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THE WORLD BANK

Washington, D.C.

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Liaison- International Chamber of Commerce
1948-1958

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Liaison - International Chamber of Commerce - Correspondence - 1948 - 1958 - Volume 1

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GENERAL FILES

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

CORRESPONDENCE CONCERNING MR. BLACK'S
SPEECH AT THE BRITISH NATIONAL COMMITTEE
OF THE INTERNATIONAL CHAMBER OF COMMERCE
FILED: SPEECHES - MR. BLACK

CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT 1^{er} - PARIS VIII^e

Pièces jointes : 1

Votre Référence :

Notre Référence : RB - 111

Date : 1.VII.1958 mtp

Economic & Financial Policy

July 1.

Dear Dave,

Commission on Foreign Investments and Economic Development

I am enclosing herewith a preliminary draft resolution on International Investments and European Integration, which we feel might usefully be considered by our Commission.

Before taking the matter any further, however, we are consulting confidentially the Officers of the Commission who will be asked to decide, at the morning meeting on July 10th, whether the idea is worth pursuing and whether the draft should go before the full Commission for preliminary discussion and then transmission for consideration to our National Committees.

Best regards,

Sincerely yours,

Walter Hill
Secretary General

*Transmitted clear
25 Ave
de champs
Élysées 12⁴⁵*

*Re
DURET
Duret
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404 6³⁰
Pamy
85-06*

Mr. Davidson C. SOMMERS
Vice-President,
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
WASHINGTON 25 D.C.
USA

AIR MAIL



CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT I^{er} - PARIS VIII^e



Economic & Financial Policy
RB

Document No. 111/78
30.VI.1958 - mtp

(Original)

COMMISSION ON FOREIGN INVESTMENTS AND ECONOMIC DEVELOPMENT

Meeting on 10th and 11th July 1958

FOR INFORMATION

SPECIAL FUND OF THE UNITED NATIONS

(Item V of the Provisional Agenda)
- see Document No. 111/71 -

Report

of the Meeting of the Preparatory Committee for the Special Fund
(11th March - 15th April 1958)

Under the Chairmanship of Ambassador Mohammad MIR KHAN (Pakistan), the Preparatory Committee for the Special Fund held 20 meetings, all of which were closed except for the opening meeting. This Committee was established under the terms of a 1957 General Assembly Resolution for the following purposes : 1. to define the basic fields of assistance which the Special Fund should cover, and, within these fields, the types of projects which should be eligible for assistance; 2. to define the administrative and operational machinery to be recommended for the Special Fund, including such changes as may be needed in the present legislation and procedures of the Expanded Programme of Technical Assistance (EPTA); and 3. to ascertain the extent to which Governments would be willing to contribute to the Special Fund.

Represented on this Committee were 16 Governments (Canada, Chile, Denmark, France, Ghana, India, Japan, Mexico, Netherlands, Pakistan, Peru, USSR, United Arab Republic, United Kingdom, United States and Yugoslavia. Representatives from the following Agencies were present : ILO, FAO, UNESCO, WHO, IBRD, IMF, ICAO, ITU, WMO and IAEA. The UN Secretariat was represented by the Deputy Under-Secretary for Economic and Social Affairs, the Director of the Bureau of Economic Affairs; the Director-General of TAA, and the Executive Chairman of TAB.

A working group of 10 countries held a number of private meetings to reach agreement on the most complex issues. This group was chaired by Mr. Gopala MENON (India) and the countries participating were : Canada, Chile, France, Ghana, India, Japan, Netherlands, United States, United Arab Republic (UAR) and Yugoslavia.

Critical Issues Involved

1. Basic fields of assistance and types of projects

The Committee agreed that a set of guiding principles and criteria should be included in its recommendations. The Fund should concentrate on relatively large projects in the fields of resources, including manpower, industry, agriculture, transport, statistics, etc.. These projects could take the form of surveys, research and training, pilot projects, etc.. The Committee felt that examples of types of projects scarcely lent themselves to including in a legal text, and it was thus decided to append in an Annex to the Report an illustrative list of such projects which were in no way intended to limit or determine the Fund's operations.

.....

The Special Fund should be a separate entity, with consideration given : to the urgency of the needs of the requesting countries; to facilitating new capital investment; and to extending projects beyond one year and covering more than one country if necessary.

The Fund should not be a mere expansion of the EPTA. There was general agreement that the Special Fund and the EPTA were closely related and should be mutually supporting. In this connexion three specific issues were considered : a) that appropriate provision be made for an exchange of currencies between the EPTA and the Special Fund; b) there should be a provision for the Managing Director of the Special Fund and the Executive Chairman of TAB to enter into an agreement regarding the role of the resident representatives in the work of the Fund; and c) the Fund's Director should attend meetings of TAB. On the latter point, a draft resolution was submitted for the consideration of that session of ECOSOC which would meet after the Fund was established. The draft proposal suggested that the Managing Director of the Special Fund be entitled to attend meetings of TAB, in order to ensure fullest co-ordination between the two operations. The Committee felt that while in the initial period of the Fund's operations, no further legislative or procedural changes in the EPTA appeared necessary, such changes may be required as arrangements for cooperation between the two programs are further developed.

2. Administrative and Operational Machinery and Procedures

The suggestion was made that arrangements might be explored for obtaining an allocation from the regular UN budget to cover the administrative budget of the Fund or for financing this budget on the same basis of assessments as exist for the regular UN budget. Projects shall be undertaken only at the request of a Government or Governments eligible to participate in the Fund, and projects shall be executed wherever possible by the UN. Financial resources shall be from voluntary contributions by Governments growing out of an annual pledging conference.

The USSR favoured loans, while the US preferred grants-in-aid as the better financing procedure. A compromise formulation was worked out "authorizing the Governing Council to consider allocating part of the resources of the Fund for assistance on a refundable basis at the request of Governments for projects, within the terms of reference of the Special Fund."

Opinion was divided regarding the UN organ which should elect the members of the Governing Council. The underdeveloped countries were strongly in favour of the General Assembly as the elective organ, while countries like France, UK and US were equally firm that ECOSOC should elect the members of the Governing Council. Other members saw advantages on both sides. There was also considerable debate regarding the Managing Director's staff. An Indian proposal amended by the Netherlands was finally adopted which stated that the staff should be selected by or in consultation with the Managing Director on the basis of their special competence. With respect to the establishing of a Consultative Board, there was also disagreement. Countries like Ghana, India, Mexico, UAR, USSR and Yugoslavia felt such a Board was not necessary, while Canada, France, Netherlands, UK and US favoured its establishment.

In a roll call vote on 14 April it was finally decided that the members of the Governing Council should be elected by ECOSOC, rather than the General Assembly. Those in favour of ECOSOC were 8 (Canada, Denmark, France, Japan, Netherlands, Pakistan, UK, US), while 6 were opposed (India, Ghana, Yugoslavia, UAR, USSR, Peru) and 2 countries abstained (Chile, Mexico).

Thus three main organs were established, subject to final ECOSOC and General Assembly approval :

a) Governing Council consisting of 18 countries to be elected by ECOSOC for a term of 3 years, subject to re-election. This Council shall provide general policy guidance and exercise immediate governmental control of the policies and operations of the Special Fund. This Council shall normally meet twice yearly. Decisions on important questions like policy, allocation of funds and approval of projects will be made by a 2/3rds majority vote.

.....

b) Consultative Board will be composed of 3 persons : the UN Secretary-General; the Executive Chairman of TAB; and the President of the IBRD. It will advise the Managing Director.

c) Managing Director and his Small Staff shall have overall responsibility for the operations of the Special Fund. The Managing Director shall be appointed by the Secretary-General of the UN, after consultation with the Governing Council, and subject to confirmation by the General Assembly of the UN. His term of office shall be 4 years, with eligibility for re-appointment.

3. Contributions

Only 26 Governments replied to this question, and of these replies only three : the Netherlands, Turkey and the US, gave precise indications of the extent of their possible contributions to the Special Fund. The Netherlands indicated it was provisionally considering a contribution of approximately \$ 3.6 millions, but a final decision would be subject to parliamentary approval, after the Fund was established. Turkey stated that its contribution percentage-wise would not be over the percentage represented by her present EPTA share of \$ 210,000, subject to approval by the Turkish Grand National Assembly. The US spoke of making available \$ 38 millions in 1959 for the Special Fund, which was the figure requested from the US Congress.

Canada stated it would be in a position to offer tangible support, provided the Committee agreed on the way in which the program would develop, and provided that the organisational arrangements would lead to sound and carefully executed projects. China, Dominican Republic, France, Israel, Ghana, Japan, Mexico, Morocco, Norway, Poland, Sweden, Switzerland and Yugoslavia felt they were not in a position to indicate their contributions at present, but that consideration would be given at the appropriate time. Cambodia, Ceylon and the Philippines said they could only consider a token contribution. Austria, Finland, Jordan, Republic of Korea, New Zealand and Portugal stated they would be unable to contribute at present.

In view of this information, the Committee concluded it could not carry out this part of its mandate and decided to request the UN Secretary-General to transmit its report to States Members of the UN or members of its Specialized Agencies or of the IAEA, and to invite Governments to provide as precise information as possible as to the extent of their willingness to make contributions. The Committee also decided to request the Secretary-General to bring to the attention of Governments the desirability of making the highest possible contributions. The hope was expressed that for 1959 an amount of at least \$ 100 millions would be available for the Fund's operations. The Committee suggested that the Special Fund study methods of encouraging donations from non-governmental sources, such as foundations.

Adoption of Report and Recommendations

The Committee felt it would be useful to present its recommendations in a form which would facilitate their inclusion in a draft resolution when ECOSOC considered the report in Geneva next month. The report with its recommendations was approved with one abstention (USSR) on 15th April.

The USSR Representative stated that the Special Fund should form the nucleus of a SUNFED. He pointed out that he had abstained because all countries wishing to participate in the Fund should be free to do so. Moreover contributions should be voluntary and payable in local currency or in kind; loans should be granted on advantageous terms as a form of assistance from the Fund to underdeveloped countries; the Fund should be an independent UN organ and not subordinate to the IBRD; and private interests should be excluded from the Fund's activities.

ICC Observer : Roberta M. LUSARDI (ICC's permanent representative at United Nations, New York).

Innes Hill

AIR MAIL

June 9, 1958

Dear Walter,

Thank you for your letter of June 4, 1958, enclosing the papers for the meeting of your Commission on Foreign Investments and Economic Development on July 10 - 11. ✓

I am planning to be in Paris a day or so before the 10th, but in any event to put in an appearance at 3 P.M. on the 10th. I assume that it will be in order for me to bring with me Johnnie Miller or Enrique Lopez-Herrarte, or both if they are available.

I am looking forward to seeing you.

Yours sincerely,

(Signed) Davidson Sommers

Davidson Sommers
Vice President

Mr. Walter Hill
Secretary General
International Chamber of Commerce
38, Cours Albert I
Paris, France

DS/mec

ROUTING SLIP

Date

OFFICE OF THE PRESIDENT

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Action

Note and File

Approval

Note and Return

Comment

Prepare Reply

Full Report

Previous Papers

Information

Recommendation

Initial

Signature

Remarks

*enclosure kept in
Mr. Sommers' office*

From

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CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT 1^{er} - PARIS VIII^e

Pièces jointes : 1

Votre Référence :

Notre Référence : WH - 111

Date : 4. VI. 1958 as

Dear Dave,

Here are the papers for the meeting of our Commission on Foreign Investments and Economic Development in July 10-11.

As you will see from the Agenda, the Commission is taking up the subject of development banks and will discuss it on the basis of a first memorandum to be drawn up by Prof. Kuin, Economic Adviser to Unilever N.V. and Rapporteur to the ICC Commission on Foreign Investments and Economic Development.

I imagine his memorandum will be based largely on Mr. Diamond's report to which Mr. Black has drawn my attention. In view of the Bank's initiatives in this field, I am sure the Commission will welcome your views. In any case, I will send you a copy of the memorandum before the meeting.

I am looking forward to seeing you again.

Yours sincerely,



Walter Hill
Secretary General

CORRESPONDENCE

JUN 8 24 AM 1958

Mr. Davidson SOMMERS
Vice-President I.B.R.D.
1818 H Street
WASHINGTON D.C.

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WASHINGTON D.C.
1818 H Street
Vice-President I.B.B.D.
Mr. DAVIDSON SOMMER

JUN 6 8 54 AM 1958

CORRESPONDENCE

Secretary General
WORLD BANK

Davidson

Yours sincerely,

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Here are the papers for the meeting of our Commission on

Best Dave,

Pieces jointes : ✓

Votre référence :

Mon référence : WH - III

Date : 4. VI. 1958

38, COURS ALBERT I^{er} - PARIS VIII.

INTERNATIONAL CHAMBER OF COMMERCE
CHAMBRE DE COMMERCE INTERNATIONALE

ТЕЛЕГРАММЫ : ИНКОМЕРС-ПАРИЗ

ТЕЛЕФОН : ЕЛЗЕЕС 02-03 (SIX LIGNES)

100
May 22, 1958

Dear Walter:

I was interested to receive the Statement on the Monetary Problems of the European Economic Community, adopted by the Council of the International Chamber of Commerce at its 90th Session. I have passed on to the staff the copies you sent with your letter of May 13th ✓ and don't believe any additional copies are required but if they are I shall let you know.

Best regards.

Sincerely yours,

(Signed) Gene

Mr. Walter Hill
Secretary General
International Chamber of Commerce
38, Cours Albert 1er
Paris, VIII
France

mel

INTERNATIONAL CHAMBER OF COMMERCE

INDUSTRY - BANKING - TRADE - TRANSPORT

MAY 16 REC'D

HEADQUARTERS

38, COURS ALBERT 1^{er} - PARIS, VIII^e

Encl.: 4

Your Ref.:

Our Ref.: RB - 810

Date: 13.V.1958 mtp

Secretary General

Dear Gene,

To Research Files

I am sure you will be interested in receiving the enclosed Statement (two copies in English and in French) on the Monetary Problems of the European Economic Community, adopted by the Council of the International Chamber of Commerce at its 90th Session on 6th-7th May 1958.

The Statement was drawn up by our Commission on Commercial and Monetary Policy, under the Chairmanship of Mr. Maurice FRERE.

Please let me know if you would like additional copies of this Document. (No. 100/83)

With best personal regards,

Yours sincerely,

Walter Hill

Walter Hill
Secretary General

Mr. Eugene R. BLACK, President,
International Bank for
Reconstruction and Development
1818 H Street, N.W.
WASHINGTON 25 D.C.
USA

AIR MAIL

COMMUNICATIONS RECEIVED

All communications to be addressed to the Secretary General.

ack May 22/58

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SECRETARY GENERAL
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INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
WASHINGTON 25, D. C.

I.C.C.
Paris P.R.
Pollems.

TELEPHONE BABYLONE 17-10

CABLE ADDRESS: INTBAFRAD PARIS

PLEASE REPLY TO
PARIS OFFICE: 67, RUE DE LILLE
PARIS (7^E) - FRANCE

June 12, 1957

Mr. S.R. Cope
Director of Operations - Europe,
Africa and Australasia
International Bank for Reconstruction
and Development
Washington, D.C.

Dear Raymond:

Many thanks for letting me see this. I remember Dr. Pollems and his speech well. It was delivered with full recognition of its dramatic power - and a summer shower at the points he wanted to emphasize.

That speech was probably more worth going all the way to Naples to deliver than I suspected at the time. The fact that there was a counter-attraction in the form of a trip to Capri (which I would certainly have chosen) made me wonder whether anyone would come to listen. But quite half-a-dozen people have written or spoken to me about it since. So I suppose it was worth it.

Yours ever,



John Duncan Miller
Special Representative in Europe

Encl.

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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

JUN 17 9 52 AM 1957

ENCL.

SPECIAL REPRESENTATIVE IN EUROPE
JOHN DUNCAN MITCHELL

YOURS EVER,

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Dear Raymond:

Washington, D.C.
and Development
International Bank for Reconstruction
Africa and Asia
Director of Operations - Europe
Mr. S.B. Cobe

JUNE 15, 1957

PARIS (2e) - FRANCE

PARIS OFFICE: 87, RUE DE LILLE

PLEASE REPLY TO

TELEPHONE BUREAU 13-10

CABLE ADDRESS: INTBANPAR PARIS

WASHINGTON 25, D. C.
RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL BANK FOR

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Dr. H. P O L L E M S
DEUTSCHE BANK

AKTIENGESELLSCHAFT

MAY 21 REC'D

Jan

Mr. Eugene R. Black
President
International Bank for Reconstruction
and Development
1818 H Street, N.W.,
Washington 25, D.C.
U S A

*Mr Sommers
Mr Knott
Mr Cape*

FERNSPRECHER: 8771
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Düsseldorf 36/241
POSTSCHLIESSFACH: 14 035

Bei Beantwortung bitte angeben	Ihre Nachricht vom	Ihre Zeichen	DÜSSELDORF Königsallee 45/47
ZENTRALE Sekr. Ausl. Ps/Pr			15th May, 1957

Dear Mr. Black:

You will certainly know that the XVIth Congress of the International Chamber of Commerce met from the 6th to the 10th of this month in Naples, Italy, where among others Mr. John D. Miller, who took the place of Mr. Davidson C. Sommers, made a very enlightening speech on "Achievements and Perspectives of the World Bank and International Finance Corporation".

Regarding other subjects in the Programme of meetings, i.e.

"International Cooperation for Economic Development"

I was requested as a member of the German Delegation to make a contribution to the general discussion. From the enclosed copy of my speech you will see:

- a) that we greatly appreciate the help of the World Bank,
- b) that we in Germany feel worried about the growing extension of suppliers' credits and
- c) that capital goods deliveries should not be agreed to in the absence of a proportionate advance payment.

We also regret that Western solidarity does not cover such topics as the credit boycotting of countries which deliberately disregard their contractual payment obligations, as for instance Indonesia. From press reports published in this country we learn that both the Eximbank in Washington and the International Cooperation Administration think it advisable to extend large credits to Indonesia, though this country

flatly refused to pay to the Netherlands the 3.5 billion Dutch Guilders they owe on an interstate contractual basis. The fact that the Soviets have now also promised capital goods and credits to Indonesia should not be a reason for the USA to overlook this repudiation.

We here in Western Germany look up to the World Bank as a tower of strength in international financing business. Its principles, as expressed by you in your speech of April 18th before the UNO, are fully subscribed to here, and followed in all our dealings.

Please help us in the questions of:

- (i) a limitation of suppliers' credits,
- (ii) the establishment of adequate advance payments in connection with the delivery of capital goods, and
- (iii) the education of governments which are not willing to meet their contractual obligations.

Believe me to be, dear Mr.Black,

Yours faithfully,



(Dr.H.Pollems)

Enclosure

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Believe me to be, dear Mr. Black,

Yours faithfully,



(Dr. H. Pollema)

JUN 17 9 52 AM 1957

INTERNATIONAL BANK OF AMERICA AND TRUST COMPANY OF NEW YORK

Enclosure

International Chamber of Commerce, Naples (Italy)

Tuesday, 7th May, 1957 - General Meeting

"International Cooperation for Economic Development"

General Discussion: Address of Mr. Helmut Pollems/Germany,
Director, Deutsche Bank AG, Düsseldorf.

The members of the German Delegation have been greatly interested by the preceding speeches on international co-operation with a view to ensuring economic development. They wish to place on record their willingness to work within the European Community, and to take their share of the tasks awaiting the Western World. The Federal Republic of Germany recognises without reserve how essential it is that she, too, should stand ready with good advice and practical assistance if peace is to be maintained and a reasonable standard of well-being reached by all nations, particularly by those which are as yet underdeveloped.

Many steps for which gratitude is due have been taken towards this most admirable common goal by that great nation, the United States of America. The Marshall Plan was followed by the Point IV Programme, and there were others. But of all these measures the most efficient, the most natural and the most suited to all requirements seems to us to be the immense help, given by the World Bank (International Bank for Reconstruction and Development) through its credits. We have now been able to observe its activities for over ten years. During this period its carefully-considered principles, the incomparable financial power of its international backing and the wisdom of its leadership have time and again been proved.

The World Bank has been successful in procuring the capital sums it requires on the capital markets of the world, in the first place of course on the United States capital market. An interesting development, and one which speaks well for the flexibility of its control, is that in September, 1956 it managed to secure from the Swiss Government, in other words from the Government of a non-member country, the sum of 200 million Swiss francs for the space of five years.

In the Federal Republic of Germany transactions of this type for the benefit of the credit funds of the World Bank are not possible,

because Government money is not available for this purpose, and because the capital market in Western Germany must reckon for the time being with rates of interest which cannot be calculated in the financing of capital goods investments.

The export figures for the Federal Republic of Germany have risen from 22 billion Marks in 1954 to 26 billion Marks in 1955 and 31 billion Marks in 1956.

In this connection, we are greatly concerned at the steady increase in credits granted by suppliers to purchasers in regard to the delivery of capital goods to foreign countries. The President of the World Bank uttered an earnest plea in September, 1954 against the extension of this type of credit in world trade. We, too, wish to issue a warning before this Assembly against the further raising of the sums involved, and also against the further extension of periods for payment. We wish especially to plead before this Assembly that capital goods deliveries of this nature should not be agreed to in the absence of a proportionate advance payment, a condition which is essential for many reasons. It is plain that the supplier must receive suitable down-payments to enable him to cover his initial expenditure on raw materials, wages and general expenses. The purchaser must understand that any request that advance payments be dispensed with strikes an unhealthy note in these transactions.

The achievements of West German Banks in the financing of exports are evident from the founding of an Export Credit Company which has contributed a great deal towards facilitating long-term exports to meet the needs of under-developed countries, and uses for this purpose the loans it obtains from the banks. This foundation was arranged through a combined group of the more important banks and bankers, and it is worthy of note that the contribution made by the three big German joint stock banks amounts to some 70% of the total. This scheme, which dates back to 1952, has proved by its very success that it is possible, even in the complete absence of a capital market, to provide by the use of bank funds a considerable measure of financial support for supplies to under-developed countries, and that without infringing the principles of conservative and healthy banking policy.

We know, however, that the most essential needs of underdeveloped countries are not exclusively met by the delivery of capital goods in the cause of international co-operation towards economic development. Western Germany is well aware that these deliveries must be

supported by the training of specialists, the despatch of experts, and the supplying of scientific and technical educational staff, and she has already promised assistance in numerous agreements with the most varied countries.

It should however be remembered that a great deal of reflection and caution must go into all these activities. Not all the plans and wishes of the under-developed countries can be met, for often enough they go too far.

The Western world has taken on a tremendous responsibility through this co-operation. The under-developed countries, which dream of catching up within a few years with the growth of the great industrial states, are apt to run into danger by being in too great a hurry to invest, and by exceeding the capacity of their economy. The fulfilment of their liabilities towards the outer world which is thus forced on them must of necessity react powerfully on their internal situation. This may cause serious disturbances, which justify anxiety as to whether the well-established rights of foreign investors and credit-givers are in all circumstances properly protected. In spite of all goodwill and desire to help, it must always be a basic principle to examine from the roots upward the borrowing power of any country, be it developed or not, and carefully to consider the priority of investments, as indeed the World Bank is in the habit of doing from the beginning when granting credit, and that with the greatest mastery.

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UNIVERSITY OF TORONTO

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It should however be remembered that a great deal of reflection and caution must go into all these activities. Not all the plans and wishes of the under-developed countries can be met, for often enough they go too far.

The Western world has taken on a tremendous responsibility through this co-operation. The under-developed countries, which dream of catching up within a few years with the growth of the great industrial states, are apt to run into danger by being in too great a hurry to invest, and by exceeding the capacity of their economy. The fulfilment of their liabilities towards the outer world which is thus forced on them must of necessity react powerfully on their internal situation. This may cause serious disturbances, which justify anxiety as to whether the well-established rights of foreign investors and credit-givers are in all circumstances properly protected. In spite of all goodwill and desire to help, it must always be a basic principle to examine from the roots upward the borrowing power of any country, be it developed or not, and carefully to consider the priority of investments, as indeed the World Bank is in the habit of doing from the beginning when granting credit, and that with the greatest mastery.

MAY 20 9 56 AM 1957

RECEIVED
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

Mr. Demuth

May 24, 1957

E. Lopez-Herrarte

I.C.C. Congress in Naples
May 6-10, 1957

During the session of the XVI Congress of the International Chamber of Commerce recently held in Naples, various matters of interest both to the Bank and IFC were discussed.

Of special interest were the meetings dedicated to the discussions of International Cooperation for Economic Development and to the Problems of Development in Less Developed Countries.

In the course of these meetings several participants spoke of the role of public financing through governments to foster economic development, and the worthwhile accomplishments of the IBRD in this field. However, most of the participants emphasized the need to stimulate private investment as the real means to carry out fruitfully the development of less developed countries.

During the general discussion of these problems almost all the participants expressed high hopes on the future activities of IFC, and the place it should occupy towards improving the climate for private investment in less developed countries. Some of the speakers, however, expressed some misgivings about the extent and nature of assistance to be expected from IFC. For instance a delegate from Pakistan mentioned the difficulties which could affect investors through IFC due to foreign exchange restrictions and limitations. My feeling was that his statement was based mostly on lack of information on the procedures for investment being adopted by IFC.

Mr. Reyes of the Philippines expressed confidence on the future of IFC in Asia and expressed the hope to have representatives of IFC at a Round Table on Private Investment which the Asian Chapter of ICC will sponsor in the fall of 1958.

Before the session of the Congress in Naples, the Council of ICC met in Rome to prepare a number of statements which could be incorporated in resolutions for adoption later by the Congress.

Among these statements adopted by the Council was the following:

The International Chamber of Commerce warmly supports the recommendation adopted by the Economic and Social Council of the United Nations (ECOSOC) on 9th August 1956, urging "governments of capital-exporting and capital-importing countries alike to continue their efforts to develop international confidence conducive to private investment, in conformity with the principles of the Charter of the United Nations...".

In the past year, however, the confidence of private investors in the security of foreign ventures has been severely shaken, and it is imperative that steps be taken to restore that confidence, since without it the flow of private funds to many projects essential to economic development may tend to dry up.

The ICC therefore proposes that the Economic and Social Council, in concert with the International Bank for Reconstruction and Development (IBRD) and the International Finance Corporation (IFC), call a conference, bringing together investing and lending institutions and development authorities and other groups interested in economic development through private investment, with a view to drawing up a model international convention, laying down the fundamental principles which should govern fair and non-discriminatory treatment of international private investments along the lines of the Code issued by the ICC in 1949 (Brochure 129). Such a model convention should provide for agreed methods of arbitration to deal with any failure to honour the agreements concluded.

In order to lend every possible assistance to this conference, the ICC will continue to study this important question and will transmit its conclusions in due course to the governments and international bodies concerned.

The purpose of this model convention would be to furnish a basis either for unilateral action by governments of capital-importing countries through domestic legislation, or for bilateral agreements between individual capital-importing and capital-exporting countries, or for multilateral agreements between groups of like-minded countries.

Agreements, whether bilateral or multilateral, arising out of a model convention of this kind, would be of inestimable value to capital-importing countries as well as to investors. By making clear in advance in an agreed and binding form under United Nation's auspices the treatment to be applied to foreign capital in their territories, the former would improve their prospects of attracting capital from overseas. At the same time, investors would be in a better position to assess some at least of the non-economic risks involved in a particular area.

I was informed that this statement was adopted on the strong recommendation of the European members of the Council, and that other sectors had not been very enthusiastic in their support. I had therefore a long conversation with Sir Jeremy Raisman to obtain further information from him, and to try to dissuade him and his group from pressing this proposal for adoption by the Congress. After a frank exchange of views he agreed to abstain from pressing this proposal for the time being, and discuss it with Mr. Iliff in London later in May. I feel confident that the European group is well convinced of the futility of pressing this proposal at this time.

May 13, 1957

Dear Johnnie,

45TF

Thank you very much for your letter about the I.C.C. Conference and particularly for going to bat for me. I was sorry to have to miss out on this occasion.

Yours sincerely,

S/Dave

Davidson Sommers

Mr. John Duncan Miller
Paris Office

DS/km

9cc

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
WASHINGTON 25, D. C.**

TELEPHONE BABYLONE 17-10

CABLE ADDRESS: INTBAFRAD PARIS

PLEASE REPLY TO
PARIS OFFICE: 67, RUE DE LILLE
PARIS (7^E) - FRANCE

May 9, 1957

Mr. Davidson Sommers, Vice President
International Bank for Reconstruction
and Development
Washington, D.C.

Dear Dave:

I went to Naples and delivered your speech to the best of my ability, which was probably not very great. I must say, however, that whoever wrote it had done a very good job in making it easy to read.

The later discussion, which went on about two hours, was more interesting than I had expected. As soon as I had finished a Yugoslav (what the Yugoslavs are doing in the ICC I cannot make out) started and I braced myself for an attack which never came. There was only one slight and not unfriendly reference to us. A German then paid us a flowery tribute saying that the Marshall Plan, Point Four and other such programs had been important but that, in his view, they were nothing compared to the Bank which was by far the most important post-war economic development. His sentiments were then endorsed by a Japanese (more like a stage Japanese than anything I have ever heard) who added, however, that he would like to "licommend that the Bank should take more lisks".

After that we got among the under-developed countries. A Pakistani, the Managing Director of a cotton mill, was very earnest and worried that, despite all the plans, programs and talk about helping the under-developed countries, the gap between the standards of living of the developed and under-developed groups was widening, not narrowing. If this went on the prospects for private enterprise in the under-developed countries was gloomy. He and his friends had had great hopes of the IFC but he was now disappointed because he did not think any private enterprise in Pakistan would be able to take on a dollar liability.

An Indonesian then said that his country had been somewhat disappointed in its dealings with the Bank because "the procedures leading up to a loan were too rigid".

Finally we got the best speech of the day from an Indian, Vaidya, the Managing Director of the National Electrical Industries. He did not mention the Bank but what he had to say deserved attention from that particular audience. He had listened, he said, to many statements from members in the capital-exporting countries, all expressing belief in the private enterprise system, but he would like to ask them what they were doing to help the private enterprise system survive in the capital-importing countries. Did they not realise what they could and should do to help? For two centuries venture capital had come into India without reference to governments but during the last few years there had been a growing tendency for the large industries in the capital-exporting countries to deal exclusively with the governments in the capital-importing countries and to take no notice of private enterprise. They were thereby making the position of private enterprise more difficult and encouraging the ascendancy of State capitalism, in which they did not believe, because they could get orders that way with government guarantees and no risk. This seemed to me a point well taken and an odd one to come from a representative of nationalised industry.

The rest of that session was of little interest (a lot of talk about the nationalisation of the Canal) but a problem had arisen before I got there - a resolution recommending that we should get together with ECOSOC - on which I am writing to Bill Iliff.

Yours ever,



John Duncan Miller

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Yours ever,


John Duncan Miller

RECEIVED
INTERNATIONAL BANK FOR
CONSTRUCTION DEVELOPMENT
NOV 17 9 20 AM 1951

OUTGOING WIRE

WU

CLASS OF SERVICE: LETTER TELEGRAM

DATE: APRIL 15, 1957

TO: PIERRE VASSEUR
SECRETARY-GENERAL
INCOMERC
PARIS

COUNTRY (FRANCE

TEXT: DEEPLY REGRET DAVIDSON SOMMERS PREVENTED BY EXTREME PRESSURE
Cable No. OF WORK FROM ATTENDING YOUR NAPLES MEETING STOP BANK WILL
OF COURSE BE REPRESENTED AT MEETING BY LOPEZ-HERRARTE STOP
SOMMERS HAD PREPARED A SPEECH WHICH IF YOU WISH COULD BE
DELIVERED BY JOHN DUNCAN MILLER BANK SPECIAL REPRESENTATIVE
IN EUROPE STOP THIS SUGGESTION IS MADE ONLY TO SUIT YOUR
CONVENIENCE STOP SOMMERS WOULD NOT MIND AT ALL IF YOU
DECIDED TO DROP THIS ITEM FROM YOUR AGENDA

Signed: GEORGE YOUNG
INTBAFRAD

AUTHORIZED BY:

NAME: George R. Young
DEPT: Office of Information
SIGNATURE:

G. R. Young

For Use by Archives Division
Checked for Dispatch

GRY:ap

ORIGINAL (File Copy)

(IMPORTANT: See over for guide in preparing Outgoing Wire)

GUIDE FOR PREPARING OUTGOING WIRES

1. Class of Service

Type in class of service desired. Each class is described as follows:

Letter Telegram Letter telegrams are normally delivered the morning after day of despatch. The cost is half the cost of full rate messages with a minimum charge for 22 words including address and text.

Full Rate Full rate messages are normally transmitted and delivered immediately. There is a minimum charge for 5 words, including address and text.

IBF Govt. This is a preferential rate extended to the Bank by some of its member countries. Messages are sent at full rate speed and at about half the cost. This rate normally should be used whenever available. It is at present available for the following countries:

Bolivia	Cuba	Guatemala	* Peru
Brazil	Dominican Republic	Honduras	* Syria
Burma	Ecuador	Jordan	Uruguay
Chile	El Salvador	* Lebanon	Venezuela
* China	* Ethiopia	Nicaragua	Yugoslavia
Colombia	* France	Pakistan	
Costa Rica	Greece	Panama	

* In these countries the letter telegram rate is lower than IBF government rate and should be used for messages when immediate transmission is not required.

Code Code messages are transmitted at full rate (or IBF Govt.) speed and cost. This rate should be used only for confidential messages to staff members having a code with them.

Day Letter Day letters are delivered during the day of transmission and should be used only for messages in the United States and to Mexico and Canada. There is a minimum charge for 50 words in text.

Teletype To be used only for messages to the New York Office, United Nations, and certain commercial firms. For information, call Cable Post (Ext. 2008).

2. Address

Use only last name of addressee and cable address whenever possible. The Bank cable address "INTBAFRAD" is registered in Paris, Beirut, Rio de Janeiro, Bogota, and Guatemala City. The name of the country of destination must always be added. (No charge is made for the name of a country).

3. Text

Messages to Bank Missions and to Resident Representatives should be numbered. These numbers may be obtained by calling Ext. 2008.

Type text in capital letters and double space between lines. The text should be edited to eliminate unnecessary words and unnecessary punctuation. If punctuation is needed, spell out the words "Comma," "Stop," etc.

Use common abbreviations whenever possible, i.e. reourlet, reurfive, etc. Write as one word hyphenated words, hyphenated names, and certain two-word groups, e.g. Airmail, Newyork, enduse.

4. Signature

Type in last name of sender. Use INTBAFRAD as part of the signature only when addressee does not know the address of the sender.

5. Authorization

Type in name and department of staff member authorizing message and have authorizing staff member sign the original (pink copy). A list of authorized signatures is kept in the cable office.

Forward messages in triplicate in a cable envelope to Room 210 for despatch. The cable service is open from 9:00 a.m. to 5:45 p.m. on working days. Special arrangements should be made for the despatch of cables outside of these hours.

ANY QUESTIONS REGARDING INCOMING AND OUTGOING WIRES SHOULD BE REFERRED TO THE CABLE POST, EXT. 2008.

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INTERNATIONAL BANK FOR
ECONOMIC AND DEVELOPMENT

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RECEIVED
INTERNATIONAL BANK FOR
ECONOMIC AND DEVELOPMENT
APR 15 3 15 PM 1957

February 14, 1957

Dear Mr. Vasseur:

In his absence Mr. Black asked me to acknowledge with thanks your letter of February 6 about the biennial ICC meeting in Naples.

Mr. Black regrets that he, himself, will not be able to be in Europe at the time of your meeting. He suggests, however, that the Bank could be represented by Mr. Davidson Sommers, Vice President of the Bank and General Counsel of the International Finance Corporation. Since Mr. Sommers is an officer of both Corporations, he would speak for both.

If this arrangement suits you, would you please let us know?

Sincerely yours,

Harold N. Graves, Jr.
Director, Office of Information

Mr. Pierre Vasseur
Secretary General
International Chamber of Commerce
38, Cours Albert 1
PARIS VIII, FRANCE

HNG/js

cc: Messrs. Black, Sommers,
Garner
McKitterick

CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE38, COURS ALBERT 1^{er} - PARIS VIII^e

FEB 11 REC'D

Pièces jointes : 1

Votre Référence :

Notre Référence : RB-800-XVI-VI

Date : 6.II.1957 - mtp

Technical Services

Dear Mr. Black,

XVith Congress of the ICC - Naples

The International Bank will be receiving shortly an official invitation to the XVith Congress of the International Chamber of Commerce, which is to take place in Naples from 6th to 10th May 1957. But I am writing you this more personal word now, in order to give you some advance indications of our plans insofar as these relate to the Bank.

As you will see from the enclosed leaflet on the Congress, the General Meeting on Wednesday afternoon 8th May has been set aside for a discussion of the broad theme of "International Cooperation for Economic Development". Under this heading, we have included as one of the main subjects of discussion the item : The I.B.R.D. and the I.F.C. : achievements and perspectives. In placing this item on the agenda, we had in mind of course an introductory speech by an official representative of the I.B.R.D. or the I.F.C.

Is there any possibility that, in spite of the great pressure upon your time, you yourself could personally undertake to represent the I.B.R.D. on that occasion and deliver the introductory address in question ? It would be a great pleasure and privilege for our congressists to hear a review of I.B.R.D. achievements and plans from its President and would certainly lead to an interesting and lively discussion.

If it is out of the question for you to come to Naples personally for our Congress, we should appreciate it if one of the leading members of your staff or of the I.F.C. could attend and speak on your behalf. At our last two Congresses, the speeches delivered by Mr. ILLIFF and Mr. Russell DORR were keenly appreciated by the delegates.

The introductory speeches at our Congress are limited to a maximum of fifteen minutes under the rules of procedure, but in view of the importance of the subject treated we should be happy to give your speaker more leeway if he requires it.

.....

Mr. Eugene R. BLACK,
President,
International Bank for
Reconstruction and Development
WASHINGTON D.C.

U.S.A.

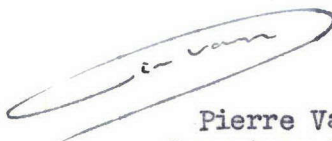
AIR MAIL**PAR AVION**
AIR MAIL

ack. Feb. 14.

I should be grateful for a reply to this letter at your earliest possible convenience, as we are planning to announce the names of the principal Congress Speakers in the very near future.

Trusting that my most optimistic hopes will be realised and that I shall have the pleasure of welcoming you personally in Naples,

Yours very sincerely,



Pierre Vasseur
Secretary General

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NATIONAL BANK FOR
INDUSTRIAL AND DEVELOPMENT

FEB 11 3 09 PM 1957

SECRETARY GENERAL
WORLD BANK



Yours very sincerely,

It is a pleasure to meet you personally in Washington
and to discuss with you the most important problems which will be
discussed by the Board of Governors in the next few days.
I should be pleased to see you at the meeting of the
Board of Governors in Washington to discuss the work of the
World Bank.

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CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, Cours Albert 1 Paris VIII

Mr. Eugene R. Black
President
International Bank for
Reconstruction and Development
WASHINGTON D.C.

Reference RB-800-XVI-VI

Date 6/II/1957

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Yours very sincerely,

(Signed) Pierre Vasseur, Secretary General

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CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, Cours Albert 1 Paris VIII

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President
International Bank for
Reconstruction and Development
WASHINGTON D.C.

Reference RB-800-XVI-VI

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(Signed) Pierre Vasseur, Secretary General

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CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE
28, Cours Albert I Paris VIII

Reference RB-800-XVI-VI

Date 6/II/1957

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President
International Bank for
Reconstruction and Development
WASHINGTON D.C.
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Yours very sincerely,
(Signed) Pierre Vassaw, Secretary General

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copy of letter for [unclear]

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big effort up front.

with pte letter for expansion

Messrs. Black/Garner/Illiff

June 13, 1956

Joseph Rucinski

International Chamber of Commerce - Resolution of the Commission on Asian and Far-Eastern Affairs

1. At the meeting of the Commission (CAFEA-ICC) held in Bandung in April, the working group on "Central Financial Institution for the Region" considered the report of Mr. Ko Murano, a delegate from Japan, on "an examination of the possibilities of establishing a central financial institution for the region to promote intra-regional trade and help economic development". On the motion of the Philippine delegation, seconded by the Japanese delegation, the working group unanimously suggested the adoption of the following resolution by the CAFEA-ICC: "The Commission resolves that as an essential aid in the economic development of Asia and the Far East a central financial and economic development agency be set up or established for the region as soon as possible." The working group also supported Mr. Ko Murano's recommendation that the CAFEA-ICC should support the proposal for the establishment of SUNFED.

2. The resolution was adopted by CAFEA-ICC which also welcomed the proposal for the establishment of SUNFED and hoped that everything possible would be done by the authorities towards an early establishment of this institution.

3. I have now received from Mr. Gilmartin, who represented the Bank at the CAFEA-ICC session, the following comment: "The resolution was pushed by the Philippine and Japanese delegations and was carried, despite a paper by one of the delegates and my arguments noting the lack of funds for such an organization and the fact that international financing institutions already exist and others (IPC, SUNFED) are in process of organization or under consideration. Afterwards, Sato, the head of the Mitsui Bank and leader of the Japanese delegation, told me they realize such an agency is impractical without non-Asian funds but thought it a good idea to pass such a resolution anyway for propaganda reasons. Thinking among the delegates on this had obviously not gone further than that 'it is a good idea'.

"Possibly, however, the idea of such an organization is in the air judging by press reports of Eric Johnston's brain children. I also heard of some US consideration along these lines from Sol Chafkin, who used to be with the US Treasury and was here a couple of weeks ago. Chafkin was travelling through Asia with the US group concerned with the proposed peaceful atomic energy center in the Philippines. He was looking for other 'regional' projects on which to spend the special fund earmarked for this purpose in the US aid program for Asia but hadn't had any luck. He reported, however, some US interest in the possibility of using these funds for a regional Asian industrial financing institution to make investments in private Asian enterprise."

X Int. Chamber
of Commerce

4. The idea of a regional development corporation along the lines suggested by this resolution has been proposed from time to time at high levels in the Japanese Government. Reference to US consideration of a regional Asian industrial financing institution to invest in private Asian enterprises is new, though last year and again recently the proposal to use economic aid funds to help capitalize a regional development bank to make soft loans to both government and private enterprise was studied at working levels in the US Government.

cc: Mr. Perry
Mr. Demuth
Mr. Dorr
Mr. McDiarmid

JR/uz



**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

1818 H STREET, N. W.

WASHINGTON 25, D. C.

c/o Bank of Thailand.

TELEPHONE EXECUTIVE 3-6360

CABLE ADDRESS-INTBAFRAD

✓
No. 23

Bangkok, May 25, 1956.

6.1.56
Mr. Joseph Eucinski,
Director, Department of Operations - Asia and Middle East,
International Bank for Reconstruction and Development,
1818 H. St; N.W.,
Washington 25 D.C.,
U. S. A.

Dear Jeff:

Enclosed is the printed summary, which I have just received, of the meeting of the Commission on Asian and Far Eastern Affairs, International Chamber of Commerce, which I attended last month. There was not much of substance to report, but my attendance may have been worthwhile if only from a public relations standpoint since everyone seemed most appreciative that the Bank was represented. My sage remarks are on page 11.

One item which may be of interest to the Bank was the resolution on page 41, "that as an essential aid in the economic development of Asia and the Far East a central financial and economic development agency be set up or established for the region as soon as possible? This resolution was pushed by the Philippine and Japanese delegations and was carried, despite a paper by one of the delegates and my arguments noting the lack of funds for such an organization and the fact that international financing institutions already exist and others (IFC, SUNFED) are in process of organization or under consideration. Afterwards Sato, the head of the Mitsui Bank and leader of the Japanese delegation, told me they realize such an agency is impractical without non-Asian funds but thought it a good idea to pass such a resolution anyway for propaganda reasons. Thinking among the delegates on this had obviously not gone further than that "it is a good idea".

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Mr. Joseph Rucinski

- 2 -

May 25, 1956.

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I hope you had a successful and not too strenuous stay in Pakistan. All my very best wishes to you and to Mrs. Rucinski.

Sincerely

Jie

May 25, 1956

- 2 -

Mr. Joseph Ruchnalski

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 was travelling through Asia with the U.S. group concerned with the
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 for other "regional" projects on which to spend the special fund ear-
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 any luck. He reported, however, some U.S. interest in the possibility of
using these funds for a regional Asian industrial financing institution
to make investments in private Asian enterprises.

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Sincerely



MAY 11 11 21 AM 1956

RECEIVED
 DEPARTMENT OF STATE
 FOREIGN AFFAIRS

17

I cc

COMMISSION ON ASIAN AND FAR EASTERN AFFAIRS

(OF THE INTERNATIONAL CHAMBER OF COMMERCE, PARIS)

28, FERROZSHAH ROAD,

NEW DELHI 1.

Tele { phones 44227 & 44228
grams "UNICOMIND"

Ref.No. C.107.

Mr. J. Rudinski
16th March 1956.
3.22.56

Mr. Joseph Rudinski,
Department of Operations Asia and the Middle East,
International Bank for Reconstruction and Development,
Washington.

Dear Sir,

Many thanks for your letter dated 9th March 1956
informing me that the International Bank for Reconstruction
and Development will be represented at the forthcoming
Session of CAFEA-ICC to be held in Bandung from 4th to 6th
April, 1956 by Mr. William M. Gilmartin, the Bank's repre-
sentative in Bangkok. I am sending him a copy of the
Provisional Agenda of the meeting as also a note on 'Economic
Development Plans of Asian Countries' which will be considered
at the Bandung meeting. Other papers will also be sent to
him in due course.

A copy of the note on 'Economic Development Plans of
Asian Countries' is also being sent to you by second class
airmail. I shall be glad to receive your comments if any.

WVB 53 0 25 VN 1340 Yours, faithfully,

N. Chentzhal Rao

Secretary.

HL

44

COMMISSION ON ASIAN AND FAR EASTERN AFFAIRS

(OF THE INTERNATIONAL CHAMBER OF COMMERCE, PARIS)

28, FERDINAND ROAD,

NEW DELHI 1.

Tele { phones 44227 & 44228
grams "UNICOMIND"

Ret. No. C.107.

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Department of Operations Asia and the Middle East,
International Bank for Reconstruction and Development,
Washington.

Dear Sir,

Many thanks for your letter dated 9th March 1956 informing me that the International Bank for Reconstruction and Development will be represented at the forthcoming Session of CAFEA-ICC to be held in Bandung from 4th to 6th April, 1956 by Mr. William M. Gilmartin, the Bank's representative in Bangkok. I am sending him a copy of the Provisional Agenda of the meeting as also a note on 'Economic Development Plans of Asian Countries' which will be considered at the Bandung meeting. Other papers will also be sent to him in due course.

A copy of the note on 'Economic Development Plans of Asian Countries' is also being sent to you by second class airmail. I shall be glad to receive your comments if any.

Yours faithfully,

N. Venkates Rao

Secretary.

MAR 22 0 52 AM 1956
RECEIVED
SECRETARY

HL
12

Ice

March 9, 1956

Mr. P. Chentsal Rao
Secretary
Commission on Asian and Far Eastern Affairs
28, Ferozshah Road
New Delhi 1, India

Dear Mr. Rao:

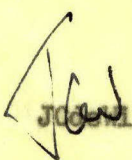
We have received your invitation to send a representative to the forthcoming Session of the Commission on Asian and Far Eastern Affairs of the I.C.G. in Bandung on April 4-6.

I am pleased to inform you that Mr. William M. Gilmartin, the Bank's representative in Thailand, has been asked to attend the Session. I would be grateful if you would send him any pertinent documentation. His address is:

Mr. William M. Gilmartin
International Bank Representative
c/o Ministry of Finance
Bangkok, Thailand.

Sincerely yours,

Joseph Rucinski
Department of Operations
Asia and the Middle East


JR/llde/mm

INTERNATIONAL BANK R
RECONSTRUCTION AND DEVELOPMENT

Mr. Ruuski -

This is the type of
conference we could
get too, but I think
he should go
he has been to
one or two ECA
sessions!

If you agree with the
staff proposal I think
it is a good idea
with respect to

3.11.16

I think that is nice
The substance of this conference
Oil could go into Baudouy.
We may have by then
the ce. report too
on oil on too
US.

ROUTING SLIP		Date
NAME		ROOM NO.
Mr. Pucinski		
Mr. DeWitt		600
I would like to have your views on this.		
Action		Note and File
Approval		Note and Return
Comment		Prepare Reply
Full Report		Previous Papers
Information		Recommendation
Initial		Signature
Remarks		
<p style="font-size: 1.2em;">This should be put together with the other letters on this subject.</p> <p style="text-align: right; font-size: 1.5em;">RHD</p>		
From		Richard H. Demuth

COMMISSION ON ASIAN AND FAR EASTERN AFFAIRS

(OF THE INTERNATIONAL CHAMBER OF COMMERCE, PARIS)

28, FERROZSHAH ROAD,

NEW DELHI 1.

Tele { phones 44227 & 44228
grams "UNICOMIND"

Ref. No. C. 55.

11th February 1956.

The President,
International Bank for Reconstruction and
Development,
Washington.

Dear Sir,

Sub: Vth Session of the CAFEA-ICC.

I have pleasure in informing you that the Vth Session of the Commission on Asian and Far Eastern Affairs of the International Chamber of Commerce, (CAFEA-ICC), will be held in Bandung (Indonesia) from 4th to 6th April 1956.

I may mention that the CAFEA-ICC is a regional organisation of the International Chamber of Commerce whose Headquarters are situated in Paris. The I.C.C., as you know, is a world federation of business organisations, etc., and has been granted Consultative Status - Category 'A' with the Economic and Social Council of the United Nations. It has set up two regional Commissions - one for Europe and the other for Asia. The previous Sessions of the CAFEA-ICC were held in Calcutta, Vienna (at the time of the XIVth Congress of the I.C.C.), Bombay and Tokyo (at the time of the XVth Congress of the I.C.C.).

The Chairman and Members of the CAFEA-ICC would be glad if your Organisation would depute a representative to the CAFEA-ICC Session in Bandung. The Provisional Agenda and other details about the meeting will be sent to you shortly.

Yours faithfully,

N. Venkatesh Rao

Secretary.

'PLG'

dp

RECEIVED
INTERNATIONAL CHAMBER OF COMMERCE
SECRETARY

delivered Mar. 9

COMMISSION ON ASIAN AND FAR EASTERN AFFAIRS

(OF THE INTERNATIONAL CHAMBER OF COMMERCE, PARIS)

28, FEROSHAH ROAD,

NEW DELHI 1.

Tele } phones 44227 & 44228
grams "UNICOMIND"

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Yours faithfully,

Secretary

Secretary.

RECEIVED
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

PLG

Secretary

RESEARCH FILES ROUTING SLIP		Date <i>March 1, 56</i>	
Mr. Aldewereld	306	Mr. Lopez-Herrarte	1014
Mr. Bennett	224	Mr. Mendels	1009
Mr. Black	1023	Mrs. Pollock	1008
Mr. Camacho	217	Mr. Richards	1119
Mr. Curtin	113	Mr. Riley	1201
<i>(1)</i> Mr. Demuth	1013	Miss Scanlon	J.L.
Mr. Donovan	113	Mr. Sommers	1113
Mr. Doucet	1009	Mr. Wetton	207
Mrs. Eliason	227	Mr. Young	224
Mr. Garner	1002	General Files	210
Mr. Graves	224	Mail Room	112
Mr. Hill	220	Office of Info.	217
Mr. Holmes	215	Periodicals-J.L.	P.B.
Mr. Howell	1004		
Mr. Iliff	1002		
Mr. Johnston	1220		
Mr. Loftus	J.L.	Research Files	1215

If you reply and the Bank does not attend, would you please ask them to send all reports and proceedings.

If you don't reply, may I have this back so that I can request the documents we need.

From Research Files, Archives Division

Respectfully

COMMISSION ON ASIAN AND FAR EASTERN AFFAIRS

(OF THE INTERNATIONAL CHAMBER OF COMMERCE, PARIS)

28, FEROZSHAH ROAD,

NEW DELHI 1.

Tele { phones 44227 & 44228
grams "UNICOMIND"

Ref.No. C. 67.

23rd February 1956.

Dear Sir,

Vth Session of the CAFEA-ICC.

I am directed to inform you that the Vth Session of the Commission on Asian and Far Eastern Affairs of the I.C.C. will be held at

Hotel Homann, Bandung (Indonesia)
from 4th to 6th April 1956

under the Chairmanship of Mr. Hisaakira Kano (Japan). The Opening Session will commence at 9 A.M. on the 4th April.

Please find enclosed the Provisional Agenda of the Meeting (Document No. V-1).

The Indonesian National Committee is arranging a Reception to the delegates, observers and other invitees to the Session in the evening of the 3rd April 1956. An excursion to Tangkuban Prahur crater (with Lunch at the place) and Indonesian Art & Cultural evening (dance and music) are also being programmed for the morning and afternoon of the 7th April 1956.

We will be obliged if you will kindly let us know of the programme of your representatives who are due to attend the CAFEA-ICC Session, their names as well as the names of persons who will be accompanying them to Bandung, and the date and timing of their arrival at and departure from Bandung. A copy of your letter to us in this regard as also the hotel requirements may please be intimated to the Indonesian National Committee at the following address:

C/o. Indonesian Chamber of Commerce & Industry,
2, 2nd floor, Djl. Modjopahit,
Djakarta.

Yours faithfully,

P. Chentsal Rao

(P. Chentsal Rao),
Secretary.

Encl:
I

COMMISSION ON ASIAN AND FAR EASTERN AFFAIRS

(OF THE INTERNATIONAL CHAMBER OF COMMERCE, PARIS)

28, FEROSHAH ROAD,

NEW DELHI 1.

Tele { phones 44227 & 44228
grams "UNICOMIND"

Document No. V-1.
23.II.1956.

VTH SESSION OF CAFEA-ICC.

April 4-6, 1956 - Bandung (Indonesia).

PROVISIONAL AGENDA.

- I. Opening Addresses.
- II. Adoption of the Agenda.
- III. Consideration of the Rapporteurs' Reports on the following subjects:
 1. A study of the Development Plans of the countries of the Region, especially the possibility of co-ordinating these plans as also the matter of the place and development of Government and private enterprises in the national economy.
 2. An examination of the factors at present responsible for the low rate of capital formation in the countries of this region - how to remove or mitigate them.
 3. An analysis of trends in production, prices and trade of important agricultural products and industrial raw materials of the Region.
 4. A study of the possibility of co-operation among the countries of the Region in respect of training and employment of skilled workers at various levels in industry and commerce.
 5. An examination of the possibilities of establishing a Central Financial Institution for the Region to promote intra-regional trade and help economic development.

(REPORTS TO FOLLOW)

IV. To consider the framing of views for communicating to the I.C.C. on -

a) Report submitted by the Yugoslav National Committee of the I.C.C. on "Convertibility of Currencies and the Under-developed Countries" (I.C.C. Document No.100/64, dated 15th November, 1955).

b) Report of the GATT Working Party on Commodity Problems, and the Draft Agreement on Commodity Arrangements (I.C.C. Document No.221/27 dated 14th December 1955).

V. Future programme of work and priorities.

VI. Organisational matters and miscellaneous.

VII. Date and venue of the next session of the CAFEA-ICC.

VIII. Closing Session.

---:oOo:---

Note: The official language of the CAFEA-ICC is English and all speeches as well as documents for circulation among the participants should be in English.

(REPORTS TO FOLLOW)

DECLASSIFIED

DEC 13 2023

WBG ARCHIVES

August 5, 1955.

AIRMAIL

PERSONAL

Dear Cecil,

Black has written today to your Chairman. He has had to decline the Chairman's invitation to be the guest of the British National Committee of the International Chamber of Commerce at their dinner on November 3.

I am sorry that things have had to work out this way because I know that Black, in other circumstances, would have been delighted to have met the members of your organisation and to have had an opportunity of talking to them.

With kind regards,

Yours sincerely,

W.A.B. Iliff

W. A. B. Iliff

C. A. G. Savidge, Esq., M.B.E.,
Director, British National Committee,
International Chamber of Commerce,
15 Kingsway,
London, W.C.2,
England.

WABIliff/med.

Ice

AIRMAIL

August 5, 1955.

Dear Mr. Steel,

I must apologise for the delay in replying to your letter of July 18 in which you are kind enough to invite me to attend, and to speak at, the Annual Dinner of the British National Committee of the International Chamber of Commerce on Thursday, November 3.

I had delayed replying in view of the uncertainty of my movements around about the date of the Dinner. Much to my regret I now find that I shall not be able to arrange to be in London at that time, and I apologise most sincerely for any inconvenience that may have been caused to you by my failure to be able to let you know this sooner.

I hope that on some other occasion I may have the privilege of meeting you and the members of the British National Committee whose Honorary Office Bearers include several very good friends of mine.

Yours sincerely,

(Signed) Eugene R. Black

Eugene R. Black

Mr. J. L. S. Steel,
Chairman, British National Committee of the
International Chamber of Commerce,
15 Kingsway,
London, W. C. 2,
England.

WABilliff/med.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

Aug. 5.

Mr. Iliff:

Mr. Black would like you to
regret for him please.

A handwritten signature in dark ink, appearing to be 'A. Black', located at the bottom right of the page.

ICC

JUL 21 REC'D

BRITISH NATIONAL COMMITTEE
INTERNATIONAL CHAMBER OF COMMERCE

Chairman
J. L. S. Steel

Treasurer
The Viscount Runciman

15, Kingsway, London, W.C.2

Teleph.: TEMple Bar 0503/4 Cables: "Incomerc, London"

Director
C. A. G. Savidge, M.B.E.

18th July, 1955.

Dear Mr. Black

The British National Committee of the International Chamber of Commerce holds a Dinner each year in London for its Members and it has been our privilege in the past to have with us as our guest speakers at this function important personalities in the world of international business and politics. This year we are to hold the Dinner in the Dorchester Hotel on the evening of Thursday, 3rd November, and it would give our Members very great pleasure if you could see your way to honour them by being their guest and a principal speaker on this occasion.

The Membership of the British National Committee covers over 70 of the principal trade organisations and Chambers of Commerce in the U.K., including among others The Federation of British Industries, the Association of British Chambers of Commerce, the Chamber of Shipping, The British Bankers' Association and the British Federation of Commodity Associations. In addition, our Associate Members represent some 440 of the leading industrial and commercial firms in the country. Our Annual Dinner thus provides an opportunity to speak to a large number of prominent British businessmen directly involved and keenly interested in present day problems of international trade and finance affecting the world in general.

The International Chamber of Commerce has always had the most cordial relations with the International Bank for Reconstruction and Development and questions relating to international finance and the promotion of international investment have been subjects of much interest and concern to the ICC for many years. In view of the fundamental importance of international investment at the present time, we should especially like to have you with us at our Annual Dinner and I very much hope that it will prove possible for you to accept our invitation.

Yours sincerely


J.L.S. Steel,
Chairman,

British National Committee of the
International Chamber of Commerce.

Mr. Eugene Black,
President,
International Bank for
Reconstruction and Development,
1818, H. Street, North-West,
WASHINGTON, 25
D.C.

Recd. Aug. 5.

Chairman
J. L. S. Steel

BRITISH NATIONAL COMMITTEE
INTERNATIONAL CHAMBER OF COMMERCE
15, Kingsway, London, W.C.2

Treasurer
The Viscount Runciman

Teleph.: TEMple Bar 0503/4 Cables: "Incomerc, London"

Director
C. A. G. Savidge, M.B.E.

CAGS/KH.

DECLASSIFIED

6th July, 1955.

PERSONAL

DEC 13 2023

WBG ARCHIVES

Dear Bill,

It is a far cry from the days when we sat round the table at the Teheran Embassy, but you may perhaps remember that since then I had a brief opportunity to meet you on the occasion of the Vienna Congress of the ICC in 1953.

I am now writing to seek your personal advice in regard to the following matter.

The British National Committee of the International Chamber of Commerce normally holds a Dinner each year in London for its membership, and we endeavour to high-light the function by inviting important personalities as our Guest Speakers. We usually have a Cabinet Minister and one or two high-ups in the field of international business to speak.

We are proposing this year to hold our Dinner in the beginning of November - the evening of Thursday, 3rd November is the present suggestion - and we have been wondering whether it would be possible to persuade Mr. Eugene Black to honour us with his presence and to be a principal Guest Speaker on this occasion. The ICC has always taken a deep interest in questions concerning international finance and investment, and it would be of the greatest interest to our Members to hear at first hand something about the current problems in this field from such an eminent authority as your President.

The BNC membership covers over 70 of the principal trade organisations and Chambers of Commerce in the U.K., while our associate members represent some 440 of the leading commercial and industrial firms in the country. Our Annual Dinner therefore provides an opportunity to speak to a large number of prominent British businessmen directly involved and keenly interested in present-day problems of international trade and finance. Our National Committee plays a very prominent part in the work of the ICC and I am attaching for your information a list of our Honorary Office Bearers for 1955-56.

/We fully appreciate

We fully appreciate that if Mr. Eugene Black were willing to speak at such a function in London it might only be possible for him to do so if he happened to be in this part of the world round about the time of our Dinner. I should be most grateful, therefore, if before we take any steps to approach Mr. Black directly, you could perhaps very kindly let me know "unofficially" whether there is a likelihood of his being able to accept an invitation to be one of the principal guests at our Dinner.

I shall look forward greatly to hearing from you and I hope you will not mind my writing to you personally on this matter.

With kind regards,

Yours sincerely,

Cecil Savidge

C.A.G.Savidge,
Director.

W.A.B. Iliff, Esq., C.M.G., M.B.E.,
Assistant to the President,
International Bank for Reconstruction
and Development,
1818, H. Street, North-West,
WASHINGTON, 25,
D.C.

May 31, 1955

Prof. Everett E. Hagen
Massachusetts Institute of Technology
Center for International Studies
50 Memorial Drive
Cambridge 39, Massachusetts

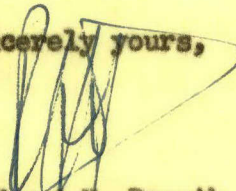
Dear Everett:

Thank you for sending me the copy of the report which you participated in writing for the U.S. Council of the ICC. I appreciate, too, your advising me of the action taken by the U.S. Council in Tokyo. In view of that action, I will, of course, treat the report as confidential.

I do want to tell you, however, that I thought the report was extremely well done; in fact, the section dealing with the importance of Asian development to the West is one of the best expositions of this subject I have yet seen. I am not wholly in agreement with the discussion on the financial forms of government aid and I would need convincing that a revised Colombo Plan organization is the proper administering agency, although I can see strong arguments in favor of the position taken in the report. These two matters I would like to discuss further with you when next we meet. But in general I think you have good reason to be satisfied with the job you have accomplished.

With best regards,

Sincerely yours,



Richard H. Demuth
Director

Technical Assistance and Liaison Staff

RHD:tf

June 2nd

Report sent to
Mr. Black - will be
returned to Mr. Demuth.

MASSACHUSETTS INSTITUTE OF TECHNOLOGY
CENTER FOR INTERNATIONAL STUDIES
50 MEMORIAL DRIVE
CAMBRIDGE 39, MASSACHUSETTS

May 23, 1955

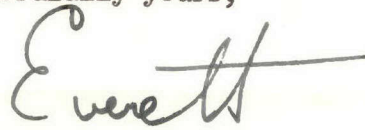
Mr. Richard H. Demuth
International Bank for Reconstruction
and Development
1818 H Street
Washington 25, D. C.

Dear Dick:

Mr. John D. Rockefeller, 3rd has received the following cable from Tokyo. Since you have a copy of the report, you should know of the action indicated in the cable:

"Report aroused great interest among all delegates and received high praise as background material for delegation Stop Following careful consideration and in light information and experience gained here it is now clear that does not reflect views of great majority Council membership Stop Accordingly Executive Committee today decided against publication Stop Council wishes to thank you and Committee for valuable contribution you have made. Regards. Warren Lee Pierson."

Cordially yours,



Everett E. Hagen

EEH:bw

RECEIVED AT THE NATIONAL ARCHIVES
CONSTITUTIONAL DIVISION

MAY 25 9 50 AM 1955

EEH:DA

WALTER E. HAYES



SECRETARY GENERAL

Reference is made to the letter of the
Committee for Legislative Coordination and Public Affairs
dated April 21, 1955, in which you are requested to
advise the Committee of the progress of the work
being done in connection with the study of the
proposed amendments to the Constitution and to
report the results of the study to the Committee
as soon as possible.

It is noted that the report indicated in the letter

dated May 10, 1955, that you have a copy of the report.

Mr. John P. Rockefeller, Jr. has received the following

Dear Sir:

Mr. J. P. Rockefeller, Jr.
1818 H Street
Washington, D. C.
and Delegation
International Bank for Reconstruction
Mr. William H. Bennett

MAY 23 1955

CAMBRIDGE 39 MASSACHUSETTS
20 MEMORIAL DRIVE
CENTER FOR INTERNATIONAL STUDIES
MASSACHUSETTS INSTITUTE OF TECHNOLOGY



Mr. Black

May 27, 1955

Richard H. Demuth

I think you will be interested in glancing at the attached memorandum drawn up for the U.S. Council of the ICC by the Special Committee headed by John D. Rockefeller III. The section beginning on page 14, dealing with the importance of Asian development to the West, seems to me to be particularly well done. You may be interested in this in connection with your Oglethorpe speech.

This copy was given to me in confidence. The U.S. delegation to the ICC meeting in Tokyo decided not to publish the report on the ground that it does not express the views of the great majority of the Council's membership. I gather that there may be a fight brewing on this issue between the members of the Committee and other members of the U.S. Council.

RHD:tf

MASSACHUSETTS INSTITUTE OF TECHNOLOGY
CENTER FOR INTERNATIONAL STUDIES
50 MEMORIAL DRIVE
CAMBRIDGE 39, MASSACHUSETTS

May 17, 1955

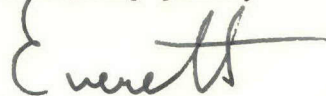
Mr. Richard H. Demuth
International Bank for Reconstruction
and Development
1818 H Street
Washington 25, D. C.

Dear Dick:

Unfortunately I am about to telephone you to tell you that I cannot come to Washington to join the staff of your training institute for a year.

I enclose a copy of the report by a committee of the United States Council of the International Chamber of Commerce for which I served as rapporteur. Naturally, the report is by no means my work. I had very little to do with Chapters 1, 2 and 7 other than to suggest some minor changes in wording. I am reasonably well satisfied with Chapters 3 thru 6, and 8, with which I had a great deal to do, except for one fact. I conceived of Chapters 3 and 4, which deal with the process of economic growth and the requisites for growth, as preparation for a statement on the conditions which must exist if economic aid to development is to be effective, and which ought to be obtained if an expanded program of aid is to be carried out. Because of the strong opposition of an influential committee member, the idea that any conditions to insure effective economic development ought to be obtained in the process of giving financial aid, if aid is to be continued, has been suppressed to two very brief references, one in the middle of page 32 and one at the top of page 38. Hence Chapters 3 and 4 more or less hang in air.

Cordially yours,



Everett E. Hagen

EEH:bw
Enc.

MAI 19 10 10 AM '55
RECEIVED

May 17, 1955

Mr. Richard H. Demuth
International Bank for Reconstruction
and Development
1111 H Street
Washington 25, D. C.

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Cordially yours,

Everett E. Hagen

ERN:pw
Enc.

RECEIVED
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
MAY 19 10 00 AM 1955

ROUTING SLIP

Date

NAME

ROOM NO.

Ms. Garner

Action	Note and File
Approval	Note and Return
Comment	Prepare Reply
Full Report	Previous Papers
Information	Recommendation
Initial	Signature

Remarks

This has been written in this fashion in view of the possibility that Dorz will go to Indonesia the middle of May, in which event he could easily go

From

via Tokyo. Dorz agrees fully. R.H.T.

April 6, 1955

M. Pierre Vasseur
Secretary General
International Chamber of Commerce
38 Cours Albert 1^{er}
Paris 8, France

Dear M. Vasseur:

I am writing in response to your letter of March 14[✓] suggesting that a representative of the International Bank address the Second General Meeting of the Tokyo Congress of the International Chamber of Commerce on May 18 concerning the Bank's plans for the International Finance Corporation.

I have delayed writing to you about this matter because I have not been in a position to advise you definitely whether the Bank will have a representative at the Tokyo Congress. I have had in mind asking Mr. Russell Dorr, a senior member of our Department of Operations for Asia and the Middle East, to undertake this assignment. However, Mr. Dorr is responsible for our relations with both Japan and Indonesia and his ability to be in Tokyo for the ICC Congress necessarily depends upon the course of pending Bank activities in both those countries. Unfortunately, Mr. Dorr's plans for May are still not clear, and probably will not be for another two weeks.

In view of our uncertainty, and your need to print programs, etc., you may wish to drop the whole idea of having a Bank representative address the meeting on the International Finance Corporation. On the other hand, if you can leave the matter open for a few more weeks, we will be glad to have Mr. Dorr give the proposed talk to the meeting if he can possibly fit it in with his operational commitments.

In any event, if you would wish us to do so, we would be happy to prepare a short statement on the International Finance Corporation for distribution to the members of the Congress. I would appreciate your letting us know as soon as possible whether you believe this would be useful and appropriate.

Sincerely yours,



R. L. Garner



RLG:RHD:tf

cc: Mr. Gregh
Cleared with and copy to Mr. Dorr

OFFICE MEMORANDUM

TO: Mr. Garner

DATE: March 25, 1955

FROM: R. H. Dorr

RH Dorr

SUBJECT: Presentation on IFC to International Chamber of Commerce

1. It is still extremely difficult to make an intelligent prediction as to the timing of my next trip to Japan. It is generally felt that the Bank should have formulated its attitude regarding the TOD Reports on the power and steel projects, which hopefully will soon be forthcoming, before attempting to reach a decision insofar as any discussion of industrial projects is concerned. As to the agricultural projects, we expect to have some discussions with Japanese representatives next week which may throw some light on the problem.

2. I am becoming more and more inclined to doubt that, from a point of view of our operations generally, it would be advantageous to visit Japan in May.

FROM - 1. Office of the President

2. Office of the Vice President

FORM No. 89
(7-50)

Date _____

TO -

	Name	Room No.
1	<i>Mr. Dorr</i>	
2		
3		
4		

FOR -

Action

Initialing

Approval

Preparing Reply

Comment

Previous Papers

Filing

Noting and Returning

Full Report

Recommendation

Information

Signature

REMARKS

Are you likely
to be in Japan
at this time?
G

ROUTING SLIP		Date
NAME		ROOM NO.
Mr. Garner		
	Action	Note and File
	Approval	Note and Return
	Comment	Prepare Reply
	Full Report	Previous Papers
	Information	Recommendation
	Initial	Signature
Remarks <p style="font-size: 1.2em; font-family: cursive;"> What do you think we should do about this? Perhaps Dorr could do the job if he'll be in today anyway. </p>		
From	Richard H. Demuth <i>RHD</i>	

CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE38, COURS ALBERT 1^{er} - PARIS VIII^e

Pièces jointes : 2

Votre Référence :

Notre Référence : RB-800/XV-VI

Date : 14.III.1955 lb

Technical Services

Dear Mr. Black,

Tokyo Congress - General Meetings (Speakers)

We should greatly appreciate it if your representative at the Tokyo Congress of the ICC would address the second General Meeting on 18th May which is devoted to the investment aspects of Asian development, on the Bank's plans for setting up the International Finance Corporation now sponsored by the General Assembly of the United Nations.

For your information, I am enclosing a resolution on this subject adopted by our Council on 9th-10th February (No.16 B) which will be submitted for confirmation to the Tokyo Congress.


In accordance with our usual Congress procedure, introductory statements of that kind are limited to 15-20 minutes (20 minutes being the absolute maximum), in other words, 100-120 lines of type-script.

In order to facilitate the mimeographing and translation of your representative's speech, we should be grateful if you could let us have the text (in triplicate), together with a 10-20 line summary for Press purposes, as soon as you possibly can, and in any case not later than 20th April.

I am enclosing for your information a copy of the Congress rules of procedure.

We should be grateful for an early reply to this letter.

Yours sincerely,


Pierre Vasseur
Secretary General

Mr. Eugene R. BLACK, President, *ST 1022*
International Bank for Reconstruction
and Development
WASHINGTON D.C.

AIR MAIL.

PAR AVION
AIR MAIL*Club. Apr. 6.*

Copy 1/10/55

VIA MAIL*

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

WASHINGTON D.C.

and Development

INTERNATIONAL BANK FOR RECONSTRUCTION

Mr. Eugene B. Black, President
MAR 17 9 24 AM 1955

Secretary General
Eugene A. Black

Yours sincerely,

We should be pleased to see you in Tokyo for this letter.

Proceeding

I am enclosing for your information a copy of the Congress letter of
as soon as you possibly can and in any case not later than 30th April.
text (in English) together with a 10-20 line summary for press purposes.
presentative, as above, we should be pleased to see you for the

In order to facilitate the introduction and presentation of your re-
solutions (maximum) in other words, 100-120 lines of type-accepted
minutes of that kind are limited to 12-20 minutes (20 minutes being the
in accordance with our usual Congress procedure, introductory state-

ments for consideration to the Tokyo Congress.
accepted by our Council on 24th-25th February (No. 16 B) which will be ap-
for your information, I am enclosing a resolution on this subject

sponsored by the General Assembly of the United Nations.
Bank, a basis for setting up the International Finance Corporation now
which is referred to the investment aspects of your development on the
Congress of the ICC would address the second General Meeting on 18th May
We should be pleased to see you at the Tokyo

Tokyo Congress - General Meeting (2 weeks)

Dear Mr. Black,

Respectfully,
Eugene A. Black

Pages joined: 2 Your reference: My reference: BB-800\XA-AD Date: 14.III.1955 IP

38' COURS AVERTI 10 - PARIS VIII

INTERNATIONAL CHAMBER OF COMMERCE
CHAMBRE DE COMMERCE INTERNATIONALE

TOKYO CONGRESS (1955)

International Finance Corporation

*Resolution adopted by the Council of the ICC
(83rd Session, 9th-10th February 1955)*

THE International Chamber of Commerce welcomes the resolution of the General Assembly of the United Nations of 11th December 1954 in favour of the establishment of an International Finance Corporation (IFC), affiliated to the International Bank for Reconstruction and Development, with the primary object of facilitating "the setting up and expansion of productive private enterprise in under-developed countries by the investment of capital without the necessity for governmental guaranties".

The ICC attaches great importance to the basic principle, to which it understands the International Finance Corporation will conform — that the Corporation's activities should supplement and not supplant those of private investors.

The ICC has consistently upheld the view that, insofar as countries are in need of foreign capital for the development of their economies, this need is likely in the long run to be met more effectively and more constructively through the channels of private investment and particularly of equity investment than through governmental loans. Risk-bearing capital, moreover, has the advantage for the capital-importing country that unlike fixed interest loans it receives its reward only if profits are actually earned.

An essential condition for the encouragement of private international investment is the knowledge on the part of investors that their rights and interests are recognized by the governments and peoples alike of the borrow-

ing countries. Investment confidence would be much increased if capital were provided by the new Corporation only for enterprises in countries which have given effective proof that they will accord proper treatment to foreign investments, for example along the general lines of the ICC Code of Fair Treatment for Foreign Investments (Brochure 129).

In order to fulfil these aims, the following principles should be incorporated in the statutes of the IFC :

- a) Loans by the IFC should be limited to private and non-governmental enterprises;
- b) The IFC should not acquire ownership rights, even though non-voting, in business enterprises; it should, however, be empowered to purchase bonds with interest payable only when earned as well as securities that are convertible into stock when purchased from the IFC by private investors.

The ICC draws attention further to the desirability that the IFC, in directing its investment policy, should have regard to :

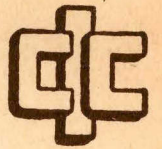
- a) The desirability of giving priority to improving the technique of the production of those commodities for which the capital-importing country is suited;
- b) The danger of fostering uneconomic industries which will be unable to take firm root in the economy of the country concerned, and will merely restrict and distort the flow of international trade;
- c) The need for investments to be made in such undertakings as will increase the productivity of the capital-importing country and contribute directly or indirectly to an improvement of its balance of payments.

(Original)



CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT 1^{er} - PARIS VIII^e



Technical Services
800-XV - RB

I.C.T.40

Document N° VI/3
10.III.1955 - 1b

(Original)

XVth CONGRESS OF THE ICC
Tokyo, 15th - 21st May 1955

C O N G R E S S M E E T I N G S

Organization and Rules of Procedure

As the success of the meetings will largely depend on strict observance of the rules of procedure, the Chairmen are requested to study these rules most carefully and to ask International Headquarters for any further particulars or clarification they may require.

A. ORGANIZATION OF MEETINGS

Apart from the Opening and Closing Sessions, there are two categories of Congress meetings :

- General Meetings
- and
- Group Meetings.

The General Meetings are meetings dealing with important topics of general interest and therefore arranged to take place at a time when all or most delegates are free to attend.

At the Group Meetings, the more detailed technical subjects on the Congress agenda and the technical work accomplished by the ICC Commissions and Committees during the past two years are examined and the discussion is free.

The rules of procedure for General Meetings are the same as for Group Meetings.

The working languages of the Congress are English and French only.

B. CONGRESS RESOLUTIONS

The following rules of procedure for Congress resolutions were adopted by the Council of the ICC at its meetings on 9-10th January 1951 :

1. Resolutions or statements prepared in time to reach Council through the normal procedure of the ICC before the beginning of Congress, shall be considered and adopted by the Council before they are submitted to the Congress.

2. All resolutions or statements adopted by the Council shall be submitted for adoption to the next succeeding Congress, unless they have been replaced by later resolutions or statements on the same subject or unless, for some other reason, (such as completion of action on them by governmental organizations concerned), they are out of date by the time of the Congress. The Congress shall be informed of resolutions or statements adopted by the Council but not submitted to the Congress for adoption.
3. Council resolutions or statements submitted to the Congress for adoption shall be presented to the appropriate Group Meeting. The Group Meeting shall either confirm the Council resolution or statement without change or refer it back to the Council.
4. A delegation or delegate may submit a draft resolution or statement on any subject included in the agenda of a Group Meeting, provided that its text is delivered to the Congress Secretariat not less than twenty-four hours before the commencement of the Group Meeting at which it is to be considered.
5. All resolutions or statements confirmed or adopted by the appropriate Group Meetings shall be submitted first to the Resolutions Committee for scrutiny and thereafter to the Closing Session of the Congress for final adoption.

It is important to note that resolutions or motions on subjects outside the Congress agenda should be tabled at the Opening Session which transmits them without discussion to the Resolutions Committee.

C. RULES OF PROCEDURE FOR GENERAL AND GROUP

MEETINGS

1. Agenda

- a) The printed program of the Congress gives the main headings of the items under discussion at each meeting and lists the basic printed and stencilled documents.
- b) In addition to the printed program, a more detailed agenda is prepared in stencilled form for each meeting giving the sub-headings of the main subjects and the names of the rapporteurs.

2. Resolutions

- a) Resolutions previously adopted by the Council :

In the case of resolutions previously adopted by the Council and submitted to the meeting for confirmation, the meeting shall either confirm the Council resolution without change or refer it back to the Council. The Chairman shall therefore rule out of order any proposal for amending such resolutions and any draft resolution moved under b) below which is simply a disguised amendment to a Council resolution.

- b) Resolutions not previously adopted by the Council :

A delegation or delegate may submit a draft resolution on any subject included in the agenda of a meeting, provided that its text is delivered to the Congress Secretariat not less than twenty-four hours before the commencement of the meeting at which it is to be considered. Such draft resolutions are open to amendment at the meeting.

3. Organization of the discussion

- a) As far as possible each of the main items in the agenda is introduced by a rapporteur appointed in advance (time-limit: 10 minutes at Group Meetings, 15 to 20 minutes at General Meetings).

- b) Any delegate desiring to intervene in the discussion is requested to give his name to the Secretary (indicating, as the case may be, the National Committee, or country, or international organization he represents) either before or during the meeting. The speakers are called upon in the order in which their names reach the Secretary and within the limits of the available time.
- c) Speakers are requested to begin by announcing their names and the country or international organization they represent.
- d) All speakers are strictly limited to a maximum of ten minutes.

4. Written Summary

Delegates intervening in the discussion are requested to fill in a special form giving a 10 to 20 line summary of their remarks and to hand it to the Secretary before leaving the hall. The necessary forms are distributed during the meeting. They are required for the Congress Press Service, the Secretariat of the meeting and the Congress files.

5. Distribution of speeches at General Meetings

As far as possible, the introductory speeches indicated in the program are mimeographed at least in the original language (English or French). They are distributed to the delegates after the meeting. Every effort is made to issue a translation in the other working language, if the text reaches International Headquarters in time and in advance of the Congress.

No speeches at Group Meetings are mimeographed or distributed by the Secretariat of the Congress.

6. Voting

The initial vote is taken by a show of hands. If a second vote is necessary, it is taken by National Committee (one vote per delegation).

7. Press +)

- a) Representatives of the Press are admitted to all General Meetings and Group Meetings.
- b) On motion by the Chairman or by a delegate or delegates, the meeting may rule as "off the record" for Press purposes the whole or part of the discussion.

+) These are the rules adopted for the Press at previous Congresses. They are subject to confirmation for the Tokyo Congress.

MAR 17 9 24 AM 1955

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

Int. Chamber of
Commerce

February 15, 1955

M. Pierre Vasseur
Secretary General
International Chamber of Commerce
38, Cours Albert
Paris 8, France

Dear M. Vasseur:

I wish to acknowledge receipt of and to thank you for your letter of January 29, inviting the Bank to be represented at the XVth Congress of the International Chamber of Commerce, to be held in Tokyo from May 15 to 21.

I am sorry to say that previous commitments will make it impossible for me to attend the Congress myself. However, since we attach considerable importance to these biennial conferences, I will try to arrange for the Bank to be represented by another official of appropriate level. If agreeable to you, I will communicate with you again on this matter at a later date, when our work schedule is somewhat clearer than it is at present. I trust that this delay will not inconvenience you.

Sincerely yours,

(Signed) Eugene R. Black
Eugene R. Black

Cleared with and copy to Mr. Gregh

ERB:RHD:mo:tf

February 14, 1955

Dear Dave:

Bob Skillings forwarded your letter of February 7 to me. As you probably know, some of us had a chance to talk to John D. Rockefeller about the Council study, so we know vaguely what you are after.

I am enclosing the paper by Mr. deVries which you mentioned in your letter. Since the paper was submitted to the Conference of Central Bank Technicians of the Western Hemisphere which took place in Washington - New York in May of last year, there are no restrictions on its use except that it is a paper by deVries and not an official Bank document.

Mr. Rockefeller has promised to keep us informed about the progress of his study. Since I now know that you are involved in it, I hope you will let us have whatever documents may be of interest to us.

With best regards,

Sincerely yours,

J.H. Adler

Mr. D.W. MacEachron
United States Council of the
International Chamber of Commerce, Inc.
103 Park Avenue,
New York 17, N.Y.

UNITED STATES COUNCIL
OF
THE INTERNATIONAL CHAMBER OF COMMERCE, INC.

CABLE: USAINTCHAM

103 PARK AVENUE

NEW YORK 17, N. Y.

MURRAY HILL 6-3181

February 7, 1955

Mr. Robert Skillings
International Bank for Reconstruction & Development
1818 H Street, N.W.
Washington 25, D. C.

Dear Bob:

I hope that this letter finds you in Washington and that you and Sally are both well.

The U. S. Council has recently undertaken a very interesting study with the hope of coming up with some new recommendations for U. S. foreign economic policy in the Asian-Far Eastern region. John D. Rockefeller, 3rd has agreed to chair the group which will be conducting this study. With his very energetic leadership a high-caliber staff is being pulled together to work on various aspects of the problem. Everett Hagen of M.I.T. is the chief staff man and several other people are doing pieces of the job under his direction.

My particular assignment in this operation is to try and draw together the various estimates which have been made as to the capital needs of the countries in this region. Last week I talked to Mr. Hunt Singer at the U.N., who mentioned some unpublished studies by Mr. de Vries of the Bank's staff. Would it be possible for you to obtain a copy of his paper and send it to me? I would be glad to observe any stipulations on the use of such a document which are called for. There would be no need to quote from any of this material.

We are shooting to get this study completed by the middle of April, so if you could let me know whether or not this paper is available in the near future I would greatly appreciate it.

Please give my best to Sally. Many thanks in advance.

Yours, *Dave*
D. W. MacEachron
Director of Program

ack. Feb. 14.

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and Chairman Executive Committee
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Manufacturers

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Blairstown, New Jersey

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sylvania Electric Products Inc.

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Newsweek

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H. F. Prioleau, President
Standard-Vacuum Oil Company

***Clarence B. Randall, Chairman**
and Chief Executive Officer
Inland Steel Company

***Philip D. Reed, Chairman**
General Electric Company

Ralph T. Reed, President
American Express Company

Everett D. Reese, President
The American Bankers Association

***Edward C. Riley, General Manager**
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San Francisco, California

Morris S. Rosenthal
New York, New York

David Sarnoff, Chairman
Radio Corporation of America

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Leo N. Shaw, Senior Vice President
The National City Bank of
New York

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and Savings Association

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Pan American World Airways, Inc.

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Setauket, Long Island, New York

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Paris, France

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Mathieson Chemical Corporation

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Standard Oil Company (N. J.)

Richard H. West, President
Irving Trust Company

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CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT 1^{er} - PARIS VIII^e

Pièces jointes : 3
Tokyo Congress

Votre Référence

Notre Référence 800-XV
 LRD-LCT-2bis

Date : 29. I. 1955 sms

Dear Sir:

XVth Congress of the ICC : Tokyo

I take pleasure in inviting you to take part in the work of the XVth biennial Congress of the International Chamber of Commerce, which will be held in Tokyo from 15th to 21st May 1955. We shall also extend a cordial welcome to any other representative of your organization you may wish to appoint.

The provisional program of the Congress, a registration form and a questionnaire relating to accommodation requirements are attached hereto. The payment of a registration fee does not, of course, arise.

If, as we very much hope, we may count on your attendance, we shall be grateful to you for letting us have your confirmation without delay and for returning the forms, duly completed, not later than 10th March. You would also assist us greatly by letting us have all correspondence regarding the Congress in triplicate.

Yours sincerely,

Pierre Vasseur
 Pierre Vasseur
 Secretary General.

Mr. Eugene R. BLACK
 President
 B. I. R. D.
Washington, D. C.
 U. S. A.

EBB 1 11 10 AM 1955

RECEIVED
 INTERNATIONAL BANK FOR
 COMMERCE AND DEPOSIT

del. Feb. 15



PAR AVION
AIR MAIL

CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT 1^{er} - PARIS VIII^e

Date : 29. I. 1955

Notre Référence : 800-XV

LRD-LCT-2bis

Votre Référence

Pièces jointes : 3

Tokyo Congress

Dear Sir:

XVth Congress of the ICC : Tokyo

I take pleasure in inviting you to take part in the work of the XVth biennial Congress of the International Chamber of Commerce, which will be held in Tokyo from 15th to 21st May 1955. We shall also extend a cordial welcome to any other representative of your organization you may wish to appoint.

The provisional program of the Congress, a registration form and a questionnaire relating to accommodation requirements are attached hereto. The payment of a registration fee does not, of course, arise.

If, as we very much hope, we may count on your attendance, we shall be grateful to you for letting us have your confirmation without delay and for returning the forms, duly completed, not later than 10th March. You would also assist us greatly by letting us have all correspondence regarding the Congress in triplicate.

Yours sincerely,

Pierre Vasseur
Pierre Vasseur
Secretary General.

Mr. Eugene R. BLACK
President
B. I. R. D.
Washington, D. C.
U. S. A.

FEB 7 11 10 AM 1955

RECEIVED
INTERNATIONAL BANK FOR
ECONOM. AND DEVELOP.

Cal. Feb. 6

PAR AVION
AIR MAIL

REGISTRATION FORM - FORMULE D'INSCRIPTION

N°

Surname - Nom :

Christian names - Prénoms :

International Organization represented }
Organisation Internationale représentée }

Address of the Organization - Adresse de l'Organisation :

Titles - Titres : Please give under a) and b) the most important title only as this alone will appear in the list of Delegates.
Prière de n'indiquer sous a) et b) que le titre le plus important qui, seul, sera reproduit dans la liste des Délégués.

a) Office held in the above organization - Fonction dans l'Organisation ci-dessus

b) Position in business - Titre d'affaires

Economic Branch - Branche d'activité

Nationality - Nationalité :

Permanent address - Adresse habituelle :

Congress documents (Place a cross opposite language required) English

Documents du Congrès (Mettre une croix en face de la langue désirée) Français

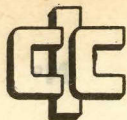
Accompanied to the Congress by (indicate members of the family) }

Accompagné au Congrès par (indiquer les membres de la famille) }

Hotel accommodation required - Hôtel, chambres demandées

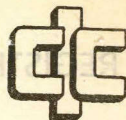
Double room(s) : with bath without bath | Single room(s) : with bath without bath

Chambre(s) à 2 lits : avec bain sans bain | Chambre(s) à 1 lit : avec bain sans bain



XVth CONGRESS OF THE INTERNATIONAL CHAMBER OF COMMERCE
Tokyo (15th May - 21st May 1955)

XV^e CONGRÈS DE LA CHAMBRE DE COMMERCE INTERNATIONALE
Tokio (15 Mai - 21 Mai 1955)



REGISTRATION FORM - FORMULE D'INSCRIPTION

Kindly **return** this form duly completed (see over), as soon as possible, to **International Headquarters of the I.C.C.** 38, Cours Albert I^{er}, Paris (VIII^e)

Prière de **renvoyer** cette formule remplie (voir au verso), le plus tôt possible, au **Secrétariat Général de la C.C.I.**, 38, Cours Albert I^{er}, Paris (VIII^e)

English Français

Accompanied to the Congress by (indiquer le nom de la famille) / Accompagné au Congrès par (indiquer les membres de la famille)

Hotel accommodation required - Hôtel, chambres demandées

Double room(s) / Chambres à 2 lits	with bath / avec bain	without bath / sans bain
Single room(s) / Chambres à 1 lit	with bath / avec bain	without bath / sans bain

REGISTRATION FORM - FORMULE D'INSCRIPTION

N°

Surname — Nom :

Christian names — Prénoms :

International Organization represented {
Organisation Internationale représentée }

Address of the Organization — Adresse de l'Organisation :

Titles — Titres : Please give under a) and b) the most important title only as this alone will appear in the List of Delegates.
Prière de n'indiquer sous a) et b) que le titre le plus important qui, seul, sera reproduit dans la liste des Délégués.

a) Office held in the above organization — Fonction dans l'Organisation ci-dessus

b) Position in business - Titre d'affaires

Economic Branch — Branche d'activité

Nationality — Nationalité :

Permanent address — Adresse habituelle :

Congress documents (Place a cross opposite language required) English

Documents du Congrès (Mettre une croix en face de la langue désirée) Français

Accompanied to the Congress by (indicate members of the family) }
Accompagné au Congrès par (indiquer les membres de la famille) }

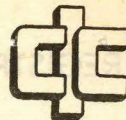
Hotel accommodation required — Hôtel, chambres demandées

Double room(s) :	with bath	without bath	Single room(s) :	with bath	without bath
Chambre(s) à 2 lits :	avec bain	sans bain	Chambre(s) à 1 lit :	avec bain	sans bain



XVth CONGRESS OF THE INTERNATIONAL CHAMBER OF COMMERCE
Tokyo (15th May - 21st May 1955)

XV^e CONGRÈS DE LA CHAMBRE DE COMMERCE INTERNATIONALE
Tokio (15 Mai - 21 Mai 1955)



REGISTRATION FORM - FORMULE D'INSCRIPTION

Kindly **return** this form duly completed (see over), as soon as possible, to **International Headquarters of the I.C.C.** 38, Cours Albert I^{er}, Paris (VIII^e)

Prière de **renvoyer** cette formule remplie (voir au verso), le plus tôt possible, au **Secrétariat Général de la C.C.I.**, 38, Cours Albert I^{er}, Paris (VIII^e)

English
 Français

Single room(s) : _____ with bath _____ without bath
 Chambres) à 1 lit : _____ avec bain _____ sans bain

Double room(s) : _____ with bath _____ without bath
 Chambres) à 2 lits : _____ avec bain _____ sans bain

INTERNATIONAL CHAMBER OF COMMERCE

FIFTEENTH CONGRESS

15th - 21st MAY 1955

T O K Y O



“Asian Problems - World Progress”



Postal Address
Cable Address

} TOKYOKAIKAN TOKYO

THE TOKYO CONGRESS

“Asian Problems – World Progress”

PROVISIONAL PROGRAM OF MEETINGS

MONDAY 16th MAY	a. m.	<i>Opening Session</i>				
	p. m.	Group Meetings	Taxation and Private Enterprise	Productivity in Distribution	Organization and Coordination of International Transport	International Protection of Industrial Property (I)
TUESDAY 17th MAY	a. m.	Group Meetings	—	Modern Techniques of Distribution and Trade Promotion	Inland Transport	International Protection of Industrial Property (II)
	p. m.	<i>General Meeting : Asian Development and the World Economy (I)</i>				
WEDNESDAY 18th MAY	a. m.	Group Meetings	—	International Advertising	Freedom and Progress in Ocean Transport	International Commercial Arbitration
	p. m.	<i>General Meeting : Asian Development and the World Economy (II)</i>				
THURSDAY 19th MAY	a. m.	Group Meetings	Administrative Obstacles to Trade	Distribution Statistics	Air Transport	Commercial and Banking Practice
	p. m.	<i>General Meeting : International Cooperation for Stability in the World Markets for Primary Products</i>				
FRIDAY 20th MAY	a. m.	Group Meetings	—	—	Telecommunications	—
	<i>General Meeting : Progress towards a New Monetary Order</i>					
	<i>Special Meeting : Fair Competition, a Factor in Industrial and Commercial Progress</i>					
SATURDAY 21st MAY	p. m.	<i>General Meeting : Freer Trade for World Prosperity</i>				
	p. m.	<i>Closing Session : Future Trends in ICC Policy and Activities</i>				
		<p>The General Assembly of the International Information Bureau of Chambers of Commerce will be held at 10 a. m. on Saturday, 21st May.</p>			<p>The ICC's Commission on Asian and Far-Eastern Affairs (CAFEA) will hold its 4th Session on the occasion of the Congress at a time and date to be announced later.</p>	

REGISTRATION

The Japanese National Committee of the ICC has provided for the accommodation in Tokyo of some 800 delegates from the various countries.

To avoid accommodation difficulties, ICC members wishing to attend the Congress are urged to send their application to their National Committee without delay (see list on back page). In the event of their country being without an ICC National Committee, application should be made direct to International Headquarters (38, Cours Albert-I^{er}, Paris VIII).

The registration fee has been fixed at USA \$ 40 per delegate. Persons accompanying delegates but not taking part in the Congress proceedings are not required to pay this fee.

DELEGATE'S CARD

Each duly registered delegate will receive a card entitling him to :

- a) attend the meetings of the Congress;
- b) obtain the Congress documents;
- c) receive the official badge and invitations to entertainments organized by the Japanese National Committee of the ICC;
- d) benefit by the reduction in fares granted by the transport companies.

JOURNEY

Reduced Fares. — Delegates are requested to apply to their National Committee for information in this connection.

Exchange Regulations in Japan. — Certain exchange regulations are in force in Japan. Delegates are requested to apply for information to their competent local authorities and to correspondents of Japanese banks. A leaflet with detailed information will be sent on request.

Passports and Visas. — A passport with compulsory visa is necessary for nationals of all countries.

The visa can be obtained in each country through the Japanese consular authorities. The Japanese visa will be granted very quickly to delegates stating in their application form: "Attendance of the XVth Congress of the ICC". Nationals of Germany and the United States will obtain the visa free of charge.

Customs. — Each delegate will receive luggage labels which will facilitate customs formalities.

ACCOMMODATION IN TOKYO

The Japanese National Committee has reserved rooms in Tokyo for some 800 persons.

Each National Committee is responsible for the accommodation of its delegates and should get into touch for this purpose with the Japanese National Committee.

CONGRESS SERVICES

Opening. — The Congress Services installed in the Tokyo Kaikan will be available to delegates as from Sunday, 15th May, at 11 a.m.

Registration. — On their arrival at the Congress, delegates should present themselves :

- at the Registration Service to have their cards stamped;
- at the Document Distribution Service to obtain the complete set of the printed documents of the Congress, the official Congress badge and the invitations.

Control. — Delegates are requested to wear their badge and to carry at all times their official card to facilitate control during the Congress.

Information.—Delegates' Mail. — A special Congress Information Service will be available to delegates. The Document Distribution Service will also take care of mail and messages addressed to them at Congress Headquarters.

Kindly return the following registration form, legibly completed, to the National Committee concerned (see over for list of addresses).

REGISTRATION FORM - FORMULE D'INSCRIPTION

No°

Delegation (Country) — Délégation (Pays)

Surname — Nom

Christian names — Prénoms

Organization represented (only for delegates of Organization Members) :

Organisation représentée (ne concerne que les délégués des membres collectifs) :

Titles — Titres : Please give under a) and b) the most important title only as this alone will appear in the List of Delegates. Prière de n'indiquer sous a) et b) que le titre le plus important qui, seul, sera reproduit dans la Liste des Délégués.

a) Office held in ICC — Fonction à la CCI

b) Position in business — Titre d'affaires

Economic Branch — Branche d'activité

Nationality — Nationalité

Permanent address — Adresse habituelle

Congress documents (Place a cross opposite language required) English Français

Documents du Congrès (Mettre une croix en face de la langue désirée)

Accompanied to the Congress by (indicate members of the family) {

Accompagné au Congrès par (indiquez les membres de la famille) {

Hotel accommodation required — Hôtel, chambres demandées

Double room(s) : _____ with bath _____ without bath | Single room(s) : _____ with bath _____ without bath

Chambre(s) à 2 lits : _____ avec bain _____ sans bain | Chambre(s) à 1 lit : _____ avec bain _____ sans bain

Visa of Permits. — Delegates having travel documents to be visaed should apply to the Registration Service to have them stamped with the certificate of their presence at the Congress.

Cashier — Sale of Publications. — This Service will be at the disposal of delegates who have not paid their registration fee. The principal ICC publications will be on sale at the Cashier — Sale of Publications Service.

CONGRESS OFFICES

The offices of the President and Secretary General of the ICC, of the Chairman and Secretary General of the Japanese National Committee, and those of the Congress Secretariat will be located at the Tokyo Kaikan. The various Congress Offices (shorthand-typists, translation, documentation, mimeograph, messengers, telephone, etc.), will also be located there.

The office of the Congress Secretariat in the Tokyo Kaikan will be open as from Monday, 9th May.

PRESS BUREAU

Representatives of the Press will be able to obtain full information on the work and social functions of the Congress from the Congress Press Service, which will also issue daily press releases. A reading and writing room will be at their disposal.

OTHER SERVICES

The following services will be installed for the convenience of delegates either in Congress premises or in town:

Reading and writing room — Travel agency — Bank and exchange bureau — Post, telegraph and telephone office — Newspaper and post-card stand — Restaurant and bar — Tobacconist — Photographer, etc.

CONGRESS PROGRAM

ICC members will find the provisional Congress program on the inside page of this document. This program is subject to any alteration that may be called for by developments in the world economic situation during the months preceding the Congress. The final detailed program will be distributed to delegates at the opening of the Congress.

MEETINGS

There will be four categories of Congress meetings: Plenary Sessions, General Meetings, Group Meetings and Special Meetings.

The Opening Session will be held at the Imperial Theatre. All the other meetings will take place at the Tokyo Kaikan.

Plenary Sessions. — The Opening Plenary Session will be a formal occasion devoted to addresses by a high official of the Japanese Government, the Chairman of the Congress and the President of the ICC. All Congress resolutions will be submitted for adoption to the Closing Session, which will be addressed by the outgoing and incoming Presidents of the ICC.

General Meetings and Group Meetings. — The General Meetings are meetings of the "Economic Policy" Group arranged in the afternoon (with the exception of the meeting on Friday morning) so as to enable all delegates to attend. Discussion at both the General Meetings and the

Group Meetings is free but each item will be introduced by a Rapporteur. Speeches at such meetings are strictly limited to ten minutes. The Congress resolutions will be submitted to the Group Meetings for adoption (no resolution may be moved for discussion at any General Meeting) before they go forward for final ratification to the Closing Plenary Session.

Special Meetings. — Various special meetings will be held at the time of the Congress: 84th Session of the ICC's Council (15th May), Budget Commission (15th May), General Assembly of the International Information Bureau of Chambers of Commerce (21st May), Commission on Asian and Far-Eastern Affairs, meeting devoted to Fair Competition (20th May).

RECEPTIONS — EXCURSIONS

The Japanese National Committee of the ICC is engaged in drawing up its program of receptions and excursions.

It has been decided that *dinner jackets* will be worn at evening receptions.

Certain manifestations (religious services, visits, etc.) will take place on Sunday, 15th May.

On Sunday, 22nd May, the Japanese National Committee will organize for delegates a special excursion to Nikko, a city of historical and religious interest.

LADIES' PROGRAM

The Japanese National Committee is organizing a special program for the ladies.

Further particulars or any changes will be given in the forthcoming numbers of *ICC News* and more especially in the March 1955 issue.



XVth CONGRESS OF THE INTERNATIONAL CHAMBER OF COMMERCE
Tokyo (15th May - 21st May 1955)
XV^e CONGRÈS DE LA CHAMBRE DE COMMERCE INTERNATIONALE
Tokio (15 mai - 21 mai 1955)



REGISTRATION FORM - FORMULE D'INSCRIPTION

Kindly **return** this form duly completed (see over) to the Secretary of the **National Committee** of the ICC in your country.
Prière de **renvoyer** cette formule remplie (voir au verso) au Secrétaire du **Comité National** de la CCI dans votre pays.

Australia :
128, Pitt Street, Sydney, N.S.W.

Austria :
Stubenring 12, Wien I.

Belgian Congo :
34, Rue de Stassart, Bruxelles.

Belgium :
33 Rue Ducale, Bruxelles.

Brazil :
9, Rua Candelaria, 9^o andar, Rio de Janeiro.

Cambodia-Laos-Vietnam :
82, Boulevard Malesherbes, Paris VIII^e.

Canada :
1411, Crescent Street, Montreal.

Denmark :
Børsen, København.

Finland :
Fabianinkatu 14, Helsinki.

France :
82, Boulevard Malesherbes, Paris VIII^e.

French Africa :
82, Boulevard Malesherbes, Paris VIII^e.

Germany :
An den Dominikanern 15/27, Köln.

Greece :
Rue Winston Churchill 41, Athens.

India :
28, Ferozshah Road, New Delhi

Italy :
Piazza S.S. Apostoli 53, Roma.

Japan :
Nippon Kogyo Building
Marunouchi, Chiyodaku, Tokyo.

Luxemburg :
8, Avenue de l'Arsenal, Luxembourg.

Mexico :
Venustiano Carranza 40, Mexico City.

Netherlands :
Tournooiveld 2, 'sGravenhage.

Norway :
Børsen, Oslo.

Peru :
426, Virreyrna, Lima.

Portugal :
89, Rua Eugenio dos Santos, Lisboa

Spain :
Ancha 11, Barcelona.

Sweden :
Västra Trädgårdsgatan 9, Stockholm.

Switzerland :
Borsenstrasse 17, Zürich.

Turkey :
Yeni Han, Konya Sokak, Ankara.

United Kingdom :
15, Kingsway, London W.C. 2.

United States :
103, Park Avenue, New York 17, N.Y.

Uruguay :
Camara Nacional de Comercio, Montevideo

Yugoslavia :
Studentstki Trg 15, Beograd.

For all **other countries** please **apply directly** to **International Headquarters**, 38, Cours Albert-I^{er}, Paris VIII^e.
Pour tous les **autres pays**, s'**adresser directement** au **Secrétariat International de la CCI**, 38, Cours Albert-I^{er}, Paris VIII^e.

Sunday 15th May - Saturday 21st May, 1955

ACCOMMODATION - TRAVEL - EXCURSION

Questionnaire

To be filled in and returned to the National Committee of the delegate's country, or, failing this, to International Headquarters of the I.C.C.

N.B. To enable the Japanese National Committee to settle accommodation and transport problems as smoothly as possible, delegates are requested to reply to the following questions:

SURNAME: Name:
Address:
Accompanied by:
Organization or firm represented:
Title:

I. HOTEL ACCOMMODATION

- Kindly arrange accommodation for me
A. Rooms required
....bedroom living room 1 bed 2 beds double bed bath shower
B. Length of stay
Date of arrival in Tokyo: Date of departure from Tokyo:
C. Class of hotel
category A category B category C Japanese Inn
D. Sharing of rooms
I am prepared to share a double room with another delegate
I wish to occupy my room alone
E. Remarks
I am making my own arrangements for accommodation

II. TRAVELLING ARRANGEMENTS

- A. Individual travel : means of travelling used
to Tokyo : ship (name) air (company)
from Tokyo: ship (name) air (company)
B. Special ICC travel (see FCT.10c enclosed for details)
I am interested in the ICC's special travel arrangements
special plane group travel world tour
I enclose questionnaire FCT.10c duly completed
I am not interested in the ICC's special travel arrangements

III. EXCURSION

- A. Pre-Congress tours of Japan
N°1(1 day) 14 May - Nikko \$ 15
N°2(5 days) 10-14 May - Kyoto, Nara, Osaka, Hakone, Kamakura, Tokyo \$125
B. Post-Congress tours of Japan
N°1(1 day) 23 May 24 May - Nikko \$ 15
N°3(5 days) 23-27 May - Kyoto, Osaka, Hakone, Kamakura, Tokyo \$125
N°4(") 24-28 May - Kamakura, Hakone, Kyoto, Kobe, Osaka, Tokyo \$125
N°6(") 25-29 May - Kamakura, Hakone, Osaka, Nara, Kyoto, Tokyo \$125
N°5(6 days) 24-29 May - Kamakura, Hakone, Kyoto, Kobe, Osaka, Toba, Nagoya, Tokyo ... \$150
N°7(") 25-30 May - Kamakura, Hakone, Osaka, Nara, Kyoto, Toba, Nagoya, Tokyo ... \$150
I wish to join the excursion N° to:
I shall not be joining the excursions

For further information, please apply to "Japan Travel Bureau", 1 Marunouchi, Tokyo or to other travel agencies.

Date:

Signature:

Dimanche 15 mai - Samedi 21 mai 1955

LOGEMENT - VOYAGE - EXCURSIONSQuestionnaire

A remplir et à retourner au Comité National dont ressortit le délégué ou, à défaut, au Secrétariat International de la CCI.

N.B. Afin de permettre au Comité National Japonais de résoudre de façon aussi satisfaisante que possible les problèmes relatifs au logement et au transport des congressistes, les délégués sont priés de bien vouloir répondre aux questions ci-après :

NOM: Prénoms:
 Adresse:
 Accompagné de:
 Organisation ou Société représentée:
 Titre:

I. LOGEMENT - HOTELS

Veuillez faire le nécessaire pour mon logement

A. Chambres demandées

....chambre salon 1 lit 2 lits lit double bain douche
chambre salon 1 lit 2 lits lit double bain douche

B. Durée du séjour

Date d'arrivée à Tokio: Date de départ de Tokio:

C. Catégorie de l'hôtel

catégorie A catégorie B catégorie C Auberge Japonaise

D. Partage éventuel de chambre

Je suis prêt à partager une chambre avec un autre congressiste
 Veuillez me retenir une chambre pour mon usage exclusif

E. Observations

Je m'occupe personnellement de mon logement

II. VOYAGEA. Voyage individuel : moyen de transport utilisé

aller: bateau (nom) avion (compagnie)
 retour: bateau (nom) avion (compagnie)

B. Voyages spéciaux CCI (voir détails FCT.10c ci-jointe)

je suis intéressé par les voyages spéciaux CCI :
 avion spécial voyage de groupe tour du monde
 ci-joint le questionnaire spécial dûment rempli
 je ne suis pas intéressé par les voyages spéciaux CCI

III. EXCURSIONSA. Tours au Japon pré-congrès

N°1 (1 jour) 14 mai - Nikko \$ 15
 N°2 (5 jours) 10-14 mai - Kyoto, Nara, Osaka, Hakone, Kamakura, Tokyo \$125

B. Tours au Japon post-congrès

N°1 (1 jour) 23 mai 24 mai - Nikko \$ 15
 N°3 (5 jours) 23-27 mai - Kyoto, Osaka, Hakone, Kamakura, Tokyo \$125
 N°4 (") 24-28 mai - Kamakura, Hakone, Kyoto, Kobe, Osaka, Tokyo \$125
 N°6 (") 25-29 mai - Kamakura, Hakone, Osaka, Nara, Kyoto, Tokyo \$125
 N°5 (6 jours) 24-29 mai - Kamakura, Hakone, Kyoto, Kobe, Osaka, Toba, Nagoya, Tokyo ... \$150
 N°7 (") 25-30 mai - Kamakura, Hakone, Osaka, Nara, Kyoto, Toba, Nagoya, Tokyo ... \$150

Je prendrai part à l'excursion N° du
 Je ne prendrai pas part aux excursions

Pour tous renseignements, s'adresser à "Japan Travel Bureau", 1 Marunouchi, Tokio, ou aux autres agences de voyages.

Date:
 Signature:

TOKYO CONGRESS

Sunday 15th May - Saturday 21st May, 1955

ICC SPECIAL TOURS

Questionnaire

To be filled in and returned to the National Committee of the delegate's country, or, failing this, to International Headquarters of the I.C.C.

SURNAME: Name:
Address:
Accompanied by:
Organization or firm represented:
Title:

I. Special planes with a 24 hours stopover

International Headquarters has been requested to make arrangements for two special flights. One plane could leave from Paris and another from Istanbul. This arrangement would offer the following advantages:

- a substantial reduction (20% to 40% according to number of passengers and type of plane)
- a 24 hours stopover in an important capital (on the way to Japan and back)
- grouping together delegates from several countries.
Arrival in Tokyo is scheduled for 12th or 13th May, and departure for 23rd or 24th May, 1955.

I am interested in the special plane leaving
[] France(Paris) [] Turkey(Istanbul)
for the journey:
[] to Tokyo and back [] to Tokyo only [] back from Tokyo only

II. ICC Group Tours

Wagons Lits/Cook No.1 Plan: PARIS-TOKYO with stopovers, TOKYO-PARIS direct

- 1.A. Departure: Paris 25th April Return: Paris 25th May
1.B. Departure: Paris 2nd May Return: Paris 25th May

I am interested in the Wagons Lits/Cook Group Tour [] N°1.A. [] N°1.B.

Wagons Lits/Cook No.2 Plan: PARIS-TOKYO direct, TOKYO-PARIS with stopovers

Departure: Paris 11th May Return: Paris 9th June

I am interested in the Wagons Lits/Cook Tour No.2

III. ICC "Round the World" Tours

Wagons Lits/Cook No.3 Plan

- 3.A. Departure: Paris 2nd May Return: Paris 5th June
3.B. Departure: Paris 25th April Return: Paris 5th June

American Express Plan

Departure: New York 9th April Return: Los Angeles 29th May

I am interested in the Wagons Lits/Cook Round the World Tour [] N°3.A. [] N°3.B.

I am interested in the American Express Round the World Tour

+ + +

For further information regarding ICC Group Tours and Round the World Tours delegates may apply direct to the travel agencies concerned (Wagons Lits/Cook and American Express) or to International Headquarters of the ICC (38 Cours Albert Ier, Paris VIII).

Date:

Signature:

CONGRES DE TOKIO

Dimanche 15 mai - samedi 21 mai 1955

VOYAGES SPECIAUX CCI

Questionnaire

à remplir et à retourner au Comité National dont ressortit le délégué ou, à défaut, au Secrétariat International de la CCI.

NOM: Prénoms:
Adresse:
Accompagné de:
Organisation ou Société représentée:
Titre:

I. Avions spéciaux avec arrêt de 24h.

Le Secrétariat International a été chargé d'organiser deux avions spéciaux partant l'un de Paris, l'autre d'Istanbul. Cet arrangement permettrait :
- une réduction intéressante (20 à 40% suivant le nombre de passagers et le type de l'appareil)
- un arrêt de 24h. dans une grande capitale asiatique (à l'aller comme au retour)
- un groupement des délégués de plusieurs pays.
L'arrivée à Tokio est prévue pour le 12 ou 13 mai; le départ de Tokio pour le 23 ou 24 mai.

- Je suis intéressé par le voyage par avion spécial partant de:
France(Paris) Turquie(Istanbul)
à l'aller et au retour à l'aller au retour

II. Voyage de Groupe CCI

Projet Wagons Lits/Cook N°1: PARIS-TOKIO avec escales, TOKIO-PARIS direct

1.A. Départ: Paris 25 avril Retour: Paris 25 mai
1.B. Départ: Paris 2 mai Retour: Paris 25 mai

- Je suis intéressé par le voyage de groupe Wagons Lits/Cook N°1.A. N°1.B.

Projet Wagons Lits/Cook N°2: PARIS-TOKIO direct, TOKIO-PARIS avec escales

Départ: Paris 11 mai Retour: Paris 9 juin

- Je suis intéressé par le voyage de groupe Wagons Lits/Cook N°2.

III. Voyage CCI autour du Monde

Projet Wagons Lits/Cook N°3

3.A. Départ: Paris 2 mai Retour: Paris 5 juin
3.B. Départ: Paris 25 avril Retour: Paris 5 juin

Projet American Express

Départ: New York 9 avril Retour: Los Angeles 29 mai

- Je suis intéressé par le voyage autour du monde W.L.Cook N°3.A. N°3.B.
Je suis intéressé par le voyage autour du monde American Express

+ + +

Pour tous renseignements complémentaires sur les voyages de groupe et autour du monde, les délégués peuvent s'adresser directement aux organisations de voyage responsables : Wagons Lits/Cook et American Express, ou au Secrétariat International de la Chambre de Commerce Internationale, 38 Cours Albert Ier, Paris VIII.

Date:
Signature:

CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT 1^{er} - PARIS VIII^e

Pièces jointes : 1

Votre Référence

Notre Référence RB-800-XIV/VI Date : 21.IV.1953 lb

Technical Services

Dear Mr. Iliff,

Vienna Congress

Thank you for your letter of April 16th.

We fully understand Mr. Black's reluctance to send a senior member of the staff to Vienna unless the subject of the International Finance Corporation is to be dealt with thoroughly, and you may rest assured that we shall do everything in our power to satisfy you. The program of our Congress is, however, so overcharged already with meetings, and the rest of the time so crowded with receptions, that it would be materially impossible to find a solution in the addition of a new meeting to discuss the International Finance Corporation.

It has therefore occurred to us that the following plan might go a long way to meeting your views. The meeting on Tuesday morning, which is under Sir Jeremy Raisman's chairmanship, could start with the customary presentation of the most recent I.C.C. report on the problem of economic development and foreign investments. The general discussion would then continue until 11.15 when the meeting would turn itself into a forum for the discussion of the International Finance Corporation project. This would give nearly two hours for the discussion in the meeting. At the close of the meeting a lunch would be organized to enable the one or two members of each delegation most interested in the project to continue the discussion with the representative of the Bank.

This plan, which would involve discussions lasting in all some 3 hours and a half, should make it possible, we believe, for the representative of the Bank to clear up any misunderstandings in the minds of our delegates and to hear their criticisms and suggestions. I might add that even apart from the formal meeting and lunch your representative would have ample opportunity in the course of the Congress to continue discussions informally with interested individuals or groups.

As it is extremely important if the discussions are to be a success, that our National Committees should be notified well in advance of what we are arranging, I should be grateful if you would cable us your definite reply as soon as you possibly can after receiving this letter.

For your information, I am enclosing copy of a document (No.111/INT.20) submitted to the last meeting of our Commission on Foreign Investments and Economic Development, which summarizes the replies received from some of our National Committees to an inquiry we sent out on the proposed International Finance Corporation. This would probably help your representative in drawing up his statement.

Yours sincerely,

Pierre Vasseur
 Pierre Vasseur
 Secretary General

Mr.W.A.B. ILIFF,
 Assistant to the President,
 International Bank for Reconstruction and Development,
 WASHINGTON 25, D.C.

PAR AVION
 AIR MAIL

AIR MAIL.

CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT Ier - PARIS VIIIe

Notre Référence RB-800-XIV/VI Date : 21.IV.1953 JP

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Pièces jointes : 1

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Yours sincerely,

Pierre Vassier

Pierre Vassier
Secretary General

RECEIVED
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

Mr. W. A. B. Liff,
Assistant to the President,
International Bank for Reconstruction and Development,
WASHINGTON 25, D.C.

AIR MAIL

AIR MAIL

COMMISSION ON FOREIGN INVESTMENTS AND ECONOMIC DEVELOPMENT

Meeting on 18th and 19th February, 1953

THE PROPOSED INTERNATIONAL FINANCE CORPORATION

Summary of Replies

from National Committees to Inquiry (Document 111/29).

AUSTRALIA : Expresses the general comment that if the I.C.C.'s Code of Fair Treatment for Foreign Investments were universally adopted, there would be no need for an International Finance Corporation. The Australian National Committee then offer the following comments :

The value of an International Finance Corporation would lie principally in its technical services and in its ability to raise funds for investment. In those aspects it appears to be a useful idea. In its administration it would operate along lines somewhat similar to the I.B.R.D., which on current experience has been satisfactory.

On the investing side the prospects for it are less satisfactory and do not differ materially from the hazards which face any international investor. These include the lack of efficient administration and the lack of technical and specialist abilities in the backward countries and the risks to private enterprise arising from political interference.

Viewed in those terms the number of projects available for the I.F.C. to invest in would probably be small, and in view of the risks, the terms would have to be high. Some guarantee of priority for remission of profits would be necessary.

The proposal is still being studied by the I.B.R.D. and therefore only the broad outline of intentions is yet known. The suggestion seems to be valuable and practicable, but its activities could not be expected to be very great in volume.

AUSTRIA : The activities of the proposed International Finance Corporation would be identical with those of an investments bank. The foundation of a new banking institute in addition to those already existing should, however, be decided upon only if this Institute could offer advantages that the other banks are not able to offer. Such advantages are not foreseen in the project in question. The activities of the proposed Institute would in no way be wider than those of an investments bank.

Under these conditions one must agree with the views that the establishment of an International Finance Corporation of the proposed type is not absolutely necessary. As long as the risks of capital investment abroad are too high, neither an already existing banking institute nor a new public body, should it not offer special advantages, would succeed in attracting the interest of capital seeking investments possibilities.

It would meet the proposed purpose better to take measures which would help to reduce the risks of capital investments in foreign countries. This could be mainly achieved by security guarantees from the country granting the loan as well as

by transfer promises from the country contracting the loan. Since at present capital investments in foreign countries are mainly impaired by excessive risks, sufficient security guarantees would enliven international capital exchange within a short time. The World Bank should therefore concentrate its efforts mainly upon the giving of the necessary guarantees.

GERMANY : Dr. R. BRINCKMANN, German member of the Commission, comments as follows :

On the whole one may concur with the opinion expressed in I.B.R.D.'s "Report on the proposal for an International Finance Corporation" which presents the arguments pro and contra. However, it must be emphasized that the difficulties inherent in the far-reaching inconvertibility of the majority of the currencies have not been sufficiently discussed in the Report. These difficulties must be seriously considered as they may greatly reduce the field of activity of the Corporation and therefore minimize its importance.

INDIA : The following observations are submitted by the Indian National Committee:

Purpose of the Corporation : Detailing the general charter of the proposed Corporation, the Report of the I.B.R.D. says that "the purpose of the Corporation would be to promote economic development through the stimulation of private investment in its member countries". It is reasonable to assume that the I.B.R.D.'s Report does not aim at widening the scope of the activities of the Corporation so as to bring areas other than under-developed ones within its ambit. But it will be desirable to ensure that the Bank's final report clearly lays down that "the purpose of the Corporation would be to promote economic development through the stimulation of private investment in such of its member countries as are under-developed".

Structure of the Corporation : The Committee do not agree that the capital of the Corporation should consist solely of contributions from the Governments. In their opinion, the International Bank for Reconstruction and Development should contribute along with the governments of the member countries to the capital of the Corporation and private interests must also be given an opportunity to take the shares of the Corporation. It is no doubt true that the operations of the Corporation are expected to be substantially different in character from those of the Bank and more speculative and diverse. But the objection that the use of the Bank's resources for such purpose might have adverse repercussions on the Bank's credit would not hold good in case it is provided that the contribution of the Bank would be the first charge on the funds of the Corporation both for the payment of interest and the repayment of capital.

As regards participation of private funds in Corporation's capital, the view is expressed in the Report that on account "of the nature of the Corporation's operations, however, there is no reason to think that it would be able to raise any considerable amount of funds in the reasonable near future by that method". It is rather surprising that while it is considered to be possible to attract private capital for specific kinds of investments in particular countries, a rather pessimistic view has been taken regarding the possibilities of attracting private capital to the whole range of the Corporation's activities. Investment of private capital and equity financing are the two main features of the scheme to establish International Finance Corporation. These features should be embodied in the constitution and structure of the Corporation itself by making provision for contributions from private entrepreneurs to the Corporation's capital. The participation of the International Bank for Reconstruction and Development and the governments of the various countries in the capital of the Corporation will add to the confidence of the private investors. Besides, the association of private parties with the Corporation would partly meet the objections of those who believe that public funds should not be used for equity investments in private enterprises and that the public character of the Corporation would be incompatible with participation in private undertakings.

The Committee have the following suggestions to offer regarding the capital of the Corporation :

1. The Corporation should have a subscribed capital equivalent to U.S.\$ 500 million of which half should be paid up and the balance subject to call.

2. 30% of the capital should be contributed by the I.B.R.D. by way of first preference 4% stock.
3. 40% of the capital be contributed by member governments by way of second preference 4% stock.
4. Contributions to the rest of the 30% may be invited from private investors who will be entitled to the residue of the profits after meeting the obligations for the payment of dividend on capital contributed by the Bank and governments.

Principles to be observed by the Corporation: The Committee note that it would be a basic principle of the Corporation that its activities should supplement and not supplant those of private investors. The Committee would recommend that the Investments of the Corporation must be made in such productive undertakings as would either increase the capacity of the country to export goods or reduce its import requirements so that the improvement in the balance of payments position may make it possible for the recipient countries to pay interest on foreign investments as also repatriate capital.

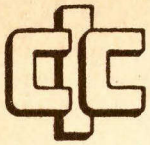
NETHERLANDS: The views of the Netherlands National Committee are as follows :

There may well be room beside the I.B.R.D., which exclusively grants credits and these only under government guarantee, for an institution that may fill the want of equity capital.

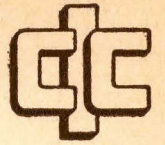
Although in principle the plan is not devoid of a logical basis, it would appear, however, that the proposal in its present shape offers little attraction. Experience has shown that it is extremely difficult to provide for the passive financing of such an institution on a reasonable basis. In the case of the I.B.R.D. very considerable amounts were furnished by the Bretton Woods countries and for the rest the passive financing took place by contracting loans which were covered in a very ample degree by the Bank's own means furnished by the said governments. If we understand rightly, the plan is that the new institution for equity-investment should find means for the passive financing mainly by making an appeal to the investing public in the hope that there is so much confidence in the professional skill of the management that the public is prepared to finance projects via this institution which otherwise would not have been accepted directly. The experience of the last 20 years has shown that both the investing public and the institutional investors are extremely shy of foreign investments. The fact that the I.B.R.D. was able to raise moneys was exclusively due to the very ample cover as buffer stop against losses which cover was in fact contributed by the governments. For many years now it has been customary that foreign investments of riskbearing capital are practically entirely concentrated on the so-called direct investment, viz. the establishment of branches or subsidiaries, or direct participation in foreign businesses by industrial enterprises. It would appear to us that an appeal to the open capital market for such a project would hardly have any chance of success in view of the present international situation.

As little can be said against the plan in itself, and as in case of success there would undoubtedly be advantages connected with it, it would appear that there is no reason to advise against the plan, but only to sound a serious warning with respect to the anticipated chance of success as regards the passive financing.

U.K. : The British National Committee considers that there is a field for equity investment as envisaged in the proposal and the establishing of an International Finance Corporation should be welcomed as a desirable development. The Corporation should deal only with business that private investors would not be willing to undertake without the Corporation's participation and exceptional care should be taken in selecting schemes with sound prospects. Since losses on some schemes would be inevitable, a high rate of return should be expected in order that the Corporation may cover its losses. Investment confidence would be much increased if loans were only given by the Corporation for enterprises in countries which have given effective proof that they will give fair treatment to foreign investments, for example, along the general lines of the I.C.C. Code of Fair Treatment for Foreign Investments. Care would be required by the Corporation not to foster uneconomic industries and opportunities for developing the production of primary products should not be neglected.



CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE



38, COURS ALBERT 1^{er} - PARIS VIII^e

Technical Services
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April 24, 1953
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SPECIAL NOTICE TO NATIONAL COMMITTEES
(Supplement No. 5 to Monthly Circular No. 58 of 23rd March, 1953)

VIENNA CONGRESS

Debate on the Project for an International Finance Corporation
(Group Meeting May 19th "Economic Development and Private Enterprise (I)).

In order to take advantage of the attendance at the Vienna Congress of a representative of the International Bank for Reconstruction and Development, Mr. W.A.B. ILIFF, Assistant to the President, a debate on the project for an International Finance Corporation will be staged at the first Group Meeting on "Economic Development and Private Enterprise" on Tuesday, May 19th, under Sir Jeremy Raisman's chairmanship. The subject will be introduced by Mr. Iliff. This debate will be followed by a lunch to enable the discussions with Mr. Iliff to continue on a more informal basis.

National Committees are therefore requested to select one or at most two delegates specially interested in this subject to attend the lunch and to let International Headquarters know their names as soon as possible.

(Traduction)

NOTE SPECIALE AUX COMITES NATIONAUX
(Supplément N° 3 à la Note Mensuelle N° 53 du 23 mars 1953)

CONGRES DE VIENNE

Débat sur le Projet de Création d'une Société de Finance Internationale
(Séance de Groupe du 19 mai "Développement Economique et Entreprise Privée (I)).

Afin de mettre à profit la présence au Congrès de Vienne d'un représentant de la Banque Internationale pour la Reconstruction et le Développement, M. W.A.B. ILIFF, Assistant du Président, un débat sur le projet de créer une Société de Finance Internationale sera organisé à la première Séance de Groupe "Développement Economique et Entreprise Privée" placée sous la présidence de Sir Jeremy Raisman. M. Iliff fera l'exposé introductif. Un déjeuner qui aura lieu après la réunion permettra de poursuivre plus librement les discussions.

Aussi, les Comités Nationaux sont-ils priés d'indiquer au Secrétariat Général dès que possible les noms d'un ou, au plus, de deux délégués qui s'intéressent particulièrement à ce sujet et qui seraient désireux d'assister au déjeuner.

M.L.C. 90

FILE COPY

April 16, 1953.

Dear Mr. Vasseur:

I have discussed with Mr. Black, and on his behalf I am replying to, your letter of 1stst April, reference RB-800-KIV/VI, about the possibility of a Bank representative attending the Vienna Congress of the International Chamber of Commerce.

In view of the fact that you are hoping to arrange for a discussion about the proposed International Finance Corporation, we think it might be helpful if a Bank representative attended the Congress. If anyone goes from the Bank it will be a senior member of our staff. We should, however, be reluctant, in view of the present heavy demands on our staff, to send a representative as far as Vienna only for the purpose of making a brief ten-minute introductory statement. While for your own purposes you might wish to have the discussion included as part of the formal business of the Congress and the subject, or one of the subjects, for discussion at a formal group meeting, we think that a series of ten-minute speeches in such an atmosphere would not take any of the participants very far. Accordingly, we think that, either in substitution for the formal group meeting or in addition to it, it would be constructive if you could find it possible to arrange for a frank around-the-table discussion of the subject with a group of interested individuals who could express authoritative views on behalf of the financial and commercial interests represented in the Chamber.

If you think that something of the kind can be arranged, we shall be very happy to arrange for a senior officer of the Bank to go to Vienna, and perhaps you would be kind enough to let me know what you think as soon as you conveniently can.

Yours sincerely,

W. A. B. Iliff

W. A. B. Iliff
Assistant to the President.

M. Pierre Vasseur
Secretary General
International Chamber of Commerce
38 Cours Albert ler
PARIS VIIIe, FRANCE.

AIRMAIL
WABIliff/mo.
cc:Miss Ladue

CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT 1^{er} - PARIS VIII^e

Pièces jointes :

Votre Référence

Notre Référence

RB-800-XIV/VI

Date :

1.IV.1953 lb

Technical Services

Dear Mr. Black,

Vienna Congress

I was extremely sorry to learn from your Secretary's letter of March 17th that not only you personally would be unable to attend our Vienna Congress but that there would probably be no representative of the Bank as well.

Even apart from the fact that practically all the other leading governmental and non-governmental international bodies are sending representatives, I have a special reason for counting upon a representative of the International Bank. One of the subjects which will be debated at the Group Meeting dealing with Economic Development and Private Enterprise either on May 19th or May 20th. will be the project sponsored by the Bank for an International Finance Corporation. We were therefore hoping that it would be possible for a delegate of the Bank to open the discussion with a brief description of the project in its latest form, bringing the Congress up to date on the discussions within the Economic and Social Council. We are afraid too that without an authoritative statement of that kind business opinion may tend to crystallize at the Congress either for or against the project on the basis of what might be an erroneous interpretation of its final form.

I should therefore appreciate it if you and your staff would give the matter of your representation further thought and let me know your final decision as soon as you possibly can.

Yours sincerely,

Pierre Vasseur
 Pierre Vasseur
 Secretary General.

22/5 - H. G. London.

25/5 - Geneva.

2/6 - London.

8/6 - Basle

?

Mr. Eugene R. BLACK,
 President,
 International Bank for Reconstruction
 and Development,
WASHINGTON 25, D.C.

AIR MAIL.

PAR AVION
AIR MAIL

Act. 4/16/53

CHAMBRE DE COMMERCE INTERNATIONALE
INTERNATIONAL CHAMBER OF COMMERCE

38, COURS ALBERT 1er - PARIS VIIIe

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Notre Référence RB-800-XIV/VI Date

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Pièces jointes :

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Pierre Vasseur
Secretary General

RECEIVED

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

APR 9 52 AM 1953

Mr. Eugene R. BLACK,
President,
International Bank for Reconstruction
and Development,
WASHINGTON 25, D.C.

AIR MAIL

PAR AVION
AIR MAIL

Handwritten notes and dates at the bottom left of the page, including "Apr 11/1953" and other illegible scribbles.

W. L. Chamberlain

March 17, 1953

Mr. Pierre Vasseur
Secretary General
International Chamber of Commerce
38, Cours Albert ler
Paris VIII

XIVth Congress of the I.C.C. : Vienna

Dear Mr. Vasseur:

I wish to acknowledge receipt of and to thank you for your letter of February 19, 1953 inviting Mr. Black to take part in the work of the XIVth biennial Congress of the International Chamber of Commerce in Vienna from May 18th to 23rd. Mr. Black is at present out of the country and I have been asked to advise you that he will be unable to be in Vienna in May.

Your invitation to other representatives of the International Bank who may wish to attend the Congress is also very much appreciated. In view of the heavy work being undertaken by the staff during the next few months it is not expected that a representative of the Bank will be able to accept your kind invitation. Should there be a change in this situation we shall write you again.

Very truly yours,

M. E. L.

M. E. Linahan
Secretary to Mr. Black



INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

ROUTING SLIP

TO-	Name	Room No.
1	Mr. Demuth	1023
2		
3		
4		

FOR-

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

REMARKS

Attached is being mimeographed.
50 copies will be available.

Date— 6/4	From— Drew Dudley
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INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
WASHINGTON 6, D. C.

May 24th, 1947

Dear Dick,-

I am enclosing a copy of the speech I intend to make at the International Chamber of Commerce Montreux Meeting on June 3rd.

The Chamber requested that I furnish them with a copy several days in advance of the time of delivery because they have certain problems of translation, etc.

I have furnished them with a copy of the speech and they have wired that they are very pleased with it.

Sincerely,



Mr. R. Demuth,
International Bank for Reconstruction
and Development,
1818 - H Street, N.W.,
Washington 6, D.C.

Encl.

PROPOSED PRESS RELEASE

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

FOR THE PRESS

FOR IMMEDIATE RELEASE

NO. ___

June 4, 1947

Ansel F. Luxford of the International Bank for Reconstruction and Development in a speech before the International Chamber of Commerce at Montreux, Switzerland today (June 3) described the roles of the Bank and the International Monetary Fund as related to world trade and to other agencies of the United Nations.

Mr. Luxford pointed out that after an unavoidable period devoted to problems of organization, both institutions are now in active operation as evidenced by the Bank's \$250,000,000 loan to France and the Fund's activities in exchange transactions since March 1.

"While both the Fund and the Bank are fully conscious of the heavy responsibilities and difficult problems with which they are confronted", Mr. Luxford said, "they must also realize that the attainment of their respective goals depends not only on how well they discharge their specific assignments, but also on the degree to which other groups

and other agencies are successful in achieving their objectives in the international economic and political sphere."

Mr. Luxford mentioned the interest of both the Bank and Fund in the proposed International Trade Charter and indicated that they also consider the establishment of an effectively administered International Trade Organization a vital factor in achieving enduring peace.

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statement by Ansel F. Luxford, of the International Bank for Reconstruction and Development, at the First Plenary Session of the Montreaux Congress of the International Chamber of Commerce, June 3, 1947.

World Business and The United Nations -
The Role of the Bretton Woods Institutions

We in the International Bank welcome this opportunity for exchanging views with the International Chamber of Commerce.

In a very real sense both the Bank and the International Chamber are performing unique but complementary functions in this world experiment in international organization and cooperation. Both represent bridges between the business and industrial community on the one hand and governments on the other. Whereas the International Chamber of Commerce is engaged in presenting inter-governmental organizations with the views of business and industry, the Bank is an inter-governmental organization whose success depends upon its ability to meet business and industry on common ground.

In fact of all the many inter-governmental organizations which have been created recently, or that are in the process of establishment, the Bank alone is called upon to have extensive direct dealings with the public in general, and with business and industry in particular. The work of the other organizations is almost, if not entirely, conducted with or through their member governments and they have little or no direct dealings with the public. But while the Bank must deal with governments or Central Banks in making loans, still, in the long run, the Bank must raise most of the money it loans in the capital markets of the world. Thus, for the Bank to be of material assistance in the financing of world reconstruction and development, it necessarily must satisfy

the private investor of the soundness and prudence of its leading policy and operations.

It is not difficult to understand, therefore, why we in the Bank are anxious to make clear to the leaders of business and industry our conception of the role of the Bretton Woods institutions in the perspective of world business and the United Nations.

We - like you - are acutely conscious of the essential interrelationship that must exist between business, the United Nations, and the Bretton Woods institutions. We - like you - recognize the dangers inherent in any attempt to confuse the functions and responsibilities of any one of the three with those of the other two. Each can succeed in doing its full part in our joint search for world peace and world prosperity only providing the other two cooperate in doing their part. And we - like you - differentiate between cooperation and dictation.

I will not impose upon your time or patience by attempting to make a detailed exposition of the A.B.C.'s of the International Bank or of the International Monetary Fund. Having been fortunate enough to have participated from the beginning in the formulation and establishment of both the Bank and the Fund, I know only too well the significant and constructive part played by leaders of business and industry in the evolution and organization of both institutions. Moreover, the documentation of the International Chamber of Commerce offers concrete evidence of the extent to which business and industry continue to follow the development of the Bank and the Fund.

Recognizing that the delegations to the Montreaux Congress understand the basic purposes and functions of the Bank and the Fund, I am certain that they will appreciate the full significance of what Mr. McCloy, President of the Bank,

had in mind when he stated recently in connection with the Bank:

"International investment starts where international relief leaves off, at the point where it is economically sound, both from the standpoint of the borrower and the lender, to utilize foreign capital for the restoration or development of productive facilities."

Perhaps from time to time some people have been impatient with the slowness with which they thought the Bank and the Fund were going about the performance of their respective functions. Undoubtedly it would have been reassuring to some if, for instance, the Bank had rushed out and commenced to make loans shortly after its organization a year ago.

But while spectacular actions of this character might have earned the applause of some, I question whether it would have been reassuring to business and industrial leaders who are in a position to appreciate the real problems involved. They would realize that while speed is essential in the fields of exchange problems and reconstruction and development, it would be a dear bargain to the world for either the Bank or the Fund to attempt to achieve speed at the expense of prudence. The world has too much at stake in the attainment by each institution of its goals to permit either to gamble its long range potentialities for momentary effects.

I believe that most people on reflection will gain reassurance from the fact that after one year of organization and preparation the Bank now has moved onto the firing line of actual operations. They will, for instance, draw encouragement not only from the fact that the Bank recently has extended a \$250,000,000 credit to France, but also from the fact that this credit was advanced only after the Bank

had made a thorough study of the needs and prospects of the French economy, and only after being satisfied that such loan could be and would be used to restore and develop the productive facilities of France.

The near future promises to furnish further tangible evidence of the part which the International Bank expects to play in the field of reconstruction and development. While its actions may never have the glitter of the spectacular, time may prove that they bear the hallmark of authenticity.

A loan by the Bank means something more than mere financial assistance to a country. It carries with it a judgment by the Bank that the borrower can and will be able to put such resources into economically sound projects for productive purposes - projects economically sound not only for the borrower alone but also in terms of the economic needs and aims of the world at large. Thus, for the first time we have an international instrumentality with substantial financial resources viewing the problem of international investment, both in terms of national economies and in terms of the world economy as a whole.

The International Monetary Fund also has moved out of the preparatory and organizational stages into the firing line of actual operations. On March 1st of this year it opened its doors for exchange transactions. Before doing so it reached agreement with practically all of its members on their initial par values and these values were published prior to its announcement that it was prepared to commence operations.

Some people have expressed surprise that the Fund was willing to accept the then prevailing system of exchange rates which in several cases seemed distorted and out of line. In doing so, however, it is frequently overlooked that most of the members actually proposed and the Fund accepted rates which were entirely consistent with member's

capacity to maintain - and, in fact, the members had been successfully maintaining such rates over a considerable period of time. There were, of course, a few cases in which the par value proposed by the countries concerned may have appeared to be out of line. These cases were confined, however, to those countries which were still in the process of recovering from the profound shock suffered by them as an outcome of the war. The main criteria in accepting them, the Fund has said, were whether such par values could sustain, for the time being, the exports of a given country or not. In doing so the Fund was fully aware of the difficulties such action might entail for the future. It realized that because the entire world is in need of goods some countries may maintain foreign exchange values for their currencies which are not at the present a great handicap to the sale of their exports but which may prove to be too high when production is revived all over the world and the immediate shortage of import goods is in a large part met. Such countries later may find difficulty in selling sufficient exports to pay for needed imports. When this occurs the Fund will be faced with new problems of adjustment and will have to recognize the unusual circumstances under which the initial par values were determined. But it is just at such time that the Fund can be most useful in seeing that necessary exchange adjustments are made in an orderly manner and that competitive exchange depreciation is avoided.

As to those countries whose economies were worst affected and their currency systems still largely ineffective, the Fund made no effort at this time to agree upon a par value. Instead it agreed with the country that the fixing of the par value of its currency should be delayed until such time as the situation had clarified and there were reasonable prospects that the member could support an exchange

rate suitable for its economy and to its integration with the rest of the world.

All in all it would appear that the Fund took a reasonable but realistic approach to this most difficult problem. More important, it took a position which was calculated to win the confidence and respect of the member governments - thus laying the foundation for full and candid consultations on these questions in the future. The Fund thereby provides a centre of order and stability towards which all countries can progress and from which they can secure help in reaching this goal.

The Fund also has pointed out that in ordinary times, the pattern of exchange rates has an historical continuity which gives it an element of strength and stability. A great war radically alters the established position of currencies. In some respects these problems at present are less extreme than after the last war. There has been a greater realization of the need to keep prices and costs in hand and to keep the balance of payments in order. But we must frankly face the fact that currency systems of some countries have completely broken down and that they must be rehabilitated before they can be stabilised. There are other currencies in which some change in the present foreign exchange values may be necessary.

While a start toward orderly exchange arrangements can be made by establishing initial par values for the many currencies that already have an element of stability, there will remain the great task of rehabilitating weak currencies and integrating them in the world structure of exchange rates. For such countries, the Fund can extend the period of consultation, and an agreement on the initial par values can be postponed until their economic and monetary situation becomes more stable. In the meantime, the fact that initial

par values have been established for other currencies will enable these countries to see more clearly the problem of fitting their currencies into the world structure of exchange rates.

The Fund has enormous powers over the currency and exchange activities of its members. But it has given many significant indications that such powers will be exercised sparingly and with appropriate caution so long as it is possible for it and the members to work out their mutual problems around the conference table. This cannot but be reassuring to all informed persons acquainted with the magnitude and complexity of the problems involved.

Finally, I should add that while both the Fund and the Bank are fully conscious of the heavy responsibilities and the difficult problems with which they are confronted, they also realize that the attainment of their respective goals depends not only on how well they discharge their specific assignments, but also on the degree to which other groups and other agencies are successful in achieving their objectives in the international economic and political sphere.

The interest of both institutions in the proposed International Trade Charter is an appropriate case in point. Many of you may recall that Resolution VII adopted at the Bretton Woods Conference in July 1944 urged the participating Governments to reach agreement as soon as possible on precisely the problems now under consideration in the Trade Charter discussions.

Since their organization a year ago both the Fund and the Bank have taken an active part in the work of the Preparatory Committee on Trade and Employment in drafting the proposed International Trade Charter. Both institutions were represented at the first session of the Preparatory Committee last fall in London. Both set in with the drafting

Committee at Lake Success last winter. Both have delegations at the Geneva Conference presently working on the Charter provisions.

Like the International Chamber of Commerce, the Bank and the Fund believe that the establishment of a soundly conceived and effectively administered International Trade Organization is a vital factor in achieving an enduring peace. We too agree that such action will contribute to placing the world economy on firm foundations and in binding the nations together in a common endeavor to improve living conditions in every country.

More concretely, both the Fund and the Bank recognize that the success of each will depend in no small part on the degree to which the world is able to achieve high levels of world trade on a multilateral basis. The International Monetary Fund fully recognizes the close interrelationship between its efforts on the monetary and exchange side and those of the ITO on the trade side of the same fundamental problem. The Bank, in turn, knows that the capacity of its borrowers to utilize fully the capital loaned and to meet their obligations for its repayment is closely identified with the levels at which world trade can be maintained. We both can appreciate what Mr. Heilperin of the International Chamber of Commerce had in mind when, in speaking of the Fund and the Bank, he stated that "the proposed International Trade Organization is, or ought to become.....the keystone of the edifice."

Neither do I believe it is indiscreet nor unreasonable to state that, like the International Chamber of Commerce, the Fund and the Bank are anxious that the commercial policy provisions of the ITO Charter in general, and those relating to the use of quantitative restrictions in particular, should be closely coordinated and integrated with the concepts underlying and inherent in the Bretton Woods

Agreements. Failure to achieve such essential coordination and integration can invite only confusion - if not disaster.

But these are not merely conclusions shared by the International Chamber of Commerce and the Bank and Fund. It is our definite impression, after having dealt extensively and intimately with the various delegations working on the Charter, that all of the participating countries are searching for this same goal. The problem is one of finding a practical formula which has the broad base of common acceptance.

Neither should it be overlooked that frequently there is a disposition in this field to confuse cause and symptom. At the Geneva Conference the Norwegian Delegation has submitted a memorandum that contains a useful reference to this point. In discussing the intervention of national governments in the affairs of world trade during the depression of the thirties, the memorandum states:

"The fact that this element of regulation and restriction occurred simultaneously with the great contraction in world trade, together with the fact that it must, of course, be apparent to each individual exporter or importer that his particular business could be carried on more speedily and more easily if regulations did not exist, are responsible, it seems, for the development of a widespread belief, that these various forms of regulation in themselves are, more or less, the cause of the contraction in world trade, and that therefore the abolishment of these regulations is the crucial factor on which maintenance of world trade on a high level, will depend."

"Undoubtedly there are certain types of restrictions which are undesirable from the view-point of increased world trade, and some advantages may be gained through negotiations with a view to abolishing them. But

But such negotiations do not go to the bottom of the problem, and there is a real danger of losing the essence of the problem of world trade out of sight if too much energy and effort are concentrated on the abolition - of - regulation aspect of the problem."

While perhaps it would be difficult to obtain any general agreement on the degree and extent of essential validity to be found in such statement, it does seem clear that the point made cannot be overlooked if we are to cope with balance of payments problems in realistic terms. I suspect too that it is this same question which is lurking in the back of the minds of several of the delegations at Geneva concerned with this problem.

It is sometimes difficult to make a rule which appears neat and attractive on paper fit the actual facts to which it was intended to apply. For unfortunately in real life we are compelled to fit our rules around the facts rather than the facts around our rule.

In the field of quantitative restrictions the negotiators at Geneva have the problem of preparing not a rule that will fit the facts of only one or two countries which are not in balance of payments difficulty -- the rule also must fit the facts of a large number of countries struggling mightily to remain on their political and economic feet even though they hate the crutches upon which they are compelled to lean.

At Bretton Woods, confronted with the same fundamental problem as applied to exchange controls, the authors of the Fund Agreement decided that it was not feasible to attempt to write a formula which would automatically determine when a member was entitled to impose exchange restrictions on transactions for current account. Instead it was agreed that the problem could be dealt with intelligently only by

entrusting the decision to the judgment of competent men who could pass on cases only as they arose and only in terms of all the facts applicable in each specific case. While the Fund Agreement sets forth some excellent general principles to guide these men in making their decision, every effort was made to leave them free to make an independent economic judgment in the light of these principles.

But even at Bretton Woods the member countries had extreme difficulty in reaching agreement on this formula. While most of those present were prepared to accept a Fund decision on this vital matter once normal conditions were re-established in their country, they emphatically insisted that no approach of this character was possible in the turbulent economic period marking the transition between war and peace economies. Accordingly the compromise was reached that while the Fund should be the arbiter whenever conditions returned to normal, the member governments must retain the initiative during the transition period, with the Fund exercising only braking effect on their action during such period. The compromise thus contemplated that during the transition the braking effect exercised by the Fund would be a blend of its powers of persuasion coupled with the prudent use of its substantial resources -- to the end that member governments would move toward the objective of stable monetary systems in a balanced but expanding world economy.

In retrospect, and in the light of the difficulties the ITC has experienced in attempting to formulate more precise standards, the Fund formula does appear both attractive and reasonable. It is understandable in this perspective why the International Chamber of Commerce has recommended that the ITC Charter provisions on quantitative restrictions be brought more closely into harmony with those of the Monetary Fund relating to exchange controls.

Obviously, as I have indicated earlier, the Bank and the Fund also wish to see the substantive treatment of quantitative restrictions in the Trade Charter closely coordinated and integrated with the Fund's treatment of exchange controls. It is, in fact, imperative that either this approach be explicitly spelled out in the Charter or, if this proves impossible, that the policies of the trade organization when established must be so coordinated and integrated through the technique of working agreements with the Fund.

The London text of the Charter would seem to contemplate the use of both techniques. While it gives the member the freedom to impose quantitative restrictions whenever that member determines that the escape formula set out in the Charter applies to its balance of payments situation, it does envisage that the member will work in the closest manner possible with the ITO on such problems and, in turn, that the ITO and the Fund will deal jointly with all such cases. Moreover, it is possible for sanctions to be invoked by the ITO in case any member abuses its rights under the formula prescribed.

Clearly, this approach is not just as effective as the Fund formula. Otherwise delegations at London who refused to accept the Fund formula would not have acquiesced to the Charter formula. And make no mistake about the fact that this question was the subject of long and intensive discussion and negotiation at London. The realities of the situation were, however, that insistence upon the Fund formula at London probably would have produced no basis for agreement.

Whereas three years earlier at Bretton Woods when the postwar economic problems were still to be faced, delegations were prepared to accept the Fund formula, these same countries after two years of actual experience in dealing with the postwar balance of payments problems could not find their

way clear to so commit themselves on the parallel question of quantitative restrictions. They were, they explained, prepared to commit themselves to adhering to the same general rules and principles, but the problem was too dynamic -- too vital to their very political and economic existence -- to permit them to surrender their freedom of initiative. Instead, they indicated that they were prepared to consult as freely and as fully as possible before they acted and to hold themselves accountable before an international tribunal after they acted. This, they maintained, was ample evidence of their good faith and their adherence to the principles at stake.

It is, of course, too early to know to what extent the various delegations at Geneva may have reconsidered their respective positions at London. The next few weeks will, no doubt, cast some light on this matter. ^{Perhaps some more} ~~Perhaps, on the other~~ satisfactory formula will be discovered. ~~hand, it will only be possible to make certain improvements~~ in the existing formula and the ultimate evaluation of its efficiency will have to come later when it is tested in actual application.

But it is important for all of us to keep firmly in mind in the heat of such controversies that men of good will from many nations are prepared to sit down and do their level best to resolve their differences amicably. This is perhaps the most encouraging sign of all in these critical times. Sometimes they may be unable to agree. Sometimes they may agree but even then their conclusions may be wrong. Nevertheless, the world's faith and hope for permanent peace and prosperity depend upon their efforts. And if they fail sometimes, we can have confidence and be reassured that those who must try again at least will have had the benefit of their mistakes and their experiences.

The most reassuring message, however, for the people

of the world from these conferences springs from the implicit fact that all the negotiators have accepted the principle that the economic well-being of each country depends in a large measure on the well-being of all -- or as the late Wendell Wilkie put it: "Well-being is a multiplying and not a dividing process."

So long as this philosophy prevails we cannot ultimately fail.

File

OFFICE MEMORANDUM

TO: Mr. Robert L. Garner

FROM: Leonard B. Rist *n*

SUBJECT: Meeting of the International Chamber of Commerce.-

DATE: April 30, 1947

Mr. Charles Dewey asked me several times during the last few days who would speak at Montreux on June 2nd for the International Chamber of Commerce, Luxford or I. He absolutely must cable today on the subject.

I would be glad to do it if you think it desirable, although the 2nd of June does not fit very well in my schedule of travel (which incidentally I should be glad to discuss with you). Luxford could, I believe, handle the job all the better as he is an old timer from Bretton Woods. Mr. Dewey should be advised of your decision as soon as possible. (REpublic 1440)

*McClary says he has already wired Luxford
 + the Chamber that Luxford will go.
 Rist has been advised & will phone Dewey.*