor, I think, does anyone know—the exact volume of credits of this kind now outstanding. But, as one positive measure towards meeting the situation, I plan to explore the possibility of establishing an information service which would centralise all available data on the total volume of suppliers' credits outstanding. Suppliers' credits, I need, hardly say, are an appropriate type of international financing when applied to the proper transactions. But they can be misused and over-used and there is some disturbing evidence that this is happening—too much credit given, under the pressure of competition, sometimes on inappropriate terms and for the wrong purposes.

Situation Getting Serious

"The situation, in my view, is becoming serious. The danger is that bad credit will drive out good, and tend to bring international investment back into disrepute—this at a time when the world is still negotiating adjustments of debts incurred during that earlier period of excessive borrowing, over-eager lending and mis-investment to which I referred just now. Suppliers' credits can serve a useful purpose in financing the normal, short-term flow of imports or in financing investment projects which can pay their way within the term for which the credit is given. But, although the availability of these credits may seem to present an opportunity to speed the rate of development, there is a risk that the use of short-term finance may be pressed beyond these limits. When this happens, the result is likely to be unfortunate.

"Nor can the balance of payments aspects of these transactions be overlooked. Experience teaches us that it is imprudent to count on a steady flow of capital year after year. Reliance on suppliers' credits, indeed, in general means reliance on something particularly volatile. The importing country may run into payments difficulties that check further investment from outside. The exporting countries themselves may experience payments difficulties that force them to insist on cash payment. Or a boom in the world or home market may make it possible to sell for cash and reduce the need to extend credit. There is the risk, in other words, that the borrower may have raised his rate of investment only to find that he must later make, perhaps, a drastic cutback and that what was looked forward to as a period of sustained economic advance may end as a period of stagnation or, even, of retrogression.

Progress May Be Impeded

"The manner in which suppliers' credits are offered, moreover, sometimes results in projects being undertaken which are far from the highest priority in developmental needs. The exporting country wishes to boost its exports and, therefore, offers credits for financing a project using its equipment. The manufacturing supplier of equipment naturally welcomes any opportunity to increase his sales and he can certainly not be blamed if he takes advantage of whatever credit facilities may be made available. And the importing country may feel that the credit, being available, should be accepted even if not for the most useful of purposes nor on the best of terms and even if, as often happens, under

these arrangements a higher price for the goods must be paid. This is contrary to the interests of the importing country and may result in slower rather than faster development.

"Long-term capital funds represent, in general, the most appropriate method of financing development projects requiring heavy capital equipment, from the point of view both of the nature of the projects themselves and of the impact on the borrowing country's balance of payments. But any potential long-term investor—and not only the International Bank—must take into account the total external debt burden of the borrowing country. So an excessive use of short- or medium-term credit must diminish a country's access to long-term capital funds. In short, the indiscriminate use of credit of this kind may increase the costs of development, may interrupt the continuity of effort, may upset the balance of investment, and may make the goals of investment harder, and not easier, to reach.

Dangers To Exporting Countries

"The increase in competition in suppliers' credits also has its dangers for the exporting countries. Suppliers' credits are usually financed only in minor part by the suppliers themselves. Most of the industrial nations—and I include not only European countries but the United States, Canada and Japan—now have one or both types of official institutions to give financial aid to exports. One type finances the export of capital goods; the other, without supplying capital, underwrites the risk. Thus suppliers' credits are usually made largely at the ultimate risk of the Government of the exporting country. I would like to make clear, of course, that I am not talking primarily about the flow of private investment capital. If the supplier were venturing more of his own capital, he would necessarily have to be more concerned with the financial soundness of the investment and with the creditworthiness of the country. But the result of the supplier's relative freedom from risk is that he is constantly entreating his own Government to grant more liberal credit facilities. In each of the exporting countries, Governments hear the complaint that other Governments are more liberal. So a race is developing, a race in which none of the competitors can win, because the faster each goes, the faster all the others go.

Decade Old Warning Recalled

"Indeed, we are approaching a situation about which a warning was sounded 10 years ago at Bretton Woods. The spokesman of one of the delegations there pointed to the danger, saying that, in a time of pressure for exports, 'countries would embark on bilateral credit arrangements no doubt linked with deals relating to the purchase and sale of goods; and, as soon as certain countries began to adopt this course, others would find that they had to follow suit to protect their trade interests. It is difficult,' the spokesman went on, 'to imagine a more fruitful source of international dissension than a competitive trade and credit expansion programme of this character.'

U.S. Must Reduce Tariffs

"I certainly do not wish my remarks about the dangers inherent in an indiscriminating use of credit to be interpreted as a warning against a sound increase in credit accompanying a healthy expansion of international investment, particularly in the private sector. At the moment, I am happy to say, the world is enjoying relatively prosperous conditions of high employment and trade and the total volume of international credit is probably still expanding. But, if these conditions are to continue and if the flow of international trade and investment

is to reflect a growing and dynamic world economy, the world's trade policies will need to be liberalised. Last year, I said that 'merely to refrain from reversing the downward trend in United States import tariffs over the last two decades would not be enough to put international trade on an even keel' and there there was need for a further reduction in the obstacles to imports. I share the disappointment of many of you that the Administration did not find it possible to put into effect this year the trade liberalisation features of its foreign economic policies and I welcome the President's recent statement that it is his intention to give high priority to them in next year's legislative programme.

Five Years Ago and Now

"The first of the Annual Meetings at which I had the honour of addressing the Governors was just five years ago. I hope the Governors will forgive me if, as one privileged witness of some of the events of the past five years, I end these remarks briefly with a personal and impressionistic retrospect. In 1949, the ruins of war were still apparent in Europe. Famine was abroad in some parts of the world and the threat of it was only thinly veiled in others. Reconstruction was far from complete; the organised attack on development problems, evident in many countries now, had scarcely begun. The contrast today, as we all know but perhaps too seldom remember, is remarkable. The facts about recovery in Europe are too familiar to need repetition; let me remark only on the obvious: that the revival of production there has been a major factor in the exchange of goods throughout the world at a rate never before experienced.

Underdeveloped Countries

"Advances in the underdeveloped countries have been harder to observe—if for no other reason than that those countries extend over so much of the earth—and the advances have in any case been uneven. But to me they are a source of immense encouragement. The process of economic development is not easy to set in full motion, involving as it does a host of technical skills and a complex of behaviour patterns that took centuries to evolve in the industrial world of today. Yet the process is accelerating. If we had a magic carpet here this morning to take us around the globe, I think we would be struck by the many evidences of this progress. We would see tractors working on land that before had only known the bullock, and we would see small factories working where industry had never appeared before. We would see truck roads replacing donkey and camel trails and new farms being cleared along these roads. In the mountains, we would see streams being harnessed to produce energy; and, in the deserts, hundreds of miles of pipe bringing natural gas to productive use. Down in the villages, we would see grain being milled by machinery, instead of being pounded out by hand, and electric light replacing the oil lamp.

"Let me give you one illustration of what I am talking about. It concerns one of our loans to the Federal Electricity Commission in Mexico—and the installation of a small diesel power plant of only 600 kilowatts generating capacity. We financed the installation of this plant in the rural town of Tecuala, in Mexico's west coast area. In three years' time, here are some of the results: Industrial users of electricity in Tecuala have risen from just 3 to 33; the town has acquired a public library, a daily newspaper, a radio station, and a night school; Tecuala's population has trebled, and the number of students in its schools has increased 7 times. The municipal hospital has installed refrigerators and a modern fluoroscope—the only one within a radius of 60 miles. The mayor of the town recently said: 'I have witnessed our emergence from the dark ages into an age of light.'

Advance Uneven

"Now, as I said, the advance has been uneven. In some areas, it has not occurred at all and in others the gains have as yet been meagre. And we must remember, as one of the Governors well said here a year ago, that we are faced today by a revolution of expectancy. In many parts of the world, people are less and less content to live in the past or to think in the past. The way to deal with a revolution of expectancy is to turn it into a revolution of achievement and progress. It is in this kind of revolution that the Bank can see itself playing a part. In the Annual Report before you, you will find the full range of the Bank's interests displayed—from the mobilisation of capital, internally and internationally, to the application of capital to bring about new production and trade. Indeed, in this Report, you can survey our technical and financial assistance to development institutions in many countries, to the construction of electric power capacity of something over three million kilowatts, to the improvement of some millions of acres of farm lands, to the improvement of services on railways in a dozen countries in five continents. By comparison with what usefully can be done, these figures are modest enough, and I have no illusions about the magnitude and the difficulty of the tasks that face our member-countries and the Bank. What I do have is evidence that convinces me, more than ever, that these tasks can be accomplished, and that the revolution of achievement can be won."

LOANS

Loans on, and Sale and Purchase of, Immovable Properties, Factories, Industries, Business and Valuable Securities, will be arranged.

Write:

Post Box No. 4009
BOMBAY 7

THE NEW YORK TIMES
THE NEW YORK HERALD TRIBUNE
THE WALL STREET JOURNAL
THE NEW YORK JOURNAL OF COMMERCE

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

THE TIMES (LONDON)
THE FINANCIAL TIMES

Fortune Magazine
Nov. 1954

A Promising Bond Salesman

P. 89
A cheerier atmosphere surrounded the meeting of the International Bank for Reconstruction and Development, which took place concurrently with that of the I.M.F. President Eugene Black reported that fiscal 1954 was a very good year for the World Bank. The bank's operations, in fact, finally achieved a distinctly international character—on the borrowing side as well as the lending side.

Of the eight World Bank bond issues that

were marketed during fiscal 1954, for example, only three were sold for U.S. dollars. The other five issues (totaling more than \$70 million) represented borrowings of other hard currencies; two were for Swiss francs, one each for sterling, Canadian dollars, and Dutch guilders. Moreover, nearly half the \$225 million of dollar bonds sold were purchased by investors outside the U.S. In September the bank sold \$50 million of five-year 2½% bonds, and disposed of the issue entirely to foreign banks, insurance companies, private firms, and government accounts in twenty-three countries.

To illustrate the tremendous creative possibilities of the World Bank's operations, Mr. Black cited a loan to the Federal Electricity Commission in Mexico. Seventy-five thousand dollars was used to build a 600-kilowatt power-generating plant. "We financed the installation of this plant in the rural town of Tecuala, in Mexico's West Coast area. In three years' time, here are some of the results: industrial users of electricity in Tecuala have risen from just three to thirty-three; the town has acquired a public library, a daily newspaper, a radio station, and a night school; Tecuala's population has trebled, and the number of students in its schools has increased seven times . . . The mayor of the town recently said: 'I have witnessed our emergence from the ~~dark ages~~ into an age of light.'"

But Mr. Black also issued a sharp warning to the assembled delegates. There has been, he said, a disturbing tendency toward unsound extension of credit to finance international trade. "A competitive race," he noted, "is developing among suppliers. This takes the form not only of competition in terms of price, quality and delivery date, but also competition in the offer of medium-term suppliers' credits." What worries Black is that such credit practices may lead to an unstable and unhealthy type of trade expansion. "Experience teaches us," he warned, "that it is imprudent to count on a steady flow of capital year after year. Reliance on suppliers' credits . . . means reliance on something particularly volatile . . . There is the risk that the borrower may have raised his rate of investment only to find that he must later make, perhaps, a drastic cutback and that what was looked forward to as a period of sustained economic advance may end as a period of stagnation or, even, of retrogression."

The world has one unhappy experience with trade expansion built on credit inflation in the 1920's and

Mr. Black's warning was as timely as it was stern.

THE NEW YORK TIMES
THE NEW YORK HERALD TRIBUNE
THE WALL STREET JOURNAL
THE NEW YORK JOURNAL OF COMMERCE

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

THE TIMES (LONDON)
THE FINANCIAL TIMES

*4th Annual Meeting
(Black)*
Finance Magazine
10-15-54.
(Used in Press Digest
11-2-54)

~~Banker-Diplomat~~

P-8
Eugene R. Black, president of the World Bank, was squarely in the middle during the recent Bank-Fund meetings in Washington, whenever conversation turned to US trade policies.

Australia's Sir Arthur Fadden, among others, pinpointed the situation by observing that the US in postwar years had shown a "generosity and capacity for dynamic leadership which led the world from the brink of disaster to the verge of new vistas of prosperity." He added, however, that there has been "a slowing down in plans for the opening up of US markets to give us reasonable opportunity to pay our own way."

Gene Black, in his formal address, took due notice of this complaint while proving, once again, that he is a banker as well as a diplomat:

"... If the flow of international trade and investment is to reflect a growing and dynamic world economy, the world's trade policies will need to be liberalized. . . . I share the disappointment of many of you that the (Eisenhower) Administration did not find it possible to put into effect this year the trade liberalization features of its foreign economic policies, and I welcome the President's recent statement that it is his intention to give high priority to them in next year's legislative program."

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

*Mr Black's presentation of
Annual Report.*

Extrait du Journal :

L' Economie, Paris
7. Okt. 1954"IBRD, banker of the world"
Summary of Mr Black's speech presenting the Annual Rept.

18

7 octobre 1954. — N° 462. — L'ECONOMIE

COMMENTAIRE
FINANCIER

La B.I.R.D. banquier du monde

La Banque qui compte déjà huit ans d'existence, continue à se développer. Les statistiques qui nous permettent de résumer nos activités donnent une courbe encore ascendante ». Ainsi s'est exprimé M. Eugène R. Black, président de la Banque Internationale pour la Reconstruction et le Développement, lors de la présentation du 9^e rapport annuel au Conseil des Gouverneurs qui s'est tenu à Washington, le 25 septembre 1954.

Pendant l'exercice allant du 30 juin 1953 au 30 juin 1954, deux nouveaux Etats, Haïti et l'Indonésie, sont devenus membres de la Banque, ce qui porte à 56 le nombre des pays qui ont souscrit, en 1954, un capital de 9.149 millions de dollars contre 9.038.500.000 dollars en 1953.

Le revenu net de la Banque a été de 20 millions de dollars pour l'exercice fiscal 1954 contre 18 en 1953 ; ce qui a porté la totalité des réserves à 146 millions de dollars (1).

Les Etats-Unis et le Canada sont les seuls pays membres en mesure de mettre à la disposition de la Banque la totalité des sommes versées au capital. On sait que la Banque ne peut disposer, pour ses prêts, que de 20 % du capital souscrit par ses membres. Sur ces 20 %, les 2 % versés en or ou en dollars sont à son entière disposition ; pour les 18 % versés en monnaies nationales, la Banque ne peut en disposer qu'avec l'assentiment de chaque Etat. Or, il est à remarquer que les pays membres donnent à la B.I.R.D. l'autorisation de débloquent des sommes de plus en plus importantes (environ l'équivalent de 29 millions de dollars en 1954) sur ces 18 %. La Banque se félicite de ces libérations, preuve d'un crédit sans cesse grandissant, et qui incitent les pays emprunteurs à dépenser les monnaies nationales qu'ils reçoivent dans les pays où elles ont cours.

Pour accroître encore ses disponibilités, la Banque a procédé en 1953-1954, à huit émissions d'obligations pour un montant de 300 millions de dollars : trois contre des dollars américains, cinq en autres devises (une en dollars canadiens, deux en francs suisses, une en livres sterling et une en florins néerlandais). Alors qu'autrefois, les Etats-Unis souscrivaient presque entièrement les émissions en dollars, depuis 1950, date du premier emprunt en Suisse, les émissions ont été couvertes de plus en plus par d'autres pays ; une des émissions en dollars a même été souscrite en grande partie (50 sur 78 millions de dollars) par 23 pays autres que les Etats-Unis. La plupart des emprunts levés pendant l'année fiscale, l'ont été au moyen de capitaux privés.

La Banque a consenti, pendant l'exercice 1953-1954, 26 prêts à 16 pays dont le montant s'est élevé à 324 millions de dollars. Les déboursements ont été de 302 millions de dollars contre 227 l'année précédente.

Depuis le 30 juin 1954, trois autres prêts, à Ceylan, à l'Autriche et au Mexique, ont été effectués d'un montant de 92.110.000 dollars, ce qui porte le total des prêts au 1^{er} septembre 1954 à 2.006.558.464 dollars depuis la création de la B.I.R.D.

Les prêts les plus importants consentis pendant la dernière année fiscale l'ont été principalement pour développer la production d'énergie électrique et les transports. C'est ainsi que l'Union Sud-Africaine a reçu deux prêts de 30 millions de dollars pour ces deux attributions :

l'Australie s'est vu allouer 54 millions de dollars pour un programme de développement économique dans les secteurs publics et privés ; la France a obtenu, le 14 juin 1954, avec garantie du gouvernement, un prêt de 7.500.000 dollars destiné à la modernisation des chemins de fer dans l'Afrique Occidentale Française.

Pendant l'exercice 1953-1954, trois missions ont été envoyées par la Banque en Nigéria, en Malaisie et en Syrie pour proposer des recommandations sur la mise en œuvre de divers travaux d'expansion.

Tous les remboursements venus à échéance ont été effectués ; les Pays-Bas ont même effectué un remboursement anticipé, leur situation économique s'étant considérablement améliorée. La Tchécoslovaquie qui avait été suspendue depuis décembre 1953, sera définitivement expulsée de la B.I.R.D. si elle ne fait pas face, d'ici là, à ses engagements.

« L'importance du développement des opérations de la B.I.R.D. traduit bien, a précisé M. E. R. Black, l'énorme amélioration de la production et du commerce mondial constatée depuis cinq ans, en particulier en Europe. La stabilité financière est maintenant largement assurée, sauf quelques exceptions regrettables. Les effets néfastes de l'inflation à la fois sur la balance des paiements et sur des secteurs de la production ont été éliminés en grande partie. Le système complexe et onéreux des accords bilatéraux de paiement et de troc est en voie d'abandon. Le problème dollar, s'il n'est pas définitivement résolu, semble pouvoir être contrôlé grâce au redressement économique des pays membres européens. »

PRETS DE LA B.I.R.D.
DU 30 JUIN 1953 AU 30 JUIN 1954

Pays bénéficiaires	Prêts (en dollars)	Destination des prêts
Australie	54.000.000	Programme de développement.
Brésil	7.300.000	Energie électrique.
—	12.500.000	Chemins de fer.
—	10.000.000	Energie électrique.
—	18.790.000	Energie électrique.
Chili	20.000.000	Construction d'une fabrique de pâte à papier.
Colombie	14.350.000	Restauration et entretien du réseau routier.
Equateur	8.500.000	Construction d'un réseau routier.
France	7.500.000	Modernisation des chemins de fer de l'A.O.F.
Islande	1.350.000	Expansion de l'agriculture.
—	250.000	Bâtiment pour matériel de radio.
Italie	10.000.000	Matériel et équipement pour l'Italie du Sud.
Japon	21.500.000	Energie électrique.
—	11.200.000	Energie électrique.
—	7.500.000	Energie électrique.
Nicaragua	3.500.000	Construction de routes.
—	450.000	Energie électrique.
Norvège	25.000.000	Développement économique.
—	14.000.000	Construction d'un pipe-line pour le gaz naturel.
Pakistan	1.200.000	Développement agricole.
Panama	290.000	Construction d'entrepôts à céréales.
Pérou	1.700.000	Achat de machines agricoles.
Turquie	9.000.000	Expansion de l'industrie privée.
—	3.800.000	Développement des ports.
Un. Sud-Afric.	30.000.000	Energie électrique.
—	30.000.000	Développement des moyens de transports.

(1) Israël ayant adhéré à la B.I.R.D. le 12 juillet 1954, le nombre des participants est actuellement de 57.

de vente réduit de 10,40 % à 3 %, assorti du report de l'exigibilité de la taxe à la première mutation jusqu'à la vente subséquente. Dans ces hypothèses l'exonération de la contribution des patentes, à concurrence de 50 % et pour une durée maximum de cinq ans, peut être également consentie.

..

Ce rapide examen des mesures fiscales propres à favoriser la modernisation et la reconversion des entreprises, montre que l'action des pouvoirs publics dans ce domaine est loin d'être négligeable. D'aucuns déploieront cependant certaines la-

cunes ou anomalies, la interdiction de déduire la grevé les véhicules l'absence d'un régime provisions pour mode conversion ou décentral clameront un effort pl le plan de la recher

Certes, ces améliorations sont économiquement souhaitables mais, les moins-values fiscales qu'elles entraîneraient paraissent peu compatibles avec la situation actuelle des finances publiques. Aussi, la perspective d'une politique plus large d'allègements fiscaux semble devoir être écartée dans la conjoncture présente. D'ailleurs, l'utilisation de l'impôt à

pensons que, si la tâche de réadaptation dont chacun reconnaît la nécessité doit être poursuivie, il conviendra de recourir à d'autres moyens, spécialement à une politique du crédit plus audacieuse. C'est du reste dans cette voie que le Gouvernement paraît s'engager en instituant des fonds de reconversion spécialisés.

LES LIVRES

LA BATAILLE DES TRUSTS

par Henry PEYRET

Presses Universitaires de France

Coll. « Que Sais-je ? » Prix : 150 fr.

C'est une troisième édition de cet ouvrage — édition revue et mise à jour — qui vient de paraître aux Presses Universitaires de France. Le succès remporté par les deux premières éditions suffirait déjà à souligner l'intérêt de ce petit livre.

Celui-ci, rappelons-le, retrace la lutte impitoyable de ces grandes sociétés qui a marqué si profondément l'histoire des grandes nations depuis la révolution industrielle. Il relate l'histoire étonnante de ces capitaines d'industrie ou de finance qui ont amassé des fortunes fabuleuses et régné sur de véritables empires.

M. Peyret a limité aux Etats-Unis, à la Grande-Bretagne et au Japon le tableau de ces conquêtes et de ces luttes. Il nous en donne ainsi une illustration plus diversifiée et plus vivante, il en dénonce d'autant mieux le caractère excessif : car c'est cet excès même qui frappe en premier lieu le lecteur : tant de puissance accumulée entre les mains de quelques hommes, une telle rapidité dans leur réussite.

Que reste-t-il aujourd'hui de tous ces trusts ? A une époque où ne peut se concevoir d'entité économique importante dont l'Etat ne s'inquiète et ne se préoccupe, où de puissants groupes (syndicats, partis politiques) ont fait leur apparition, y aurait-il place encore pour un Rockefeller, un Mellon, un Levens ? Les grandes compagnies n'ont-elles pas fait leur temps ?

Pour M. Peyret, la réponse n'est pas aussi simple. Les grands trusts ont eu un rôle économique considérable. Leur contribution a été essentielle dans la puissance industrielle et financière des Etats-Unis, de la Grande-Bretagne, du Japon. En revanche, leurs excès même les ont fait

se heurter au bloc des classes moyennes et à la puissance publique.

S'est donc posé et se pose encore un problème d'équilibre et de mesure, celui d'une répartition harmonieuse des activités économiques. Mais, au terme de cette très attachante étude, c'est surtout à l'aspect social de ce problème que s'arrête M. Peyret. La grande entreprise privée prolonge et perpétue le salariat, en entretient les inconvénients. Doit-on dès lors en limiter le nombre ou peut-on simplement attendre d'une évolution de la technique qu'elle rende vaine la concentration des moyens de production entre les mains des trusts et réalise ainsi le vieux rêve de Henry Ford ? « L'essentiel, conclut M. Peyret, est de trouver des solutions qui n'écrasent pas l'homme sous la loi du capital ou sous celle de la dictature. » (1 vol., 125 pages.)

DE LONDRES A MOSCOU

(Mémoires)

par J. Von RIBBENTROP

Grasset

Prix : 585 francs

Les documents réunis dans cet ouvrage représentent les « souvenirs » proprement dits de Ribbentrop qui les rédigea dans sa cellule pendant le procès de Nuremberg. Le titre même qui leur a été donné marque les deux étapes principales de l'activité de l'ancien ministre des Affaires Etrangères du III^e Reich mais aussi les deux pôles entre lesquels évolua la politique extérieure allemande jusqu'au déclenchement des hostilités.

Né d'une famille d'officiers, très cultivé, Ribbentrop dirigeait, lors des débuts du National-Socialisme, une importante affaire d'import-export. Sa carrière politique fut rapide, étonnante. Le rôle de médiateur — rôle décisif — qu'il joua entre Von Papen et Hitler lors de l'accession de ce dernier au pouvoir, lui assura la confiance du dictateur. Ses

nombreuses relations à l'étranger, sa parfaite connaissance de la Grande-Bretagne, l'orientèrent tout naturellement vers la politique étrangère. Envoyé personnel du Führer à Londres, puis ambassadeur dans la même ville, il était nommé en 1938 ministre des Affaires Etrangères du III^e Reich, poste qu'il détint jusqu'à la fin de la guerre.

Le fait qu'il ait pu ainsi participer à d'importantes négociations et jouer un rôle déterminant ne permet guère pourtant de considérer ces « mémoires » comme un important document. L'histoire retiendra difficilement comme témoignage ce qui n'est qu'une tentative de justification : justification de l'attitude allemande « à qui le traité de Versailles ne laissait au départ aucune chance », justification de la politique suivie par Hitler « qui n'avait d'autre ambition que d'assurer à son pays des conditions d'existence acceptables et de préserver l'Occident du danger communiste ». Plaidoyer *pro domo* surtout, qui insiste sur le rôle de conciliation et de modération de Ribbentrop « auprès d'un chef à la personnalité démoniaque », sur son irresponsabilité dans les décisions les plus contestables prises par Hitler.

Ces réserves étant faites, on reconnaîtra volontiers que ce livre présente un grand attrait. Il apporte quelque lumière sur certains événements essentiels de l'avant-guerre : l'accord naval anglo-allemand de 1935, Munich et le pacte de non-agression russo-allemand de 1939, ainsi qu'un portrait d'Hitler assez saisissant.

Ribbentrop ne se faisait guère d'illusion sur le verdict de ses juges. Sans doute aura-t-il eu souci du jugement qui serait porté sur lui par l'Histoire. Il paraît douteux que, là encore, son propre témoignage soit retenu comme pièce à conviction. (Un vol. 260 pages.)



ARGUS INTERNATIONAL DE LA PRESSE

INTERNATIONALER ARGUS DER PRESSE

INTERNATIONAL PRESS CUTTING SERVICE

ZÜRICH TEL. (051) 27 99 12/27 18 77 GENÈVE TEL. (022) 440 05

L'INFORMATION

PARIS

27. Sept. 1954

LE RAPPORT ANNUEL DE LA BANQUE INTERNATIONALE pour la Reconstruction et le Développement

WASHINGTON, 25 septembre. — Présentant ce samedi le rapport annuel de la Banque internationale pour la Reconstruction et le Développement, M. Eugen Black, président, a tout particulièrement demandé aux pays membres d'autoriser la banque à utiliser plus largement et plus librement leurs participations au capital de cette dernière.

M. Black a souligné également avec force les dangers que présente la course actuelle entre les nations pour développer leurs facilités de crédit à court terme afin de stimuler leurs exportations.

Le directeur de la banque a également regretté que l'administration américaine n'ait pu encore être en mesure d'appliquer son programme de politique économique extérieure tel qu'il a été défini par le président Eisenhower en mars dernier.

Au début de son exposé, M. Black s'est tout particulièrement félicité de l'accroissement important de la participation du secteur privé aux activités financières internationales (prêts et emprunts) de la banque au cours des douze derniers mois, activités qui, a-t-il dit, ont établi de nouveaux records.

« Cette évolution, a-t-il ajouté, est symptomatique de l'amélioration de la production et du commerce notée l'an dernier dans le monde, notamment en Europe. Tout particulièrement au cours des deux dernières années, les pays européens membres de la banque ont de plus en plus repris leur rôle d'exportateurs de capitaux dans le monde. La banque, elle-même, détient de larges sommes libellées en devises de ses membres, devises qui, jusqu'ici, ont été totalement ou partiellement inconvertibles. Je considère qu'il est de la plus extrême importance d'autoriser la banque à utiliser ces devises d'une manière plus libérale. J'estime que le moment est venu de réviser et d'adoucir au maximum les conditions de l'utilisation de ces devises par la banque. »

\$ 324 millions de prêts

Au cours de l'exercice clos le 30 juin 1954, la Banque a consenti 26 prêts, d'un montant de 324 millions de dollars, à seize pays différents, ce qui représente le maximum atteint au cours d'une année financière.

Depuis sa constitution jusqu'au 30 juin 1954, la Banque a accordé 104 prêts répartis entre trente-quatre pays pour une valeur totale de 1.914 millions de dollars ; cette somme doit être ramenée à 1.874 millions de dollars une fois déduits les 40 millions de dollars représentant le montant des annulations et des remboursements.

Géographiquement, ces prêts se sont répartis de la manière suivante (en millions de dollars) :

Asie et Moyen-Orient	232
Afrique	199
Australasie	204
Europe	782
Amérique	457

Total 1874

La situation financière de la Banque

Au cours de l'année 1953-1954, le revenu net encaissé par la Banque s'est élevé à 20 millions de dollars (contre 18 millions pour l'exercice précédent) ; ce revenu a été affecté, comme tous les ans aux réserves. Au 30 juin 1954, la totalité des réserves

(SUITE PAGE 6)

Cred. Fon. France	10150	+	655
Suez cap.	115000	+	8600
— parts fondat.	90500	+	4700
Sté Civile 1/5...	29500	+	1750
Cie Gle Electricité	32000	+	1200
Aciéries Longwy	21100	+	1100
Als. Const. Mécan.	15875	+	1225
Citroën	15700	+	1400
Denain-Anzin	9300	+	555
Forges Nord-Est	8550	+	680
Hts Four. Saulnes	34980	+	1580
Schneider	15325	+	975
Penarroya	14485	+	2085
Esso Standard....	68400	+	10600
Franç. Pétroles..	24450	+	1050
Huiles de Pétrole	12900	+	1100
Omnium Pétroles	9300	+	500
Gds Tr. Marseille	18000	+	800
Air Liquide	25875	+	3235
Azote	21400	+	2600
Blyvoor	1965	+	83
Canadian Pacific	11700	+	680
Central Mining..	2575	+	202
Rhokana	32000	+	1650
Rio Tinto (Sic.)	40600	+	2100
Royal Dutch 1/10	49500	+	4325
Union Corporat.	2180	+	130

BAISSE

Rente 3 1/2 % 1952 96.30 — 1,20

Comptant HAUSSE

S.I.A.M.N.A.	4975	+	475
Sucr. Nassandres	11100	+	1100
Fromag. Bel	21000	+	3500
Huil. Calvé-Delft	13300	+	1650
Bque Madagascar	5775	+	470
Bque Pr. Aliment.	2600	+	245
Bque Transatlant.	15500	+	2100
S.O.F.F.O. regr...	11000	+	1410
Est (Ch. Fer) ..	11500	+	1400
Est (Ch. Fer) ..	25400	+	4200

les plus modernes, avait déjà fait un chiffre d'affaires de 50 milliards de francs durant l'exercice précédent en période de recession. Les HAUTS FOURNEAUX DE LA CHIERS, qui s'étaient améliorés la semaine précédente de 1.750 fr. sont passés de 14.950 au cours record de 15.880. La METALLURGIQUE D'IMPHY, qui valait 8.450 l'autre vendredi, est passé à 9.225 jeudi et a été recherchée vendredi à 9.700. La METALLURGIQUE DE NORMANDIE, dont le marché a été récemment relativement peu actif, s'est animée à 6.550 c. 6.105.

Parmi les produits chimiques, on remarque NOVACEL, qui est passé de 9.500 à 10.490. En sus de la vente de ses éponges « Spontex », la société développe en grand sa nouvelle fabrication de boyaux cellulosiques « Viscora » par l'intermédiaire de la nouvelle filiale qu'elle a constituée avec la Visking Corporation de Chicago.

Dans le groupe des pétroles, la FRANÇAISE DES CARBURANTS, qui a un important portefeuille de Française des Pétroles et de Française de Raffinage, a progressé de 12.500 à 14.050. LILLE-BONNIERES-COLOMBE qui est dans le même cas, s'inscrit à 16.550 c. 15.990.

La SHELL FRANÇAISE, dont l'augmentation de capital suscite un vif intérêt, s'inscrit à 19.250 c. 16.200.

Les PETROLES SERCO ont atteint 13.975, leur meilleur cours largement au-dessus de leur record du vendredi précédent, qui était de 11.800.

La rentrée scolaire, les ventes d'automne exercent une heureuse influence sur les grands magasins. L'action GALERIES LAFAYETTE, dont le marché n'a pu être équilibré à toutes les séances, a progressé de 9.900 à 12.450. La part est vainement recherchée à 990.000 c. 960.000 jeudi et 925.000 le vendredi précédent.

Le CREDIT FONCIER FRANCO-CANADIEN est passé de 90.000 à 95.000 après avoir même atteint 95.400 jeudi.

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 :

26. Sept. 1954

Neue Zürcher Zeitung

Annual Rept.

Der Jahresbericht der Weltbank

-hfg- New York, 23. September

Der neunte Jahresbericht der Weltbank für das am 30. Juni 1954 abgeschlossene Geschäftsjahr, der am 25. September der Jahresversammlung des Rats der Gouverneure der Bank in Washington vorgelegt wird, ist vor allem in der Beziehung beachtenswert, daß er von einer fortschreitenden *«Internationalisierung»* der Bank zeugt. Das war zwar bei der Gründung als internationales Institut geplant, doch blieb die Weltbank in den ersten Jahren ihrer Tätigkeit vorwiegend auf den amerikanischen Markt für ihre Bondsemissionen angewiesen. Außerdem erfolgten die Ausleihungen der Bank fast ausschließlich in US-Dollars, und der größte Teil der gewährten Anleihen wurde in den Vereinigten Staaten selbst verausgabt.

In dieser Hinsicht zeichnet sich in den letzten Jahren eine beachtenswerte Wandlung ab. So wurde fast die Hälfte der von der Weltbank im Jahre 1953/54 emittierten Bonds von anderen Ländern (als die Vereinigten Staaten), vor allem von der Schweiz, übernommen. Des weiteren wurden im gleichen Jahre bereits 27 % der gesamten Ausleihungen der Bank in anderen Währungen als US-Dollars ausbezahlt. Schließlich stieg der Betrag, der von den Anleihegebern in Europa für Anschaffungen verausgabt wurde, von 68 Mill. \$ im Jahre 1952/53 auf 115 Mill. \$ im Jahre 1953/54.

Die Ausleihungen der Bank

In einer Beziehung war die *«Weltbank»* von Anfang an ihrem Namen gerecht geworden, und zwar darin, daß ihre *Kredithilfe* für Entwicklungszwecke sich praktisch über die ganze freie Welt verteilte. Vom Gesamtbetrag der am 30. Juni 1954 ausstehenden Anleihen der Weltbank, die für die Förderung der wirtschaftlichen Entwicklung gewährt wurden, in Höhe von 1377 Mill. \$ (dieser Betrag schließt nicht die 497 Mill. \$ ein, die als Wiederaufbaunanleihen an europäische Länder nach Ende des Zweiten Weltkrieges gewährt wurden) entfielen 457 Mill. \$ auf die westliche Hemisphäre (also praktisch auf Süd- und Zentralamerika), 285 Mill. \$ auf Europa, 232 Mill. \$ auf Asien und den Nahen Osten, 204 Mill. \$ auf Australasien und 199 Mill. \$ auf Afrika.

Im Jahre 1953/54 wurden von der Weltbank 26 Anleihen an 16 verschiedene Länder mit einem Total von 324 Mill. \$ gewährt. Dies war 145,4 Mill. \$ mehr als im Vorjahr, als die gesamten Ausleihungen sich auf 178,6 Mill. \$ beliefen und gleichzeitig der höchste innert eines Jahres vom Institut ausgeliehene Betrag. Dadurch stieg das Total der von der Weltbank bis Ende Juni 1954 bewilligten 104 Anleihen an 34 Länder auf 1914 Mill. \$. Unter Berücksichtigung von Rückzahlungen und Annullierungen belief sich der Gesamtbetrag der Ausleihungen der Bank am 30. Juni 1954 auf 1663 Mill. \$.

Was die regionale Verteilung der im Jahre 1953/54 von der Weltbank in der Gesamtsumme von 324 Mill. \$ gewährten Anleihen betrifft, so steht wiederum unter den Erdteilen die westliche Hemisphäre mit 97 Mill. \$ an erster Stelle. Von den einzelnen Ländern Süd- und Zentralamerikas erhielt Brasilien den höchsten Betrag von 48,6 Mill. \$; es folgten Honduras mit 20,0 Mill. \$, Kolumbien mit 14,3 Mill. \$, Ecuador mit 8,5 Mill. \$, Nicaragua mit 4,0 Mill. \$ und Peru mit 1,7 Mill. \$. Den zweiten Platz unter den Erdteilen nahm im vergangenen Jahre als Kreditnehmer der Weltbank Afrika mit 67,5 Mill. \$ ein, was dadurch bedingt war, daß die Südafrikanische Union von der Bank zwei Anleihen von je 30 Mill. \$ für die Entwicklung ihres Transportwesens und ihrer Elektrizitätsversorgung erhielt. Außerdem wurde von der Bank eine Anleihe in Höhe von 7,5 Mill. \$ an Französisch Westafrika für die Modernisierung des Eisenbahnnetzes gewährt. Asien war im Jahre 1953/54 an den Ausleihungen der Weltbank mit 54,5 Mill. \$ beteiligt, wovon allein auf Japan 40,2 Mill. \$ entfielen. Dieses Land erhielt von der Weltbank insgesamt drei Anleihen, alle für die Entwicklung der japanischen Elektrizitätsversorgung (die Anleihen wurden an drei Elektrizitätsgesellschaften durch die Vermittlung der Japan Development Bank gewährt). Die übrigen 15 Mill. \$ der an asiatische Länder gewährten Anleihen erhielt Pakistan — es war überhaupt die erste Weltbankanleihe dieses Landes — für die Finanzierung des Baus einer Naturgas-Rohrleitung.

Die 54 Mill. \$, die im vergangenen Jahre an die Länder des australasischen Raums ausgeliehen wurden, bestanden aus einer Anleihe an Australien in gleicher Höhe. Hiedurch erhöht sich der Gesamtbetrag der an Australien gewährten Weltbankanleihen auf 204 Mill. \$. Durch diese Kredite werden im wesentlichen diejenigen Teile des Entwicklungsprogramms Australiens finanziert, welche Käufe von Kapitalgütern in Dollarländern erfordern.

Westeuropa stand im vergangenen Jahre bezeichnenderweise mit 49,4 Mill. \$ an der letzten Stelle der Anleihenehmer der Weltbank. Als größter Kreditnehmer erscheint Norwegen mit einer Anleihe von 25 Mill. \$, die hauptsächlich der Finanzierung von norwegischen Schiffskäufen im Auslande dienen soll. Als weitere Kreditnehmer in Europa erscheinen die Türkei mit 12,8 Mill. \$, Italien mit 10 Mill. \$ und Island mit 1,6 Mill. \$.

Betrachtet man die von der Weltbank seit ihrer Gründung für die wirtschaftliche Entwicklung geliehenen 1377 Mill. \$ nach ihrem Verwendungszweck, so fällt die Tatsache auf, daß 906 Mill. \$ oder 66 % des Gesamtbetrages der Finanzierung der Entwicklung des Transportwesens und der Elektrizitätsversorgung dienten. Dieser Priorität des Transportwesens und der Elektrizitätsversorgung bei der Gewährung von Weltbankkrediten lag augenscheinlich der Gedanke zugrunde, daß ihre Entwicklung, besonders in wirtschaftlich rückständigen Ländern, die notwendige Voraussetzung für die Schaffung anderer Erwerbszweige bildet. Bis Ende Juni 1954 entfielen auf das Transportwesen 509 Mill. \$ und auf die Elektrizitätsversorgung 397 Mill. \$. Des weiteren dienten 167 Mill. \$ der Entwicklung der Landwirtschaft, namentlich der Mechanisierung von landwirtschaftlichen Betrieben und der Schaffung von Bewässerungsanlagen. Fast der gleiche Betrag, nämlich 168 Mill. \$, wurde in den Dienst der industriellen Entwicklung gestellt, wobei 145 Mill. \$ für die Entwicklung der verarbeitenden Industrie und 23 Mill. \$ für die Entwicklung des Bergbaues verwendet wurden.

Die Verteilung der von der Weltbank im Jahre 1953/54 gewährten Anleihen nach ihrem Verwendungszweck unterstreicht noch mehr die Bedeutung des Transportwesens für die allgemeine wirtschaftliche Entwicklung, indem von dem Gesamtbetrag von 324 Mill. \$ auf dieses allein 119 Mill. \$ oder 37 % entfallen. Die an Brasilien, Französisch-Westafrika und die Südafrikanische Union gewährten Anleihen sollen vornehmlich der Modernisierung des Eisenbahnnetzes dieser Länder dienen, während die an Kolumbien, Ecuador und Nicaragua bewilligten Kredite den Ausbau des Straßennetzes dieser Länder erleichtern sollen. Hingegen dient die norwegische Anleihe von 25 Mill. \$ dem Ausbau der Handelsmarine dieses Landes. In diesem Zusammenhang verdient noch die Tatsache Erwähnung, daß die im August d.J. an Mexiko gewährte Anleihe von 61 Mill. \$ für die Modernisierung der Pacific Railroad of Mexico überhaupt die größte von der Weltbank bewilligte Anleihe für ein einzelnes Projekt darstellt.

An zweiter Stelle standen im Jahre 1953/54 nach dem Verwendungszwecke die der Entwicklung der Elektrizitätswirtschaft dienenden Anleihen mit einem Gesamtbetrag von 107 Mill. \$. Die Verbesserung der Energieversorgung spielte eine besondere Rolle bei der Verwendung der an Japan, die Südafrikanische Union und Brasilien gewährten Kredite. Während somit auf die der Entwicklung des Transportwesens und der Elektrizitätsversorgung dienenden Anleihen 226 Mill. \$ oder 70 % des Gesamtbetrages der im Jahre 1953/54 gewährten Anleihen entfielen, dienten die restlichen 98 Mill. \$ der Finanzierung von landwirtschaftlichen und industriellen Projekten oder, wie in den Fällen von Australien und Südtalien, der Verwirklichung von Entwicklungsprojekten, welche die verschiedensten Wirtschaftszweige betreffen.

Die Beschaffung von Mitteln

Als die Weltbank im Jahre 1946 ihre Tätigkeit aufnahm, hatte es den Anschein, als ob für längere Zeit die aus den Kapitaleinschüssen der Vereinigten Staaten sowie aus den Bondsemissionen in diesem Lande stammenden Dollars die Hauptquelle der der Bank für ihre Ausleihungen zur Verfügung stehenden Mittel bilden würden. Man hoffte jedoch, daß in einer nicht allzu fernen Zukunft die Länder, die vor dem letzten Weltkriege ebenfalls Kapital exportierten, das Ihrige zu der Mittelbeschaffung der Bank durch die Freigabe ihrer Kapitaleinschüsse für Ausleihungszwecke, durch die Öffnung ihrer Kapitalmärkte für Bondsemissionen der Weltbank sowie durch den Kauf von Wertpapieren aus dem Portefeuille der Bank beitragen würden.

Wie die Geschäftsleitung der Bank in ihrem Jahresbericht feststellt, hat der Prozeß, durch den Kapitalien außerhalb der Vereinigten Staaten der Bank zur Verfügung gestellt werden, im vergangenen Jahre eine erfreuliche Beschleunigung erfahren. Die für Ausleihungen verfügbaren Mittel wurden in diesem Jahre um 310 Mill. \$ vermehrt. Hievon kamen 189 Mill. \$ oder 61 % aus anderen Ländern als den Vereinigten Staaten.

Bislang sind die Vereinigten Staaten und Kanada die einzigen Länder, welche ihre Kapitaleinschüsse in vollem Umfange für Ausleihungszwecke auf Basis der freien Konvertibilität freigegeben haben. Andere Mitgliedstaaten haben ihre Einlagen meistens unter beschränkenden Bedingungen freigegeben. Im Berichtsjahre wurden von elf westeuropäischen Mitgliedstaaten Beträge in eigenen Währungen für Ausleihungszwecke in einer Gesamtsumme von 92 Mill. \$ freigegeben, wobei die umfangreichsten Freigaben seitens Großbritannien (35,9 Mill. \$) und Frankreichs (34,5 Mill. \$) erfolgten. Außerdem haben 18 kleinere südafrikanische, europäische und asiatische Mitgliedstaaten Beträge in eigenen Währungen aus ihren Kapitaleinschüssen freigegeben. Bis jetzt sind diese Währungen, wie die Geschäftsleitung der Bank feststellt, nicht für Ausleihungszwecke verwendet worden.

Die Tendenzen, die in den Transaktionen der Bank während des letzten Jahres in Erscheinung traten, liefern einen Beweis dafür, daß die Bank und ihre Anleihenehmer *wachsende Gelegenheiten* haben werden, von westeuropäischen Währungen Gebrauch zu machen. Die Geschäftsleitung der Bank wird deshalb die westeuropäischen Mitgliedstaaten weiter ersuchen, zusätzliche Beträge ihrer Kapitaleinschüsse freizugeben. Sie spricht dabei die Hoffnung aus, daß es möglich sein wird, die einschränkenden Bedingungen, unter denen diese Freigabe manchmal erfolgt und die den Wert dieser Freigaben für die Bank vermindert, zu lockern.

Was die zweite Quelle der Beschaffung von Mitteln betrifft, so wurden diese durch die Emission von Weltbankbonds im Berichtsjahre gesamthaft um 221 Mill. \$ vermehrt. Zwei Emissionen in den Vereinigten Staaten brachten gesamthaft 175 Mill. \$ ein. Des weiteren fanden zwei Emissionen in der Schweiz von insgesamt 100 Mill. sFr. und eine in Kanada von 25 Mill. kan. \$ statt. Schließlich wurde der Gegenwert der im Juni 1953 in der Schweiz emittierten Obligationenanleihe von 50 Mill. sFr. erst im Berichtsjahre eingezahlt.

Mit besonderer Genugtuung verzeichnet die Geschäftsleitung der Bank die Tatsache, daß von den im Berichtsjahre emittierten Bonds ein Wert von 221 Mill. \$ nicht weniger als 96 Mill. \$ oder 44 % außerhalb der Vereinigten Staaten untergebracht wurden, wobei in diesem Betrag mehr als 50 Mill. \$ Bonds inbegriffen sind, die in US-Dollars zahlbar sind. Nicht weniger bezeichnend ist die Tatsache, daß ausländische Bankhäuser zum ersten Male seit dem Bestehen der Weltbank an der Zeichnung von in US-Dollars emittierten Bonds teilnahmen.

Mit der Begebung der ersten Anleihe der Weltbank in den Niederlanden im Juli 1954, also bereits im neuen Geschäftsjahre, in Höhe von 40 Mill. Gulden oder 10,5 Mill. \$ hat der Auslandsmarkt für die Unterbringung der Bondsemissionen der Weltbank eine neue, beachtenswerte Ausweitung erfahren. Im August dieses Jahres hat die niederländische Regierung der Weltbank vor Fälligkeit 52,2 Mill. \$ und 12,5 Mill. bFr. auf eine im Jahre 1947 erhaltene Anleihe zurückbezahlt. Die Bedeutung dieser Aktion geht aus der gleichzeitig vom Präsidenten der Weltbank, Eugène R. Black, abgegebenen Erklärung hervor, wonach die Bank nach dieser Rückzahlung nicht mehr beabsichtige, eine neue Bondsemission in den Vereinigten Staaten vor Ende 1954 vorzunehmen.

Der Gesamtbetrag der von der Weltbank emittierten und am 30. Juni 1954 noch umlaufenden

Bonds betrug 777 Mill. \$, von denen 665 Mill. \$ in US-Dollars und 112 Mill. \$ in anderen Währungen emittiert worden sind. Der noch im Umlauf sich befindende Betrag der fünf schweizerischen Bondsemissionen wird für Ende des Geschäftsjahres mit 263 Mill. sFr. oder 61 Mill. \$ angegeben.

Ferner betont die Geschäftsleitung der Weltbank die *wachsende Teilnahme des Privatkapitals* an den an ihre Mitglieder gewährten Anleihen. Eine solche Teilnahme fand im vergangenen Jahre in verschiedener Form bei Weltbankanleihen an Brasilien, Japan, Norwegen, Pakistan, Peru und Französisch Westafrika statt. Der Gesamtbetrag dieser Privatbeteiligungen wird mit 12 Mill. \$ angegeben. Sie wurden alle *ohne irgendwelche Garantien* seitens der Weltbank übernommen.

Schließlich ist noch zu verzeichnen, daß das Interesse der Kapitalanleger an den Weltbankobligationen als Kapitalanlagemittel in den Vereinigten Staaten und in anderen Staaten im stetigen Wachsen begriffen ist. Was den amerikanischen Besitz an diesen Obligationen betrifft, so befanden sich nach Angaben der Bankleitung an diesen am 30. Juni 1954 64 % im amerikanischen Besitz, wovon 20 % im Besitz von Versicherungsgesellschaften, 20 % im Besitz von Sparbanken, 20 % im Besitz von Pensions- und Treuhandfonds und schließlich 4 % im Besitz von Handelsbanken und sonstigen Investoren waren.

Die maßgebend waren, daß die Betriebstätigkeit im Quartal durch das ungünstige Wetter beeinträchtigt wurde. Bei Tabakaktien war die Kursentwicklung unheimlich; die Herstellung und der Verkauf von Zigaretten, Zigarren und Pfeifentabak blieben im Juli unter den Vorjahresziffern zurück. Im Nachmittagsverkehr begann das Kursniveau fast allgemein wieder zusteigen, so daß unter Führung der Industriewerte winne bis 1 Dollar oder mehr eintraten. Luftverkehrsstellen bekundeten feste Haltung, an der Spitze standen Eastern Airlines auf Grund der Verdoppelung der Jahresdividende auf 1 Dollar. Im Schlußabschnitt verursachten Gewinnrealisationen vielfach eine Verminderung oder Auslöschung der Tagesbesetzungen. Die Schlußtendenz lautete stetig.

Dow Jones Closing: 30 Industrie (359.63) 361.67; Eisenbahnen (117.80) 118.44; 15 Utilities (61.29) 61.45.

Shares	23	24	23	24	
Reduction	29%	29	Montgom. Ward	71%	72
Chemical	98%	98%	Nat. Biscuit	41	41
Chalmers	67	67%	Nat. City Bank	54%	54%
American Can.	43%	43%	Nat. Dairy	39%	39%
Gas & El.	37%	37%	Nat. Distillers	21%	21%
Radiator	19%	19%	Nat. Steel	51%	51%
Smelting	39%	39%	N. Y. Central	20%	20%
Sugar	63%	63%	North American	26%	25%
Tel. & Tel.	171%	172	Northern Pacif.	56%	57
Tobacco	62%	61%	Pacific Gas	44%	44%
Acanda Cop.	41%	41%	Pac. Lighting	35%	36
Steel	51%	52%	Paramount Pic.	35%	35%
Johnson Topeka	119%	119%	Pennsylvania	17%	17%
Timore&Ohio	26%	27	Phillips Petr.	64%	65
Strohheim Steel	77%	78%	Publ. Serv. El&G	28%	28%
Gen. Co.	68%	68%	Radio Corp.	33%	33%
Wiggins Manuf.	42	42%	Republic Steel	63%	63%

		Nom. Notis (nachmittags)			
		17. Sept. 1954		24. Sept. 1954	
Devisen		Geld	Brief	Geld	Brief
USA-Dollar		4.28%	4.29	4.28%	4.29
Engl. Pfunde		12.19	12.24	12.19	12.24
Can. \$		4.41%	4.43	4.41%	4.43
Frans. Franken		1.24%	1.25%	1.24%	1.25%
Belg. Fr.		8.70%	8.74	8.70%	8.74
Holl. fl.		114.80	115.25	114.80	115.25
Schwed. Kr.		84.15	84.50	83.95	84.30
Dän. Kr.		82.83%	83.10	82.83%	83.10
NKr.		60.90	61.15	60.90	61.15
Deutsche Mark		103.85	104.25	103.85	104.25
Lit.		-69%	-70%	-69%	-70%
Österr. Sch.		16.76%	16.87	16.76%	16.87
Escudos		14.60	15.	14.60	15.
Lib. Kapital DM		100.	101.	99.75	100.50
Ägypt. Pfunde „B“		11.40	11.60	11.40	11.60
Beschränkt konvertierb. DM		100.	101.	99.75	100.50
Clearing- und Verrechnungskurse					
Bulgarien		63.02	63.02	63.02	63.02
Finnland		1.8868	1.9012	1.8868	1.9012
Griechenland		14.52%	14.62%	14.52%	14.62%
Jugoslawien		1.4576	1.4576	1.4576	1.4576
Polen		107.19	107.19	107.19	107.19
Portugal		15.13	15.29	15.13	15.29
Rumänien		71.42	71.42	71.42	71.42
Tschechoslowakei		59.347	59.702	59.347	59.702
Türkei		1.546	1.562	1.546	1.562
Ungarn		36.969	37.523	36.969	37.523
Notenkurse					
Dollar		4.27	4.30	4.27	4.30
Lstg.		11.40	11.60	11.40	11.60
Frans. France		1.12	1.17	1.12	1.17
Belg. Frs.		8.40	8.60	8.45	8.65
Holl. fl.		111.	113.	110.50	112.50
DMark		98.50	101.50	98.50	101.50
Öst. Sch.		16.15	16.65	16.	16.50
Lit.		-67	-69	-66%	-68%
Schwed. Kr.		77.	80.	77.	80.
Dän. Kr.		57.	61.	57.	61.
N. Kr.		53.	56.	53.	56.
Finnl. Mk.		1.	1.20	1.	1.20
Ptas.		9.95	10.25	9.90	10.20
Arg. Pesos		14.50	17.50	14.50	17.50
Esc.		14.50	15.	14.50	15.
Türk. £		-67%	-77%	-67%	-77%
Cruseiros		6.50	7.	6.40	6.90
Can. \$		4.39	4.43	4.38	4.42
Israel. Lstg.		1.40	1.80	1.40	1.80

Produktenbörsen					
Getreidebörse			Schlußkurse vom 24. September		
Chicago	23.	24.	Winnipeg	23.	24.
Weizen			Hafer		
per Dez.	215%	216%	per Okt.	84	85%
per März	217%	218%	per Dez.	78%	79%
per Mai	214%	215%	per Mai	76%	77%
Mais			Roggen		
per Dez.	151%	152%	per Okt.	132%	134%
per März	155	155%	per Dez.	131	131
per Mai	157	157%	per Mai	132%	132%
Hafer			Gerste		
per Dez.	77%	78%	per Okt.	109%	110%
per März	78%	79	per Dez.	105	105%
per Mai	76%	77%	per Mai	104%	104%

Heut Gest

N

Heut Gest

N

New York, 24. Sept. Kupfer Elektrolyt inl. disp. 30.—, Elektrolyt. Weltexportpreis 30.— bis 30.25, Blei inl. disp. 14.75, Zink East St. Louis disp. 11.50.

New Yorker Produktenbörse vom 24. September

New York, Kaffee Santos «S» Ioko 71.00 (71.00), Dez. 66.25 (65.40); Zucker Okt. 3.24 (3.22), Jan. 3.24 (3.22).

Chicago Schmalz Okt. 14.82 (14.70), Nov. 13.25 (13.20); schwere Schweine — (19.50); Petroleum 9.75 (9.75); Rohöl Pennsylvania 3.26 (3.26); Mid-Continent 2.82 (2.82).

Chefredaktion: W. Bretscher

Politischer Teil: Inland: Dr. E. Richner, Dr. N. Bieri, Dr. E. Bieri, Max Nef (Bern); Ausland: Albert Müller, Dr. Urs Schwarz, E. O. Schwarzenbach, Dr. E. Streiff; Lokales: E. Arnet, E. Tobler; Sport: F. Klipstein; Handelsteil: O. Matter, Dr. R. Ottinger, Dr. C. Mötteli, Dr. F. Aschinger; Feuilleton: Dr. J. Welti, Dr. W. Weber

Verwaltungsdirektion: O. Sidler

Schluß des redaktionellen Teils

BANQUE

POUR LE COMMERCE

SUISSE-ISRAËLIEN

GENÈVE

COMPTES-COURANTS

EN FRANCS SUISSES ET

EN MONNAIE ÉTRANGÈRE

TOUTES OPÉRATIONS BANCAIRES

24, GRAND-QUAI

TÉLEGR. SWISRAEL- TEL. 24 03 86

Rauchen Sie

CAMEL

CIGARETTEN

und

CAVALIER-

Langformat

garetttenindustrie in der deutschen

TEILUNGSLEITER

ne Ausbildung als Mechaniker oder entechniker, ferner größte Gewissen-führung von Personal. Alter 30—40

postelle mit Pensionsberechtigung. riebenem Lebenslauf, Photographie

Sektion für Arbeitskraft und Aus-ustrie, Gewerbe und Arbeit, Marzili-

Mittelgroßer Fabrikationsbetrieb für Schalttafelbau sucht jüngeren

Elektrotechniker

als Stütze des Chefs. Nähe Zürich. Arbeitsgebiet: Entwicklung von Schaltschemata, Materialeinkauf, Arbeitsvorbereitung, Fertigungskontrolle.

Offerten unter Beilage von Foto und Zeugniskopien sowie Angabe der Gehaltsansprüche unt. Chiffre L 16861 an die Annoncen-Abt. der Neuen Zürcher Zeitung, Zürich 1.

ationsunternehmen im Kanton Aar-ntritt jungen

EMIKER

er Technikumsbildung für Arbeiten laboratorium

OGISTEN

Herstellung galenischer Präparate.

oto, Lebenslauf, Zeugniskopien und ten Eintrittstermins sind zu richten oncen-Abteilung der Neuen Zürcher

Gewandten, verkaufstüchtigen

Jüngeren Herren

wird interessante und rasche Aufstiegs-möglichkeit als

Filialleiter-Anwärter

geboten. Die Bewerber (aus der Lebens-mittelbranche bevorzugt) müssen sich über eine erfolgreiche Tätigkeit im Detailhandel ausweisen können, eine gute Allgemein- und kaufmännische Bildung besitzen.

Handgeschriebene Offerten mit Bild, aus-führlichem Lebenslauf und Zeugnissen sind zu richten an

Genossenschaft Migros Zürich
Personal-Abteilung
Postfach Industrie 189, Zürich 31

Wir suchen zu baldigem Eintritt in unsere Kino-abteilung je einen

Reisevertreter

für den Verkauf unserer Stumm- und Tonfilmprojek-toren 16 mm an die Photohändler-Kundschaft. Voraus-setzung: Technisches Verständnis. Erwünscht: Vor-kenntnisse in der Photographie;

Elektromechaniker

für die Montage und den Revisions- und Reparatur-Dienst unserer Tonfilm-Projektionsanlagen 35 mm in Kineothekern. Voraussetzung: Eignung für den Ver-kehr mit der Kundschaft.

Beides sind interessante, ausbaufähige Danerstellen. Schriftliche Angebote mit Lebenslauf, Zeugniskopien, Photo und Angabe von Gehaltsansprüchen u. Eintritts-termin erbeten an

SIEMENS
Elektrizitätserzeugnisse AG
Personalstelle Löwenstraße 35, Zürich 1

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

The World Bank has once more shown the effective, if still modest, contribution it makes to the development of the economic potential of the member countries.

.... [Excerpts from annual report]....

Mr. Black... severely criticized the international race in the dispensation of credits by suppliers. (as) "a race in which none of the competing export countries can win

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

because as one increases speed, the rest all follow"

This warning is most pertinent and it is to be hoped it ~~will~~^{can} be ~~heard~~^{heard} in order to avoid cruel blows to the national economies of the bold racers.

J. De Keuster



ARGUS INTERNATIONAL DE LA PRESSE
INTERNATIONALER ARGUS DER PRESSE
INTERNATIONAL PRESS CUTTING SERVICE

ZÜRICH TEL. (051) 27 99 12/27 18 77 GENÈVE TEL. (022) 4 40 05

LLOYD ANVERSOIS
ANVERS

- 8 Okt. 1954

L'œuvre de la Banque Mondiale

2050 Son action d'assistance aux pays sous-développés
La course internationale aux crédits

Si l'assemblée générale des Gouverneurs du Fonds Monétaire International ne nous a guère rapproché de la convertibilité monétaire, pour les raisons que nous avons exposées dans notre article précédent, l'assemblée de la seconde institution de Bretton Woods, c'est-à-dire de « la Banque Internationale pour la Reconstruction et le Développement », désignée communément sous le titre de « Banque Mondiale », a montré, une fois de plus, la contribution effective bien qu'encore modeste que cette institution apporte à la mise en valeur du potentiel économique des pays membres.

Les projets à financer.

A ce sujet, il est intéressant de retenir quelques informations reprises au rapport annuel de la Banque. Celui-ci a rappelé que son but principal est d'assister les membres dans leurs efforts tendant à s'assurer le bénéfice maximum de leur développement économique. Elle est donc préoccupée, avant tout, de faire en sorte que ses prêts apportent la plus grande contribution possible à l'accroissement de la production, à l'élévation du niveau de la vie et à la création de possibilités pour de nouveaux investissements.

Il s'ensuit que les projets, qui sont soumis à la Banque, pour répondre aux objectifs ainsi fixés, doivent réussir. A cet effet, la Banque s'est efforcée d'octroyer une assistance directe aux pays membres en vue de résoudre les multiples problèmes qui sont liés aux nouveaux investissements de capital étranger avant que ceux-ci puissent être pleinement rentables.

En raison des conséquences sérieuses qui pourraient découler de tout projet malsain ou de toute réalisation défectueuse, la Banque exige d'être complètement informée, à l'avance, au sujet des mérites économiques des projets envisagés, des phases techniques de leur réalisation et des possibilités d'obtention de l'assistance financière locale et de la directement (ménagement) de l'entreprise projetée.

Nombre de projets financés par la Banque sont tels, aussi bien par leur nature que par leur étendue, qu'ils sont nouveaux pour l'organisation locale chargée de leur réalisation. Aussi, est-il nécessaire, dans certains cas, de dispenser une assistance extérieure. La Banque s'occupe de la procurer le cas échéant.

La Banque se livre à une étude préliminaire des projets soumis afin de se rendre compte notamment quelle est leur valeur économique et comment celle-ci peut être accrue grâce aux modifications suggérées.

La Banque estime que les projets, qui sont rentables par eux-mêmes, sont appelés à couvrir leurs propres coûts et doivent être « self-supporting » en termes de monnaie locale. De tels projets, dit le rapport, peuvent offrir l'occasion de mobiliser les investissements privés et la Banque s'efforce alors d'obtenir des capitalistes qu'ils saisissent cette occasion.

Les services rendus par la Banque.

Comme le remarque judicieusement l'éditorial que « The Financial Times » a consacré au rapport, la Banque a rendu de grands services à certains pays membres, notamment en Amérique Latine et en Asie, en les aidant de ses conseils et de son assistance technique dans l'élaboration de programmes économiques rationnels.

Grâce à sa position internationale, qui est unique dans l'histoire financière mondiale, elle a pu approcher directement les marchés financiers importants et y collecter, par l'émission d'une série d'obligations, la contre-valeur de 750 millions de dollars depuis son existence. Sans son intervention, ce capital n'eût certainement pas pu être mobilisé sur une si vaste échelle pour des fins d'investissements importants dans les pays économiquement moins développés.

Il faut souhaiter que l'action de la Banque dans ce domaine pourra être développée car les besoins de mise en valeur dans les pays sous-développés sont immenses. La réalisation de tels programmes ne peut que contribuer à élargir la base des échanges commerciaux internationaux en intégrant de plus en plus de pays dans le circuit du commerce mondial. Ce qui est indispensable pour son expansion.

La course aux crédits à l'exportation.

M. Eugène Black, Président de la Banque Mondiale, dans le discours qu'il a prononcé à l'assemblée des Gouverneurs de la Banque, a critiqué sévèrement la course internationale à la dispensation de crédits de la part des fournisseurs. La concurrence internationale, a-t-il fait observer avec raison, ne porte pas seulement sur les prix, la qualité et les dates de livraison des produits mais aussi sur les conditions des crédits. Il arrive que des crédits à moyen terme sont accordés par les fournisseurs pour financer des projets à long terme d'un rendement médiocre et problématique. Ces crédits sont mal employés et créent des conditions malsaines. La situation devient sérieuse, dit l'orateur.

M. Black estime que des fonds d'investissement à long terme constituent la forme la plus appropriée pour financer des projets qui nécessitent la fourniture de biens de production importants. Tout capitaliste qui désire faire des investissements à long terme doit tenir compte de la dette extérieure totale du pays récipiendaire. Et l'emploi excessif de crédits à court et à moyen terme doit diminuer l'accès de ce pays au marché de capitaux à long terme.

« Une course, a déclaré M. E. Black, pour finir, est en train de se développer, course qu'aucun des pays exportateurs concurrents ne peut gagner, parce qu'au fur et à mesure que l'un d'eux l'accélère, tous les autres le suivent. »

Cet avertissement est on ne peut plus pertinent. Et il faut espérer qu'il pourra être entendu afin d'éviter de cruelles déconvenues aux économies nationales des coursiers téméraires.

J. DE KEUSTER.

ment où la tempête avait fait monter l'eau jusqu'à 1 mètre au-dessus du niveau moyen normal, ce qui fait que les marées hautes suivantes sont toutes plus hautes que celle au cours de laquelle se produisit. De plus le navire qui avait une cargaison d'environ 100 tonnes ne pourra donc guère aider à surélever le navire.

A la marée haute de vendredi matin 10 heures, une nouvelle tentative a été faite mais pas plus que les précédentes elle n'a réussi.

L'on compte poursuivre les opérations à chaque nouvelle marée haute, mais l'on estime que celles-ci n'ont pas beaucoup de chances d'aboutir avant le début de la semaine prochaine, puisque les très hautes marées ne se reproduiront plus avant cette échéance, et que comme nous l'avons signalé plus haut, le « La Pampa » ne pourrait normalement être libéré que par un niveau d'eau particulièrement élevé. (Voir nos Sinistres Maritimes du 7 octobre.)

MAASDAM. — New-York, 4 octobre. — Le vapeur « Maasdam » qui avait quitté New-York le 2 octobre en route pour Copenhague.

LES DE MER

(partielle, interdite).

Mar del Plata a passé Villano le 8, d'Anvers à Matadi via Tenerife.

Mariekerk a quitté Taku Bar le 3 pour Yokohama.

Mary Robert Muller a quitté Lattaquié le 29 pour Hambourg.

Matadi Palm a quitté Port Harcourt le 4 pour Liverpool.

Meres-N arrivé à Lisbonne le 6, de Rotterdam.

Neleus a quitté Port Soudan le 5 pour Liverpool et Glasgow.

Nessbank a quitté Vavau le 5 pour le R.-Uni et le Continent.

Nevada arrivé à Las Palmas le 6, de Copenhague.

Nigerstroom arrivé à Mohrovia le 4, de Hambourg.

Nimbus a quitté Brisbane le 6 pour Gothenbourg.

Nordvard a quitté Port Soudan le 5 pour Londres.

Norrlund a quitté Lagos le 6 pour Hambourg.

Oguta Palm a quitté Sapele le 28 pour Liverpool.

Orkney arrivé à Port Swettenham le 5, de

Thérèse Le Borgne » 24 degrés d'Oran par suite d'une avarie au moteur, et qu'il demandait l'aide d'un remorqueur. Le remorqueur « Goeland II » a quitté Oran le 6 octobre à 5 heures pour prêter main forte au navire en détresse.

Oran, 6 octobre. — On apprend que le navire à moteur français « Tessala » a pris en remorque le « Marie Thérèse Le Borgne » et qu'il fait route vers le port.

Alger, 6 octobre. — Le navire à moteur français « Marie Thérèse Le Borgne » qui a été signalé comme ayant eu à faire face à une avarie à la machine principale, et qui avait demandé l'aide d'un remorqueur dans la matinée a été pris en remorque par le navire à moteur français « Tessala ».

RIKKE SKOU. — Hambourg, 7 octobre. — Le chalutier français « Ailly » a signalé qu'il avait trouvé un canot de sauvetage du vapeur danois « Rikke Skou », bien que le nom de celui-ci soit à moitié effacé. Trois hommes ont été recueillis par le « Ailly », qui sont morts peu après. Aucun papier n'a été découvert sur eux. Le « Ailly » continue ses recherches. Le troisième homme a été recueilli par le « Rikke Skou » à 54 degrés 05' de latitude Nord et 4 degrés 25' de longitude Est.

Le chalutier français « Ailly » a maintenant quatre cadavres à bord. Il reste sur place.

Le vapeur britannique « Glenarchy » a signalé à 16 heures qu'il avait rencontré douze grosses pièces de bois flottantes par 54 degrés 3' Nord et 4 degrés 29' Est. Il n'a trouvé aucune trace de survivants du « Rikke Skou ».

On ignore encore combien d'hommes le « Rikke Skou » avait à son bord. On suppose que son équipage se composait de vingt marins.

Le « Rikke Skou » avait quitté Ymuiden le 2 octobre avec une cargaison de charbon. (A.F.P.)

Copenhague, 8. — C'est à douze morts que se monte le bilan du naufrage du bateau « Rikke Skou » survenu mercredi soir en Mer du Nord.

Avant d'être repêchés par le navire suédois « Hedda », huit rescapés avaient passé 22 heures sur un radeau qui avait été à plusieurs reprises retourné par les vagues. Le capitaine du « Rikke Skou » se trouve parmi les victimes. (A.F.P.) (Voir nos Sinistres Maritimes du 7 octobre.)

SANTA LUCIA. — Voir « Suze ».

SUZE. — Amsterdam, 6 octobre. — Le navire à moteur néerlandais « Suze » et le navire à moteur néerlandais « Santa Lucia » faisant route de Hudiksvall à Bristol sont entrés en collision au large de Terschelling le 6 octobre. Les deux navires ont pu pour suivre leur route.

TOFEVO. — Voir « Maasdam ».

TRIAINA. — Brême, 4 octobre. — Le vapeur « Triaina » est arrivé à Brême le 3 octobre.

PORT DE GAND

ARRIVAGES DU 6 OCTOBRE

Moteur allemand Julin, sur lest, Sogemar.
St. roumain Piehanov, de Rotterdam, sur lest.
A. M. Minne.

ARRIVAGES DU 7 OCTOBRE

Moteur anglais Bucklaw, de Dundee, chargé.
Boutmy.
St. espagnol Monte Castelo, de Huelva, chargé.
Lakemant.

DEPARTS DU 6 OCTOBRE

Moteur allemand Berth, pour Copenhague, chargé.
Reyniers Frères.

A Promising Bond Salesman

A cheerier atmosphere surrounded the meeting of the International Bank for Reconstruction and Development, which took place concurrently with that of the I.M.F. President Eugene Black reported that fiscal 1954 was a very good year for the World Bank. The bank's operations, in fact, finally achieved a distinctly international character—on the borrowing side as well as the lending side.

Of the eight World Bank bond issues that were marketed during fiscal 1954, for example, only three were sold for U.S. dollars. The other five issues (totaling more than \$70 million) represented borrowings of other hard currencies; two were for Swiss francs, one each for sterling, Canadian dollars, and Dutch guilders. Moreover, nearly half the \$225 million of dollar bonds sold were purchased by investors outside the U.S. In September the bank sold \$50 million of five-year 2½% bonds, and disposed of the issue entirely to foreign banks, insurance companies, private firms, and government accounts in twenty-three countries.

To illustrate the tremendous creative possibilities of the World Bank's operations, Mr. Black cited a loan to the Federal Electricity Commission in Mexico. Seventy-five thousand dollars was used to build a 600-kilowatt power-generating plant. "We financed the installation of this plant in the rural town of Tecuala, in Mexico's West Coast area. In three years' time, here are some of the results: industrial users of electricity in Tecuala have risen from just three to thirty-three; the town has acquired a public library, a daily newspaper, a radio station, and a night school; Tecuala's population has trebled, and the number of students in its schools has increased seven times . . . The mayor of the town recently said: 'I have witnessed our emergence from the dark ages into an age of light.'"

But Mr. Black also issued a sharp warning to the assembled delegates. There has been, he said, a disturbing tendency toward unsound extension of credit to finance international trade. "A competitive race," he noted, "is developing among suppliers. This takes the form not only of competition in terms of price, quality and delivery date, but also competition in the offer of medium-term suppliers' credits." What worries Black is that such credit practices may lead to an unstable and unhealthy type of trade expansion. "Experience teaches us," he warned, "that it is imprudent to count on a steady flow of capital year after year. Reliance on suppliers' credits . . . means reliance on something particularly volatile . . . There is the risk that the borrower may have raised his rate of investment only to find that he must later make, perhaps, a drastic cutback and that what was looked forward to as a period of sustained economic advance may end as a period of stagnation or, even, of retrogression."

The world has one unhappy experience with trade expansion built on credit inflation in the 1920's and Mr. Black's warning was as timely as it was stern.

A Promising Bond Salesman

A cheerier atmosphere surrounded the meeting of the International Bank for Reconstruction and Development, which took place concurrently with that of the I.M.F. President Eugene Black reported that fiscal 1954 was a very good year for the World Bank. The bank's operations, in fact, finally achieved a distinctly international character—on the borrowing side as well as the lending side.

Of the eight World Bank bond issues that were marketed during fiscal 1954, for example, only three were sold for U.S. dollars. The other five issues (totaling more than \$70 million) represented borrowings of other hard currencies; two were for Swiss francs, one each for sterling, Canadian dollars, and Dutch guilders. Moreover, nearly half the \$225 million of dollar bonds sold were purchased by investors outside the U.S. In September the bank sold \$50 million of five-year 2½% bonds, and disposed of the issue entirely to foreign banks, insurance companies, private firms, and government accounts in twenty-three countries.

To illustrate the tremendous creative possibilities of the World Bank's operations, Mr. Black cited a loan to the Federal Electricity Commission in Mexico. Seventy-five thousand dollars was used to build a 600-kilowatt power-generating plant. "We financed the installation of this plant in the rural town of Tecuala, in Mexico's West Coast area. In three years' time, here are some of the results: industrial users of electricity in Tecuala have risen from just three to thirty-three; the town has acquired a public library, a daily newspaper, a radio station, and a night school; Tecuala's population has trebled, and the number of students in its schools has increased seven times . . . The mayor of the town recently said: 'I have witnessed our emergence from the dark ages into an age of light.'"

But Mr. Black also issued a sharp warning to the assembled delegates. There has been, he said, a disturbing tendency toward unsound extension of credit to finance international trade. "A competitive race," he noted, "is developing among suppliers. This takes the form not only of competition in terms of price, quality and delivery date, but also competition in the offer of medium-term suppliers' credits." What worries Black is that such credit practices may lead to an unstable and unhealthy type of trade expansion. "Experience teaches us," he warned, "that it is imprudent to count on a steady flow of capital year after year. Reliance on suppliers' credits . . . means reliance on something particularly volatile . . . There is the risk that the borrower may have raised his rate of investment only to find that he must later make, perhaps, a drastic cutback and that what was looked forward to as a period of sustained economic advance may end as a period of stagnation or, even, of retrogression."

The world has one unhappy experience with trade expansion built on credit inflation in the 1920's and Mr. Black's warning was as timely as it was stern.

A Promising Bond Salesman

A cheerier atmosphere surrounded the meeting of the International Bank for Reconstruction and Development, which took place concurrently with that of the I.M.F. President Eugene Black reported that fiscal 1954 was a very good year for the World Bank. The bank's operations, in fact, finally achieved a distinctly international character—on the borrowing side as well as the lending side.

Of the eight World Bank bond issues that were marketed during fiscal 1954, for example, only three were sold for U.S. dollars. The other five issues (totaling more than \$70 million) represented borrowings of other hard currencies; two were for Swiss francs, one each for sterling, Canadian dollars, and Dutch guilders. Moreover, nearly half the \$225 million of dollar bonds sold were purchased by investors outside the U.S. In September the bank sold \$50 million of five-year 2½% bonds, and disposed of the issue entirely to foreign banks, insurance companies, private firms, and government accounts in twenty-three countries.

To illustrate the tremendous creative possibilities of the World Bank's operations, Mr. Black cited a loan to the Federal Electricity Commission in Mexico. Seventy-five thousand dollars was used to build a 600-kilowatt power-generating plant. "We financed the installation of this plant in the rural town of Tecuala, in Mexico's West Coast area. In three years' time, here are some of the results: industrial users of electricity in Tecuala have risen from just three to thirty-three; the town has acquired a public library, a daily newspaper, a radio station, and a night school; Tecuala's population has trebled, and the number of students in its schools has increased seven times . . . The mayor of the town recently said: 'I have witnessed our emergence from the dark ages into an age of light.'"

But Mr. Black also issued a sharp warning to the assembled delegates. There has been, he said, a disturbing tendency toward unsound extension of credit to finance international trade. "A competitive race," he noted, "is developing among suppliers. This takes the form not only of competition in terms of price, quality and delivery date, but also competition in the offer of medium-term suppliers' credits." What worries Black is that such credit practices may lead to an unstable and unhealthy type of trade expansion. "Experience teaches us," he warned, "that it is imprudent to count on a steady flow of capital year after year. Reliance on suppliers' credits . . . means reliance on something particularly volatile . . . There is the risk that the borrower may have raised his rate of investment only to find that he must later make, perhaps, a drastic cutback and that what was looked forward to as a period of sustained economic advance may end as a period of stagnation or, even, of retrogression."

The world has one unhappy experience with trade expansion built on credit inflation in the 1920's and Mr. Black's warning was as timely as it was stern.

THE NEW YORK TIMES
THE NEW YORK HERALD TRIBUNE
THE WALL STREET JOURNAL
THE NEW YORK JOURNAL OF COMMERCE

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

THE TIMES (LONDON)
THE FINANCIAL TIMES

The Financial Post
Toronto
10-9-54

Short-Term Credit Balloon World Bank Caution Signal

A strong warning against playing with the fire of short- and medium-term credit was voiced by Eugene R. Black at the annual meeting of the Board of Governors of the International Bank for Reconstruction & Development.

At the same time he strongly hinted at the possibility of an information service to centralize all available data on the total volume of suppliers' credits outstanding.

Said Mr. Black:

"We must, at this stage of the world's recovery, I think, remember the consequence of what happened in the 1920s, and, bearing that example in mind, we must realize that the growth of credit brings its own problems. As the availability of capital and capital equipment has risen, we have passed from a seller's to a buyer's market and a competitive race is developing among suppliers. This takes the form not only of competition in price, quality and delivery date but also competition in the offer of medium-term suppliers' credits.

"The Bank does not know — nor I think, does anyone know — the exact volume of credits of this kind now outstanding. But as one positive measure toward meeting the situation, I plan to explore the possibility of establishing an information service which would centralize all available data on the total volume of suppliers' credits outstanding."

Credits Misused

Suppliers' credits are an appropriate form of international financing applied to the proper transactions. But, there was evidence that they were being misused and overused — too much credit given for the wrong purposes and on inappropriate terms under the pressure of competition.

"The situation, in my view, is becoming serious," said Mr. Black. "The danger is that bad credit will drive out good, and tend to bring international investment back into disrepute — at a time when the world is still trying to figure out ways of adjusting debts incurred in the old days of excessive borrowing and overeager lending, not to mention misinvestment.

"Suppliers' credits can serve a useful purpose in financing the normal, short-term flow of imports or in financing investment projects which can pay their

way within the term for which the credit is given. But although the availability of these credits may seem to present an opportunity to speed the rate of development, there is a risk that the use of short-term finance may be pressed beyond these limits. When this happens the result is likely to be unfortunate."

The Snags

The balance of payments aspect of these transactions can't be overlooked either. It is important to rely on a steady flow of capital year after year, especially on something so volatile as suppliers' credits. Here are some of the snags:

—Importing country running into a situation that checks further investment from outside.

—Exporting countries experiencing payment difficulties that force them to insist on cash payment.

—Boom in world or home market may make it possible to sell for cash and reduce necessity for extending credit.

—Borrower, having raised his rate of investment, finds that later he must make a drastic cut-back, turning a period of economic advance into a period of stagnation or even retrogression.

Taking credit simply because it is offered can lead the importing country to use the credit for purposes that are not the most useful, taking it on terms that are far from the best, and finding under these arrangements that a higher price has to be paid for the goods. Slower development of the importing country is the natural consequence.

"Long-term capital funds represent, in general, the most appropriate method of financing development projects requiring heavy capital equipment, from the point of view both of the nature of the projects themselves and of the impact of the borrowing on country's balance of payment," advised Mr. Black. "But any potential long-term investor — and not only the International Bank — must take into account the total external debt burden of the borrowing country. So an excessive use of short or medium term credit must diminish a country's access to long-term capital funds.

"In short, the indiscriminate use of credit of this kind may increase the cost of development, may interrupt the continuity of effort, may upset the balance of investment, and may make the goals of investment harder, and not easier, to reach."

The Expanded Operations Of the World Bank

By EUGENE R. BLACK*

President, International Bank for Reconstruction and Development

Mr. Black notes past fiscal year marked Bank's most active period in both borrowing and lending operations; with substantial loans going into private hands. Expresses satisfaction over Institution's increasing access to capital markets outside U. S. Warns of serious dangers inherent in overexpansion of government-financed suppliers' credits, and the furthering of international dissension via competitive trade and credit subsidies.

In its eighth full year of operations, the International Bank has continued to be a growing institution. The statistics in which we customarily summarize our activities are still moving along upward curves. I should like to mention the figures quickly.

Our Annual Report shows more loans—26—and a greater amount of lending—the equivalent of some \$324 million—than in any other fiscal year. Since the end of the fiscal year, we have maintained that pace and a little better, with \$90 million more of lending. Our gross total of loan commitments, since the beginning of operations, now amounts to more than \$2 billion.

Disbursements on loans, at \$302 million in the past fiscal year, moved faster than at any time since the exceptional requirements of the reconstruction loans of 1947. Disbursements repayable in currencies other than United States dollars, equivalent to \$82 million, were markedly higher than in any preceding year.

It was the Bank's most active year of borrowing. In the 12 months since the last Governors' Meeting, we have sold eight issues of bonds in various currencies amounting to nearly \$300 million.

Important Survey Missions

The Bank has continued, at the request of member countries, to give advice on forward steps in development—particularly on the formulation of development programs and on the mobilization of local capital. Three general survey missions were organized during the year to draw up program recommendations; one to Nigeria, headed by Mr. Broches, a senior member of the Bank's staff; one to Malaya and Singapore, for which we were fortunate enough to have the services of Sir Louis Chick as Chief of Mission; and one to Syria, under the distinguished leadership of our good friend, a former Governor of the Bank, Dr. Pieter Lieftinck. The report of the mission to Nigeria was made available earlier this week, in Lagos and Washington; the other reports are nearing completion.

Two features of the Bank's operations during the year seem to me to be particularly significant and encouraging. The Bank was established among other things, to mobilize capital on an international basis, and to do it in close cooperation with private capital. We have done both with increasing success.

Most of our lending during the year was based on funds raised in the private market. This, of course, was not new: the Bank's bonds for some time have served as one of the chief means where-



Eugene R. Black

by private loan capital is deployed internationally.

Loans to Private Borrowers

What was new, however, was the scale on which the Bank was able to put portions of its loans into private hands. We lent, as I have mentioned, \$324 million during the year. At the same time, we had sales from portfolio and direct participations by private investors in new loans amounting to more than \$34 million.

One striking fact about these transactions was that in nearly 80% of them, the other investors assumed the risk, without any guarantee by the Bank. A second striking fact was that participations—all without Bank guarantee—were enlisted in five of our seven most recent loans. I think that it is safe to say that private participations, rare in preceding years, will become a continuous and growing part of the Bank's operations from now on.

A still more conspicuous development during the year was the increasing internationalization of the Bank's financial resources. The operations of the Bank, in the beginning, were inevitably based on dollars drawn from the United States capital subscription and from the capital market in the United States. From this base—which is still, and for some time must continue to be, our most important base—we took important forward steps in 1951, when we sold our first public offering of non-dollar bonds, in the United Kingdom, and in 1952, when the whole of the original Canadian dollar subscription to our capital became available for lending.

At our Annual Meeting in 1953, I was able to report that the European members of the Bank were releasing their currencies to us in encouraging amounts. Now I can report a like development in the Bank's access to capital markets outside the United States.

Of the eight bond issues I mentioned a moment ago, three were sold for United States dollars; but investors outside the United States took up nearly half the amount offered—more than \$100 million of the total of \$225 million. Our most recent issue, a \$50-million placement of five-year 2½% bonds concluded earlier this week, was a United States dollar issue sold entirely outside the United States. Subscriptions amounting to approximately \$78 million were received for these bonds and allocations made to investors in 23 different countries. Bonds of this issue traded yesterday in New York at 101½ full point over the issue price. Five other offerings, during the 12 months, were sold for currencies other than United States dollars: one for Canadian dollars, two for Swiss francs, one for sterling and one for Netherlands guilders, our first in that currency.

Of all Bank bonds sold in the last 12 months, investors outside the United States have bought three-fifths.

And of every \$1 million which the Bank has had available for lending since the beginning of its operations, \$400,000 has now originated outside the United States.

Improvement in Production, Trade, and Exchange

These important developments in the operations of the Bank are symptomatic of the improvement in world production and trade during the last five years, especially in Europe. With some regrettable exceptions, financial stability has largely been achieved. The debilitating effects of inflation, both on the balance of payments and in distorting patterns of production, have largely been eliminated. The complex and uneconomic system of bilateral payments agreements and of barter arrangements is being dismantled. The dollar problem, if not finally solved, seems to be coming under control.

The Netherlands is an outstanding example of the extent of the improvement in the economic position of our European members. The Bank's second largest loan was granted to the Netherlands in 1947 to aid in reconstruction. Since then the Dutch position has so improved that the government has been able to agree to the release of 100 million guilders from the Dutch subscription to our capital as well as to the flotation by the Bank of a 40 million guilder bond issue in the Dutch capital markets. Recently the Netherlands Government has also made prepayments on the 1947 loan amounting to \$52½ million.

I would like also to call your attention to the case of Austria. After the end of the war, Austria was beset by difficulties, not of her own making, which were discouraging to any foreign investor. In 1949 she needed almost \$200 million in foreign aid to cover her external deficit; but today she has achieved equilibrium in her balance of payments. In July the Bank made its first loan to Austria and this loan, incidentally, is another illustration of how the improvement in Europe's economic position has affected the Bank's operations. It will be disbursed entirely in European currencies, largely in Italian lire, Dutch guilders and Swiss francs and it is the seventh of the Bank's loans to be disbursed entirely in currencies other than dollars.

These are examples of encouraging progress. Especially during the past two years, our European members have more and more resumed their role of exporters of capital to the world. They are once again able to produce and finance their share of the capital equipment needed to hasten the development of other countries. The Bank welcomes this greater availability of credit and, to the extent that private capital cannot directly meet the needs, we expect to play our full part in promoting this increased flow of capital into the channels where it will do the most good.

The Bank itself has large amounts of member currencies which so far have been wholly or partly inconvertible and therefore of limited use. Let me repeat what I have said so often, that I consider the liberal release of these currencies to be of extreme importance. I want to add now that I believe that the time has come when the conditions attached to the Bank's use of these currencies should be reviewed and relaxed to the greatest extent possible. The Bank, as well as the Fund, has a vital interest in all evidence of progress toward convertibility because it is at the same time the promise of further expansion of long-term investment in development.

Some of the currencies we need will come, I hope, from the greater availability, without restriction, of the capital subscriptions of member countries. We will also go on raising capital by issues of our obligations.

There is still another way in which we may utilize these capital resources. It is entirely natural that, in a world in which financial

equilibrium has been disturbed for a long time, the confidence of investors' returns only gradually and that capital is lent at short term. We offer a vehicle for capital of this kind in the form of loan participations and sales of our borrowers' securities from our portfolio; and, as I mentioned some moments ago, these activities are increasing. If private funds are still hesitant about undertaking long-term commitments, loan participations can be arranged with such funds taking short- and medium-term maturities while the Bank itself takes the long maturities.

Development of Buyer's Market

We must, at this stage of the world's recovery, I think, remember the consequence of what happened in the 1920's and, bearing that example in mind, we must realize that the growth of credit brings its own problems. As the availability of capital and capital equipment has risen, we have passed from a seller's to a buyer's market and a competitive race is developing among suppliers. This takes the form not only of competition in terms of price, quality and delivery date but also competition in the offer of medium-term suppliers' credits. The Bank does not know—nor, I think, does anyone know—the exact volume of credits of this kind now outstanding. But, as one positive measure toward meeting the situation, I plan to explore the possibility of establishing an information service which would centralize all available data on the total volume of suppliers' credits outstanding.

Suppliers' credits, I need hardly say, are an appropriate type of international financing when applied to the proper transactions. But they can be misused and overused and there is some disturbing evidence that this is happening—too much credit given, under the pressure of competition, sometimes on inappropriate terms and for the wrong purposes.

The situation, in my view, is becoming serious. The danger is that bad credit will drive out good, and tend to bring international investment back into disrepute—this at a time when the world is still negotiating adjustments of debts incurred during that earlier period of excessive borrowing, over-eager lending and misinvestment to which I referred just now.

Suppliers' credits can serve a useful purpose in financing the normal, short-term flow of imports or in financing investment projects which can pay their way within the term for which the credit is given. But, although the availability of these credits may seem to present an opportunity to speed the rate of development, there is a risk that the use of short-term finance may be pressed beyond these limits. When this happens the result is likely to be unfortunate.

Balance of Payments Difficulties

Nor can the balance of payments aspects of these transactions be overlooked. Experience teaches us that it is imprudent to count on a steady flow of capital year after year. Reliance on suppliers' credits, indeed, in general means reliance on something particularly volatile. The importing country may run into payments difficulties that check further investment from outside. The exporting countries themselves may experience payments difficulties that force them to insist on cash payment. Or a boom in the world or home market may make it possible to sell for cash and reduce the need to extend credit. There is the risk, in other words, that the borrower may have raised his rate of investment only to find that he must later make, perhaps, a drastic cutback and that what was looked forward to as a period

of sustained economic advance may end as a period of stagnation or, even, of retrogression.

The manner in which suppliers' credits are offered, moreover, sometimes results in projects being undertaken which are far from the highest priority in developmental needs. The exporting country wishes to boost its exports and therefore offers credits for financing a project using its equipment. The manufacturing supplier of equipment naturally welcomes any opportunity to increase his sales and he can certainly not be blamed if he takes advantage of whatever credit facilities may be made available. And the importing country may feel that the credit, being available, should be accepted even if not for the most useful of purposes nor on the best of terms and even if, as often happens, under these arrangements a higher price for the goods must be paid. This is contrary to the interests of the importing country and may result in slower rather than faster development.

Long-term capital funds represent, in general, the most appropriate method of financing development projects requiring heavy capital equipment, from the point of view both of the nature of the projects themselves and of the impact on the borrowing country's balance of payments. But any potential long-term investor—and not only the International Bank—must take into account the total external debt burden of the borrowing country. So an excessive use of short- or medium-term credit must diminish a country's access to long-term capital funds. In short, the indiscriminate use of credit of this kind may increase the costs of development, may interrupt the continuity of effort, may upset the balance of investment, and may make the goals of investment harder, and not easier, to reach.

Dangers for Exporting Countries

The increase in competition in suppliers' credits also has its dangers for the exporting countries. Suppliers' credit are usually financed only in minor part by the suppliers themselves. Most of the industrial nations—and I include not only European countries but the United States, Canada and Japan—now have one or both types of official institutions to give financial aid to exports. One type finances the export of capital goods; the other, without supplying capital, underwrites the risk. Thus suppliers' credits are usually made largely at the ultimate risk of the government of the exporting country.

I would like to make clear, of course, that I am not talking primarily about the flow of private investment capital. If the supplier were venturing more of his own capital, he would necessarily have to be more concerned with the financial soundness of the investment and with the creditworthiness of the country. But the result of the supplier's relative freedom from risk is that he is constantly entreating his own government to grant more liberal credit facilities. In each of the exporting countries governments hear the complaint that other governments are more liberal. So a race is developing, a race in which none of the competitors can win because the faster each goes, the faster all the others go.

Indeed, we are approaching a situation about which a warning was sounded 10 years ago at Bretton Woods. The spokesman of one of the delegations there pointed to the danger, saying that, in a time of pressure for exports, "countries would embark on bilateral credit arrangements no doubt linked with deals relating to the purchase and sale of goods; and as soon as certain countries began to adopt this course others

Continued on page 43

*An address by Mr. Black to the Board of Governors of the International Bank for Reconstruction and Development, Washington, D. C., Sept. 25, 1954.

Banking Trends in India

By S. N. K. SUNDARAM*

Managing Director, Pandyan Bank Ltd., Madurai, South India

Indian banker describes the changes in the banking system in India since that country achieved its independence. Gives data regarding the various categories of banking facilities in India and explains the organization and functions of the Reserve Bank of India. States, as conclusion, the banking system of India is now on a firm and sure foundation and is vested with responsibilities of not only increasing its resources, but also to make an effective use of them.

I should introduce myself as the head of one of the medium sized banks of my country. It is called Pandyan Bank Limited with its head office in Madurai which is the second largest city in the Madras State in South India. It has at present 23 branches with the main object of carrying banking service to rural areas.



S. N. K. Sundaram

As you are aware the country attained its independence in 1947 and with it a partition. I must confess that we are now passing through a stage of transition and naturally our statistical reporting on various subjects is either delayed or somewhat approximate. You will, therefore, excuse me if I am not able to provide you with latest statistical information on certain points that I have touched in the course of this speech.

I would be failing in my duty as a citizen of India if I did not acknowledge with gratitude the timely assistance your country has been extending to mine under its foreign aid program. I sincerely hope that it will maintain its friendship and kindly attitude for all time to come towards this peace-loving, God-fearing nation.

The present population of Partitioned India is about 300 million. It is a land of villages. The wealth and well being of the country has to be sought and sustained in the villages. The village economy is mainly dependent on agriculture. Literacy is at a low ebb in the villages. Nevertheless, the villager is a shrewd man, able and willing to take opportunities to his best advantage. The economy of the country is basically very sound. It has large, and a variety of, natural resources, the exploitation of which are well taken in hand by the government and the people. The average intelligence of the Indian is high. He has a peculiar tendency to save and allow the savings to be idle in the conclave of his home in the form of gold ornaments on the plea of provision for a rainy day. The government is now exciting the interest of the people to bring out the idle money into circulation for building up the economy for better living. Banks are doing their bit in this direction by creating confidence in the mind of the people to put the savings into circulation for the progress of the community.

The banking system in India has undergone considerable change since the days of independence. In this context, I would like to present to you some facts on the banking facilities and system of working in my country.

Banking facilities are now available from a variety of institutions some of which are not probably "banks" in the normal usage of the term, but at the same time, play an important role in the economy of the country by way of collecting the savings of the

people and placing the same at their service. I would place the system of banking facilities available in India in the following categories:

- (1) Treasuries and Sub-treasuries of Government;
- (2) Post Office Savings Banks run by the Postal Department of Government;
- (3) Cooperative Banks and Societies run under the control of Government; and
- (4) Banks interesting themselves mainly in trade and commerce.

Commercial banks in India can be classified under distinct and separate heads as:

- (1) Imperial Bank of India brought in by a Statute of Government and acting as Agents to Reserve Bank of India;
- (2) Exchange Banks which finance mainly the import and export trade of the country;
- (3) Scheduled Banks;
- (4) Non-Scheduled Banks; and
- (5) Private Bankers constituting the community of Multanis, Marvaries, Nagarathars, etc.

The Imperial Bank of India was formed by the amalgamation of the three Presidency Banks of Madras, Bombay and Calcutta in 1921. Till 1935, it was acting as a Bank to Government. When the Reserve Bank of India was inaugurated, it became the Agent to the Reserve Bank of India at all places where Reserve Bank of India had not established its offices. It is vested with special responsibilities which necessitated certain restrictions on its business particularly in respect of loans and advances.

Until the recent partition of the United India, it had 443 offices. After the partition, the total number of its offices in Indian Union stood at 367.

Imperial Bank of India handles also Treasury business of Government apart from its other normal commercial activities.

Fifteen Exchange Banks are functioning in India at present. The parent offices for these banks are established outside India. They mainly interest themselves in foreign exchange business of financing foreign trade. They have 65 offices in India most of them situated in coastal areas and in larger cities.

Scheduled Banks are those which are included in the Second Schedule to the Reserve Bank of India Act and have a paid-up capital and reserves of an aggregate value of not less than 500,000 rupees and incorporated under the Indian Companies Act. According to the provisions of Reserve Bank of India Act, every Scheduled Bank has to keep deposited with the Reserve Bank of India 5% of its Demand Liabilities, and 2% of its Time Liabilities without interest. It has also to satisfy the Reserve Bank of India that "its affairs are not being conducted in a manner detrimental to the interests of its depositors."

Including Imperial Bank of India and Exchange Banks, there are now 89 Scheduled Banks in India with a total number of 2,711 offices. There has been a phenomenal growth during and after the Second World War. It is evidenced by the fact that in 1938, there were only 32 Scheduled Banks with 677 offices; and while this was the position in an undi-

vided India, the latest position available disclosed that there are 89 Scheduled Banks in India alone with a total number of 2,711 offices. As for the Non-Scheduled Banks, there are now 447 of them in India with 1,344 offices.

No reliable statistics are available with regard to indigenous bankers who are also playing an important role in financing internal trade, particularly in rural areas and agriculture. But their activities should be considered generally on the decline now, because of the stringent provisions of legislation for the regulation of moneylenders, and debt reliefs and affecting land tenures passed by the several States in India.

It has also been found difficult to bring these indigenous bankers under the control of Reserve Bank of India because they are involved in nonbanking business and they could not possibly separate their banking business from their other business. Probably either one was a corollary to the other or each responsible to the other.

In this connection it would be appropriate for me to trace the origin and growth of the Central Banking Organization of Government, viz., Reserve Bank of India.

Reserve Bank of India was originally started as a mere Currency Office. The need for making it an independent unit for serving and safeguarding the credit structure of the country was recognized after the First World War and then the question whether it should take the shape of a State Bank or a Shareholders' Bank became a matter of controversy in the third decade of the century. The lack of identity of interest between the then government and the governed was one of the crucial points to be resolved. Controversy raged over the rupee ratio with sterling.

The public, therefore, was anxious to have a Shareholders' Bank where the government of the day would not exercise a dominant influence in the working of the Institution. It will be noticed that in the first Reserve Bank of India Act, the directors of the Central Board should not be directly concerned either in politics or hold any particular interest in other banks. Provision was also made that neither a member of the Legislature nor a director of a com-

mercial bank could serve on the Central Board.

The Reserve Bank of India was finally integrated in April, 1935 and was charged with the responsibility of serving and safeguarding the credit structure of the country. It took over the administration of the currency and the public debt departments of Government of India, keeping the Imperial Bank of India as its agency for Treasury operations. It also opened an agricultural credit department to study the needs and requirements of the countryside. Before it could develop any suitable mechanism on control of credit institutions the Second World War came in and therefore, it had to hold up the introduction of a separate Banking Companies Act necessary and desirable for the effective functioning of Joint Stock Companies operating with the savings of the community. In the banking sector proper, it proceeded to discharge its responsibility in an entirely cautious and conservative manner.

During the war again, there was a large expansion of currency which in the postwar period brought problems of exchange control and speculative activities which had serious repercussions and inflationary trends in the cost of living.

With the achievement of independence of the country, the identity of interest between the Government and the governed was no longer in doubt. But for psychological reasons, the shareholders' bank of Reserve Bank of India was converted into a State Bank. The constructive phase of Reserve Bank of India thereafter started and new departments were added for the collection of statistics, research studies, sample surveys, balance of payments and so on.

For the redemption of agriculture, the Land Mortgage Banks and the cooperative system were remodeled and reconditioned with special credit facilities made available to them. To ensure uniform standards of working, special institutions for the training of suitable personnel in the cooperative sector were also introduced.

As for the commercial sector, it was recognized that institutions of various types and descriptions were operating in the service of the community. Their needs and

requirements called for a special survey and treatment without disturbance to the existing economy. In the deal, the initial problem was one of providing trained personnel. It is now proposed to start a training college for the purpose with experts in the line recruited under the Colombo Plan.

For the purpose of industrial finances, the Industrial Finance Corporation has now been working for the past few years, capital being drawn from Reserve Bank of India, the commercial banks and the insurance companies. The operating funds are provided by issue of bonds on the guarantee of Government of India.

Its limitations for providing finance for new enterprises have come to be recognized. Therefore, two industrial development corporations are sponsored, one by Government of India and the other by the private sector.

The extent to which the existing commercial banks can render further help for the development and growth of industrial institutions has been an important subject matter of a survey and enquiry by the recent Shroff Committee. This committee was appointed by Reserve Bank of India to examine and report how increased finance, particularly bank finance, could be made available to the private sector which has been assigned an important role by the Planning Commission for the implementation of the National Plan. Mr. A. D. Shroff, Director of the famous Tata Sons Ltd., was the Chairman of the Committee. It has made very valuable recommendations which are under the active consideration of Reserve Bank of India now.

Apart from improving remittance facilities from station to station and widening the scope of rediscount facilities recently initiated by Reserve Bank of India under Bill Marketing Scheme, two major issues came to be canvassed, one for the creation of Central Bankers' Pool to finance industry without the intrusion of personal predilections, and the other relating to a revolutionary scheme of deposit insurance. So far as the first is concerned, a committee has already been constituted by Government to study and report

Continued on page 52

This announcement is not an offer of securities for sale or a solicitation of an offer to buy securities.

New Issue

September 29, 1954

75,000 Shares

Texas Gas Transmission Corporation

Preferred Stock, 4.96% Series

Par Value \$100 per Share

Price \$100 per share

plus accrued dividends from October 1, 1954

Copies of the prospectus may be obtained from such of the undersigned (who are among the underwriters named in the prospectus) as may legally offer these securities under applicable securities laws.

Dillon, Read & Co. Inc.

Blyth & Co., Inc.

The First Boston Corporation

Hemphill, Noyes & Co.

W. C. Langley & Co.

Lazard Frères & Co.

Merrill Lynch, Pierce, Fenner & Beane

Stone & Webster Securities Corporation

Union Securities Corporation

White, Weld & Co.

Dean Witter & Co.

*An address by Mr. Sundaram at the Vermont-New Hampshire School of Banking, Dartmouth College, Hanover, N. H., Sept. 10, 1954.

Continued from page 14

The Expanded Operations Of the World Bank

would find that they had to follow suit to protect their trade interests. It is difficult," the spokesman went on, "to imagine a more fruitful source of international discussion than a competitive trade and credit expansion program of this character."

International Investment Still Healthy

I certainly do not wish my remarks about the dangers inherent in an indiscriminating use of credit to be interpreted as a warning against a sound increase in credit accompanying a healthy expansion of international investment, particularly in the private sector. At the moment, I am happy to say, the world is enjoying relatively prosperous conditions of high employment and trade and the total volume of international credit is probably still expanding. But, if these conditions are to continue and if the flow of international trade and investment is to reflect a growing and dynamic world economy, the world's trade policies will need to be liberalized. Last year I said that "merely to refrain from reversing the downward trend in United States import tariffs over the last two decades would not be enough to put international trade on an even keel" and that there was need for a further reduction in the obstacles to imports. I share the disappointment of many of you that the Administration did not find it possible to put into effect this year the trade liberalization features of its foreign economic policies and I welcome the President's recent statement that it is his intention to give high priority to them in next year's legislative program.

Remarkable Contrast With Post-War Situation

The first of the Annual Meetings at which I had the honor of addressing the Governors was just six years ago. I hope the Governors will forgive me if, as one privileged witness of some of the events of the past six years, I end these remarks briefly with a personal and impressionistic retrospect.

In 1949, the ruins of war were still apparent in Europe. Famine was abroad in some parts of the world and the threat of it was only thinly veiled in others. Reconstruction was far from complete; the organized attack on development problems, evident in many countries now, had scarcely begun.

The contrast today, as we all know but perhaps too seldom remember, is remarkable. The facts about recovery in Europe are too familiar to need repetition; let me remark only on the obvious: that the revival of production there has been a major factor in the exchange of goods throughout the world at a rate never before experienced.

Advances in the underdeveloped countries have been harder to observe—if for no other reason than that those countries extend over so much of the earth—and the advances have in any case been uneven. But to me they are a source of immense encouragement.

The process of economic development is not easy to set in full motion, involving as it does a host of technical skills and a complex of behavior patterns that took centuries to evolve in the industrial world of today. Yet the process is accelerating.

If we had a magic carpet here this morning to take us around the globe, I think we would be

struck by the many evidences of this progress. We would see tractors working on land that before had only known the bullock, and we would see small factories working where industry had never appeared before. We would see truck roads replacing donkey and camel trails and new farms being cleared along these roads. In the mountains, we would see streams being harnessed to produce energy; and, in the deserts, hundreds of miles of pipe bringing natural gas to productive use. Down in the villages, we would see grain being milled by machinery, instead of being pounded out by hand, and electric light replacing the oil lamp.

Let me give you one illustration of what I am talking about. It concerns one of our loans to the Federal Electricity Commission in Mexico—and the installation of a small diesel power plant of only 600 kilowatts generating capacity. We financed the installation of this plant in the rural town of Tecuala, in Mexico's west coast area. In three years' time, here are some of the results: Industrial users of electricity in Tecuala have risen from just three to 33; the town has acquired a public library, a daily newspaper, a radio station, and a night school; Tecuala's population has trebled, and the number of students in its schools has increased seven times. The municipal hospital has installed refrigerators and a modern fluoroscope—the only one within a radius of 60 miles. The mayor of the town recently said: "I have witnessed our emergence from the dark ages into an age of light."

Now, as I said, the advance has been uneven. In some areas it has not occurred at all and in others the gains have as yet been meager. And we must remember, as one of the Governors well said here a year ago, that we are faced today by a revolution of expectancy.

In many parts of the world, people are less and less content to live in the past or to think in the past. The way to deal with a revolution of expectancy is to turn it into a revolution of achievement and progress.

The Bank's Important Part

It is in this kind of revolution that the bank can see itself playing a part. In the Annual Report before you, you will find the full range of the bank's interests displayed—from the mobilization of capital, internally and internationally, to the application of capital to bring about new production and trade. Indeed, in this Report, you can survey our technical and financial assistance to development institutions in many countries, to the construction of electric power capacity of something over three million kilowatts, to the improvement of some millions of acres of farm lands, to the improvement of services on railways in a dozen countries in five continents.

By comparison with what usefully can be done, these figures are modest enough, and I have no illusions about the magnitude and the difficulty of the tasks that face our member countries and the bank. What I do have is evidence that convinces me, more than ever, that these tasks can be accomplished, and that the revolution of achievement can be won.

Continued from first page

Atomic Energy vs. Conventional Fuels

laboratories. Today our chief investment is personnel — people who do the varied work of research, development, operation, and management in the vast facilities of the Atomic Energy Commission entrusted to the General Electric Co.

As I understand it, my purpose is to give you a picture of the potential impact of atomic energy on your business. It seems to me that the one major indication of that impact is the size of the atomic energy effort now going forward. Our Government has a tremendous plant investment — presently amounting to \$5.7 billion. Completion of present plans will enlarge this figure to approximately \$8 billion. These include, besides production facilities, the most modern research and development facilities that can be imagined. Up to now the huge atomic energy industry has been a Government monopoly. However, the revised law, signed Aug. 30, has made a great step toward opening the business to private industry.

The Atomic Energy Commission

In order that we might see clearly the impact of atomic energy on your business we must first look at the activities and composition of the Atomic Energy Commission. First, let's look at the nature of the activities of the Commission through its recent report to the Congress—the Sixteenth Semi-annual Report. In this report the Commission points out its activities in the fields of raw materials, and highlights the fact that domestic production of uranium ore and uranium concentrates has attained record levels, while production from foreign sources continues to increase. The report points out that the AEC's major construction projects are rapidly being turned over to operations. It briefly highlights the weapons research and development program, including the successful test series at the Pacific Proving ground. It points up the Commission's concern with national civil defense.

It covers the program of developing improved reactors for industrial nuclear power for naval and aircraft propulsion and for other military requirements. The report highlights the major developments going forward for the electric power generation and submarine work. The report discusses a tremendous range of physical research, resulting in the growth of fundamental scientific knowledge. It covers the field of biological and medical applications—covering the effects of all types of ionizing and non-ionizing radiation on man, animals and living plants. These latter efforts are directed toward the contributions of atomic energy and its by-products—to agriculture and to medical science.

So much for activities—what of AEC's composition? The same report states that construction costs are running at a rate of \$120 million per month. There are over 72,000 operating contractor employees and 64,000 design and construction employees united with over 6,000 government employees to do the tremendous task ahead. Here is a breakdown of the array of scientific and engineering talent involved in this program:

Biological and medical scientists	1,617
Chemists	2,411
Physicists	1,708
Other physical scientists	738
Chemical engineers	1,634
Electrical engineers	1,346
Mechanical engineers	1,843
Metallurgical engineers	408
Other engineers	1,907
Total	13,612

I am sure you will agree that this is a massive concentration of strength and facilities.

I said that the atomic energy business is young. A look at the people engaged in this business reveals that most have come into the picture since 1946. A few have been in the business for 12 years, a few more 10 years, and the majority have one to eight years experience. This is a complex field. We do not learn it, nor comprehend it, overnight. Youth will stand us in good stead.

A Tremendous Technical Potential

Now the force of these data is that there is tremendous technical potential. I feel it every day. In my division we have over 2,000 engineers, scientists, and other professional people—a tremendous array of talent. While these people, every one of them I am sure, feel adequate to the job on which they are working, we are all aware of how little we really know about our business. Yet our accomplishments are compounded each day by virtue of the fund of knowledge which these people are building.

I wish I could tell you of the tremendous savings of our taxpayers' money and the contributions to our safety as a nation, which have been made by these thousands of people. I wish that I could show you the rapid rate at which improvement is going on and nail it down with figures and statistics. This, of course, I cannot do for security reasons. I can only assure you that talented people, inspired by the desire to do a good job, coupled with their recognition of the importance of their task to this country and their loyalty to the corporations for which they work, have produced almost unbelievable accomplishments.

We must face the fact that a tremendous portion of this effort has been directed ultimately to the weapons field. With this I am sure you will not disagree, since no peacetime benefits can accrue if we do not keep this country free and strong.

But what about the new Atomic Energy Act? We must remember that the new law has been passed with the objective of harnessing more of the strength and ingenuity of industry to the task of making atomic energy available for peacetime use. For a moment, let me discuss this new law and its implications for the near future. Under the Act which has been the foundation of the effort since 1946, it was illegal for an individual, or for anyone other than the Atomic Energy Commission, to possess fissionable or source material—such as plutonium or uranium. It was also illegal to own or build apparatus for producing material of this nature—for example: a reactor.

Under the old law there were tight bonds of security necessitated by our concentration on defense activity. There were basic restrictions with regard to the exchange of information with foreign persons or nations. There were, of course, many other provisions which I am sure you will appreciate. Nevertheless, the

The Expanded Operations Of the World Bank

By EUGENE R. BLACK*

President, International Bank for Reconstruction and Development

Mr. Black notes past fiscal year marked Bank's most active period in both borrowing and lending operations; with substantial loans going into private hands. Expresses satisfaction over Institution's increasing access to capital markets outside U. S. Warns of serious dangers inherent in overexpansion of government-financed suppliers' credits, and the furthering of international dissension via competitive trade and credit subsidies.

In its eighth full year of operations, the International Bank has continued to be a growing institution. The statistics in which we customarily summarize our activities are still moving along upward curves. I should like to mention the figures quickly:



Eugene R. Black

Our Annual Report shows more loans—26—and a greater amount of lending—the equivalent of some \$324 million—than in any other fiscal year. Since the end of the fiscal year, we have maintained that pace and a little better, with \$90 million more of lending. Our gross total of loan commitments, since the beginning of operations, now amounts to more than \$2 billion.

Disbursements on loans, at \$302 million in the past fiscal year, moved faster than at any time since the exceptional requirements of the reconstruction loans of 1947. Disbursements repayable in currencies other than United States dollars, equivalent to \$82 million, were markedly higher than in any preceding year.

It was the Bank's most active year of borrowing. In the 12 months since the last Governors' Meeting, we have sold eight issues of bonds in various currencies amounting to nearly \$300 million.

Important Survey Missions

The Bank has continued, at the request of member countries, to give advice on forward steps in development—particularly on the formulation of development programs and on the mobilization of local capital. Three general survey missions were organized during the year to draw up program recommendations; one to Nigeria, headed by Mr. Broches, a senior member of the Bank's staff; one to Malaya and Singapore, for which we were fortunate enough to have the services of Sir Louis Chik as Chief of Mission; and one to Syria, under the distinguished leadership of our good friend, a former Governor of the Bank, Dr. Pieter Liefstinck. The report of the mission to Nigeria was made available earlier this week, in Lagos and Washington; the other reports are nearing completion.

Two features of the Bank's operations during the year seem to me to be particularly significant and encouraging. The Bank was established among other things, to mobilize capital on an international basis, and to do it in close cooperation with private capital. We have done both with increasing success.

Most of our lending during the year was based on funds raised in the private market. This, of course, was not new: the Bank's bonds for some time have served as one of the chief means where-

by private loan capital is deployed internationally.

Loans to Private Borrowers

What was new, however, was the scale on which the Bank was able to put portions of its loans into private hands. We lent, as I have mentioned, \$324 million during the year. At the same time, we had sales from portfolio and direct participations by private investors in new loans amounting to more than \$34 million.

One striking fact about these transactions was that in nearly 80% of them, the other investors assumed the risk, without any guarantee by the Bank. A second striking fact was that participations—all without Bank guarantee—were enlisted in five of our seven most recent loans. I think that it is safe to say that private participations, rare in preceding years, will become a continuous and growing part of the Bank's operations from now on.

A still more conspicuous development during the year was the increasing internationalization of the Bank's financial resources. The operations of the Bank, in the beginning, were inevitably based on dollars drawn from the United States capital subscription and from the capital market in the United States. From this base—which is still, and for some time must continue to be, our most important base—we took important forward steps in 1951, when we sold our first public offering of non-dollar bonds, in the United Kingdom, and in 1952, when the whole of the original Canadian dollar subscription to our capital became available for lending.

At our Annual Meeting in 1953, I was able to report that the European members of the Bank were releasing their currencies to us in encouraging amounts. Now I can report a like development in the Bank's access to capital markets outside the United States.

Of the eight bond issues I mentioned a moment ago, three were sold for United States dollars; but investors outside the United States took up nearly half the amount offered—more than \$100 million of the total of \$225 million. Our most recent issue, a \$50-million placement of five-year 2½% bonds concluded earlier this week, was a United States dollar issue sold entirely outside the United States. Subscriptions amounting to approximately \$78 million were received for these bonds and allocations made to investors in 23 different countries. Bonds of this issue traded yesterday in New York at 101, a full point over the issue price. Five other offerings, during the 12 months, were sold for currencies other than United States dollars: one for Canadian dollars, two for Swiss francs, one for sterling and one for Netherlands guilders, our first in that currency.

Of all Bank bonds sold in the last 12 months, investors outside the United States have bought three-fifths.

And of every \$1 million which the Bank has had available for lending since the beginning of its operations, \$400,000 has now originated outside the United States.

Improvement in Production, Trade, and Exchange

These important developments in the operations of the Bank are symptomatic of the improvement in world production and trade during the last five years, especially in Europe. With some regrettable exceptions, financial stability has largely been achieved. The debilitating effects of inflation, both on the balance of payments and in distorting patterns of production, have largely been eliminated. The complex and uneconomic system of bilateral payments agreements and of barter arrangements is being dismantled. The dollar problem, if not finally solved, seems to be coming under control.

The Netherlands is an outstanding example of the extent of the improvement in the economic position of our European members. The Bank's second largest loan was granted to the Netherlands in 1947 to aid in reconstruction. Since then the Dutch position has so improved that the government has been able to agree to the release of 100 million guilders from the Dutch subscription to our capital as well as to the flotation by the Bank of a 40 million guilder bond issue in the Dutch capital markets. Recently the Netherlands Government has also made prepayments on the 1947 loan amounting to \$52½ million.

I would like also to call your attention to the case of Austria. After the end of the war, Austria was beset by difficulties, not of her own making, which were discouraging to any foreign investor. In 1949 she needed almost \$200 million in foreign aid to cover her external deficit; but today she has achieved equilibrium in her balance of payments. In July the Bank made its first loan to Austria and this loan, incidentally, is another illustration of how the improvement in Europe's economic position has affected the Bank's operations. It will be disbursed entirely in European currencies, largely in Italian lire, Dutch guilders and Swiss francs and it is the seventh of the Bank's loans to be disbursed entirely in currencies other than dollars.

These are examples of encouraging progress. Especially during the past two years, our European members have more and more resumed their role of exporters of capital to the world. They are once again able to produce and finance their share of the capital equipment needed to hasten the development of other countries. The Bank welcomes this greater availability of credit and, to the extent that private capital cannot directly meet the needs, we expect to play our full part in promoting this increased flow of capital into the channels where it will do the most good.

The Bank itself has large amounts of member currencies which so far have been wholly or partly inconvertible and therefore of limited use. Let me repeat what I have said so often, that I consider the liberal release of these currencies to be of extreme importance. I want to add now that I believe that the time has come when the conditions attached to the Bank's use of these currencies should be reviewed and relaxed to the greatest extent possible. The Bank, as well as the Fund, has a vital interest in all evidence of progress toward convertibility because it is at the same time the promise of further expansion of long-term investment in development.

Some of the currencies we need will come, I hope, from the greater availability, without restriction, of the capital subscriptions of member countries. We will also go on raising capital by issues of our obligations.

There is still another way in which we may utilize these capital resources. It is entirely natural that, in a world in which financial

equilibrium has been disturbed for a long time, the confidence of investors returns only gradually and that capital is lent at short term. We offer a vehicle for capital of this kind in the form of loan participations and sales of our borrowers' securities from our portfolio; and, as I mentioned some moments ago, these activities are increasing. If private funds are still hesitant about undertaking long-term commitments, loan participations can be arranged with such funds taking short- and medium-term maturities while the Bank itself takes the long maturities.

Development of Buyer's Market

We must, at this stage of the world's recovery, I think, remember the consequence of what happened in the 1920's and, bearing that example in mind, we must realize that the growth of credit brings its own problems. As the availability of capital and capital equipment has risen, we have passed from a seller's to a buyer's market and a competitive race is developing among suppliers. This takes the form not only of competition in terms of price, quality and delivery date but also competition in the offer of medium-term suppliers' credits. The Bank does not know—nor, I think, does anyone know—the exact volume of credits of this kind now outstanding. But, as one positive measure toward meeting the situation, I plan to explore the possibility of establishing an information service which would centralize all available data on the total volume of suppliers' credits outstanding.

Suppliers' credits, I need hardly say, are an appropriate type of international financing when applied to the proper transactions. But they can be misused and overused and there is some disturbing evidence that this is happening—too much credit given, under the pressure of competition, sometimes on inappropriate terms and for the wrong purposes.

The situation, in my view, is becoming serious. The danger is that bad credit will drive out good, and tend to bring international investment back into disrepute—this at a time when the world is still negotiating adjustments of debts incurred during that earlier period of excessive borrowing, over-eager lending and misinvestment to which I referred just now.

Suppliers' credits can serve a useful purpose in financing the normal, short-term flow of imports or in financing investment projects which can pay their way within the term for which the credit is given. But, although the availability of these credits may seem to present an opportunity to speed the rate of development, there is a risk that the use of short-term finance may be pressed beyond these limits. When this happens the result is likely to be unfortunate.

Balance of Payments Difficulties

Nor can the balance of payments aspects of these transactions be overlooked. Experience teaches us that it is imprudent to count on a steady flow of capital year after year. Reliance on suppliers' credits, indeed, in general means reliance on something particularly volatile. The importing country may run into payments difficulties that check further investment from outside. The exporting countries themselves may experience payments difficulties that force them to insist on cash payment. Or a boom in the world or home market may make it possible to sell for cash and reduce the need to extend credit. There is the risk, in other words, that the borrower may have raised his rate of investment only to find that he must later make, perhaps, a drastic cutback and that what was looked forward to as a period

of sustained economic advance may end as a period of stagnation or, even, of retrogression.

The manner in which suppliers' credits are offered, moreover, sometimes results in projects being undertaken which are far from the highest priority in developmental needs. The exporting country wishes to boost its exports and therefore offers credits for financing a project using its equipment. The manufacturing supplier of equipment naturally welcomes any opportunity to increase his sales and he can certainly not be blamed if he takes advantage of whatever credit facilities may be made available. And the importing country may feel that the credit, being available, should be accepted even if not for the most useful of purposes nor on the best of terms and even if, as often happens, under these arrangements a higher price for the goods must be paid. This is contrary to the interests of the importing country and may result in slower rather than faster development.

Long-term capital funds represent, in general, the most appropriate method of financing development projects requiring heavy capital equipment, from the point of view both of the nature of the projects themselves and of the impact on the borrowing country's balance of payments. But any potential long-term investor—and not only the International Bank—must take into account the total external debt burden of the borrowing country. So an excessive use of short- or medium-term credit must diminish a country's access to long-term capital funds. In short, the indiscriminate use of credit of this kind may increase the costs of development, may interrupt the continuity of effort, may upset the balance of investment, and may make the goals of investment harder, and not easier, to reach.

Dangers for Exporting Countries

The increase in competition in suppliers' credits also has its dangers for the exporting countries. Suppliers' credit are usually financed only in minor part by the suppliers themselves. Most of the industrial nations—and I include not only European countries but the United States, Canada and Japan—now have one or both types of official institutions to give financial aid to exports. One type finances the export of capital goods; the other, without supplying capital, underwrites the risk. Thus suppliers' credits are usually made largely at the ultimate risk of the government of the exporting country.

I would like to make clear, of course, that I am not talking primarily about the flow of private investment capital. If the supplier were venturing more of his own capital, he would necessarily have to be more concerned with the financial soundness of the investment and with the creditworthiness of the country. But the result of the supplier's relative freedom from risk is that he is constantly entreating his own government to grant more liberal credit facilities. In each of the exporting countries governments hear the complaint that other governments are more liberal. So a race is developing, a race in which none of the competitors can win because the faster each goes, the faster all the others go.

Indeed, we are approaching a situation about which a warning was sounded 10 years ago at Bretton Woods. The spokesman of one of the delegations there pointed to the danger, saying that, in a time of pressure for exports, "countries would embark on bilateral credit arrangements no doubt linked with deals relating to the purchase and sale of goods; and as soon as certain countries began to adopt this course others

Continued on page 43

*An address by Mr. Black to the Board of Governors of the International Bank for Reconstruction and Development, Washington, D. C., Sept. 25, 1954.

Banking Trends in India

By S. N. K. SUNDARAM*

Managing Director, Pandyan Bank Ltd., Madurai, South India

Indian banker describes the changes in the banking system in India since that country achieved its independence. Gives data regarding the various categories of banking facilities in India and explains the organization and functions of the Reserve Bank of India. States, as conclusion, the banking system of India is now on a firm and sure foundation and is vested with responsibilities of not only increasing its resources, but also to make an effective use of them.

I should introduce myself as the head of one of the medium sized banks of my country. It is called Pandyan Bank Limited with its head office in Madurai which is the second largest city in the Madras State in South India. It has at present 23 branches with the main object of carrying banking service to rural areas.

As you are aware the country attained its independence in 1947 and with it a partition. I must confess that we are now passing through a stage of transition and naturally our statistical reporting on various subjects is either delayed or somewhat approximate. You will, therefore, excuse me if I am not able to provide you with latest statistical information on certain points that I have touched in the course of this speech.

I would be failing in my duty as a citizen of India if I did not acknowledge with gratitude the timely assistance your country has been extending to mine under its foreign aid program. I sincerely hope that it will maintain its friendship and kindly attitude for all time to come towards this peace-loving, God-fearing nation.

The present population of Partitioned India is about 300 million. It is a land of villages. The wealth and well being of the country has to be sought and sustained in the villages. The village economy is mainly dependent on agriculture. Literacy is at a low ebb in the villages. Nevertheless, the villager is a shrewd man, able and willing to take opportunities to his best advantage. The economy of the country is basically very sound. It has large, and a variety of, natural resources, the exploitation of which are well taken in hand by the government and the people. The average intelligence of the Indian is high. He has a peculiar tendency to save and allow the savings to be idle in the conclaves of his home in the form of gold ornaments on the plea of provision for a rainy day. The government is now exciting the interest of the people to bring out the idle money into circulation for building up the economy for better living. Banks are doing their bit in this direction by creating confidence in the mind of the people to put the savings into circulation for the progress of the community.

The banking system in India has undergone considerable change since the days of independence. In this context, I would like to present to you some facts on the banking facilities and system of working in my country.

Banking facilities are now available from a variety of institutions some of which are not probably "banks" in the normal usage of the term, but at the same time, play an important role in the economy of the country by way of collecting the savings of the

people and placing the same at their service. I would place the system of banking facilities available in India in the following categories:

- (1) Treasuries and Sub-treasuries of Government;
- (2) Post Office Savings Banks run by the Postal Department of Government;
- (3) Cooperative Banks and Societies run under the control of Government; and
- (4) Banks interesting themselves mainly in trade and commerce.

Commercial banks in India can be classified under distinct and separate heads as:

- (1) Imperial Bank of India brought in by a Statute of Government and acting as Agents to Reserve Bank of India;
- (2) Exchange Banks which finance mainly the import and export trade of the country;
- (3) Scheduled Banks;
- (4) Non-Scheduled Banks; and
- (5) Private Bankers constituting the community of Multanis, Marvaries, Nagarathars, etc.

The Imperial Bank of India was formed by the amalgamation of the three Presidency Banks of Madras, Bombay and Calcutta in 1921. Till 1935, it was acting as a Bank to Government. When the Reserve Bank of India was inaugurated, it became the Agent to the Reserve Bank of India at all places where Reserve Bank of India had not established its offices. It is vested with special responsibilities which necessitated certain restrictions on its business particularly in respect of loans and advances.

Until the recent partition of the United India, it had 443 offices. After the partition, the total number of its offices in Indian Union stood at 367.

Imperial Bank of India handles also Treasury business of Government apart from its other normal commercial activities.

Fifteen Exchange Banks are functioning in India at present. The parent offices for these banks are established outside India. They mainly interest themselves in foreign exchange business of financing foreign trade. They have 65 offices in India most of them situated in coastal areas and in larger cities.

Scheduled Banks are those which are included in the Second Schedule to the Reserve Bank of India Act and have a paid-up capital and reserves of an aggregate value of not less than 500,000 rupees and incorporated under the Indian Companies Act. According to the provisions of Reserve Bank of India Act, every Scheduled Bank has to keep deposited with the Reserve Bank of India 5% of its Demand Liabilities, and 2% of its Time Liabilities without interest. It has also to satisfy the Reserve Bank of India that "its affairs are not being conducted in a manner detrimental to the interests of its depositors."

Including Imperial Bank of India and Exchange Banks, there are now 89 Scheduled Banks in India with a total number of 2,711 offices. There has been a phenomenal growth during and after the Second World War. It is evidenced by the fact that in 1938, there were only 32 Scheduled Banks with 677 offices; and while this was the position in an undi-

vided India, the latest position available disclosed that there are 89 Scheduled Banks in India alone with a total number of 2,711 offices. As for the Non-Scheduled Banks, there are now 447 of them in India with 1,344 offices.

No reliable statistics are available with regard to indigenous bankers who are also playing an important role in financing internal trade, particularly in rural areas and agriculture. But their activities should be considered generally on the decline now, because of the stringent provisions of legislation for the regulation of moneylenders, and debt reliefs and affecting land tenures passed by the several States in India.

It has also been found difficult to bring these indigenous bankers under the control of Reserve Bank of India because they are involved in nonbanking business and they could not possibly separate their banking business from their other business. Probably either one was a corollary to the other or each responsible to the other.

In this connection it would be appropriate for me to trace the origin and growth of the Central Banking Organization of Government, viz., Reserve Bank of India.

Reserve Bank of India was originally started as a mere Currency Office. The need for making it an independent unit for serving and safeguarding the credit structure of the country was recognized after the First World War and then the question whether it should take the shape of a State Bank or a Shareholders' Bank became a matter of controversy in the third decade of the century. The lack of identity of interest between the then government and the governed was one of the crucial points to be resolved. Controversy raged over the rupee ratio with sterling.

The public, therefore, was anxious to have a Shareholders' Bank where the government of the day would not exercise a dominant influence in the working of the Institution. It will be noticed that in the first Reserve Bank of India Act, the directors of the Central Board should not be directly concerned either in politics or hold any particular interest in other banks. Provision was also made that neither a member of the Legislature nor a director of a com-

mercial bank could serve on the Central Board.

The Reserve Bank of India was finally integrated in April, 1935 and was charged with the responsibility of serving and safeguarding the credit structure of the country. It took over the administration of the currency and the public debt departments of Government of India, keeping the Imperial Bank of India as its agency for Treasury operations. It also opened an agricultural credit department to study the needs and requirements of the countryside. Before it could develop any suitable mechanism on control of credit institutions the Second World War came in and therefore, it had to hold up the introduction of a separate Banking Companies Act necessary and desirable for the effective functioning of Joint Stock Companies operating with the savings of the community. In the banking sector proper, it proceeded to discharge its responsibility in an entirely cautious and conservative manner.

During the war again, there was a large expansion of currency which in the postwar period brought problems of exchange control and speculative activities which had serious repercussions and inflationary trends in the cost of living.

With the achievement of independence of the country, the identity of interest between the Government and the governed was no longer in doubt. But for psychological reasons, the shareholders' bank of Reserve Bank of India was converted into a State Bank. The constructive phase of Reserve Bank of India thereafter started and new departments were added for the collection of statistics, research studies, sample surveys, balance of payments and so on.

For the redemption of agriculture, the Land Mortgage Banks and the cooperative system were remodeled and reconditioned with special credit facilities made available to them. To ensure uniform standards of working, special institutions for the training of suitable personnel in the cooperative sector were also introduced.

As for the commercial sector, it was recognized that institutions of various types and descriptions were operating in the service of the community. Their needs and

requirements called for a special survey and treatment without disturbance to the existing economy. In the deal, the initial problem was one of providing trained personnel. It is now proposed to start a training college for the purpose with experts in the line recruited under the Colombo Plan.

For the purpose of industrial finances, the Industrial Finance Corporation has now been working for the past few years, capital being drawn from Reserve Bank of India, the commercial banks and the insurance companies. The operating funds are provided by issue of bonds on the guarantee of Government of India.

Its limitations for providing finance for new enterprises have come to be recognized. Therefore, two industrial development corporations are sponsored, one by Government of India and the other by the private sector.

The extent to which the existing commercial banks can render further help for the development and growth of industrial institutions has been an important subject matter of a survey and enquiry by the recent Shroff Committee. This committee was appointed by Reserve Bank of India to examine and report how increased finance, particularly bank finance, could be made available to the private sector which has been assigned an important role by the Planning Commission for the implementation of the National Plan. Mr. A. D. Shroff, Director of the famous Tata Sons Ltd., was the Chairman of the Committee. It has made very valuable recommendations which are under the active consideration of Reserve Bank of India now.

Apart from improving remittance facilities from station to station and widening the scope of rediscount facilities recently initiated by Reserve Bank of India under Bill Marketing Scheme, two major issues came to be canvassed, one for the creation of Central Bankers' Pool to finance industry without the intrusion of personal predilections, and the other relating to a revolutionary scheme of deposit insurance. So far as the first is concerned, a committee has already been constituted by Government to study and report

Continued on page 52

This announcement is not an offer of securities for sale or a solicitation of an offer to buy securities.

New Issue

September 29, 1954

75,000 Shares

Texas Gas Transmission Corporation

Preferred Stock, 4.96% Series

Par Value \$100 per Share

Price \$100 per share

plus accrued dividends from October 1, 1954

Copies of the prospectus may be obtained from such of the undersigned (who are among the underwriters named in the prospectus) as may legally offer these securities under applicable securities laws.

Dillon, Read & Co. Inc.

Blyth & Co., Inc.

The First Boston Corporation

Hemphill, Noyes & Co.

W. C. Langley & Co.

Lazard Frères & Co.

Merrill Lynch, Pierce, Fenner & Beane

Stone & Webster Securities Corporation

Union Securities Corporation

White, Weld & Co.

Dean Witter & Co.

*An address by Mr. Sundaram at the Vermont-New Hampshire School of Banking, Dartmouth College, Hanover, N. H., Sept. 10, 1954.

Continued from page 14

The Expanded Operations Of the World Bank

would find that they had to follow suit to protect their trade interests. It is difficult," the spokesman went on, "to imagine a more fruitful source of international discussion than a competitive trade and credit expansion program of this character."

International Investment Still Healthy

I certainly do not wish my remarks about the dangers inherent in an indiscriminating use of credit to be interpreted as a warning against a sound increase in credit accompanying a healthy expansion of international investment, particularly in the private sector. At the moment, I am happy to say, the world is enjoying relatively prosperous conditions of high employment and trade and the total volume of international credit is probably still expanding. But, if these conditions are to continue and if the flow of international trade and investment is to reflect a growing and dynamic world economy, the world's trade policies will need to be liberalized. Last year I said that "merely to refrain from reversing the downward trend in United States import tariffs over the last two decades would not be enough to put international trade on an even keel" and that there was need for a further reduction in the obstacles to imports. I share the disappointment of many of you that the Administration did not find it possible to put into effect this year the trade liberalization features of its foreign economic policies and I welcome the President's recent statement that it is his intention to give high priority to them in next year's legislative program.

Remarkable Contrast With Post-War Situation

The first of the Annual Meetings at which I had the honor of addressing the Governors was just six years ago. I hope the Governors will forgive me if, as one privileged witness of some of the events of the past six years, I end these remarks briefly with a personal and impressionistic retrospect.

In 1949, the ruins of war were still apparent in Europe. Famine was abroad in some parts of the world and the threat of it was only thinly veiled in others. Reconstruction was far from complete; the organized attack on development problems, evident in many countries now, had scarcely begun.

The contrast today, as we all know but perhaps too seldom remember, is remarkable. The facts about recovery in Europe are too familiar to need repetition; let me remark only on the obvious: that the revival of production here has been a major factor in the exchange of goods throughout the world at a rate never before experienced.

Advances in the underdeveloped countries have been harder to observe—if for no other reason than that those countries extend over so much of the earth—and the advances have in any case been uneven. But to me they are a source of immense encouragement.

The process of economic development is not easy to set in full notion, involving as it does a host of technical skills and a complex of behavior patterns that took centuries to evolve in the industrial world of today. Yet the process is accelerating.

If we had a magic carpet here this morning to take us around the globe, I think we would be

struck by the many evidences of this progress. We would see tractors working on land that before had only known the bullock, and we would see small factories working where industry had never appeared before. We would see truck roads replacing donkey and camel trails and new farms being cleared along these roads. In the mountains, we would see streams being harnessed to produce energy; and, in the deserts, hundreds of miles of pipe bringing natural gas to productive use. Down in the villages, we would see grain being milled by machinery, instead of being pounded out by hand, and electric light replacing the oil lamp.

Let me give you one illustration of what I am talking about. It concerns one of our loans to the Federal Electricity Commission in Mexico—and the installation of a small diesel power plant of only 600 kilowatts generating capacity. We financed the installation of this plant in the rural town of Tecuala, in Mexico's west coast area. In three years' time, here are some of the results: Industrial users of electricity in Tecuala have risen from just three to 33; the town has acquired a public library, a daily newspaper, a radio station, and a night school; Tecuala's population has trebled, and the number of students in its schools has increased seven times. The municipal hospital has installed refrigerators and a modern fluoroscope—the only one within a radius of 60 miles. The mayor of the town recently said: "I have witnessed our emergence from the dark ages into an age of light."

Now, as I said, the advance has been uneven. In some areas it has not occurred at all and in others the gains have as yet been meager. And we must remember, as one of the Governors well said here a year ago, that we are faced today by a revolution of expectancy.

In many parts of the world, people are less and less content to live in the past or to think in the past. The way to deal with a revolution of expectancy is to turn it into a revolution of achievement and progress.

The Bank's Important Part

It is in this kind of revolution that the bank can see itself playing a part. In the Annual Report before you, you will find the full range of the bank's interests displayed—from the mobilization of capital, internally and internationally, to the application of capital to bring about new production and trade. Indeed, in this Report, you can survey our technical and financial assistance to development institutions in many countries, to the construction of electric power capacity of something over three million kilowatts, to the improvement of some millions of acres of farm lands, to the improvement of services on railways in a dozen countries in five continents.

By comparison with what usefully can be done, these figures are modest enough, and I have no illusions about the magnitude and the difficulty of the tasks that face our member countries and the bank. What I do have is evidence that convinces me, more than ever, that these tasks can be accomplished, and that the revolution of achievement can be won.

Continued from first page

Atomic Energy vs. Conventional Fuels

laboratories. Today our chief investment is personnel — people who do the varied work of research, development, operation, and management in the vast facilities of the Atomic Energy Commission entrusted to the General Electric Co.

As I understand it, my purpose is to give you a picture of the potential impact of atomic energy on your business. It seems to me that the one major indication of that impact is the size of the atomic energy effort now going forward. Our Government has a tremendous plant investment — presently amounting to \$5.7 billion. Completion of present plans will enlarge this figure to approximately \$8 billion. These include, besides production facilities, the most modern research and development facilities that can be imagined. Up to now the huge atomic energy industry has been a Government monopoly. However, the revised law, signed Aug. 30, has made a great step toward opening the business to private industry.

The Atomic Energy Commission

In order that we might see clearly the impact of atomic energy on your business we must first look at the activities and composition of the Atomic Energy Commission. First, let's look at the nature of the activities of the Commission through its recent report to the Congress—the Sixteenth Semi-annual Report. In this report the Commission points out its activities in the fields of raw materials, and highlights the fact that domestic production of uranium ore and uranium concentrates has attained record levels, while production from foreign sources continues to increase. The report points out that the AEC's major construction projects are rapidly being turned over to operations. It briefly highlights the weapons research and development program, including the successful test series at the Pacific Proving ground. It points up the Commission's concern with national civil defense.

It covers the program of developing improved reactors for industrial nuclear power for naval and aircraft propulsion and for other military requirements. The report highlights the major developments going forward for the electric power generation and submarine work. The report discusses a tremendous range of physical research, resulting in the growth of fundamental scientific knowledge. It covers the field of biological and medical applications—covering the effects of all types of ionizing and non-ionizing radiation on man, animals and living plants. These latter efforts are directed toward the contributions of atomic energy and its by-products—to agriculture and to medical science.

So much for activities—what of AEC's composition? The same report states that construction costs are running at a rate of \$120 million per month. There are over 72,000 operating contractor employees and 64,000 design and construction employees united with over 6,000 government employees to do the tremendous task ahead. Here is a breakdown of the array of scientific and engineering talent involved in this program:

Biological and medical scientists	1,617
Chemists	2,411
Physicists	1,708
Other physical scientists	738
Chemical engineers.....	1,634
Electrical engineers....	1,346
Mechanical engineers	1,843
Metallurgical engineers	408
Other engineers.....	1,907

Total13,612

I am sure you will agree that this is a massive concentration of strength and facilities.

I said that the atomic energy business is young. A look at the people engaged in this business reveals that most have come into the picture since 1946. A few have been in the business for 12 years, a few more 10 years, and the majority have one to eight years experience. This is a complex field. We do not learn it, nor comprehend it, overnight. Youth will stand us in good stead.

A Tremendous Technical Potential

Now the force of these data is that there is tremendous technical potential. I feel it every day. In my division we have over 2,000 engineers, scientists, and other professional people—a tremendous array of talent. While these people, every one of them I am sure, feel adequate to the job on which they are working, we are all aware of how little we really know about our business. Yet our accomplishments are compounded each day by virtue of the fund of knowledge which these people are building.

I wish I could tell you of the tremendous savings of our taxpayers' money and the contributions to our safety as a nation, which have been made by these thousands of people. I wish that I could show you the rapid rate at which improvement is going on and nail it down with figures and statistics. This, of course, I cannot do for security reasons. I can only assure you that talented people, inspired by the desire to do a good job, coupled with their recognition of the importance of their task to this country and their loyalty to the corporations for which they work, have produced almost unbelievable accomplishments.

We must face the fact that a tremendous portion of this effort has been directed ultimately to the weapons field. With this I am sure you will not disagree, since no peacetime benefits can accrue if we do not keep this country free and strong.

But what about the new Atomic Energy Act? We must remember that the new law has been passed with the objective of harnessing more of the strength and ingenuity of industry to the task of making atomic energy available for peacetime use. For a moment, let me discuss this new law and its implications for the near future. Under the Act which has been the foundation of the effort since 1946, it was illegal for an individual, or for anyone other than the Atomic Energy Commission, to possess fissionable or source material—such as plutonium or uranium. It was also illegal to own or build apparatus for producing material of this nature—for example: a reactor.

Under the old law there were tight bonds of security necessitated by our concentration on defense activity. There were basic restrictions with regard to the exchange of information with foreign persons or nations. There were, of course, many other provisions which I am sure you will appreciate. Nevertheless, the

THE NEW YORK TIMES
THE NEW YORK HERALD TRIBUNE
THE WALL STREET JOURNAL
THE NEW YORK JOURNAL OF COMMERCE

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

THE TIMES (LONDON)
THE FINANCIAL TIMES

American Banker
Sept 30, 1954

WORLD BANK PRESIDENT URGES NATIONS FORM "DEVELOPMENT BANKS"

WASHINGTON, Sept. 29.—Eugene R. Black, president of the World Bank, has urged member nations to foster the establishment of "development banks" through which investment funds may be channeled from the World Bank to private development corporations.

Mr. Black's proposal is a partial answer to the criticism voiced at the Bank and Monetary Fund annual meeting, closing here today, over the fact that private development corporations cannot have access to World Bank financing unless they obtain the guaranty of the loan by their own national governments. Luis Machado, Governor of the Bank for Cuba, has protested that in his country, at least, the requirement for a government guaranty is repugnant to the owners of private business development concerns.

Mr. Machado's solution to the problem would be to establish parallel to the World Bank an International Finance Corp. which would be prepared to take care of nongovernment development loan projects. An initial capitalization of from \$50 million to \$100 million would suffice, at least for the beginning, Mr. Machado said. The capital would be subscribed by bank member countries in the same proportion that they subscribed to start the World Bank.

Mr. Black made it clear that he does not oppose the International Finance Corp. idea. He said the Bank management "is still of the opinion that an International Finance Corp. affiliated with

(Continued on page 11)

WORLD BANK PRESIDENT

(Continued from page 1)

the Bank could make an effective contribution to development and to the promotion of private enterprise and private international investment in the under-developed areas."

Mr. Black also agreed with the Cuban representative's position that the government guaranty requirement "tends to impede bank lending to private companies." He warned, however, against exaggerating the restrictive effects of the requirement, and pointed out that the formation of government-sponsored development banks within capital importing nations would enable the Bank to make loans which could then be passed along to private companies.

"A development bank—properly organized and operated—is, it seems to me, an admirable mechanism for filling these needs," Mr. Black told the Bank Governors in his closing remarks of the six-day meeting.

"Our experience with the Turkish Industrial Development Bank confirms my opinion that institutions of this kind have a major role to play in the development process. I have been disappointed that member countries have been slow to enlist the International Bank's help in establishing development banks."

Mr. Black said that the Bank is well advanced in preparations for formation of a development bank in India.

THE NEW YORK TIMES
THE NEW YORK HERALD TRIBUNE
THE WALL STREET JOURNAL
THE NEW YORK JOURNAL OF COMMERCE

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

THE TIMES (LONDON)
THE FINANCIAL TIMES

Sept 28, 1954

Banking and Finance

EXPORT CREDIT WAR

By LOMBARD

The action of the president of the World Bank, Mr. Eugene Black, in criticising the growth of "suppliers' credits" has drawn attention to the battle that is now being waged by the main commercial countries to capture markets for manufactured goods with the aid of generous credit facilities.

Up to a year or two ago the extent of the credit facilities a seller could provide played only a relatively minor part in deciding whether an order went to one manufacturing country or another. With sellers' market conditions prevailing over the world as a whole, the decisive factors at that time were the speed with which delivery could be made and the keenness of the prices quoted. Now, however, manufacturers in most countries are usually able to quote near delivery dates. And, buyers' market conditions having been established over the greater part of the world, suppliers of goods normally also quote fully competitive prices as a matter of course. So, as purchasers in many countries are finding increasing difficulty in financing imports, the nature of the credit facilities that the seller can provide is becoming a matter of the greatest importance.

In recognition of this the Governments of many countries have, during the past year or two, greatly relaxed restrictions on all forms of export credit trading. What is perhaps more important is that they have in many cases also taken steps to enable and encourage their exporters to grant more liberal hire-purchase terms to customers by widening the scope of schemes of official assistance for such transactions.

U.K.'s STEP

Britain took an important step in this direction earlier this year by announcing that in future bank loans extended to finance certain classes of capital goods exports would receive a direct Export Credits Guarantee Department insurance if this were asked for, thus giving such loans gilt-edged status. In Italy, the Government has recently introduced a special export credit guarantee institution,

while most other Continental countries have done the same or, where there was such a body already in existence, have increased its powers.

On the other side of the Atlantic, the U.S. Government has indicated its intention to make a far-reaching change in the export credit arrangements of the Export-Import Bank. Hitherto this institution's help to U.S. exporters has taken the form of lump-sum credits to foreign countries granted on the understanding that they would be used only for purchases of American goods. But U.S. traders complained that sales were often lost owing to the delay that took place before a request for such assistance received official approval. So in future the Bank will be willing to provide credits linked directly with particular exports.

OVER-IMPORTING

These developments are undoubtedly helping exporters in a number of countries to keep their sales at a much higher level than would otherwise have been possible. And they may well have acted as a stimulus to world trade as a whole. The export credit battle, however, runs the risk of causing exporters to over-reach themselves in those countries where there are incomplete official guarantee facilities for such transactions.

Where such facilities do exist, there may be little danger to business concerns in the exporting country. The trouble then—and it is this that is evidently most worrying the World Bank—is that the ability of the exporter to grant extended credit, and the ability of the foreign importer to purchase under such arrangements, frequently leads to a tendency to over-importing that would not occur if the exporter had fully to consider the credit-worthiness of the buyer. It can, indeed, hardly be denied that both Brazil and Turkey have been encouraged to get into serious arrears in their external payments during the past few years by the tempting offers of credit extended to them by European and American exporters.

THE NEW YORK TIMES
THE NEW YORK HERALD TRIBUNE
THE WALL STREET JOURNAL
THE NEW YORK JOURNAL OF COMMERCE

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

THE TIMES (LONDON)
THE FINANCIAL TIMES

Sept 27, 1954

MR. BLACK'S CRITICISM OF SUPPLIER CREDITS

From Our Own Correspondent

WASHINGTON, Sept. 26.

Mr. Eugene Black, president of the International Bank for Reconstruction and Development, sharply criticised the use of supplier credits in his address to the bank's Board of Governors yesterday.

Declaring that a competitive race was developing among suppliers, Mr. Black said this included not only price, quality and delivery date competition, but credit competition as well. Medium-term suppliers' credits could be misused and over-used and there was some disturbing evidence that this was happening. The situation was becoming serious.

Mr. Black warned that competition in offering suppliers' credits sometimes resulted in a country undertaking a low-priority development project. The result might be slower, rather than faster, development, he said.

Long-term capital funds represented the most appropriate method of financing development projects that required heavy capital equipment, he went on. Any potential long-term investor must take into account the total external debt of a country and the excessive use of short- or medium-term credit must diminish a country's access to long-term capital funds.

Editorial comment Page 4 Col. 1

SEP 26 1954

World Fund Head Asks End to Curb on Money

WASHINGTON, Sept. 25 (AP).—The fifty-seven nation of the International Monetary Fund were told today they may be facing their last chance to establish a "sound and honest" system of international currency payments as a basis for the growth of world trade.

In an appeal for prompt action to free restricted currencies from controls, M. W. Holtrop of the Netherlands, chairman of the I. M. F.'s board of governors, told the annual meeting of the Fund and the World Bank that the Fund "is clearly standing at the crossroads."

He did not directly mention Great Britain or the several other countries which have been pondering the removal of curbs on the movement of their monies.

The pressure for a broad move to dismantle currency controls developed shortly after it became evident that the British were unlikely to undertake any rapid or general action to release the pound sterling from restrictions on its use and movement. Sterling is considered the key currency in any worldwide approach to convertibility.

Many Are Disappointed

This disappointed many delegations, which had come to Washington hoping that I. M. F. would be able to lay plans for a proposed billion dollar "stand-by fund," on which the British could draw if they needed greater dollar resources to make the pound freely exchangeable for dollars and other "hard" currencies.

But the British Chancellor of the Exchequer, R. A. Butler, made it clear that England does not consider the time ripe for "decisive and irreversible steps" toward freedom of currencies.

Mr. Butler told the session that the world's non-American reserves of gold and dollars were insufficient "to give support for a decisive move forward to convertibility."

He said there are also other risks in European economic ex-

pansion "while the economy of a major world power—the United States of America—is static."

"Now we all look for a more marked progress in the United States toward more liberal trade policies which would increase the dollar-earning opportunities of the rest of the world," he said.

Earlier, Eugene R. Black, president of the World Bank, cautioned that international competition for markets is raising the danger of excessive use of easy credit.

Misinvestment Feared

The situation, he told the session, poses a "serious" threat of a recurrence of "excessive borrowing, over-eager lending and misinvestment."

Mr. Black's warning was contained in prepared remarks to accompany his presentation of the bank's annual report—in general, a glowing account of economic progress in the free world and increasing activity by the nine-billion-dollar lending

institution. He told the Bank and Fund governing boards:

1. The economic recovery of Europe is "remarkable." The free world is enjoying "relatively prosperous conditions of high employment and trade." The volume of international credit can be expected to expand.

2. But, if international commerce is to continue dynamic growth, trade and tariff policies must be liberalized. Referring to Congress' failure to enact President Eisenhower's liberalized foreign trade program, Mr. Black said:

"I share the disappointment of many of you that the Administration did not find it possible to put into effect this year the trade liberalization features of its foreign economic policies. And I welcome the President's recent statement that it is his intention to give high priority to them in next year's legislative program."

Mr. Black also reported the bank made twenty-six loans totaling \$324,000,000 last year—a bigger volume of business than in any previous year. He said the Bank for the most part used funds raised from private sources instead of capital subscribed by member governments.

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

(For use of information media -- not an official record)

Press Release IB/478
27 September 1954

INTERNATIONAL BANK PRESIDENT HAILS PROGRESS IN UNDERDEVELOPED AREAS
Reports Record Year in Bank Activities, Urges Liberalization of Trade
Policies, Cautions Against Indiscriminate Use of Credit

(The following was received here from a UN Information Officer attending the Bank-Fund meetings in Washington, D. C.)

Experience of the International Bank for Reconstruction and Development gives evidence that what has been called "a revolution of expectancy" in underdeveloped areas can be turned into "a revolution of achievement," President Eugene R. Black told the Bank's Board of Governors Saturday in Washington, D. C.

Advances in the underdeveloped countries in the past five years, although, uneven, "are a source of immense encouragement," he said, and he was convinced that the tasks ahead could be accomplished despite their magnitude and difficulty.

Mr. Black addressed the Board in presenting an annual report showing that the Bank had just completed a record fiscal year in its lending to member governments, its borrowing through bond issues, and internationalization of its financial resources.

In addressing the Board he also reviewed favorable world economic developments, warned that "the world's trade policies will need to be liberalized" if the flow of international trade and investment is to continue, and cautioned underdeveloped countries against the "indiscriminate use" of credit for short-term projects not essential to development.

The Bank's 57-member Board of Governors is holding its ninth annual meeting in Washington, concurrently with a meeting of Governors of the International Monetary Fund. The two organizations are specialized agencies in relationship with the United Nations.

Referring to the Bank's annual report, Mr. Black said the institution granted 26 loans totaling the equivalent of \$324,000,000--a record amount--in the fiscal year ended 30 June 1954. Since the end of the fiscal year, loans had totaled another \$90,000,000, and the total amount lent since the Bank began operations had passed the two-billion-dollar mark.

(more)

Press Release IB/478
27 September 1954

A "conspicuous development" of the past year, he said, was the increasing amount of capital drawn by the Bank from international sources. Of all Bank bonds sold in eight issues in the fiscal year, three-fifths went to investors outside the United States.

(For additional information on the Bank's annual report, see Press Release IB/475.)

The bank's successes reflected the improvement in world production and trade, especially in Europe, Mr. Black indicated. Financial stability had largely been achieved, the debilitating effects of inflation had largely been eliminated, and the dollar problem seemed to be coming under control. As examples of European countries whose economic position had improved since the war, he cited the Netherlands and Austria.

The improving world situation carried with it a danger that credit might be given too easily in a "competitive race" for markets, Mr. Black indicated.

Speaking of "suppliers' credits"--that is, credit offered or ensured by governmental agencies to encourage sales of heavy equipment in markets abroad--Mr. Black said there was "disturbing evidence" of "too much credit given," sometimes on inappropriate terms and for the wrong purpose. "Indiscriminate use" of short-term credit for non-priority projects might diminish a country's access to long-term capital funds needed for major development programs, he observed.

If the present conditions of high employment and trade were to continue, Mr. Black said, "the world's trade policies will need to be liberalized." He expressed disappointment that the United States Government "did not find it possible to put into effect this year the trade liberalization features of its foreign economic policies" and welcomed "the United States President's recent statement that it is his intention to give high priority to them in next year's legislative program."

Mr. Black then contrasted present world economic conditions with those of 1949, when he first addressed the Bank's Board of Governors. At that time, he recalled, "the ruins of war were still apparent in Europe" and the "organized attack on development problems, evident in many countries now, had scarcely begun."

The contrast today, he said, "is quite remarkable." Although the process of economic development was not easy to set in full motion, there were "many evidences" of progress.

"If we had a magic carpet...to take us around the globe," he said, "we would see tractors working on land that before had only known the bullock, and we would see small factories working where industry had never appeared before. We would see
(more)

Press Release IB/478

27 September 1954

truck roads replacing donkey and camel trails and new farms being cleared along these roads. In the mountains, we would see streams being harnessed to produce energy: and, in the deserts, hundreds of miles of pipes bringing natural gas to productive use. Down in the villages, we would see grain milled by machinery, instead of being pounded out by hand, and electric light replacing the oil lamp."

As an illustration of economic development, he recalled that a Bank loan had helped^{to} install a small diesel plant to produce electricity in the village of Tecuala on Mexico's west coast. In three years industrial users of electricity had risen from 3 to 33; the town had acquired a library, a daily newspaper, a radio station and a night school: the municipal hospital had installed refrigerators and a modern fluoroscope. The mayor had recently said, "I have witnessed our emergence from the dark ages into an age of light."

The Bank's loans, he added, had aided in the construction of electric power capacity of something over three million kilowatts, the improvement of some millions of acres of farm lands, and the improvement of railway services in a dozen countries on five continents.

A year ago, Mr. Black recalled, one of the Bank's Governors had said the world was faced "by a revolution of expectancy." The way to deal with a revolution of expectancy "is to turn it into a revolution of achievement and progress," Mr. Black commented, expressing his conviction that such a revolution "can be won."

The Bank's report will be discussed by the Board of Governors at 10 a.m. Monday, 27 September.

* *** *

THE NEW YORK TIMES
THE NEW YORK HERALD TRIBUNE
THE WALL STREET JOURNAL
THE NEW YORK JOURNAL OF COMMERCE

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

THE TIMES (LONDON)
THE FINANCIAL TIMES

SEP 25 1954

Black Sees Fight for Markets Raising Danger of Easy Credit

By Sterling F. Green
Associated Press Staff Writer

President Eugene R. Black of the World Bank cautioned today that international competition for markets is raising the danger of excessive use of easy credit.

Mr. Black told the annual meeting of the 57-nation bank and International Monetary Fund the situation poses a "serious" threat of a recurrence of "excessive borrowing, over-eager lending and misinvestment."

Mr. Black's warning was contained in prepared remarks to accompany his presentation of the bank's annual report — in general, a glowing account of economic progress in the free world and increasing activity by the \$9-billion lending institution.

Volume Likely to Expand.

He told the bank and fund governing boards:

1. The economic recovery of Europe is "remarkable." The free world is enjoying "relatively prosperous conditions of high employment and trade." The volume of international credit can be expected to expand.

2. But, if international com-

merce is to continue dynamic growth, trade and tariff policies must be liberalized. Referring to Congress' failure to enact President Eisenhower's liberalized foreign trade program, Mr. Black said:

"I share the disappointment of many of you that the administration did not find it possible to put into effect this year the trade liberalization features of its foreign economic policies. And I welcome the President's recent statement that it is his intention to give high priority to them in next year's legislative program."

Points to Big Loans.

Mr. Black also reported the bank made 26 loans totaling \$324 million last year—a bigger volume of business than in any previous year. He said the bank for the most part used funds raised from private sources instead of capital subscribed by member governments.

And Mr. Black said nations other than the United States provided a great part of the currencies loaned and bought three-fifths of the bonds issued by the bank in the past 12 months. In earlier years the bank relied mostly on the United States.

CHICAGO TRIBUNE

Circ.: m. 885,840

S. 1,417,784

Front
Page

Edit
Page

Other
Page

Date:

SEP 26 1953

URGES LOWER TARIFS TO AID WORLD TRADE

Head of Bank Says U. S. Must Act

BY ROBERT YOUNG

[Chicago Tribune Press Service]

Washington, Sept. 25 — Eugene R. Black, president of the International Bank for Reconstruction and Development, said today that the United States must lower its present tariffs on foreign imports if international trade is to be placed on a sound basis.

Addressing the ninth annual joint meeting of the boards of governors of the World bank and International Monetary fund, Black also asserted that competition for international trade has raised a "serious" threat of excessive easy credit.

The six day bank and fund meeting opened here yesterday. The two governing boards each represent 57 countries.

Deplores Congress Action

Black said he was disappointed that Congress did not enact this year President Eisenhower's proposal for a three year extension of the reciprocal trade program and authority to cut tariffs as much as 15 per cent. Congress approved only a one year extension of the trade program.

The World bank president observed, however, that Mr. Eisenhower has promised to continue his efforts and give lower tariffs high priority on the administration's legislative program next year.

Europe Recovery Hailed

Describing the economic recovery of Europe as "remarkable," Black told the bank and fund delegates:

"I am happy to say the world is enjoying relatively prosperous conditions of employment and trade and the total volume of international credit is probably still expanding. But, if these conditions are to continue and if the flow of international trade and investment is to reflect a growing and dynamic world economy, the world's trade policies will need to be liberalized."

He asserted that merely to refrain from reversing the downward trend in United States import volume over the last 20 years "would not be enough to put international trade on an even keel."

More Non-U. S. Money

Improved world economic conditions, Black continued, have resulted in the International bank obtaining more and more of its capital funds from sources outside the United States. Non-United States investors bought three-fifths of the World bank bonds marketed in the last year and at present, two-fifths of the funds the bank has had available for lending since its organization came from outside this country, he reported.

Black said this is "symptomatic" of the improvement in world production and trade during the last five years, particularly in Europe. He said that "with some regrettable exceptions," financial stability has largely been achieved and inflationary effects largely eliminated.

The annual world bank report, which Black submitted today to the bank's board of governors, showed the bank made 26 loans in 16 countries totaling 324 million dollars in the fiscal year ended last June 30—the largest loan volume since the bank was established.

Discussing supplies—credits granted or guaranteed by government purchasers acquiring goods and equipment for industrial expansion.

[Continued on page 10, col. 5]

Urges Lower Tariffs to Aid World Trade

[Continued from page 9, col. 1]

Black asserted such credits can be misused and overused.

"There is some disturbing evidence that this is happening—too much credit given under the pressure of competition, sometimes on inappropriate terms and for the wrong purposes," Black said.

"The situation in my view is becoming serious. We must at this stage of the world's recovery remember the consequences of what happened in the 1920s. The danger is that bad credit will drive out good and tend to bring international investment back into disrepute."

Black indicated the World bank will be wary of lending its funds to countries which have assumed excessive amounts of "overeager lending and misinvestment."

Asks Restrictions End

Dr. M. W. Holtrop of the Netherlands, chairman of the monetary fund's board of governors, later today urged the fund's member nations to take prompt steps to end restrictions on the exchange of their currencies.

Holtrop, asserting the fund "is clearly standing at the crossroads," told the delegates the countries they represent may be facing their last opportunity to establish "a sound and honest" system of international currency payments as the basis for free and expanded world trade.

Holtrop's appeal for convertibility — free exchange — of currencies, which was backed by the American fund delegation thru Treasury Undersecretary Burgess, was made after it became obvious that Britain was not ready to take any quick or drastic steps toward convertibility of the pound sterling.

Press Intelligence, Inc.
WASHINGTON, D. C.

CHICAGO TRIBUNE

Circ. m. 885,840
1,417,784

Page 107
Post 1009
Date

Presently Operating

May Be Inspected

For Complete Information

Write MKT 431, Tribune

**SALES
REPRESENTATIVE
BOYS' & MEN'S WEAR**

Well known manufacturer of boys' slacks and men's outerwear established 59 years with a reputation for making quality products at a fair price is now open for representation by an industrious and experienced boys' and men's wear salesman to cover Illinois (including metropolitan Chicago), Indiana, Wisconsin and St. Louis. Accounts now established will become yours. Drawing against commissions. Average length of service of our salesmen is 15 years. Write stating experience. All replies confidential.

MCM 127, Tribune

**SUPERVISORY
TRAINEE
ACCOUNTING**

Nationally known food processor, located in Michigan, has opening in supervisory training program for college graduate with at least four semesters of accounting. Ideal opportunity for young man now at start of business career. Submit resume and salary requirements.

Write MCM 143, Tribune

Sales Trainee

For well-established, quality electronic material manufacturer. To handle sales service work in main office and be trained for greater responsibility. Location mid-western city of moderate size. College engineering graduate or equivalent business experience in sales desirable. Age 25 to 35. Starting salary to \$6,000 plus bonus. Excellent future potential and employee benefits. Send detailed resume. Replies strictly confidential.

Write MKT 378, Tribune

POSITIONS WANTED

ENGINEER-EXECUTIVE

As Chief Engineer or assistant to V.P. Experienced in Product Development & Design, Plant Layout & Maintenance, Tooling, Production, Inspection, Budgetary Control. M.E. - M.B.A. Age 36.

WRITE MKT 319, TRIBUNE

**MANAGEMENT
ENGINEER**

Skilled in production, industrial engineering, organization, office systems, personnel relations. B.E. degree, age 44, experience in varied industries. Now in Europe as consulting engineer, returns Oct. 1. Desires permanent responsible position in U.S. as Chief Industrial Engineer or plant manager.

WRITE MKT 520, TRIBUNE

O. E. M. and INDUSTRIAL

SALESMAN

Experienced salesman with established contacts in these fields, desires to represent a reputable manufacturer on a commission basis. Available for personal interview.

WRITE MKT 503, TRIBUNE

SALES PROMOTION

Successful record as sales promotion manager of a firm doing 75 million dollars annual sales with 2,000 salesmen.

Age 35, married, six years college. Available late October.

WRITE TKT 317, TRIBUNE

PLANT SUPERINTENDENT

Experience includes all phases of plant operations and labor relations. Desire position with progressive concern. Will relocate. Available immediately.

Write MKT 522, Tribune

The business problems requiring analytical ability to solve, or if administrative talent at a middle-level, this advertisement is directed. 15 years of progressively more business experience in both line positions; M.B.A. degree. 38 married, will consider moving.

MKT 315, Tribune

YOUNG EXECUTIVE

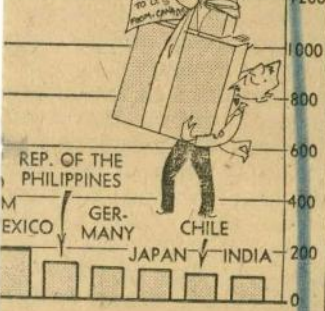
STOCKS

REAL ESTATE

TRANSPORTATION

Gain Top All Others

From 12 Leading Countries MILLIONS OF DOLLARS



Biggest Music mark 90th Year

ented and produced what was described as the first harp fully acceptable to the music profession. Today its factory at 1423 Lake st. is the world's only source of professional harps, Durham said.

Other milestones in the company's history were the introduction of the upright piano in 1871 and soon afterward the player piano and Thomas Edison's gramophone. Lyon & Healy was one of Chicago's first radio program sponsors.

In 1935 it introduced the space saving spinet piano for smaller homes and apartments and an electronic organ produced by the Hammond Organ company, Chicago.

Six Famous Violins

Lyon & Healy's \$350,000 collection of old violins include six made by Antonius Stradivarius 200 years ago. The highest priced is the "Piatti" Stradivarius at \$45,000.

Otto Leppert, manager of a violin department, said the

CHICAGO NEWS

Circ.: e. 553,909

Front Page Edit Page Other Page 12

Date: 25 1954

World Bank Chief Urges Tariff Cuts

Black Disappointed at Failure Of Congress to Heed Ike

WASHINGTON—(UP)—President Eugene R. Black of the World Bank said Saturday the United States must reduce its present import tariffs if international trade is to be put on a sound basis.

He expressed disappointment that Congress this year did not enact President's Eisenhower's request for a three-year extension of the reciprocal trade program and for authority to cut tariffs by up to 15 per cent.

Congress approved a one-year extension of the old program.

* * *

BUT BLACK noted that Mr. Eisenhower has promised to continue the fight and to give lower tariffs high priority on the administration's legislative program next year.

"I am happy to say the world is enjoying relatively prosperous conditions of employment and trade and the total volume of international credit is probably still expanding," Black told a meeting of the World Bank and International Monetary Fund.

"But, if these conditions are to continue and if the flow of international trade and investment is to reflect a growing and dynamic world economy, the world's trade policies will need to be liberalized," he said.

Black repeated an earlier statement that "merely to refrain from reversing the downward trend in U.S. import traffic over the last two decades would not be enough to put international trade on an even keel."

* * *

HE REPORTED that improved world economic conditions have resulted in the World Bank's getting more of its capital funds from outside the United States.

The funds are loaned to underdeveloped or needy countries for such economic projects as hydroelectric dams, port development, railway rehabilitation and irrigation systems.

Investors outside the United States bought three fifths of the world bank bonds sold in the last year, he said.

At present, he said, two fifths of the money the bank has had available for lending since its start came from outside this country.

Black said this was "symptomatic of the improvement in world production and trade during the last five years, especially in Europe."

"With some regrettable exceptions," he said, "financial stability has largely been achieved."

* * *

INFLATIONARY effects "have largely been eliminated," he said.

But Black cautioned manufacturers against giving too easy credit terms in their competition for world trade. This situation is "becoming serious," he said.

"We must, at this stage of the world's recovery," he said, "remember the consequence of what happened in the 1920s . . ."

"The danger is that bad credit will drive out good, and tend to bring international investment back into disrepute . . ."

Washington, D.C.
CHICAGO NEWS
Circ. 223,909
Date: _____
Page: _____
Other: _____

UNITED
RANDOLPH near STAT

South

DOUBLE

ON THE WEST SCREEN

Open 6:30 . . . Midnite Show Tonite
HELD OVER! 2nd BIG WEEK

COLOR and
CINEMASCOPE
"SEVEN BRIDES
FOR SEVEN
BROTHERS"
JANE POWELL · HOWARD KEEL

Alec Nichol Thrilling Mystery
"THE BLACK GLOVE"

ON THE EAST SCREEN

Open 6:30 . . . Midnite Show Tonite

ALAN LADD
SHELLY WINTERS
'SASKATCHEWAN'

"TANGANYIKA"
TECHNICOLOR
VAN HEFLIN RUTH ROMAN

Walt Disney
CARTOON FESTIVAL
DONALD DUCK
PLUTO
GOOFEY
POPEYE
MICKEY MOUSE
MIGHTY MOUSE

SO. WEST HIGHWAY 3 Blocks West of 74th · WESTERN · CHILDREN FREE

STANLEY WARNER THEATERS

18TH STONY 18TH ST. BOTH THEATERS 18TH ST. HAD

Jack Webb 'Dragnet' with Ben Alexander
Debra Paget & Jeffrey Hunter "Princess of the Nile"

18TH ST. HAD 18TH ST. BOTH THEATERS 18TH ST. HAD

M-G-M's Production of Shakespeare's
JULIUS CAESAR Marlon Brando
Gene Tierney James Mason
Leo Genn "Personal Affair"

OGDEN 63rd-Ashl. AT BOTH THEATERS 75th-Kings.

Robert Taylor "Valley of the Kings"
Eleanor Parker

MATINEE DAILY!

B&K SOUTHTOWN

610 W. 63rd

B&K TIVOLI

Cottage Gr. nr. 63rd

Jack Webb
Sgt. Joe Friday
"DRAGNET"
& Debra Paget
"PRINCESS
of the Nile"

MATINEE DAILY!

B&K MARYLAND

855 E. 63rd St.

B&K REGAL

4719 S. Parkway

Violence! Tyranny!
MARLON BRANDO
"JULIUS
CAESAR"
& RORY CALHOUN
"Yellow
Tomahawk"

COLONY

59th & KEDZIE
FREE PARKING

Jack WEBB "DRAGNET"
Ben Alexander
"PRINCESS OF THE NILE" Both in Color

MARQUETTE 63rd-Kedzie Starts
M. Brando 5 P.M.

JULIUS CAESAR

Gene TIERNEY ★ "PERSONAL AFFAIR"

HIWAY

63rd & West. Both Technicolor

Martin & Lewis LIVING IT UP

Gregory PECK ★ "MAN WITH A MILLION"

NORMAL

456 W. 119th OPEN 1:00

Jane Wyman, Rock Hudson

"MAGNIFICENT OBSESSION"

Dorothy McGuire "MAKE HASTE TO LIVE"

Special Children's Matinee Today

Doors Open for Regular Show at 5 P.M.

Northwest

CINEMASCOPE

and COLOR

MGM's

Fresh-as-a-Daisy

Love-Making Musical

IRVING

4003 IRVING PK.

Edward

ARNOLD

SEVEN BRIDES

FOR SEVEN BROTHERS

John AGAR

MAN OF

CONFLICT

JANE POWELL · HOWARD KEEL

CinemaScope Musical "THIEVING MAGPIE"

Last Two Features Start at 10 P.M.

MONTCLARE

Grand Ave. at Harlem

Mat. Daily—Parking in Rear

Jack Webb · Ben Alexander

"DRAGNET"

Debra PAGET ★ Jeffery HUNTER

"PRINCESS OF THE NILE"

BOTH FEATURES IN COLOR

ALAMO

3639 CHICAGO AVE.

Enclosed FREE Parking

IN CINEMASCOPE! Circus Thrills

in Technicolor!

"RING OF FEAR"

Plus — Robert TAYLOR — Eleanor PARKER

'VALLEY of the KINGS'

Marlon Brando, James Mason, Deborah Kerr

4051 W. NORTH AVE.

DOORS OPEN AT 1

ATLANTA
CONSTITUTION

Circ.: m. 175,932
S. 474,868

Front Page Edit Page Other Page

SEP 26 1954

Date:

Black Warns Nations Against Easy Credit Evil

WASHINGTON, Sept. 25 (AP)—

President Eugene R. Black of the

International Bank cautioned Sat-

urday that world

competition for

markets is rais-

ing the danger of

excessive use of

easy credit.

Black told the

annual meeting

of the 57-nation

bank and Inter-

national Mon e-

ary Fund the sit-

uation poses a se-

rious threat of a

recurrence of "excessive borrow-

ing, over-eager lending and mis-

investment."

Black's warning was contained

in prepared remarks to accompany

his presentation of the bank's

annual report—in general, a glow-

ing account of economic progress

in the free world and increasing

activity by the nine-billion-dollar

lending institution. He told the

bank and fund governing boards:

* * *

1. **THE ECONOMIC** recovery of

Europe is remarkable. The free

world is enjoying relatively pros-

perous conditions of high employ-

ment and trade. The volume of

international credit can be ex-

pected to expand.

* * *

2. **BUT, IF** international com-

merce is to continue dynamic

growth, trade and tariff policies

must be liberalized.

Referring to Congress' failure to

enact President Eisenhower's lib-

eralized foreign trade program,

Black said:

"I share the disappointment of

many of you that the administra-

tion did not find it possible to put

into effect this year the trade

liberalization features of its for-

oreign economic policies. And I wel-

come the President's recent state-

ment that it is his intention to

give high priority to them in next

year's legislative program."

* * *

BLACK ALSO reported the bank

made 26 loans totaling 324 million

dollars last year—a bigger volume

of business than in any previous

year. He said the bank for the

most part used funds raised from

private sources instead of capital

subscribed by member govern-

ments.

And Black said nations other

than the United States provided

a great part of the currencies

loaned and bought three-fifths of

the bonds issued by the bank in

the past 12 months. In earlier

years, the bank relied mostly on

the United States.

* * *

BLACK DEVOTED much of his

address to discussion of "sup-

pliers' credits." These are made or

guaranteed by governments to help

purchasers acquire large items of

equipment such as machinery,

generators, and other goods needed

for industrial expansion.

These credits normally are re-

payable within three to five years,

but a dam, mill or other project

in which the equipment is to be

used, frequently does not begin

producing that soon. Excessive use

of such easy credits, bank officials

believe, can lead a country into

financial difficulties.

* * *

"THEY CAN BE misused and

overused and there is some dis-

turbing evidence that this is hap-

penning—too much credit given

under the pressure of competition,

sometimes on inappropriate terms

and for the wrong purposes,"

Black said.

Price for
 flocked
 overall.

2⁹⁷ PR.

DACRON

ht and
need no
to the pr.

2⁹⁷ PR.

Priscilla
L and 90"

4.77

FIBERGLAS

ry on the
ironing
long

3⁷⁷ PR.



BARKCLOTH

Drapery-Slipcover

FABRICS

57^c YD.

" wide 89c Value

ne patterns and designs used
famous decorators. Plains,
nts.

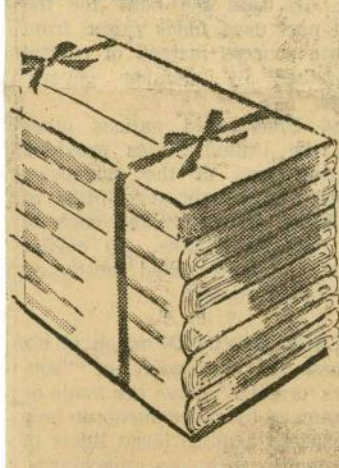


**ALL STEEL
TIAN BLINDS**

2³⁷ Special!

e. 54" and 64" long
g. 2.98 to 3.49

TE OR EGGSHELL



Grant Maid

130 Count

First Quality

Muslin Sheets

1⁴⁷

DOUBLE or TWIN SIZE

Matching Pillowcases, 42x

36", **.39**

**LITTLE ROCK ARKANSAS
GAZETTE**

Circ.: m. 93,274

S. 103,597

Front Edit Other
Page Page Page

Date:

SEP 26 1954

In the News

Max Harrelson, formerly of Arkadelphia and now Associated Press bureau chief at United Nations, N. Y., was elected first vice president of the United Nations Correspondents Association.

Robert T. Stevens, secretary of the Army, said during a program at Oklahoma City honoring the 45th National Guard Division that the building of an organized and trained reserve force is one of his most critical problems.

Adlai Stevenson called for a Democratic Congress to end "an era that will bear the indelible stamp of 'McCarthyism.'" The 1952 Democratic candidate for president was speaking at Minneapolis at a re-election rally for Senator Humphrey (Dem., Minn.).

Dick Contino was charged at Reno, Nev., with failure to pay \$5,483.79 in income taxes for 1949 and 1950. The Internal Revenue Service said it was going to do everything possible to collect the money while the accordionist is still performing in Reno.

Mrs. John Garfield, widow of the screen actor, obtained a marriage license at New York to marry Sidney E. Cohen, an attorney.

Cyrus S. Ching, former head of the Federal Mediation and Conciliation Service, said at a Pocono (Pa.) meeting of the drug, chemical and allied industries that he was opposed to government intervention in labor disputes: "The less government in labor relations we have, the better off labor and industry will be."

Alger Hiss, probably the most controversial federal prisoner of the past decade, will walk out of the Lewisburg (Pa.) federal penitentiary a free man in nine weeks. The one-time high official in the State Department was convicted of perjury in denying that he ever slipped government secrets to the Reds.

Senator Wayne Morse, Oregon independent, who bolted the Republican Party, said at Portland, Ore., that he would remain registered as a Republican until after the November 2 elections. He explained that if he were to switch sides now, the GOP might start some sort of legal action to get him out of office.

G. David Schine, controversial former aide to Senator Joseph R. McCarthy (Rep., Wis.), has received a promotion to private first class at Camp Gordon, Ga., and will be transferred to Alaska. The stripe means a \$15-a-month raise for the wealthy hotel owner's son.

Pope Pius XII underwent a two-hour strength-building treatment by a Swiss specialist at Castle Gandolfo.

Former President Harry S. Truman will be honored at a \$100-a-plate dinner November 6 at Kansas City. The event will raise funds for the proposed Truman Library near Independence, Mo.

Miguel Lanz Duret, president of the Inter-American Press Association and a Mexican newspaper publisher, was denied admittance to Argentina. He had come to Buenos Aires to present a medal to David Michel Torina, publisher, who has criticized President Peron. Duret went on to Montevideo.

Mrs. Vijaya Lakshmi Pandit, last year's president of the United Nations General Assembly, was appointed Indian high commissioner at London.

Senator John J. Sparkman (Dem., Ala.) and **Senator James H. Duff** (Rep., Pa.) arrived at Madrid to investigate construction of bases for the United States armed forces in Spain.

Percy Philip, Ottawa correspondent for The New York Times 33 years until his retirement last year, told a Canadian radio audience he had "talked" with the late Prime Minister W. L. MacKenzie King, a believer in spiritualism, who died in July 1950.

Charles E. Whittaker, retiring president of the Missouri Bar Association, said at the Association's St. Louis convention the judges too old to do their work should be forced into retirement if they won't quit voluntarily.

Eugene R. Black, president of the World Bank, reported to the International Monetary Fund at Washington that international competition for markets was raising the danger of excessive use of easy credit.

Fred L. Dixon, 32, was named at Washington as president of the Young Republican National Federation. He had been head of the Young Republican Club of the District of Columbia.

Ben Grauer, veteran radio announcer, was married at New York to Melanie Kakane, an interior decorator.

Thomas M. Mulherin, former FBI agent, told a congressional committee at Los Angeles that **George C. Newell**, Seattle insurance broker who handled the AFL Teamsters pension fund paid commissions to **Frank Brewster**, western vice president of the union. The commissions ran about \$5,000 a year and Newell's profit were as high as \$330,000 from the pension fund, he testified.

Tampa, Fla., Sept. 25 (AP).—All was quiet today in the ward for recalcitrants at the Southwest Florida Tuberculosis Hospital after an hours-long disturbance Friday in which a guard was hit and unruly patients shouted for someone to burn down their building.

Only the ward for 35 recalcitrant patients was involved in the demonstration in which food was flung to the floor and patients kept up chants of defiance.

Dr. A. M. Dietrich, medical director of the Hospital, said the recalcitrant patients are those forced by law to take treatment for tuberculosis. Hundreds of other patients at the Hospital receive treatment voluntarily.

The trouble started, said Hospital officials, when Guard Captain Robert A. Rennick and his assistants began a search for forbidden articles. During the search Rennick was whacked on the head by a piece of metal.

Rennick displayed can openers, knives and scissors uncovered in the search.

Blind Veteran Weds Sightless Sweetheart

Carlton, Minn., Sept. 25 (UP).—A blind Korean war veteran and his pretty fiancée, also sightless, were married here today after a storybook romance that began on a blind date.

A crowd of 300 persons packed the little St. Francis of Assisi Catholic Church and lined the steps outside to hear the 15-minute televised ceremony joining John Thornton, 25, and Joyce Campbell, 21.

The bride, blinded by an icy snowball when she was 13, was escorted to the chrysanthemum-banked altar by her father, William J. Campbell. The vows were read by Rev. A. Bernard Roy.

Thornton, who lost his sight in the explosion of a Communist hand grenade, took his bride's arm and the two walked unattended the length of the aisle. Half way up the aisle, Joyce paused, turned to her new husband with a smile and said, "Smile, honey, it can't be that bad."

Koreans Rally to Keep GIs

Seoul, Sept. 25 (AP).—South Korean opposition to the American troop redeployment from Korea stepped up today with a rally opening nationwide campaigns against the withdrawal. Several hundred people gathered at the municipal theater to hear Assembly and civic leaders insist that "American forces should destroy the Communist aggressors before they withdraw from Korea."

The Pulaski County

Medical Society

Urges You to See

"MEDICO"

Monday, 7:00 P. M.

KARK-TV

Channel 4

BASEMENT
ECONOMICALLY PRICED

Year-Around Wear

**Authentic Copy
of 5.99 Cottons!**

**Full-Skirted
Cotton
Frocks**

2.99

by Sanforized

Conditionally Guaranteed
washable

Sizes 12 to 20

Sizes 16½ to 24½

Best all-over print. In green and
blue and brown.

Color and solid color combination.
White or blue.

MAIL ORDER BLANK

Miss, Personal Shopper
of Arkansas, Little Rock

Send me the following dresses:

Press Intelligence, Inc.

WASHINGTON 1. D. C.

DENVER POST

Circ.: e. 226,807
S. 350,757

Front
Page

Edit
Page

Other
Page

SEP 25 1954

Date:

DANGER OF EASY WORLD CREDIT CITED

WASHINGTON, Sept. 25.—(AP)—President Eugene R. Black of the World Bank cautioned Saturday that international competition for markets is raising the danger of excessive use of easy credit.

Black told the annual meeting of the 57-nation Bank and International Monetary Fund the situation poses a "serious" threat of a recurrence of "excessive borrowing, over-eager lending and mis-investment."

Black's warning was contained in prepared remarks to accompany his presentation of the bank's annual report—in general, a glowing account of economic progress in the free world and increasing activity by the nine-billion-dollar lending institution.

Press Intelligence Inc.
WASHINGTON, D. C.

DENVER POST

Class. & 350,757
350,757

Trans. 100
Page 100
Date 100

EEZERS

Y TERMS

pliance
dway

**We Take
Anything
In Trade**

his son, Piero, against "ag-
gravated" manslaughter charges in
the drowning of Wilma, a 21-year
old party girl, in April, 1953.

The issue is expected to go be

KANSAS CITY (Mo.) STAR

Circ.: e. 344,580

S. 362,752

**Front
Page**

**Edit
Page**

**Other
Page**

7

Date: SEP 25 1954

WORLD BANK FEAR

**The 57-Nation Monetary Meeting
Is Warned of Danger in
Easy Credit.**

BUT FREE AREA THRIVES

**Report by Top Official Paints
Glowing Picture of Employ-
ment and Trade.**

Washington, Sept. 25. (AP)—Eugene R. Black, president of the World bank, cautioned today that international competition for markets is raising the danger of excessive use of easy credit.

Black told the annual meeting of the 57-nation bank and International Monetary fund the situation poses a "serious" threat of a recurrence of "excessive borrowing, over-eager lending and misinvestment."

A Progress Report.

Black's warning was contained in remarks accompanying his presentation of the bank's annual report—in general, a glowing account of economic progress in the free world and increasing activity by the 9-billion-dollar lending institution. He told the bank and fund governing boards:

1. The economic recovery of Europe is "remarkable." The free world is enjoying "relatively prosperous conditions of high employment and trade." The volume of international credit can be expected to expand.

2. But, if international commerce is to continue dynamic growth, trade and tariff policies must be liberalized. Referring to Congress's failure to enact President Eisenhower's liberalized foreign trade program, Black said:

"I share the disappointment of many of you that the administration did not find it possible to put into effect this year the trade liberalization features of its foreign economic policies."

Made 26 Loans.

Black also reported the bank made twenty-six loans totaling 324 million dollars last year—a bigger volume of business than in any previous year. He said the bank for the most part used funds raised from private sources instead of capital subscribed by member governments.

And Black said nations other than the United States provided a great part of the currencies loaned and bought three-fifths of the bonds issued by the bank in the last twelve months. In earlier years, the bank relied mostly on the United States.

However, Black devoted much of his address to discussion of "suppliers' credits. "These are made or guaranteed by governments to help purchasers acquire large items of equipment such as machinery, generators, and other goods needed for industrial expansion.

Fears Excessive Use.

These credits normally are repayable within three to five years, but a dam, mill or other project in which the equipment is to be used frequently does not begin producing that soon. Excessive use of such easy credits, bank officials believe, can lead a country into financial difficulties.

As the bank and fund governors met to hear Black's report, it was reported that plans have been abandoned for creation now of a billion-dollar "standby" credit in the fund to help Britain establish the pound as a freely exchangeable currency.

The British, in private discussions, were said to have left a clear impression that they are not now prepared for any rapid or drastic move to make the pound freely convertible.

COOK—Fry; must be fast and exp.; day shift and relief shift. Vitale's Rest., 3213 Truman rd.

COOK—Fry, city references, sober, top wages, hours 5 p. m. to 1:30 a. m, no Sundays. Call Mrs. Olson, BA. 1427.

COOK'S Helper—White; hotel exp. See chef, Town House hotel (K. C., K.).

COOKS—Fry, must be experienced in front end work, evening hours; good salary. Apply Sidney's Restaurant Office, 3619 Broadway.

COOK — Fry; advancement, good working conditions. Apply in person Stephenson's Restaurant, Osage and Truman road, Independence, Mo.

COTTON Pickers Wanted—To go to Southeast Mo.; truck leaving on Monday evening, Sept. 27, around 5 p. m. For information call CH. 1836.

COUPLE—General house and yard; must be experienced in cooking, serving and driving; adult family, best wages; in reply give age and experience; best references required. Address W 1292 Star.

CREDIT MANAGER

Important opening for experienced retail credit person. See large ad, this edition.

GORMANS

* Detailers—Reinforcing

* For Los Angeles, Calif.

Experienced; permanent; old concern. Give qualifications fully. Soule' Steel Co. Attn.: Mr. Swabel, 6200 Wilmington ave., Los Angeles 1, California.

DOCK Foreman—Man who has had experience as a dock foreman with a common carrier, preferred but not essential. Will train man who has had experience in handling men and is willing to learn truck line work. Must give complete work records and references, expected starting salary and age. Address W 915 Star.

DRAFTSMAN—Experienced steel detailer; old established local steel fabricator; best working conditions and benefits. Builders' Steel Co., 12th and Gentry, North K. C.

DRAFTSMEN

Structural steel detailers and checkers. Experienced in large structures. Top wages, paid holidays. Call LO. 1259.

DRAPERY Man—Experience necessary, manage drapery dept., excellent future, must be ambitious, alert & hard worker. If you are this man apply mornings. Atlas Blind & Shade Co., Inc., 1225 McGee.

DRY Wall Man—Experienced, union, top wages. JO. 0103.

ELECTRONIC Technician — Must have thorough knowledge of radio and electronics. Good ear for music helpful. Interesting and dignified work for capable, dependable and conscientious man. Give salary expected. All replies confidential. Address W 690 Star.

ELEVATOR Operator—Colored or white; 4 to 12 shift. See Mr. Hall, 1400 Linwood.

ELEVATOR Operator—White, experienced only. Apply Bell Captain, State Hotel.

ENGINEERS and Draftsmen — Industrial buildings, reinforced concrete and structural steel. Recent graduates considered. Immediate employment. Address W 796 Star.

ENGINEER.

STRUCTURAL DESIGN ENGINEER

COLLEGE GRADUATE OR EQUIVALENT IN PRACTICAL EXPERIENCE WHO HAS HAD EXPERIENCE IN THE STRUCTURAL DESIGN OF STEEL BUILDINGS SUCH AS FARM BUILDINGS, SECTIONAL, OR PRE-FABRICATED BUILDINGS; GOOD PAY AND WORKING CONDITIONS WITH ESTABLISHED, RELIABLE COMPANY. ADDRESS W 1266 STAR, GIVING EDUCATION, EXPERIENCE, SALARY EXPECTED AND OTHER PARTICULARS.

FLOOR Layers-Sanders—Must be exp. VA. 4178.

FRY Cooks—Must be experienced in front end work, evening hours, good salary. Apply Sidney's Restaurant Office, 3619 Broadway.

FURNACE Help — Service man, one who understands control; sheet metal worker, who knows all types duct work. 2122 E. 39th.

FURNACE Helper—Prefer experience. Apply in person, South Kansas City Furnace Co., 8520 Prospect.

FURNACE installers and helpers; must have all hand tools and transportation; experienced only; apply ready for work; no phone calls. South Kansas City Furnace Co., 8520 Prospect.

FURNITURE SALESMEN

Permanent sales positions on Kansas City's fastest floor; unlimited earnings. See large ad, this edition.

GORMANS

FURNACE cleaning machine operator. Experienced & must have tools. Top pay to right man. Apply 430 North 5th, K. C., K., ready for work.

FURNITURE Salesman—With experience, who isn't afraid of work. Good salary and commission. Call Mr. Ballenger for appointment. 9-9, LO. 5300.

HOUSE Man—White, for lobby and halls, 6-day week. Apply manager 9 to 5, Netherlands Hotel, 3835 Main.

LAUNDRY—Wash man, also help with maintenance work. Consolidated Laundry & Cleaners, Liberty, Mo.

INTERLINE Clerk—Motor carrier experience. Apply in person. Heizer Cartage Co., 1428 W. 9th.

Jewelry Retail Manager

Permanent top paying management position for experienced jewelry man or woman. See large ad, this edition.

GORMANS

LIQUID METER SALESMAN

Opportunity for man 28-30. Headquarters in Kansas City. Travel Missouri, Kansas and Iowa. Call on Petroleum and Industrial Equipment Jobbers also users of petroleum and industrial meters. Mechanical engineering not necessary but preferred. Mail complete information to Mr. Ira T. Collar, jr., for interview appointment.

NEPTUNE METER COMPANY

25 West 15th St.
North Kansas City, Mo.

MECHANIC — Experienced on cellophane wrapping mach. Ideal working cond. Steady emp. State qualifications, exp. and salary desired. Address W 1204 Star.

MAINTENANCE man, hotel experience neces-

Press Intelligence, Inc.

WASHINGTON 1, D. C.

CLEVELAND (O.) PRESS

Circ.: e. 300,880

Front
Page

Edit
Page

Other
Page

32

Date: SEP 27 1954

World Bank Head Urges Tariff Cut

WASHINGTON, Sept. 27 — (UP) — President Eugene R. Black of the World Bank said today the United States must reduce its present import tariffs if international trade is to be put on a sound basis.

He expressed disappointment that Congress this year did not enact President Eisenhower's request for a three-year extension of the reciprocal trade program and for authority to cut tariffs by up to 15%. Congress approved a

one-year extension of the old program.

But Black noted that Eisenhower has promised to continue the fight and to give lower tariffs high priority on the Administration's legislative program next year.

"I am happy to say the world is enjoying relatively prosperous conditions of employment and trade and the total volume of international credit is probably still expanding," Black told a meeting of the World Bank and International Monetary Fund.

port from County Engineer Albert S. Porter on the possibility of expanding the approaches to both the Detroit Bridge and Hilliard Rd. Bridge.

The Lakewood Heights-Hilliard Rd. Bridge route was proposed by Ladislav Segoe, Cincinnati consulting engineer who was hired by Lakewood for \$16,000. He made his final report and recommendation only one month ago.

Porter called the report "falsacious, confusing and imitative." He said Segoe did nothing more than copy proposals from the Regional Plan Commission.

Hilltop Sewer Project

Heights, Richmond Heights and Gates Mills.

PUC Delays Hearing on Solon Rail Signals

A Public Utilities Commis-



OMAHA WORLD-HERALD

Circ.: m. 131,926
e. 115,656
S. 255,317

Front
Page

Edit
Page

Other
Page

Date:

Trade Winds—

Caution Urged on Credit Use

Inflation Danger Seen in Liberal Policy

By Lou Schneider

Consolidated News Features.

All countries should put an end to the serious trend toward the excessive use of easy credit supplied or guaranteed by governments.

Eugene R. Black, president of the World Bank, made that clear in presenting the bank's annual report late last week. The remark was for international use, but in diplomatic words aimed at the Administration in Washington.

But the highly respected Guaranty Trust of New York was more direct in its September issue of the Guaranty Survey. It said the Administration policy of easy credit as a means to increase purchasing power is merely a new name for pump-priming inflation.

The bank warns that experience confirms that misuse of credit is one of the costliest blunders men can commit in managing their economic affairs and that over-extended consumer credit is no exception.

These combined warnings, from the leading World Bank and one of the nation's leading commercial banks, are being given serious study by top-level corporate and banking executives.

Possible Solution

There's no doubt an outright merger of Bethlehem Steel and Youngstown Sheet and Tube would make a happy marriage. Despite that, the Department of Justice may refuse its blessing because of a certain section in the anti-trust laws.

If so, Bethlehem Steel could purchase all of Youngstown's pipe-producing properties. That would diversify its products. There's no law against it. Youngstown could dispose of its steel-producing facilities elsewhere. An important announcement is likely out of Bethlehem Steel's October meeting.

Water Storage Eyed

British Columbia looms large as a vast water basin reserve to feed United States Pacific Northwest hydroelectric plants in low water periods. Names of corporate sponsors cannot be confirmed but it is known that several hundreds of millions of United States dollars will be spent on these huge storage projects.

They will be in the Arrow Lake region of the Columbia River and near Revelstoke. When completed, it will also benefit Canadian industrial power needs.

High Fees Squeezed for Unloadings

Cleveland, O. (AP)—An officer of the Ohio Highway Patrol told a Congressional subcommittee Tuesday it is common knowledge that unions supervise truck unloading rackets in Ohio.

Sgt. Joseph V. Seryak appeared before the House subcommittee on labor racketeering. The patrolman headed a statewide investigation ordered by Gov. Frank J. Lausche into the so-called "gypsy chasing" of truck unloaders.

"The union contends that it does not condone or approve of the roving employees or gypsy chasers," Sergeant Seryak testified. "Yet it is common knowledge that the various local union officials supervise the activities of the city men and the roving crews."

High Sums Paid

Gypsy chasers is a term applied to truck unloaders who unload out-of-town trucks which have no regular terminals.

Sergeant Seryak testified as the subcommittee went into the second day of its four-day hearing. Several truck company officials also took the stand and told of having to pay high sums to "gypsy truck" unloaders.

The patrolman read a report on unloading practices and said shippers were forced to pay a union rate for eight hours to unload a truck, even if the work consumed only two hours.

\$1,000 a Month

C. B. Fischbach, operator of an Akron trucking firm, testified he paid between one thousand and \$1,200 a month to "those roving unloaders."

"Why do you continue to pay tribute to these unloaders?" Representative Bender (Rep., O.) asked.

"For fear of violence, injury to my employees," the witness replied.

Two Nebraskans on Ferry Lost

Two Nebraskans Wednesday were listed as missing in the sinking off Japan Sunday of the ferry Toya Maru in a typhoon.

They were Pfc. Vernon L. Sullwold, Humboldt, and Corp. Richard L. Hanneman, Tekamah. The Army released the list of missing in Tokyo.

Pfc. Bernard J. Leuch, Farley, Ia., also was on the missing list.

Jamaica Protest Set

on Ouster Incident

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

Opening Session



ARGUS INTERNATIONAL DE LA PRESSE

INTERNATIONALER ARGUS DER PRESSE

INTERNATIONAL PRESS CUTTING SERVICE

ZÜRICH TEL. (051) 27 99 12/27 18 77 GENÈVE TEL. (022) 4 40 05

Black's speech presenting Annual Rept -
"FAVORS MORE LIBERAL UTILIZATION
OF CURRENCIES IN WORLD BANK"

LLOYD ANVERSOIS

ANVERS

27. Sept. 1954

**205 EN FAVEUR D'UNE
UTILISATION PLUS LIBERALE
DES DEVICES
A LA BANQUE MONDIALE**

Présentant le rapport annuel de la Banque Mondiale pour la Reconstruction et le Développement, M. Eugène Black, président de cet organisme, a demandé aux pays membres d'autoriser la Banque à utiliser plus largement et plus librement leurs participations au capital de cette dernière.

M. Black a souligné avec force les dangers que présente la course actuelle entre les nations pour développer leurs facilités de crédit à court terme afin de stimuler leurs exportations.

Il a également regretté que l'administration américaine n'ait pu encore être en mesure d'appliquer son programme de politique économique extérieure tel qu'il a été défini par le Président Eisenhower en mars dernier.

Au début de son exposé, M. Black s'est félicité de l'accroissement important de la participation du secteur privé aux activités financières internationales (prêts et emprunts) de la Banque au cours des douze derniers mois, activités qui, a-t-il dit, ont établi de nouveaux records.

Cette évolution, a-t-il ajouté, est symptomatique de l'amélioration de la production et du commerce notée l'an dernier dans le monde, notamment en Europe. Tout particulièrement au cours des deux dernières années, les pays européens membres de la Banque ont de plus en plus repris leur rôle d'exportateurs de capitaux dans le monde. La Banque elle-même détient de larges sommes libellées en devises de ses membres, devises qui, jusqu'ici ont été totalement ou partiellement inconvertibles. Je considère qu'il est de la plus extrême importance d'autoriser la Banque à utiliser ces devises d'une manière plus libérale. J'estime que le moment est venu de reviser et d'adoucir au maximum les conditions de l'utilisation de ces devises par la Banque.

rieur, a été accrédité en qualité d'ambassadeur extraordinaire et plénipotentiaire de Belgique à New-Delhi.

Par arrêté du 10 août 1954, M. R. Meuwis, secrétaire à l'ambassade de Belgique à Vienne, a été provisoirement détaché à la Légation de Belgique à Budapest et chargé de la gérance de ce poste.

Par arrêté royal du 16 août 1954, M. H. Crenier, agent de la 3e classe administrative du service extérieur, a été commissionné en qualité d'envoyé extraordinaire et ministre plénipotentiaire de 2e classe et accrédité en cette qualité auprès de Son Excellence M. le Président de la République de Colombie à Bogota.

Par arrêté royal du 20 août 1954, M. R. Taymans, ministre de Belgique à Bangkok, a été également accrédité en qualité d'envoyé extraordinaire et ministre plénipotentiaire auprès de Son Excellence M. le Président de la République de l'Union de Birmanie.

Par arrêté du 1er septembre 1954, M. L. Fossé, directeur de chancellerie de 1re classe, a été déchargé de ses fonctions au consulat général de Belgique à Lille et adjoint à l'administration centrale du ministère des Affaires étrangères et du Commerce extérieur.

Par arrêté royal du 4 septembre 1954, M. W. Stevens, agent de la 3e classe administrative du service extérieur, a été déchargé de ses fonctions de consul général de Belgique à Salisbury, commissionné en qualité d'envoyé extraordinaire et ministre plénipotentiaire, et accrédité, en cette qualité, auprès de Son Excellence M. le Président de la République d'Indonésie à Djakarta.

Par arrêté royal du 9 septembre 1954 :

1^o le vice-consulat de Belgique à Cordoba (Argentine) a été élevé au rang de consulat ;

2^o M. L. Despontin, vice-consul de Belgique à Cordoba, a été nommé sur place consul.

Argus International de la Presse S.A.

GENÈVE - Téléphone (022) 4 40 05

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

Extrait du Journal:

*Annual Rept -
Quotes from Black's speech.*
La Côte Libre, Bruxelles

26 Sept. 1954

No comment

2050 Le rapport annuel de la Banque mondiale pour la Reconstruction et le Développement

Présentant le rapport annuel de la Banque Mondiale pour la Reconstruction et le Développement, M. Eugène Black, président de cet organisme, a demandé aux pays membres d'autoriser la banque à utiliser plus largement et plus librement leurs participations au capital de cette dernière.

M. Black a souligné avec force les dangers que présente la course actuelle contre les nations pour développer leurs facilités de crédit à court terme, afin de stimuler leurs exportations.

Il a également regretté que l'Administration américaine n'ait pu encore être en mesure d'appliquer son programme de politique économique extérieure tel qu'il a été défini par le Président Eisenhower en mars dernier.

Au début de son exposé, M. Black s'est félicité de l'accroissement important de la participation du secteur privé aux activités financières internationales (prêts et emprunts) de la banque au cours des douze derniers mois, activités qui, a-t-il dit, ont établi de nouveaux records.

« Cette évolution, a-t-il ajouté, est symptomatique de l'amélioration de la production et du commerce notée l'an dernier dans le monde, notamment en Europe. Tout particulièrement au cours des deux dernières années, les pays européens membres de la banque ont de plus en plus repris leur rôle d'exportateurs de capitaux dans le monde. La banque elle-même détient de larges sommes libellées en devises de ses membres, devises qui, jusqu'ici ont été totalement ou partiellement inconvertibles. Je considère qu'il est de la plus extrême importance d'autoriser la banque à utiliser ces devises d'une manière plus libérale. J'estime que le moment est venu de reviser et d'adoucir au maximum les conditions de l'utilisation de ces devises par la banque. »

Nous estimons qu'au cours des prochaines années les résultats d'entreprises telles que, par exemple, la Consolidated Paper Corporation Limited et la St. Lawrence Corporation Limited, pourraient accuser une nette amélioration.

PARTICIPATIONS DIVERSES

Nous avons souscrit à 45 p.c. du capital de la Cab Rentals Ltd., qui a pour but la location de camions à d'importantes entreprises canadiennes. Nous étudions la possibilité de développer cette entreprise, dont les résultats s'annoncent fructueux.

Notre Compte de Profits et Pertes s'étant soldé par un bénéfice net de 65.810 dollars, notre Conseil d'administration a déclaré un dividende de 10 cents par action, net d'impôts canadiens, payable le 20 septembre 1954 aux actionnaires inscrits le 13 septembre.

BILANS AU 31 JUILLET 1954

ACTIF		1954	1953
Disponible :			
Banquiers	\$	36.158 \$	46.667
Dépôts et bons à court terme		406.700	50.000
Valeurs à recevoir :			
Titres appelés en remboursement		20.000	—
Intérêts courus et dividendes à recevoir		4.173	9.798
Paiements anticipés		263	290
	\$	467.294 \$	106.755
Portef.-titres (au prix d'achat ou à un prix inférieur) :			
Titres cotés	\$	3.047.035 \$	2.196.061
Valeurs boursières, 1954 :			
	\$	4.018.785	

Extrait du Journal:

Opening Session - no comment

L'Echo de la Bourse, Bruxelles

27 Sept. 1954

2050 La réunion annuelle de la Banque Mondiale et du F.M.I.

Présentant le rapport annuel de la Banque Mondiale pour la Reconstruction et le Développement, M. Eugène Black, président de cet organisme, a demandé aux pays membres d'autoriser la banque à utiliser plus largement et plus librement leurs participations au capital de cette dernière.

M. Black a souligné avec force les dangers que présente la course actuelle entre les nations pour développer leurs facilités de crédit à court terme afin de stimuler leurs exportations.

Il a également regretté que l'administration américaine n'ait pu encore être en mesure d'appliquer son programme de politique économique extérieure tel qu'il a été défini par le président Eisenhower en mars dernier.

Au début de son exposé, M. Black s'est félicité de l'accroissement important de la participation du secteur privé aux activités financières internationales (prêts et emprunts) de la Banque au cours des douze derniers mois, activités qui, a-t-il dit, ont établi de nouveaux records.

« Cette évolution, a-t-il ajouté, est symptomatique de l'amélioration de la production et du commerce notée l'an dernier dans le monde, notamment en Europe. Tout particulièrement au cours des deux dernières années, les pays européens membres de la Banque ont de plus en plus repris leur rôle d'exportateurs de capitaux dans le monde. La Banque elle-même détient de larges sommes libellées en devises de ses membres, devises qui, jusqu'ici, ont été totalement ou partiellement inconvertibles. Je considère qu'il est de la plus extrême importance d'autoriser la Banque à utiliser ces devises d'une manière plus libérale. J'estime que le moment est venu de reviser et d'adoucir au maximum les conditions de l'utilisation de ces devises par la Banque. »

Le retour progressif à la convertibilité

« Dans l'ensemble, l'économie mondiale est en train d'être établie sur des bases saines. Mais, sans la convertibilité dans les grandes nations commerçantes, une économie mondiale forte ne peut être assurée », a notamment déclaré M. Ivar Rooth, président du Fonds Monétaire, en présentant à la neuvième réunion annuelle des gouverneurs du Fonds et de la Banque Internationale le rapport de l'organisation qu'il préside.

« Personne ne sait encore, a-t-il ajouté, quand la convertibilité sera à nouveau réalisée par les grandes nations commerçantes. Cependant, la convertibilité n'est pas une politique qui peut être adoptée un jour et abandonnée le lendemain. Grâce à la manière prudente dont les gouvernements en ont préparé la voie et progressent par étapes vers la convertibilité, il est permis de penser que lorsqu'en temps utile cette dernière sera réalisée, elle pourra être maintenue ».

Après avoir indiqué que « de nombreux pays avaient pu désormais surmonter raisonnablement les difficultés de paiement d'après-guerre » et que l'adoption de « politiques financières saines avait contribué d'une manière frappante aux récentes améliorations enregistrées dans la situation mondiale des paiements », M. Rooth a déclaré :

« En 1953, un peu moins de la moitié des échanges commerciaux du monde libre se sont effectués sur la base de devises convertibles. Lorsque le sterling deviendra convertible, cette proportion sera de plus des trois quarts. J'espère que plusieurs autres monnaies européennes deviendront convertibles en même temps que le sterling, de manière que cette proportion soit plus importante encore. Car, plus la portion des échanges effectués sous le signe de devises convertibles est grande, plus simple devient la tâche d'établir et de maintenir la convertibilité. »

M. Rooth a rappelé ensuite que le Fonds ne s'attendait pas à ce que « tous les pays qui seront en mesure de rétablir la convertibilité puissent abolir immédiatement toutes les mesures restrictives et discriminatoires concernant les changes ». Il a rappelé également que les « réserves du Fonds en or et en devises convertibles sont considérables et devraient permettre de faire face, dans une large mesure, aux conséquences éventuelles que l'on peut raisonnablement attendre » d'un retour à la convertibilité.

Abordant ensuite les problèmes auxquels doivent faire face les pays économiquement arriérés, M. Rooth a déclaré : « La réalisation d'une balance des paiements équilibrée est aussi nécessaire pour ces pays que pour les pays industrialisés. La solution des problèmes intéressant la balance des paiements des pays insuffisamment développés dépend de l'adoption de politiques qui assureront un développement économique constant sans sacrifier la stabilité de la balance des paiements ».

Concluant son exposé, M. Rooth s'est félicité que, « durant les deux dernières années, les membres du Fonds ont, semble-t-il, fait davantage confiance au Fonds. Cette attitude, a-t-il affirmé, est encourageante pour nous tous ».

M. Butler, chancelier de l'Echiquier britannique, a déclaré que la convertibilité des monnaies devrait être considérée non comme un aboutissement mais simplement comme le point de départ du voyage vers un système mondial de commerce et de paiements multilatéraux.

« Il s'agit, a-t-il dit, de créer les conditions dans lesquelles les libertés commerciales et financières assurées aux termes d'accords régionaux, pourraient être plus largement étendues. Mais, ceci prendra du temps, a-t-il ajouté ».

La liberté des monnaies, l'expansion des échanges commerciaux et la stabilité dans les paiements internationaux doivent être combinés avec un plein emploi, une production accrue et un standard de vie plus élevé.

S'adressant aux délégués de la Conférence de la Banque Mondiale et du Fonds Monétaire International, M. Johan Van de Kieft, ministre des Finances des Pays-Bas, a déclaré que « la certitude croissante que les méthodes fiscales et monétaires internes » sont à la base du déséquilibre du commerce international constitue un des plus importants événements de ces récentes années. M. Van de Kieft a ajouté : « La progression vers la convertibilité doit, par nécessité, être graduelle ».

L'appui des Etats-Unis.

Le président Eisenhower a donné à la Banque Mondiale et au Fonds Monétaire International « l'assurance de l'appui des Etats-Unis », dans un message lu par M. Humphrey, secrétaire au Trésor, lors de l'ouverture de la conférence réunissant les dirigeants de la Banque et du Fonds.

« Ces deux organismes, déclare le Président dans son message, ont, une fois de plus au cours de l'année écoulée, démontré qu'ils sont des instruments actifs et efficaces pour l'encouragement de la coopération internationale et du bien-être dans le monde libre ». « Les Etats-Unis, poursuit-il, approuvent chaleureusement les efforts du Fonds pour la libéralisation des politiques monétaires et pour la convertibilité des monnaies. La Banque a aidé d'une façon notable le développement économique des pays membres, et a contribué à la création de conditions encourageant le placement de capitaux privés ».

Vers l'expulsion de la Tchécoslovaquie.

Le comité des Finances et d'Organisation du Fonds Monétaire a décidé, samedi de recommander l'expulsion de la Tchécoslovaquie de cet organisme à partir du 31 décembre prochain.

La résolution prévoit toutefois que si, d'ici le 31 décembre prochain, la Tchécoslovaquie honore ses obligations, son expulsion n'aura pas lieu.

La Tchécoslovaquie, seul pays du monde communiste membre des organisations nées de la conférence de Bretton Woods, est déjà « suspendue » de la Banque Internationale depuis janvier dernier pour non versement en temps voulu d'une partie de sa souscription au capital de cette Banque. Cette suspension se transformera automatiquement en expulsion le 1er janvier prochain si, d'ici là, la Tchécoslovaquie n'a pas payé à la Banque ce qu'elle lui doit.

AVIS D'ECHANGE

Nous informons Messieurs les actionnaires de ce qu'il sera procédé, à partir du 11 octobre 1954, à l'échange libre, sans concordance de numéros, des parts de capital, coupons 8 et suivants attachés, et des parts de jouissance, coupons 7 et suivants attachés, contre des titres nouveaux, portant la mention « Titre créé après le 6 octobre 1944 ».

L'échange des titres s'effectuera aux guichets de la Banque de Bruxelles et de la Banque de la Société Générale de Belgique, à Liège, à Bruxelles et dans leurs divers sièges et agences, ainsi que par la Banque Lambert à Bruxelles et au siège social, 1, quai des Vennes, à Liège. (F. 206.153)

AMERICAN CONGO COMPANY

Room 2001

92, Liberty Street, New York 6 - New York

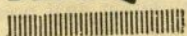
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Notice is hereby given that the Annual Meeting of the Stockholders of the American Congo Company will be held at the office of the Company, at 92 Liberty Street, New York 6, New York, on Wednesday, the 20th day of October 1954, at eleven o'clock in the forenoon, for the election of Directors and of two Inspectors of Election to act at such meeting and during the term of one year, and the transaction of any and all business that may properly come before the meeting, including considering and voting upon the approval and ratification of the minutes of meetings of the Directors held at Brussels, Belgium, and all other acts, proceedings, elections and appointments by the Board of Directors since the last Stockholders meeting of the Company on October 21st, 1953. Only such persons shall be entitled to vote as appear to be Stockholders upon the books of the Company for thirty days previous to the meeting.

GEORGE K. STURM,
Secretary.

(F. 206.155)

BELGIQUE



FONDERIES ET POELERIES DE TAMINES.

L'assemblée générale extraordinaire convoquée pour le 30 septembre 1954 en vue de délibérer notamment sur l'unification des titres et diverses modifications aux statuts ne réunira pas le « quorum » et sera reportée au 21 octobre 1954.

VERBREYT GEBROEDERS.

Il sera proposé de répartir pour l'exercice 1953-54 un dividende net de 70 francs, identique à celui de l'exercice précédent, qui avait laissé un bénéfice disponible de fr. 1.661.116,70.

SOCIETE TEXTILE AFRICAINE.

Le bilan arrêté au 31 mars 1954 se solde par une perte de fr. 1.150.093,56.

Au « Moniteur belge ». — Le « Moniteur » du 26 septembre 1954 publie un arrêté ministériel modifiant et complétant l'arrêté ministériel du 7 avril 1954 nommant les membres du Conseil consultatif du Commerce extérieur.

Un arrêté ministériel modifie l'arrêté ministériel du 6 décembre 1934 relatif au régime fiscal des alcools et boissons spiritueuses.

Conversations paritaires officielles. — Des représentants des organisations interprofessionnelles d'employeurs et de travailleurs se sont rencontrés une nouvelle fois, le 24 septembre, pour poursuivre leurs conversations officielles sur les problèmes économiques et sociaux d'actualité.

Les échanges de vues ont porté sur la création d'un institut de la conjoncture, sur l'application de la déclaration commune concernant la productivité, sur la gestion paritaire des institutions de sécurité sociale et sur le statut de l'enseignement technique.

La Chambre de commerce du Limbourg et les dégrèvements fiscaux. — Le conseil d'administration de la Chambre de commerce et d'industrie du Limbourg, réuni à Hasselt, a adopté une résolution relative à la politique du Gouvernement en matières de dégrèvements fiscaux.

Tout en applaudissant au principe des dégrèvements, la résolution regrette leur orientation unilatérale et leur limitation aux investissements dépassant 250.000 francs. Elle demande instamment au ministre des Finances de faire bénéficier des dégrèvements les secteurs du transport, du commerce et de l'agriculture et de prévoir un minimum d'investissement inférieur à 250.000 francs. Etant donné que l'industrialisation du Limbourg est orientée vers la petite et moyenne industrie, la Chambre attend du Gouvernement une attitude compréhensive en matière de politique d'investissements, le problème de la résorption du chômage devenant de plus en plus urgent dans cette région, par suite de l'évolution démographique dans la plus jeune province industrielle du pays.

La résolution déclare enfin que la Chambre ne peut admettre que les petites entreprises ainsi que les entreprises artisanales et familiales soient privées du bénéfice des dégrèvements fiscaux en matière d'investissements.

Nous apprenons que

Distinction honorifique — Nous apprenons que M. Cl. Morraye, président de la Foire internationale de Gand, vient d'être promu au grade d'officier de l'Ordre d'Orange-Nassau.

Nous lui présentons nos bien vives félicitations.

A la Confédération nationale de la construction. — M. Pierre Holoffe a été appelé à la présidence de cette confédération en remplacement de M. Frankignoul, décédé..

ETRANGER



France

COMPAGNIE FRANÇAISE THOMSON-HOUSTON.

Le conseil d'administration, dans sa séance du 23 septembre 1954 a élevé à 5.000 francs le nominal des actions, par incorporation de réserves, avec effet du 1^{er} août.

Il a, en outre, décidé de procéder dans le courant de novembre à l'augmentation en numéraire du capital social, pour le porter de 3.316.800.000 francs à 4.975.200.000 francs, les actions nouvelles de 5.000 francs devant être émises à 5.500 francs, à raison d'une pour deux actions anciennes.

SOCIETE FRANÇAISE DES CHARBONNAGES DU TONKIN.

L'application des accords de Genève constitue, pour l'avenir de la société, une grave inconnue; il n'est pas possible, en effet, de faire actuellement des prévisions fondées sur les conditions dans lesquelles sera poursuivie l'exploitation des gisements houillers du Tonkin.

L'époque à laquelle le sort de la société pourra être défini étant elle-même indéterminée, il ne paraît pas légitime au conseil d'administration de surseoir à la présentation des comptes de l'exercice 1953 et à la répartition du bénéfice net de 250.818.894 francs qu'ils font apparaître.

C'est dans ces conditions que l'assemblée ordinaire est convoquée pour le 29 octobre 1954 et qu'il sera proposé aux actionnaires le vote d'un dividende brut de 10 %, calculé sur le capital actuel de 1.575.200.000 francs, montant auquel il a été porté par élévation de 5.000 à 10.000 francs de la valeur nominale des actions, à la suite d'incorporation de réserves au capital.

ATELIERS DE CONSTRUCTION DU NORD DE LA FRANCE.

Les ateliers de Blanc-Misseron viennent de commencer la fabrication du matériel destiné aux chemins de fer espagnols.

Cette commande comporte 1.000 wagons-tombereaux ainsi que la fourniture des matières premières destinées à la construction, par l'industrie espagnole, de 1.000 wagons du même type.

Toutes les pièces d'acier moulé utilisés dans la construction seront fournies par les Usines et Aciéries de Sambre-et-Meuse.

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 :

*Bank lending more in
non-dollar currencies.*

De Telegraaf, Amsterdam

27. Sept. 1954

Wereldbank leende meer 2050 in niet-dollarvaluta

De Wereldbank maakte in 1953/54 voor het verstrekken van leningen een toenemend gebruik van andere geldsoorten dan de Amerikaanse dollar. De aanwending van de kapitaalsinschrijvingen gestort in eigen valuta door elk der aangesloten landen en de plaatsing van obligatieleningen in landen buiten het dollargebied had tot gevolg dat van het in 1953/54 door diverse landen opgenomen bedrag aan leningen 27% aflosbaar is in deze geldsoorten.

Blijkens haar negende jaarverslag heeft de Wereldbank in de periode van 1 Juli 1953 tot 30 Juni 1954 26 leningen van in totaal \$ 324 miljoen verstrekt aan 16 landen. Het bedrag der verstrekte leningen was groter dan in enig ander jaar.

Sedert haar oprichting tot het einde van het afgelopen boekjaar heeft de bank aan 34 landen in totaal 104 leningen ten bedrage van \$ 1.914 miljoen verstrekt. Op 30 Juni was hiervan \$ 1.406 miljoen opgenomen.

In het boekjaar 1953/54 werd \$ 302 miljoen opgenomen, waarvan \$ 115 miljoen voor besteding in Europa (\$ 68 miljoen in 1952/53).

De bank heeft in 1953-54 een netto-winst behaald van \$ 20 miljoen (v.j. 18 miljoen). Deze winst is toegevoegd aan de aanvullende reserve, welke hierdoor steeg tot \$ 97 miljoen. De speciale reserve waarin de opbrengst wordt gestort van de commissie van 1% op de versterkte leningen, steeg met \$ 12 miljoen tot \$ 49 miljoen, zodat de totale reserves van de bank op 30 Juni jl. \$ 146 miljoen beliepen.

De Wereldbank had op 30 Juni het equivalent van ruim \$ 1.89 miljard voor leningen beschikbaar. Hiervan was het equivalent van \$ 710 miljoen verkregen buiten de Verenigde Staten en de rest in de Verenigde Staten.

Het aantal leden van de bank steeg van 54 tot 56 en het totale ingeschreven kapitaal tot het equivalent van \$ 9.149 miljoen.

Geen crediet I.M.F. voor herstel van convertibiliteit?

Tijdens informele besprekingen ter gelegenheid der jaarvergadering van het Internationale Monetair Fonds, schijnen de plannen voor de vorming van een fonds, groot \$ 1000 miljoen, door het I.M.F., om Engeland te helpen bij het convertibel maken van het pond sterling, te zijn opgeschort.

Concrete plannen voor de vorming van een fonds kunnen niet ter hand worden genomen, omdat men sterk de indruk heeft gekregen, dat Engeland momenteel nog niet gereed is voor een doortastende stap om op korte termijn het pond sterling omwisselbaar te maken.

Eer
heef
„de kle

Maar dat is niet alleen
kieren, maar de schoenen maken
de man en dat geldt vooral in ons
natte Nederland, waar Uw cos-
tuum een groot deel van het jaar
bedekt is door een regenjas.

Maar Uw schoenen zijn altijd
zichtbaar. Neem daarom nog van-
daag het goede besluit eens te
gaan kijken naar de zeer uitge-
breide collectie bij B.A.T.A, de zaak
voor herenschoenen.

(Adv.).

**Rijkspersoneel
krijgt ook 6 %
Gepensionneerden
evenzo**

(Van een onzer verslaggevers)

an B
r g

Haagse



**RECHTERS OP
YPENBURG**

(Van onze Haagse redactie)

DEN HAAG, Zaterdag.
Zonder een enkel goed woord
over de verdachte te hebben ge-
zegd eiste de officier van Justitie

Extrait du Journal:

Finanz-Revue, Zürich

Annual Rept.

29. Sept. 1954

no comment

Weltbank

Der Bericht der B. I. R. D. über das am 30. Juni abgeschlossene Geschäftsjahr verzeichnet einen von 18 auf 20 Mio. Dollar gestiegenen *Reingewinn*, der wiederum einer Spezialreserve zugewiesen wird, die damit auf 97 Mio. angewachsen ist. Die andere Reserve erhält laufend die Darlehenskommissionen von 1 % und beträgt nunmehr 49 Mio. Die Bruttoeinnahmen beliefen sich auf rund 50 Mio., die Ausgaben stiegen von 24 auf 30 Mio. Dollar, hauptsächlich durch die Zinslasten auf den erhöhten Anleihen der Weltbank. Diese stellt fest, daß die Schuldner alle ihre Verpflichtungen erfüllt haben und für 57 Mio. Dollar Rückzahlungen leisteten.

Der Bericht betont, daß die Bereitstellung von Mitteln zu Darlehensgewährungen in steigendem Maße aus anderen Ländern als den Ver-

einigten Staaten erfolgt. Im Berichtsjahr wurden 310 Mio. Dollar aufgenommen, von denen 189 Mio. oder 61 % außerhalb der USA aufgebracht wurden, was den bisherigen Durchschnitt auf 38 % erhöht bei einem Total von 1,89 Mrd. Dollar. Mit Befriedigung verzeichnet der Bericht die wachsenden Verkäufe aus ihrem Darlehensportefeuille an private Interessenten. Diese betrugen rund 34 Mio. Dollar gegen 15 Mio. im Vorjahr. Was die von der B. I. R. D. aufgenommenen total 803 Mio. Dollar Anleihen anbetrifft, so befanden sich davon am Bilanztag schätzungsweise 64 %, also rund zwei Drittel, in amerikanischem Besitz.

Im Berichtsjahr wurden von den Schuldnern der B. I. R. D. für 302 Mio. Dollar Kapitalien angefordert gegen 227 Mio. Dollar im Vorjahre. Deren Total beläuft sich auf 1406 Mio., wovon 1235 in Dollar rückzahlbar sind. Die Kreditsummen von 104 Darlehen selbst belaufen sich auf 1,91 Mrd. Dollar in 34 Ländern. Im Berichtsjahre wurden Kreditbeträge in Höhe von 324 Mio. Dollar an 16 Länder gewährt.

Der Bericht verbreitet sich ausführlich über die Art und Weise, wie die Darlehen zustandekommen und wie die Gesuche vorher auf ihre Notwendigkeit und die Sicherstellung der Rückzahlungen geprüft werden.

Im Zuge der Ablösung der B. I. R. D. durch private Anlegerkreise mag in diesem Zusammenhang darauf hingewiesen werden, daß kürzlich zwei große New Yorker Banken anstelle der Weltbank als Gläubiger des der holländischen Luftschiffahrtsgesellschaft KLM im Jahre 1952 gewährten Darlehens, von dem noch 5,6 Mio. Dollar ausstehen, getreten sind. Dieser Rest ist vom Schuldner in vier Jahren zu tilgen.

Die Weltbank hat letzte Woche *Obligationen* im Betrage von 50 Mio. Dollar, verzinslich zu 2½ % und mit einer Laufzeit von fünf Jahren an Interessenten in 23 Ländern außerhalb der Vereinigten Staaten verkauft. Es handelt sich bei dieser Operation um die erste freihändige Plazierung von Schuldverpflichtungen der Bank, woraus das erhöhte Interesse der Anlagen suchenden nichtamerikanischen Kreise für Obligationen der Weltbank hervorgeht. Mit dieser Emission ist die Summe der umlaufenden Dollarobligationen der Weltbank auf 715 Mio. angewachsen, wozu noch in ausmachendem Betrag von 136 Mio. Dollar Schuldverpflichtungen in anderen Währungen hinzukommen. Von der Gesamtsumme von 851 Mio. Dollar befinden sich schon *nahezu 40 %* im Besitz von Anlegern *außerhalb der Vereinigten Staaten*. Die Leitung der B. I. R. D. sieht in diesem Umstand den Beweis einer starken Zunahme der Dollarguthaben des Auslandes in den letzten 1½ Jahren.

Industrien, Kraftwerke:

Aare-Tessin	1370.—	1368.—
Brusio	1675.—M	1725.—M
	1462.50M	1465.—B

226

Obligationen

G = Geldkurs B = Briefkurs M = Mittelkurs

% Eidgenossenschaft	Kündbar per	Fälligkeit	Kurs v. 27. IX.
3 1/2 I—III 1932/33	—	1933/62	103.90M
3 1/2 1942	1. 7. 57	1953/68	103.25M
3 1/2 April 1943	15. 4. 58	1954/68	103.75G
3 1/2 Nov. 1943	1. 11. 55	1963	101.80G
3 1/2 Mai 1944	1. 5. 56	1964	102.35M
3 1/2 Nov. 1944	15. 11. 56	1964	102.75
3 1/2 Juni 1945	30. 6. 60	1964	106.15M
3 1/4 Juni 1945	—	1955	101.20M
3 1/2 Dez. 1945	15. 12. 60	1967	106.—G
3 1/4 Dez. 1945	—	1956	101.85M
3 1/4 April 1946	15. 4. 61	1966	105.50
3 1/4 Dez. 1946	1. 12. 61	1967	105.50
3 Dez. 1946	1. 12. 55	1958	102.20M
3 1/4 1947	15. 2. 62	1972	105.65M
3 1947	15. 2. 55	1957	101.15M
3 1/4 1948	—	1958	104.80
3 1949	1. 7. 67	1974	105.40M
3 1950	15. 9. 72	1980	106.40M
2 1/2 Kassascheine 1950	—	1960	101.70M
2 3/4 1950	—	1962	102.70M
3 März 1951	15. 3. 65	1969	105.—
2 3/4 1951	—	1963	102.65M
3 Mai 1951	1. 5. 65	1. 5. 71	105.—
3 Mai 1952	15. 5. 65	1970	105.55M
2 3/4 März 1954	1. 3. 66	1. 3. 72	101.90
3 SBB-Rente 1890*	ied.	1957	105.50
3 différe 1903*	ied.	1913/62	102.40
3 1/2 1932	—	1938/62	103.75
3 1/2 1935	—	1936/62	103.45M
3 1938	ied.	1949/73	102.40

Kantone

3 1/2 Aargau	1948	1963	105.—G
3 1/4 Basel	1947	1969	104.25G
3 1/2 Bern	1948	1963	105.65M
3 1/2 Freiburg	1944	1969	104.90M
3 1/2 Genf	1946	1964	104.50
3 Graubünden Febr. 1950	—	1970	103.40M
3 1/2 Luzern	1943	1963	105.25M
3 1/2 Neuenburg	1942	1962	102.30G
3 St. Gallen	1953	1968	105.60M
3 1/2 Solothurn	1946	1974	107.50M
3 1/2 Tessin	1946	1972	105.25G
3 1/2 Waadt	1946	1948/71	105.50M
3 1/4 Zürich	1947	1977	106.75

Städte

3 1/2 Bern	1948	1966	105.75M
3 1/2 Genf	1948	1958/68	105.40M
3 1/2 Lausanne	1949	1957/61	104.85M
3 St. Gallen	1946	1958	103.10M
3 Winterthur	1951	1971	104.—G
3 Zürich	1950	1975	105.25M

Banken und Trusts

3 1/4 Basler Kantonalbk. F. 1948	1960	102.50M
3 1/2 Luz. Kantonalbank .. 1948	1966	105.60M
3 Pfdbrbk. Hyp. Inst. 45 1949	1965	103.25G
2 3/4 » 47 1950	1966	101.25M
3 » 58 1952	1967	103.90M

Extrait du Journal :

L'Avvisatore Marittimo, Genova

29. Sept. 1954

12050 L'attività
della Banca Mondiale

WASHINGTON — Dalla nona relazione annuale per il 1953-54 presentata alla riunione annuale dei governatori delle 56 banche membri per la Ricostruzione e lo Sviluppo che ha avuto inizio il 25 settembre a Washington si apprende che la Banca Mondiale ha effettuato 26 prestiti in 16 paesi durante l'anno finanziario 1953-54 per un totale di 324 milioni di dollari, livello più alto raggiunto finora in qualsiasi anno finanziario.

Nella relazione si legge che alla fine dell'anno finanziario (30 giugno 1954) la Banca aveva effettuato 104 prestiti ciò che porta il totale dei fondi della Banca dati in prestito a 1.194 milioni di dollari in 34 paesi.

Il totale dei prestiti effettivi in corso e detenuti dalla Banca al 30 giugno ammontava a 1.663 milioni di dollari.

La maggior parte delle som-

me prestate durante l'anno erano destinate a miglioramenti nei servizi vari e la somma di 119 milioni di dollari è stata prestata per i trasporti mentre una somma di 107 milioni di dollari è stata prestata per l'espansione di centrali elettriche.

La Banca ha versato l'equivalente di 302 milioni di dollari per prestiti nuovi ed esistenti, durante l'anno, ciò che porta il totale degli esborsi a 1.406 milioni di dollari.

Dato il costante miglioramento delle disponibilità in Europa, le somme spese in Europa da parte dei beneficiari dei prestiti sono salite da un equivalente di 68 milioni di dollari nel 1952-53 a 115 milioni durante l'annata in esame.

La Banca ha avuto un utile di 20 milioni di dollari durante l'anno e le riserve complessive della Banca ammontavano a 146 milioni di dollari.

I membri della Banca sono saliti da 54 a 56 portando il capitale sottoscritto ad un equivalente di 9.149 milioni di dollari.

La Cecoslovacchia è stata radiata e cesserà di essere membro il 31 dicembre 1954 se nel frattempo la situazione non sarà stata risolta in altro modo.

Durante l'anno è stata studiata la proposta di costituire un Ente finanziario Internazionale ma il capitale necessario non è giunto dai Governi interessati.

Nella relazione si legge che lo scopo principale della Banca è quello di assicurarsi che i prestiti effettuati servano, nella maggiore misura possibile, ad aumentare la produzione ed elevare il tenore di vita e ad aprire nuove possibilità per ulteriori investimenti. Gli altri punti salienti della relazione sono:

1) sono stati effettuati prestiti per programmi di ferrovie in

Brasile, nell'Africa Occidentale francese e in Sud Africa. Verranno costruite migliori reti stradali in Colombia, Ecuador e Nicaragua.

2) Un prestito è stato concesso alla Norvegia per l'acquisto di nuovi piroscafi per la marina mercantile e fondi supplementari sono stati concessi alla Turchia per un programma di sviluppi dei porti.

3) Un prestito è stato concesso per una radio trasmittente in Islanda della quale beneficieranno i trasporti aerei transatlantici.

4) La produzione agricola avrà un aiuto in Islanda, nel Panamá e nel Perù.

5) La produzione industriale beneficerà di prestiti concessi ad una società produttrice di polpa e carta nel Cile e ad un Istituto di Credito il cui scopo è di aiutare le iniziative industriali private in Turchia.

6) La Banca ha concesso prestiti destinati ad aiutare più di un settore dell'economia del paese beneficiario. Tale prestito aiuterà a sviluppare un programma della durata di 12 anni per lo sviluppo dell'Italia meridionale.

con tonn. 4531 carbone Racc.
Melloni
P.to Condassado spagn. da Genova
vuoto Racc. Zunini

PARTENZE

24 SETTEMBRE
Mn. Hesperus finland. per Li-
vorno
Mv. Bernardino ital. per Via-
reggio

25 SETTEMBRE
P.to Volodda ital. per Genova
P.to Marichu spagn. per Genova
Mn. Tunguloss island. per Pa-
lamos

P.to Luigi Martini ital. per Ge-
nova
Mn. Vincenzo Ciaravolo ital. per
Trapani

Mn. Città di Alessandria ital.
per Genova
Mn. Pessac ital. per Antibes
Mn. A. Martini ital. per Porto
Torres

27 SETTEMBRE
Mc. Paola ital. per Fiumicino

Porto Civitavecchia

ARRIVI

25 SETTEMBRE
Mn. Lazio ital. da Olbia con
tonn. 18 merci varie e n. 572
passengeri Racc. Tirrenia
Mt. Scilla ital. da Olbia con
tonn. 299 materiale ferroviario
Racc. FF. SS.

26 SETTEMBRE
Mn. Campania Felix ital. da Ol-
bia con tonn. 10 merci varie
e n. 767 passeggeri Racc. Tir-
renia

Mn. Sardegna ital. da Cagliari
con tonn. 8 merci varie e n.
473 passeggeri Racc. Tirrenia
Mn. Città di Trapani ital. da
Olbia con passeggeri 38 Racc.
Tirrenia

P.to Hesperus finland. da Mouhy
Nuoto con tonn. 823 carta Racc.
Belletieri
Mt. Scilla ital. da Olbia con

Guayra 70
da Itea
GC barili 50 e casse 4 olive in
salamoia ordine
LH casse 60 olive in salamoia
Gregorio Prodromos, Milano
Racc. Mediterranean and Over-
seas Shipping Agency.

P.to **PRESIDENT McKINLEY**
amer. arrivato il 28 settembre,
alle ore 7,55
(Il manifesto è stato pubblicato
sul numero precedente)
Racc. American President Lines

Mn. **MAKEDONIJA** jugoslava di
imminente arrivo.

da New York
Genoa (633-35) balle 26 stracci
rayon, d. 9 G. Possio e C., To-
rino

ITC-AF balle 19 stracci ordine
ITC-OF balle 58 stracci ordine
AWS (0526) balle 12 stracci In-
dustria Laniera Toscana, Pra-
to

PWTC balle 45 stracci Lanificio
Pecci, Prato

LINO balle 5 stracci ordine
WF-KT-KTC legacci 2500 pelli
bovine fresche salate Fratelli

Genova

THE SCINDIA STEAM NA
BOM
(Assoc. alla Western Italy/Indi
SERVIZIO
REGOLARE per
IL NUOVISSIMO PIROSCAFO
STAT
TRAVANCO

...ante il 1951 (i piroscafi mi-
st. «Tahiti», «Le Bourd n-
nais», «Pierre Loti», «Viet-
nam», «Cambodge», «Jaen La-
borde»; e i cargoes «Iraoudy»
e «Gange», quelle acquista-
te (i cargoes «Song Bé» e «A-
nady») e quelle prese in for-
za («Ville d'Amiens» e «Com-
piègne») e le disposizioni pre-
se in seguito alla cessazione
delle ostilità in Indocina per
cui la compagnia ha dovuto
rivedere la posizione e l'atta-
mento delle proprie unità im-
pegnate per conto del Gover-
no francese.

Olanda

Il laboratorio idrografico di
Delft (Waterloopkundig Labo-
ratorium) ha iniziato, in co-
mune accordo con il compe-
tente ufficio di costruzioni i-
drauliche (Rijkswaterstaat) gli
studi preliminari per la con-
strutturazione del piano Ba-



ARGUS INTERNATIONAL DE LA PRESSE

INTERNATIONALER ARGUS DER PRESSE

INTERNATIONAL PRESS CUTTING SERVICE

ZÜRICH TEL. (051) 27 99 12/27 18 77 GENÈVE TEL. (022) 4 40 05

NEUE ZÜRCHER ZEITUNG

Abendausgabe

ZÜRICH

24. Sept. 1954

Der Jahresbericht des Internationalen Währungsfonds

Schluß *

Welthandel und Umschichtung der Gold- und Dollarreserven

Wie anfangs bereits erwähnt, stellt der Bericht des IWF eine Ausdehnung des Welthandels im Jahre 1953 gegenüber dem Vorjahre fest — eine Ausdehnung, die von einer Besserung des Zahlungsbilanzmäßigen Gleichgewichts, von der Auffüllung der Währungsreserven vieler Länder und von einer Lockerung der Einfuhrrestriktionen begleitet war. Der Wert des *Außenhandels der Welt*, ausgedrückt in US-Dollars, ging zwar nach den Berechnungen des IWF von 71,1 Mrd. \$ im Jahre 1952 auf 70,9 Mrd. \$ im Jahre 1953 zurück. Da aber die Welthandelspreise im Jahre 1953 um 4 bis 5 % niedriger waren als 1952, ergibt sich für das Jahr 1953 eine *Zunahme des Welthandelsvolumens* um 3 bis 4 %.

Die Besserung der Zahlungsposition der Welt in den Jahren 1953 und 1954 fand — zum Unterschied von der Zeit nach Ausbruch des Korea-Krieges — auf dem Hintergrunde stabiler Preise und eines nachlassenden Inflationsdrucks statt. Hierbei wurde weitgehendst von der Geldpolitik als dem biegsamsten Instrument Gebrauch gemacht, um die Nationalwirtschaften auf einem Kurs zu halten, der in gleicher Weise die Inflation und die Deflation vermeidet.

Der Bericht gibt freilich zu, daß die verbesserte Zahlungsposition Westeuropas und des Sterlingraumes im Jahre 1953 zum Teil zufälligen oder *vorübergehenden Faktoren* zuzuschreiben sei. Als solche werden unter anderem das Zusammentreffen reger Geschäftstätigkeit in den Vereinigten Staaten (bis Mitte 1953) mit einer Absatzstockung in der europäischen Wirtschaft genannt. Hiezu kamen die ausgiebigen Getreideernten in einigen Ländern, wodurch sich das Realtauschverhältnis zugunsten Europas gestaltete.

Aus der Fülle des Materials, das der Bericht zu diesem Thema beiträgt, seien hier nur die Ausführungen über die *Zahlungsbilanzposition* des *kontinentalen Westeuropas* (also ohne Großbritannien und Irland) zusammengefaßt. Nach den Berechnungen des IWF war die Zahlungsbilanz Westeuropas mit den Vereinigten Staaten seit Mitte 1952 ausgeglichen, so daß es ihm möglich war, seine Gold- und Dollarreserven um einen Betrag zu vermehren, der ziemlich genau demjenigen der laufenden Ausgaben der Vereinigten Staaten in Europa und der amerikanischen Wirtschaftshilfe entsprach.

Die Einnahmen Westeuropas aus der *amerikanischen Wirtschaftshilfe* gingen in den Jahren 1952 und 1953 ständig zurück. Dennoch hat der Ueberschuß Westeuropas in seiner Zahlungsbilanz mit allen Ländern und insbesondere mit den Vereinigten Staaten die Verringerung der amerikanischen Hilfe *mehr als ausgeglichen*. Infolgedessen stiegen die westeuropäischen *Gold- und Dollarreserven* um 1010 Mill. \$ im Jahre 1952 und um weitere 1530 Mill. \$ im Jahre 1953. Selbst wenn man die Enttortung von Gold und die Goldverkäufe der Sowjetunion in Betracht zieht, war also Westeuropa in der Lage, für einen Teil seines Ausfuhrüberschusses im Handel mit Japan und Indonesien sowie mit den Dollarländern Lateinamerikas und des Nahen Ostens Dollar einzunehmen. Von Interesse — auch für das Konvertibilitätsproblem — ist die Feststellung des Berichts, wonach ein vollständiges Ausbleiben der nichtmilitärischen amerikanischen Hilfe den Zuwachs der Gold- und Dollarreserven Westeuropas im Jahre 1953 nur um 45 % verringert hätte; ja selbst ohne die amerikanischen Militärausgaben hätten in diesem Jahre diese Reserven nicht abgenommen. Hieraus zieht der Bericht den

1953 um 425 Mill. \$ auf 33,9 Mrd. \$. Abgesehen von dem neugewonnenen Gold sind den Zentralbanken gewisse Goldmengen aus Privathorten und aus den Goldverkäufen der Sowjetunion zugeflossen. Während aber die Goldbestände der Vereinigten Staaten im Jahre 1953 um 1,2 Mrd. \$ auf 22,1 Mrd. \$ abnahmen, verzeichneten die Goldbestände in der übrigen Welt eine Steigerung um 1,6 Mrd. \$ auf 11,8 Mrd. \$.

Rechnet man noch die Dollarreserven hinzu, so sind die Gold- und Dollarreserven der Welt außerhalb der Vereinigten Staaten von *Dezember 1952 bis März 1954* um 2,7 Mrd. von 15,4 auf 18,1 Mrd. \$ *gestiegen*. Besonders stark sind in der letzten Zeit die Gold- und Dollarreserven Westeuropas und des Sterlingraumes gewachsen, während Japan, Indonesien und Thailand zu den Ländern gehören, deren Reserven in der letzten Zeit abgenommen haben.

Wie üblich bringt der Bericht des IWF Angaben über die *Goldherzeugung* der Welt sowie eine Übersicht der Goldmärkte und der auf diesen Märkten notierten freien Prämiennpreisen. Die Goldherzeugung der Welt mit Ausnahme der Länder des Sowjetblocks war im Jahre 1953 mit 850 Mill. \$ gerechnet nach dem offiziellen Preise von 35 \$ je Unze gegenüber dem Vorjahre (851 Mill. \$) fast *unverändert*, jedoch höher als in den Jahren 1951 (845 Mill. \$) und 1950 (845 Mill. \$). Infolge von *Währungskonflikten* ging die Goldherzeugung in Kanada von 156,5 Mill. \$ im Jahre 1952 auf 142,4 Mill. \$ im Jahre 1953 zurück. Einen geringen Produktionsrückgang hatten außerdem Indien und Japan zu verzeichnen, während in fast allen anderen goldproduzierenden Ländern die Goldherzeugung eine *Stärke aufzuweisen* hatte. Im wichtigsten Goldproduzenten der Südafrikanischen Union, stieg die Goldherzeugung um 4,2 Mill. auf 418 Mill. \$.

Vas die Verfassung der Goldmärkte betrifft, so ist in der Berichtsperiode eine Reihe von Faktoren zu nennen, die den freien *Goldpreis* sich immer mehr dem offiziellen Goldpreis der Vereinigten Staaten näherte, ja diesen sogar *übersteigerte*. Unter den dafür maßgebenden Faktoren werden das Nachlassen der Nachfrage für private Horte nach Beendigung des Korea-Krieges und dem Schwinden der Inflationsgefahr, ferner die Goldverkäufe der Sowjetunion (über deren ziffermäßige Ausmaße der Bericht jedoch keine Auskunft gibt) sowie größere Verkäufe einiger goldproduzierender Länder zu Prämiennpreisen genannt. Schließlich trug die fortschreitende Befreiung des Goldhandels von staatlichen Kontrollen und die Wiedereröffnung des privaten Goldmarktes in London zu dieser Entwicklung bei. Als Ergebnis von allen diesen Vorgängen ist nach dem im Bericht angeführten Preistabelle für die wichtigsten freien Goldmärkte der Preis von Barrengold in Zürich von 37,00 \$ per Unze Ende April 1952 auf 36,81 \$ im April 1953 und auf 35,13 \$ im April 1954 gesunken.

Die Abschlußzahlen des Internationalen Währungsfonds

Ueber die Abschlußzahlen des IWF selbst für das Geschäftsjahr 1953/54 sei kurz gemeldet, daß die hohen — aber von Jahr zu Jahr nur durch die Einlagen der neu beigetretenen Mitglieder erhöhte — Bilanzzahlen in Verbindung mit den *niedrigen Umsätzen* nach wie vor von den unausgenutzten Möglichkeiten dieser gewaltigen monetären Reserv der Welt ein beredetes Zeugnis ablegen. Am 30. April 1954 verfügte das Institut über Gesamtmittel in Höhe von 8840 Mill. \$, deren Höhe auf der Passivseite fast genau den Einlagen der Mitgliedstaaten entsprach. Hievon entfielen 1718 Mill. \$ auf Gold 6232 Mill. \$ auf Barmittel und Wertschriften in US-Dollar und anderen Währungen und 889 Mill. \$ auf gezeichnete, aber noch nicht eingezahlte Einlagen der Mitglieder. Im übrigen wurden die Einzahlungsquoten der Mitglieder im Berichtsjahre um 2 Mill. \$ durch den Beitritt Haitis und um 110 Mill. \$ durch den Beitritt Indonesiens erhöht. Die Zahl der Mitgliedstaaten betrug am Ende des Berichtsjahres 56, mit Gesamtquoten von 8848 Mill. \$.

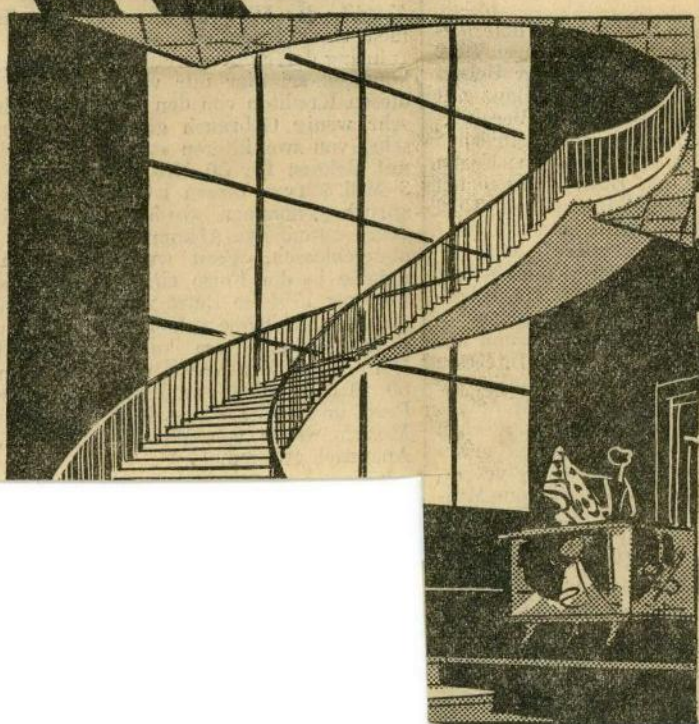
Wie die Geschäftsleitung des Fonds ferner berichtet, haben die Umsätze desselben im Jahre 1953/54 sowohl an Umfang als auch an Mannigfaltigkeit zugenommen. Die *Kreditansprüche* der Mitglieder haben in einzelnen Fällen ihre «Goldtranchen» überschritten. Von Interesse ist die Tatsache, daß von Mitgliedern bei den Valutakäufen von den Fonds gegen ihre eigenen Währungen neben US-Dollars in steigendem Maße auch andere Valuten, hauptsächlich Pfundsterling und D-Mark, verlangt wurden. Im ganzen wurden im Geschäftsjahr 1953/54 von sieben Mitgliedern (Brasilien, Bolivien, Chile, Finnland, Japan, Mexiko und die Türkei) Valuten vom Fonds im Beitrage von 231,3 Mill. \$ gekauft.

Angesichts der Rolle, welche die «stand by»-Kredite des IWF allfällig bei dem Zustandekommen einer Stabilisierungsanleihe für die Durchführung der Konvertibilität zu spielen berufen sein könnten, sei hier nur vermerkt, daß bislang von diesen Krediten von den Mitgliedern der Bank nur sehr wenig Gebrauch gemacht worden ist. Abgesehen von zwei älteren «stand by»-Kreditabkommen mit Belgien für 50 Mill. \$ und mit Finnland von 3 Mill. \$ (von diesen ist nur der letztere in Anspruch genommen worden), wurden im Berichtsjahre «stand by»-Abkommen mit Peru und Mexiko abgeschlossen. Peru wurde eine Stabilisierungsanleihe in der Form eines «stand by»-Kredits im Februar 1954 im Betrage von 17,5 Mill. \$ gewährt (in gleicher Höhe erhielt Peru auch eine Stabilisierungsanleihe vom amerikanischen Schatzamt). Der «stand by»-Kredit an Mexiko in Höhe von 50 Mill. \$ wurde anlässlich der Abwertung des Pesos im April 1954 gewährt. Bis Ende des gleichen Monats waren von Mexiko hievon 22,5 Mill. \$ in Anspruch genommen.



Ober-G stellen

Diese Backfische
der soeben eröffn
Girl-Abteilung im 1
Robert Ober kleid
geschwungene, ne
aus den Verkaufs
Parterre hinauf in
Ober-Girls. Sie fin
Mäntel, aparte Kle
Blusen, schwingen
elegante Costumes
alles, was ein Mä



ROBERT OBER ZÜ



ARGUS INTERNATIONAL DE LA PRESSE

INTERNATIONALER ARGUS DER PRESSE

INTERNATIONAL PRESS CUTTING SERVICE

ZÜRICH TEL. (051) 27 99 12/27 18 77 GENÈVE TEL. (022) 4 40 05

Annual Rept

no comment

LE COURRIER

GENEVE

28. Sept 1954

**Rapport annuel de la Banque mondiale
pour la reconstruction**

WASHINGTON. — Le neuvième rapport annuel de la Banque mondiale pour la reconstruction, pour l'année écoulée, se terminant le 30 juin dernier, a été soumis à l'assemblée annuelle de cette organisation.

La proposition de création d'un institut financier international a fait l'objet d'un examen approfondi; toutefois, les gouvernements intéressés n'ont pas encore mis les capitaux nécessaires à disposition.

Le rapport souligne que la tâche principale de la Banque mondiale pour la reconstruction est « de contribuer, en accordant des prêts, à l'accroissement de la production et à l'élévation du standard de vie ainsi qu'à faciliter de nouveaux investissements ». La banque a accordé des prêts au Brésil, pour la construction de voies de chemins de fer, tandis que la Colombie, l'Equateur et le Nicaragua amélioreront, grâce à des prêts, leur réseau routier.

Le Panama et le Pérou améliorent leur production agricole. En outre, des prêts sont destinés au Chili, pour la construction privée d'une fabrique de papier.

ouvrier » est donc, à l'heure actuelle, sans existence légale dans l'Eglise de France et la Constitution pontificale du 15 août, *Omnium ecclesiarum* ne lui en rend pas une. Mais la *Mission de France* ne coïncidait pas, dans ses intentions ni dans l'essentiel de ses réalisations, avec les diverses Missions ouvrières (telle la *Mission de Paris*) dont les membres participaient au travail prolétarien ; un nombre minime de ses membres — une vingtaine — étaient prêtres-ouvriers. Son cadre et



ARGUS INTERNATIONAL DE LA PRESSE

INTERNATIONALER ARGUS DER PRESSE

INTERNATIONAL PRESS CUTTING SERVICE

ZÜRICH TEL. (051) 27 99 12/27 18 77 GENÈVE TEL. (022) 4 40 05

*Annual Rept. no comment.***OSTSCHWEIZ****Morgenausgabe****ST. GALLEN****29. Sept. 1954****Jahresbericht der Internationalen Wiederaufbaubank**

(Reuter) Wie aus dem neunten Jahresbericht für das am 30. Juni zu Ende gegangene Geschäftsjahr 1953/54 der Weltbank hervorgeht, welcher der Jahresversammlung der Internationalen Wiederaufbaubank am Samstag unterbreitet wurde, hat diese in jenem Geschäftsjahr an 16 Länder 24 Anleihen im Gesamtbetrag von 324 Millionen Dollar gewährt.

Insgesamt wurden bis 30. Juni 1954 an 34 Länder 104 Anleihen gewährt im Totalbetrag von 1194 Millionen Dollar.

In dem Jahresbericht heißt es u. a., mit der ständigen Verbesserung der Versorgungslage in Europa hätten die Anleihegläubiger ihre Ausgaben in Europa von 68 Millionen Dollar im Jahr 1952/53 auf 115 Millionen im Berichtsjahr erhöht.

Das Nettoeinkommen der Bank betrug 20 Millionen Dollar, während die Gesamtreserven 146 Millionen erreichten.

Die Mitgliederzahl der Bank erhöhte sich von 54 auf 56, das gezeichnete Gesamtkapital auf 9149 Millionen Dollar.

Der Vorschlag auf Errichtung eines internationalen Finanzinstituts wurde weiterhin geprüft, doch stellten die interessierten Regierungen das hierfür erforderliche Kapital noch nicht zur Verfügung.

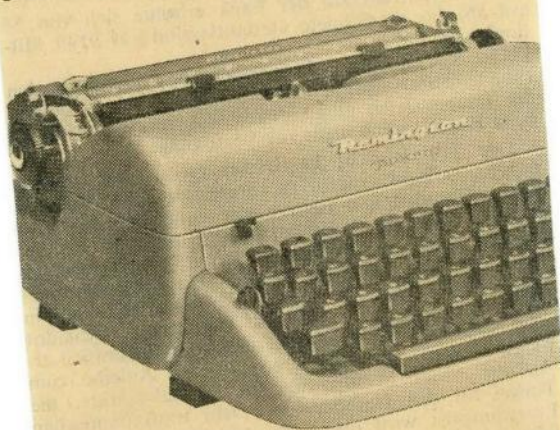
Der Jahresbericht bezeichnet es als den Hauptzweck der Bank, «dafür zu sorgen, daß ihre Anleihen den größtmöglichen Beitrag zur Erhöhung der Produktion und des Lebensstandards und zur Ermöglichung neuer Investitionen leisten». Im einzelnen wird erwähnt: Anleihen wurden für Eisenbahnbaupläne in Brasilien, in Französisch-Westafrika und in Südafrika gewährt, während Kolumbien, Ecuador und Nicaragua der Bau besserer Ueberlandstraßen ermöglicht wird. Norwegen erhielt eine Anleihe zum Ankauf neuer Schiffe für die Handelsmarine, die Türkei für den Hafenausbau. Dem transatlantischen Lufttransport wird durch die Gewährung einer Anleihe für den Bau eines Radiosenders in Island gedient. In Island, Panama und Peru wird die Agrarproduktion gefördert. Die industrielle Produktion wird unterstützt durch Anleihen an eine private Papierfabrik in Chile und an ein türkisches Kreditinstitut zur Förderung der Privatindustrie. Die Bank gewährte auch Anleihen, die mehr als nur einem Wirtschaftssektor des Empfängerlandes zugute kommen; so wird ein 12-Jahres-Programm für die Entwicklung Süditaliens unterstützt.

Im Jahresbericht der Internationalen Wiederaufbaubank wird weiter angeführt, daß an europäische Länder seit Bestehen der Bank bis Ende des Geschäftsjahres 1953/54 Anleihen von insgesamt 782 Millionen Dollar gewährt worden sind. Dänemark erhielt im Jahre 1948 eine 40-Millionen-Anleihe, seither keine mehr; Finnland erhielt seit 1950 Anleihen von insgesamt 38,08 Millionen Dollar. Frankreich erhielt 250 Millionen im Jahre 1947, Island total 5 914 000 Dollar seit 1951, Italien 20 Millionen seit 1952, Luxemburg 12 Millionen im Jahre 1948, die Niederlande 221,5 Millionen seit 1948, Norwegen am 8. April 1954 eine Anleihe von 35 Millionen Dollar für die wirtschaftliche Entwicklung, die in 20 Jahren rückzahlbar ist.

ICH HABE WIRKLICH VIELE VORTEILE

- brauche wenig Platz
- bin transportabel
- bin elegant und leise

NENNE MICH REMINGTON-QUIET



Ich komme unverbindlich zu Ihnen
Sie können mich unverbindlich probieren
Ich bin ausgestellt im Schaufenster und Laden

BIRMI

Schreibmaschinenhaus, St. Gallen, Merkatorium, Tel. 6898

aus der Reihe **«Sanggaller Spezialitäten»**

Dieser Titel zeigt Ihnen der KTV Fides St. Gallen-Ost
einen großen Familien- und Unterhaltungsabend ein spritz-
Non-Stop-Programm in 7 Bildern unter Mitwirkung des
Töchterturnvereins St. Gallen-Ost, der Jugend- und
erriege «Fides». Wir freuen uns riesig auf Ihren Besuch.
Ab: 6898

Extrait du Journal :

Nieuwe Rotterdamsche Courant Rotterdam

25. Sept. 1954

Annual Rept.

no comment

Jaarverslag van de 2050 Wereldbank

Blijkens haar negende jaarverslag heeft de Wereldbank in de periode van 1 Juli 1953 tot 30 Juni 1954 26 leningen van in totaal 324 miljoen dollar verstrekt aan 16 landen. Het bedrag der verstrekte leningen was groter dan in enig ander jaar. Sedert haar oprichting tot het einde van het afgelopen boekjaar heeft de bank aan 34 landen in totaal 104 leningen ten bedrage van 1.914 miljoen dollar verstrekt. Op 30 Juni j.l. was hiervan 1.406 miljoen dollar opgenomen. In het boekjaar 1953/54 werd 302 miljoen dollar opgenomen, waarvan 115 miljoen dollar voor besteding in Europa (68 miljoen dollar in 1952/53).

De groeiende betekenis van de operaties der bank in andere geldsoorten dan de Amerikaanse dollar blijkt uit het feit, dat van het in 1953/54 opgenomen bedrag aan leningen 27 pct aflosbaar is in deze geldsoorten. De bank maakt een toenemend gebruik van de kapitaalinschrijvingen, die door de aangesloten landen zijn gestort in andere geldsoorten dan de Amerikaanse dollar, en van middelen, verkregen door de plaatsing van obligatieleningen in landen buiten het dollar-gebied.

De bank heeft in 1953/54 een nettowinst behaald van 20 miljoen dollar (v.j. 18 miljoen). Deze winst is toegevoegd aan de aanvullende reserve, welke hierdoor steeg tot 97 miljoen dollar. De speciale reserve, waarin de opbrengst wordt gestort van de commissie van 1 pct op de verstrekte leningen, steeg met 12 miljoen dollar tot 49 miljoen dollar, zodat de totale reserves van de bank op 30 Juni j.l. 146 miljoen dollar beliepen.

In 1953/54 werd aan aflossingen 21 miljoen dollar ontvangen, waardoor het totaal der aflossingen steeg tot 57 miljoen dollar.

De wereldbank had op 30 Juni j.l. het equivalent van ruim 1,89 milliard dollar voor leningen beschikbaar. Hiervan was het equivalent van 710 miljoen dollar verkregen buiten de Ver. Staten en de rest in de Ver. Staten.

Het aantal leden van de bank steeg van 54 tot 56 en het totale ingeschreven kapitaal tot het equivalent van 9.149 miljoen dollar.

ijk. Boven-
gevoel, dat
ris en keu-



chemisch
VLUG E

Stationssinge
fil. Afrikaanderple

Te koop
GROO

aan de Joz. Israël
kamers, badkamer,
centr. verw. Binne

Nadere inlichtingen
Alexanderstraat 26,

ende

id!

