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August 30, 1949

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Bank of England Policy on
Giving Technical Assistance to Other
Countries

When Mr. G.L.F. Bolton, a Director of the Bank of England, was here for lunch with our Governors and a few staff members today, there arose the subject of giving technical assistance on central banking problems to other countries and Mr. Bolton gave some interesting information about the policy and procedure of the Bank of England on this subject.

For many years one of the functions of the Bank of England has been providing technical assistance on central banking matters. Mr. Bolton said that the persons who go out to give technical assistance would be members of the regular staff of the Bank. He said that there are about 25 persons in the Foreign Exchange Department of the Bank who would be considered eligible to serve as technical advisers to overseas countries and, in addition, there are about 100 persons in the Bank's Overseas and Colonial Branch who would also be regarded as eligible.

It appeared that a person who has served for a period up to a few years on a technical assistance project would then be expected to return to a post in the Bank at London (as distinguished from the possibility that the same person would almost immediately go out again on another technical assistance mission); this seemed clear from the fact that the number of persons who would be out on such projects at any given time would be much less than the 25 (or 125) persons who would be expected at some time to participate in such missions.

Mr. Bolton also said there is a shortage of personnel whom the Bank would consider suitable for the giving of overseas technical assistance (i.e., presumably, for the group who perform senior functions in the Bank's foreign work in London and who also serve on overseas technical assistance assignments). It appeared, however, that the Bank's continuing search is for men it can add to its permanent staff in these fields, rather than for men it can obtain on an ad hoc basis for particular assignments.

Because of human aspects of the problems of underdeveloped countries, Mr. Bolton emphasized the desirability of having native rather than British governors of their central banks; he even said it would ordinarily be preferable for the governor to be a second-rate native rather than a first-class Britisher. It was not clear to what extent the Bank of England might consider it desirable that a native governor be assisted for extended periods by a British adviser.

In addition to the sending of men overseas to give technical assistance to foreign countries, Mr. Bolton indicated that the Bank regularly assigns men in its foreign work to spend periods of a year or so in a foreign country for the purpose of familiarizing themselves with the affairs and problems of that country.