

William McChesney Martin, Jr., Papers

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U.S.

Series IV, Subseries D

Annual Meeting Boards of Govs., 1964

UNITED STATES DELEGATION
1964 ANNUAL MEETINGS
IMF - IBRD - IFC - IDA
TOKYO, JAPAN

GOVERNOR

- * Douglas Dillon, Secretary of the Treasury

TEMPORARY ALTERNATE GOVERNORS

- * Robert V. Roosa, Under Secretary of the Treasury for Monetary Affairs
John C. Bullitt, Assistant Secretary of the Treasury and U.S. Executive Director, IBRD
William B. Dale, U.S. Executive Director, IMF

CONGRESSIONAL ADVISERS

- * Senator Russell B. Long, Committee on Foreign Relations, U.S. Senate
- * Representative Henry S. Reuss, Committee on Banking and Currency, House of Representatives
- * Representative Clarence E. Kilburn, Committee on Banking and Currency, House of Representatives

CONGRESSIONAL OBSERVERS

- Senator A. Willis Robertson, Committee on Banking and Currency, U.S. Senate
- * Senator Wallace F. Bennett, Committee on Banking and Currency, U.S. Senate
- * Representative Abraham J. Multer, Committee on Banking and Currency, House of Representatives
- * Representative James Harvey, Committee on Banking and Currency, House of Representatives

ADVISERS

(alphabetically)

- Gardner Ackley, Council of Economic Advisers
- Joseph W. Barr, Chairman, Federal Deposit Insurance Corporation
- * Henry J. Bittermann, Director, Office of International Financial Policy Coordination, U.S. Treasury

ADVISERS - Continued

- * Benjamin Caplan, Director, Office of International Finance and Economic Analysis, Department of State
- * Robert Carswell, Special Assistant to the Secretary of the Treasury
 - Charles A. Coombs, Vice President, Federal Reserve Bank of New York
 - J. Dewey Daane, Member, Board of Governors, Federal Reserve System
 - Dixon Donnelley, Assistant to the Secretary of the Treasury for Public Affairs
 - E. Jay Finkel, Deputy Director, Office of International Financial Policy Coordination, U.S. Treasury
 - Alfred Hayes, President, Federal Reserve Bank of New York
 - Ralph Hirschtritt, Special Assistant to the Assistant Secretary of the Treasury for International Affairs and Temporary Alternate Executive Director, IBRD
 - John S. Hooker, Alternate Executive Director, IMF
 - Douglass Hunt, Special Assistant to the Under Secretary of the Treasury
 - G. Griffith Johnson, Assistant Secretary of State for Economic Affairs
 - Tom Killefer, U.S. Executive Director, Inter-American Development Bank
- * Harold F. Linder, President and Chairman, Export-Import Bank of Washington
 - William McChesney Martin, Jr., Chairman, Board of Governors, Federal Reserve System
 - Lawrence C. McQuade, Deputy Assistant Secretary of Commerce for Financial Policy
- * Robert G. Pelikan, Financial Attache, American Embassy, Tokyo
- * Edwin O. Reischauer, U.S. Ambassador to Japan
- * James J. Saxon, Comptroller of the Currency, U.S. Treasury
 - Fred B. Smith, Deputy General Counsel, U.S. Treasury
 - George H. Willis, Director, Office of International Affairs, U.S. Treasury

* Wife accompanying

BOARD OF GOVERNORS - 1964 ANNUAL MEETINGS

DELEGATION ATTENDANCE

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
AFGHANISTAN	Abdullah YAFTALY (B) Minister of Planning Habibullah Mali ACHEKZAI (F) Governor, Da Afghanistan Bank ----- Zia NOORZOY (F) President, Treasury Department, Ministry of Finance Foruk ACHEKZAI (B) Director, Da Afghanistan Bank	9/4 9/4 9/4 9/4		
ALGERIA #	Bachir BOUMAZA (F-B) Minister of National Economy ----- Seghir MOSTEFAI (F-B) Governor, Banque Centrale d'Algerie	9/4 9/4	Kamel ABDALLAH-KHODJA, Adviser Director of the Cabinet of the Minister of National Economy Georges SIMON, Adviser Technical Adviser to the Cabinet of the Minister of National Economy Yahia KHELIF, Adviser Director of the Treasury and Credit Nourredine DELLECI, Adviser Director of Foreign Commerce	9/4 9/4 9/4 9/4
ARGENTINA	*Wife accompanying			

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
AUSTRALIA	*The Rt. Hon. Harold HOLT, M.P. (F-B) Treasurer of the Commonwealth of Australia ----- *Sir Roland WILSON, C.B.E. (B) Secretary to the Treasury M. W. O'DONNELL, O.B.E. (F) First Assistant Secretary, Department of the Treasury	9/5 9/4 9/4	J. M. GARLAND, Adviser ED (F-B) L. B. BRAND, Adviser First Assistant Secretary, Department of the Treasury R. J. WHITELOW, Adviser Financial Counsellor, Australia House, London Roy DANIEL, Adviser Alt. ED (F) K. W. PEARSON, Adviser Private Secretary to Mr. Holt Miss Doreen BLAKE, Secretary to the Delegation	9/5 9/5 9/5 9/5 9/3
AUSTRIA	Wolfgang SCHMITZ (B) Federal Minister of Finance Reinhard KAMITZ (F) President, Austrian National Bank ----- Hugo ROTTKY (B) Director, Federal Ministry of Finance Ludwig SEIBERL (F) General Manager, Austrian National Bank	9/5 9/6 9/6 9/6	Kurt HARRER, Adviser Counselor, Federal Ministry of Finance Rudolf HORAK, Adviser Secretary, Federal Ministry of Finance Andreas KORP, Adviser First Vice Chairman, Austrian National Bank Ludwig STROBL, Adviser Second Vice Chairman, Austrian National Bank Carl GIESSRIGL, Adviser Director, Austrian National Bank Franz FUCHS, Adviser Chief Secretary, Austrian National Bank Edgar PLAN, Adviser Financial Counselor, Austrian Embassy, Washington Franz OELLERER, Adviser Alt. ED (B)	9/5 9/5 9/6 9/6 9/6 9/6 9/4 9/5
BELGIUM	Andre DEQUAE (B) Minister of Finance Hubert ANSIAUX (F) Governor, Banque Nationale de Belgique ----- Hubert ANSIAUX (B) Governor, Banque Nationale de Belgique M. d'HAEZE (F) General Manager, Administration of the Treasury and Public Debt *Wife accompanying	9/4 9/4	Andre van CAMPENHOUT, Adviser ED (F-B) Maurice TOUSSAINT, Adviser Alt. ED (F) *Cecil de STRYCKER, Adviser Director, Banque Nationale de Belgique Jacques MERTENS de WILMARS, Adv Deputy Director, Banque Nationale de Belgique Miss Anna ALLAERT, Secretary to Governor Ansiaux Miss J. HYNDERICK de GHELCKE, Secretary	9/2 9/4 9/4 9/3 9/4 8/16

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
1 IVIA	*Jaime ESCOBAR (F) Minister of Finance ----- *Adolfo LINARES (B) President, Corporacion Boliviana de Fomento *Gaston GUILLEN (F)	9/7		
BRAZIL	Octavio Gouvea de BULHOES (F-B) Minister of Finance ----- Denio Chagas NOGUEIRA (F-B) Executive Director, Superin- tendency of Money and Credit	9/4 9/4		
BURMA	U KYAW NYEIN (F-B) Chairman, Board of Directors, Union Bank of Burma ----- U KYAW NYUN (B) Secretary, Ministry of Finance and Revenue Col. MAUNG SHWE (Temp.)(F)	9/5 9/5 9/5		
BURUNDI #	Remy NSENGIYUMVA (F) Minister of Finance Eric MANIRAKIZA (B) Vice President, Banque du Royaume du Burundi ----- Gerard CORNU (F) President, Banque du Royaume du Burundi Francois DUPONT (B) Governmental Adviser, Banque du Royaume du Burundi *Wife accompanying	9/4 9/4 9/4 9/4		

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
CAMEROON #	Victor KANGA (F) Minister of Finance, the Plan, and National Equipment Laurent NTAMAG (B) Director General, Banque Camerounaise de Developpement -----	9/5 9/5		
CANADA	*Walter L. GORDON (F-B) Minister of Finance ----- *Louis RASMINSKY (F) Governor, Bank of Canada A.F.W. PLUMPTRE (B) Assistant Deputy Minister of Finance; ED (F-B)	9/3 9/5 9/3	*R. W. LAWSON, Adviser Deputy Governor, Bank of Canada S. J. HANDFIELD-JONES, Adviser Alt. ED (F-B) A. J. BARRY, Adviser Department of Finance D. C. TAYLOR, Adviser Manager, Export Finance Div., Export Credits Insurance Corporation Miss Nancy BURPEE, Private Secretary to the Minister of Finance Miss E. B. HANNESON, Secretary to the Delegation	9/5 9/5 9/5 9/5 9/2 9/3
CENTRAL AFRICAN REPUBLIC #	Charles BORNOU (F-B) Minister of Finance ----- *Louis KPADO (B) Director of National Economy Francois GISCARD d'ESTAING (F) Director, Banque Centrale des Etats de l'Afrique Equatoriale et du Cameroun, Paris *Wife accompanying	8/31 8/31 9/3	Mrs. Louis KPADO, Secretary to the Delegation	8/31

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
CEYLON	N. M. PERERA (F-B) Minister of Finance ----- D. W. RAJAPATIRANA (F) Governor, Central Bank of Ceylon H. Jinadasa SAMARAKKODY (B) Secretary to the Treasury	9/5 9/5 9/5	J. B. KELAGAMA, Adviser Economic Adviser, Ministry of Finance Gamini COREA, Adviser Director of Economic Research, Central Bank of Ceylon Samarasena GUNASEKARA, Private Secretary to Minister of Finance	9/5 9/5 9/5
CHAD #	Michel DJIDINGAR (F) Minister of Finance Georges DIGUIMBAYE (B) Director of Planning ----- Boukar ABDOUL (B) Ambassador of the Republic of Chad to the United States Louis Robert BEOBIDE (F) Director, Banque Centrale des Etats de l'Afrique Equatoriale et du Cameroun, Fort Lamy	9/3 9/3 9/3		
CHILE	----- Alvaro ORREGO (F-B) Vice President, Banco del Estado de Chile	9/4	*Luis ESCOBAR, Adviser Alt. ED (F)	9/5
CHINA #	Ching-Yu CHEN (B) Minister of Finance Kan LEE (F) Deputy Governor, The Central Bank of China ----- *Beue TANN (Temp.)(F) ED (F) Kuo-Hwa YU (B) Chairman, Board of Directors, Bank of China *Wife accompanying		R. C. CHEN, Adviser ED (B) I. S. SUN, Adviser Alt. ED (F) Martin WONG, Adviser Minister-Counselor, Chinese Embassy, Washington K. H. KING, Adviser Director of Currency Depart- ment, Ministry of Finance Philipp C. C. CHANG, Adviser Secretary General, Council for International Economic Cooperation and Development Felix CHANG, Adviser President, China Development Corporation W. Y. HUI Technical Assistant (F) Mrs. Helen MANDARICH, Secretary	9/4

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
COLOMBIA	*Diego CALLE-RESTREPO (B) Minister of Finance	9/6	Alvaro LOPEZ, Adviser Adviser to the Monetary Board	9/6
	*Eduardo ARIAS ROBLEDO (F) Manager, Banco de la Republica	9/6	Augusto RAMIREZ MORENO, Adviser Member, Board of Directors, Banco de la Republica	9/6
	*Jorge OSPINA (Temp.)(F) Member, Board of Directors, Banco de la Republica and President, Banco Cafetero	9/6	*Jorge MEJIA SALAZAR, Adviser President, Banco de Bogota and Member, Board of Directors, Banco de la Republica	9/7
	*Hernando AGUDELO VILLA (Temp.)(B) Former Minister of Finance	9/6	*Eduardo SOTO P., Adviser President, Banco de Colombia and Member, Board of Directors, Banco de la Republica	9/6
			*Guillermo HERRERA CARRIZOSA, Adv. President, Corporacion Finan- ciera de Desarrollo Industrial	9/5
		*Vicente URIBE, Adviser President, Banco Comercial Antioqueno Camilo HERRERA, Adviser Manager, Banco del Comercio Miss Beverly LEIGNER, Secretary to the Delegation	9/3	
CONGO (BRAZZAVILLE) #	Paul KAYA (B) Minister of Planning	9/4		
	Bernard BANZA BOUITI (B) Director General, Banque Nationale de Developpement	9/4		
	Nicaise SAMBA (F) Director of Cabinet, Ministry of Finance	9/4		
CONGO (LEOPOLDVILLE) #	Dominique NDINGA (B) Minister of Finance		Louis LAMONZIE, Adviser	
	*Albert NDELE (F) Governor, Banque Nationale du Congo	9/6		
	Alfred Jean ROUX (B) President-Gerant, Conseil Monetaire	8/31	Patrice MBALA Private Secretary to the Minister of Finance	
	Jean Martin MONDJOBÉ (F) Chief of Cabinet, Ministry of Finance			
COSTA RICA	*Alvaro CASTRO (F-B) Manager, Banco Central de Costa Rica	9/5	*Rufino GIL, Adviser Economic Minister Counselor, Embassy of Costa Rica, Washington; Alt. ED (B)	9/4
	*Jose Antonio CASTRO (Temp.) (B) Member, Board of Directors, Banco Central de Costa Rica, Guillermo GONZALEZ (Temp.) (F) Director, Research Dept., Banco Central de Costa Rica	9/5		
	*Wife accompanying			

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
C US	Renos SOLOMIDES (B) Minister of Finance C. C. STEPHANI (F) Accountant-General -----	9/5 9/5		
DAHOMEY #	Francois DJIBODE APLOGAN (F-B) Minister of Finance, Economic Affairs, and the Plan ----- Jean CHARPENTIER (F) Director, Banque Centrale des Etats de l'Afrique de l'Ouest, Cotonou Marcel TOKPANOU (B) Charge de Mission, Ministry of Finance, Economic Affairs, and the Plan	9/4 9/3 9/4	Robert JULIENNE, Adviser Director General, Banque Centrale des Etats de l'Afrique de l'Ouest, Paris Pierre SANNER, Adviser Director of Research, Banque Centrale des Etats de l'Afrique de l'Ouest, Paris	8/31
DNMARK	Svend NIELSEN (F) Governor, Danmarks National- bank Kjeld PHILIP (B) Minister for Economic Affairs ----- *Otto MULLER (B) Permanent Under-Secretary of State, Ministry of Commerce Steen M. SECHER (Temp.)(F) Head of the Secretariat for the National Debt, Ministry of Finance	9/3 9/6 9/6 9/6	Miss Alice BRUN, Adviser ED (B) Torben FRIIS, Adviser Manager, Danmarks National- bank	9/4 9/3
DOMINICAN REPUBLIC	Diogenes H. FERNANDEZ (F) Governor, Banco Central de la Republica Dominicana Jose Andres AYBAR CASTELLANOS (B) ----- Luis Maria GUERRERO GOMEZ (Temp.)(F-B)			
	*Wife accompanying			

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
ECUADOR	Victor J. MASPONS y BIGAS (B) Minister of Commerce and Banking	9/6		
	Guillermo PEREZ CHIRIBOGA (F) General Manager, Banco Central del Ecuador	9/6		
	----- Jose C. CARDENAS (B) Minister of Development	9/6		
	Francisco BAQUERIZO (Temp.)(F) General Secretary, Banco Central del Ecuador	9/6		
EL SALVADOR	*Francisco AQUINO (F-B) President, Banco Central de Reserva de El Salvador	9/4	Walter BENEKE, Adviser Ambassador of El Salvador to Japan *Roberto DAGLIO, Adviser	**
	*Abelardo TORRES (B) Minister of Economy	9/4	Miss Martha M. GUERRERO, Private Secretary to the Chairman	9/4
	*Roberto HILL (F) Director, Banco Central de Reserva de El Salvador	9/4		
ETHIOPIA	Yilma DERESSA (B) Minister of Finance	9/5		
	Menasse LEMMA (F) Governor, National Bank of Ethiopia	9/4	*Stanislaw KIRKOR, Adviser Financial Adviser, Ministry of Finance	9/4
	----- Yawand-Wossen MANGASHA (F) Vice-Governor, National Bank of Ethiopia			
	Bulcha DEMEKSA (B) Director General, Budget Dept., Ministry of Finance	9/5		
FINLAND	R. v. FIEANDT (B) Envoy Extraordinary and Minister Plenipotentiary	9/5	Eino SUOMELA, Adviser Alt. ED (B)	9/5
	Reino ROSSI (F) Member of the Board of Manage- ment, Bank of Finland	9/5		
	----- Esko REKOLA (B) Minister of Finance	9/6		
	Jouko J. VOUTILAINEN (F) Secretary, Bank of Finland	9/5		
	*Wife accompanying **Residence Tokyo			

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
FI JE	<p>*Valery GISCARD d'ESTAING (B) Minister of Finance and Economic Affairs</p> <p>*Jacques BRUNET (F) Governor, Banque de France</p> <p>-----</p> <p>Maurice PEROUSE (B) Director of Treasury, Ministry of Finance and Economic Affairs</p> <p>*Andre de LATTRE (F) Director of External Finance, Ministry of Finance and Economic Affairs</p>	<p>9/6</p> <p>9/4</p> <p>9/4</p> <p>9/3</p>	<p>*Rene LARRE, Adviser ED (F-B)</p> <p>Gerard M. TEYSSIER, Adviser Alt. ED (F)</p> <p>Bernard CLAPPIER, Adviser Deputy Governor, Banque de France</p> <p>Jean de LARGENTAYE, Adviser Inspecteur General des Finances</p> <p>*Julien-Pierre KOSZUL, Adviser Director General, Foreign Dept., Banque de France</p> <p>*Pierre ESTEVA, Adviser Secretary General, National Council of Credit</p> <p>*Claude PIERRE-BROSSOLETTE, Adv. Deputy Director of External Finance, Ministry of Finance and Economic Affairs</p> <p>Rene LAPAUTRE, Adviser Technical Adviser to the Minister of Finance and Economic Affairs</p> <p>Daniel DEGUEN, Adviser Assistant Director of External Finance, Ministry of Finance and Economic Affairs</p> <p>Mrs. Camille COX, Secretary Miss Estelle TARTRE, Secretary</p>	<p>9/4</p> <p>9/3</p> <p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p> <p>8/29 9/1</p>
GABON #	<p>Andre Gustave ANGUILE (B) Minister of National Economy, the Plan, and Mines</p> <p>Jean ENGONE (F) Minister of Finance</p> <p>-----</p> <p>Etienne M'BOUMBA-MOUNDOUNGA (B) Director of Economic Affairs</p> <p>*Claude PANOUILLOT (F) Director General, Banque Centrale des Etats de l'Afrique Equatori- ale et du Cameroun, Paris</p> <p>*Wife accompanying</p>	<p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p>		

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
GERMANY	Kurt SCHMUECKER (B) Minister of Economic Affairs Karl BLESSING (F) President, Deutsche Bundesbank ----- Wolfram LANGER (F) Under Secretary, Ministry of Economic Affairs Hans HENCKEL (Temp.)(F-B) Assistant Secretary, Ministry of Economic Affairs Fritz G. FECHNER (Temp.)(B) Assistant Secretary, Ministry of Finance	9/5 9/4 9/6 9/4 9/5	Ulrich BEELITZ, Adviser ED (F) Otto DONNER, Adviser ED (B) Walter O. HABERMEIER, Adviser Alt. ED (F) Helmut ABRAMOWSKI, Adviser Alt. ED (B) Rolf GOCHT, Adviser Assistant Secretary, Ministry of Economic Affairs Otmar EMMINGER, Adviser Member, Board of Directors, Deutsche Bundesbank Otto PFLEIDERER, Adviser President, Land Central Bank, Baden-Wuerttemberg Hans Carl Count von HARDENBERG, Adviser Deputy Assistant Secretary, Foreign Office Franz KLAMSER, Adviser Deputy Assistant Secretary, Ministry for Economic Co- operation Viktor Baron von der LIPPE, Adviser Adviser to President Blessing, Deutsche Bundesbank Guenther SCHLEIMINGER, Adviser Director, Deutsche Bundesbank Guenter DUERRE, Adviser Division Chief, Ministry of Economic Affairs Helmut KOINZER, Adviser Division Chief, Ministry of Economic Affairs Ulrich ENGELMANN, Adviser Personal Adviser to Minister Schmuecker, Ministry of Economic Affairs Klaus OERTEL, Adviser Personal Adviser to Minister Schmuecker, Ministry of Economic Affairs Peter SCHOLZ, Adviser Egon MONTZKA, Adviser Miss Gerda BURRE, Interpreter, Ministry of Economic Affairs Mrs. Rosemarie DJABADARY, Secretary Miss Annelore SCHMIDT, Secretary	8/1 9/4 9/4 9/4 9/5 9/5 9/6 9/6 9/5 9 9/3 9/5 9/5 9/5 9/5 9/5 ** ** 9/4 9/3

*Wife accompanying
 **Residence Tokyo

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
G JA	<p>K. AMOAKO-ATTA (F-B) Minister of Finance</p> <p>-----</p> <p>W. M. Q. HALM (B) Governor, Bank of Ghana</p> <p>A. E. K. ASHIABOR (Temp.)(F) Principal Assistant Secretary, Ministry of Finance</p>	<p>9/5</p> <p>9/5</p> <p>9/5</p>	<p>J. H. MENSAH, Adviser Chief Economist, Office of the Planning Commission</p> <p>J. H. FRIMPONG-ANSAH, Adviser and Secretary to the Delegation</p> <p>Chief Statistician, Bank of Ghana</p> <p>*W. BAIDOE-ANSAH, Adviser Ambassador of Ghana to Japan</p> <p>E. ABDULLA, Adviser First Secretary, Ghana Embassy, Tokyo</p>	<p>9/5</p> <p>9/5</p> <p>**</p> <p>**</p>
GREECE	<p>*Xenophon ZOLOTAS (F) Governor, Bank of Greece</p> <p>*George I. MAVROS (B) Governor, National Bank of Greece</p> <p>-----</p> <p>John S. PESMAZOGLU (F) Deputy Governor, Bank of Greece</p> <p>John P. PARASKEVOPOULOS (B) Deputy Governor, National Bank of Greece</p>	<p>9/5</p> <p>8/31</p> <p>9/5</p> <p>9/5</p>	<p>*Costa P. CARANICAS, Adviser Economic Minister, Greek Embassy Washington; Alt. ED (F)</p> <p>George GONDICAS, Adviser General Manager, National Investment Bank of Greece</p> <p>Nicolas KYRIAZIDIS, Adviser</p> <p>Mrs. Iole B. LOPEZ, Secretary</p>	<p>9/5</p> <p>8/31</p> <p>8/31</p> <p>9/2</p>
GUATEMALA	<p>*Carlos E. PERALTA MENDEZ (B) Minister of Economy</p> <p>Arturo PEREZ-GALLIANO (F) President, Banco de Guatemala</p> <p>-----</p> <p>*Jorge Lucas CABALLEROS MAZARIEGOS Minister of Finance (B)</p> <p>*J. Francisco FERNANDEZ RIVAS (F) Manager, Banco de Guatemala</p>	<p>9/5</p> <p>9/5</p> <p>9/4</p> <p>9/5</p>	<p>Manuel RUBIO-SANCHEZ, Adviser Chief of Public Relations, Banco de Guatemala</p> <p>Jorge GONZALEZ del VALLE, Adviser Director of Economic Research, Banco de Guatemala</p> <p>Jorge PAPADOPOLO, Adviser</p> <p>Emilio PERALTA, Adviser</p>	<p>9/5</p> <p>9/5</p> <p>9/4</p> <p>9/4</p>
GUINEA ##	<p>Ousmane BALDET (F-B) Governor, Banque Centrale de la Republique de Guinee</p> <p>-----</p> <p>Marcel CROS (Temp.)(F-B) Director General, Credit National</p> <p>*Wife accompanying **Residence Tokyo</p>		<p>Mamady CAMARA, Adviser Ambassador of the Republic of Guinea to Peking</p>	

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
HAITI				
HONDURAS	<p>Edgardo DUMAS RODRIGUEZ (B) Minister of Economy and Finance</p> <p>Roberto RAMIREZ (F) President, Banco Central de Honduras</p> <p>Guillermo BUESO (F) Chief, Department of Economic Studies, Banco Central de Honduras</p>	<p>9/4</p> <p>9/4</p> <p>9/4</p>		
ICELAND	<p>*Gylfi GISLASON (F) Minister of Commerce</p> <p>Thor THORS (B) Ambassador of Iceland to the United States</p> <p>*Vilhjalmur THOR (F) Governor, The Central Bank of Iceland</p> <p>*Johannes NORDAL (Temp.)(B) Governor and Chairman of the Board of Governors, The Central Bank of Iceland</p> <p>*Wife accompanying</p>	<p>9/5</p> <p>9/6</p> <p>9/5</p> <p>9/5</p>		

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
I A	<p>T. T. KRISHNAMACHARI (F-B) Minister of Finance</p> <p>-----</p> <p>P. C. BHATTACHARYA (F) Governor, Reserve Bank of India S. BHOOTHALINGAM (B) Secretary, Ministry of Finance</p>	<p>9/5</p> <p>9/4</p> <p>9/5</p>	<p>B. K. MADAN, Adviser Deputy Governor, Reserve Bank of India</p> <p>J. J. ANJARIA, Adviser ED (F)</p> <p>K. S. SUNDARA RAJAN, Adviser ED (B)</p> <p>I. G. PATEL, Adviser Chief Economic Adviser, Ministry of Finance</p> <p>C. S. KRISHNA MOORTHY, Adviser Joint Secretary, Ministry of Finance</p> <p>A. K. GHOSH, Adviser Alt. ED (F)</p> <p>R. V. KRISHNAN, Adviser Private Secretary to the Finance Minister</p> <p>*R. K. JERATH, Adviser First Secretary (Commercial), Embassy of India, Tokyo</p> <p>Mrs. Nell BELAIR, Secretary O. P. MALHOTRA, Secretary</p>	<p>9/4</p> <p>9/4</p> <p>9/5</p> <p>9/5</p> <p>9/4</p> <p>9/5</p> <p>**</p> <p>9/4</p>
I NESIA ##	<p>SOERJADI (F) Deputy Governor, Bank Indonesia</p> <p>*HARSONO REKSOATMODJO (B) Ambassador of the Republic of Indonesia to Japan</p> <p>-----</p> <p>*Bambang SENTANU (F) Secretary, Minister of Finance SOERJONO SASTROHADIKOESOEMO (B) Assistant Minister of Finance, Ministry of Finance</p>	<p>9/2</p> <p>**</p> <p>9/2</p> <p>9/2</p>	<p>SUMANANG, Adviser ED (F)</p> <p>Bermawie ALWIE, Adviser President, Indonesian Develop- ment Bank</p> <p>*Abdullah HABIR, Secretary to the Delegation Economic Counsellor, Indo- nesian Embassy, Tokyo</p>	<p>8/29</p> <p>9/2</p> <p>**</p>
IRAN	<p>Amir Abbas HOVEYDA (B) Minister of Finance Mehdi SAMII (F) Governor, Bank Markazi Iran</p> <p>-----</p> <p>*Jahangir AMUZEGAR (B) Ambassador-at-Large, Chief of the Iranian Economic Mission, Washington, D. C. Cyrus TOWFIQ (Temp.)(F) Assistant Director, Research Department, Bank Markazi Iran</p> <p>*Wife accompanying ** Residence Tokyo</p>	<p>9/5</p> <p>9/5</p> <p>9/4</p> <p>9/5</p>	<p>Ali A. KHOSROPUR, Adviser Alt. ED (B)</p> <p>Nader AKRAMI, Adviser Head, Int'l Organizations Section, Research Dept., Bank Markazi Iran</p>	<p>9/5</p> <p>9/5</p>

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
IRAQ	Khair El-Din HASEEB (F-B) Governor, Central Bank of Iraq ----- Subhi FRANKOOL (F) Chief of Banking, Central Bank of Iraq Khalil AL-SHAMMA' (B) Acting Chief of Statistics and Research Department, Central Bank of Iraq	9/5 9/5 9/5		YIATI
IRELAND	----- T. K. WHITAKER (B) Secretary, Department of Finance ----- D. B. O'MALLEY (Temp.)(F) Parliamentary Secretary to the Minister for Finance S. F. MURRAY (Temp.)(B) Assistant Secretary, Department of Finance	9/4 9/5 9/5		
ISRAEL	* Pinhas SAPIR (F) Minister of Finance, Minister of Commerce and Industry * David HOROWITZ (B) Governor, Bank of Israel ----- * Jacob ARNON (B) Director General, Ministry of Finance Y. J. TAUB (F) Secretary General (Acting), Bank of Israel *Wife accompanying **Residence Tokyo	9/5 9/5 9/1 9/3	Mordekhai SHNEERSON, Adviser Ambassador of Israel to Japan Mr. Avraham NEEMAN, Adviser First Secretary (Economic), Embassy of Israel, Tokyo Dr. Avraham NEEMAN, Adviser Director, Industrial Develop- ment Bank of Israel, Ltd.	** ** 9/4

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
ITALY	Emilio COLOMBO (F) Minister of the Treasury Guido CARLI (B) Governor, Banca d'Italia ----- Guido CARLI (F) Governor, Banca d'Italia	9/6 9/6 9/6	Gaetano STAMMATI, Adviser (F) Director General, Treasury Administration, Ministry of the Treasury Egidio ORTONA, Adviser (F) Director General of Economic Affairs, Ministry of Foreign Affairs Giovanni De PAOLIS, Adviser (F) Director General of Foreign Exchange, Ministry of Foreign Trade Domenico BRANCATISANO, Adviser (F) Inspector General, Ministry of the Treasury Guido FORTE, Adviser (F) Director of Division, Ministry of Foreign Trade Giorgio ROTA, Adviser (F) Chief Inspector, Ministry of the Treasury Emilio RANALLI, Adviser (B) Central Manager, Banca d'Italia Alfredo VERNUCCI, Adviser (B) Managing Director, Ufficio Italiano dei Cambi Antonino ZECCHI, Adviser (B) Director and Representative of Banca d'Italia in the United Kingdom Rinaldo OSSOLA, Adviser (B) Director of International Economics Research Dept., Banca d'Italia Federico CAFFE, Adviser (B) Adviser of the International Economics Research Dept., Banca d'Italia Mario ERCOLANI, Adviser (B) Director in the Italian Economics Research Dept., Banca d'Italia Florio GRADI, Adviser (B) Representative of the Ufficio Italiano dei Cambi in the United States Sergio SIGLIENTI, Adviser ED (F); Alt. ED (B) Mrs. Lillian KELLY, Secretary to Delegation	9/6 9/6 9/6 9/6 9/6 9/5 9/6 9/6 9/6 9/3 9/6 9/6 9/6 9/4 9/3
	*Wife accompanying			

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
IVORY COAST	Raphael SALLER (F-B) Minister of Finance ----- Jean-Baptiste AMETHIER (F) Director of Foreign Finance and of Credit Mohamed DIAWARA (B) General Administrator of the Plan	9/5 9/5 9/5	Francois ELIARD, Adviser Director, Banque Centrale des Etats de l'Afrique de l'Ouest, Abidjan	9/5
JAMAICA ##	D. B. SANGSTER (F-B) Deputy Prime Minister and Minister of Finance ----- C. Arthur BROWN (B) Financial Secretary, Ministry of Finance S. W. PAYTON (F) Governor, Bank of Jamaica	9/5 9/5 9/5	S. J. STEPHENS, Adviser Adviser, Bank of Jamaica R. I. MASON, Adviser Assistant Financial Secretary, Ministry of Finance	9/5 9/5
JAPAN	Kakuei TANAKA (F-B) Minister of Finance ----- Masamichi YAMAGIWA (F-B) Governor, The Bank of Japan Shinichi ISHINO (Temp.)(F-B) Administrative Vice Minister of Finance Yoshio KATAGIRI (Temp.)(F-B) Financial Commissioner, Ministry of Finance Makoto WATANABE (Temp.)(F-B) Director of the International Finance Bureau, Ministry of Finance Tadashi SASAKI (Temp.)(F-B) Vice-Governor, The Bank of Japan Haruo MAEKAWA (Temp.)(F-B) Director, The Bank of Japan Masao KAYA (Temp.)(F-B) Director, The Bank of Japan *Wife accompanying		Taketoshi YAMASHITA, Adviser Envoy Extraordinary and Minister Plenipotentiary to the United States Hiroshi TANIMURA, Adviser Deputy Vice Minister of Finance Masaru FUKUDA, Adviser Minister to the United Kingdom Hideo SUZUKI, Adviser Deputy Director of the International Finance Bureau, Ministry of Finance Yusuke KASHIWAGI, Adviser Deputy Director of the International Finance Bureau, Ministry of Finance Shichiro MURAI, Adviser Deputy Director of the International Finance Bureau, Ministry of Finance Ichiro KATAKAMI, Adviser Deputy Director of the Economic Cooperation Bureau, Ministry of Foreign Affairs Koichi INAMURA, Adviser Deputy Director of the International Finance Bureau, Ministry of Finance (continued)	

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
JAPAN			<p>Hiroichi MIYAZAKI, Adviser Chief of the First Section of International Organizations, Economic Affairs Bureau, Ministry of Foreign Affairs</p> <p>Keijiro NAKAHASHI, Adviser Secretary to the Minister of Finance</p> <p>Michiya MATSUKAWA, Adviser Chief of the International Organizations Section, International Finance Bureau, Ministry of Finance</p> <p>Keijiro TANAKA, Adviser Deputy Financial Commissioner, Ministry of Finance</p> <p>Takeshi YOSHIZAWA, Adviser Chief of the Foreign Department, The Bank of Japan</p> <p>Shire INOUE, Adviser Adviser for International Finance, The Bank of Japan</p> <p>Ichiro GENGO, Adviser Chief Secretary, The Bank of Japan</p> <p>Masaya HATTORI, Adviser Chief of the Foreign Relations Section, Foreign Department, The Bank of Japan</p> <p>Ryosaku KAJI, Adviser Parliamentary Vice Minister of Finance</p> <p>Naotugu NABESHIMA, Adviser Parliamentary Vice Minister of Finance</p> <p>Yukio HASUMI, Adviser Envoy Extraordinary and Ambassador Plenipotentiary</p> <p>Gengo SUZUKI, Adviser Executive Director of the International Monetary Fund and International Bank for Reconstruction and Development</p> <p>Eiji OZAKI, Adviser Alternate Executive Director of the International Bank for Reconstruction and Development</p> <p>Keiya NAGAMATSU, Adviser Assistant to the Deputy Financial Commissioner, Ministry of Finance</p> <p>(continued)</p>	

*Wife accompanying

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
JAPAN			<p>Noriyuki SAITO, Adviser Assistant to the Deputy Financial Commissioner, Ministry of Finance</p> <p>Norio TSUKAGOSHI, Adviser Assistant to the Deputy Financial Commissioner, Ministry of Finance</p> <p>Masateru YOSHIDA, Adviser Assistant to the Chief of the International Organi- zations Section, International Finance Bureau, Ministry of Finance</p> <p>Hirotake FUJINO, Adviser Assistant to the Chief of the Coordination Section, International Finance Bureau, Ministry of Finance</p> <p>Tetsuo KONDO, Adviser Technical Assistant to Executive Director Susuki, International Monetary Fund</p>	

*Wife accompanying

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
JORDAN	Khalil SALIM (F) Governor, Central Bank of Jordan ----- Adeeb SUGHAYER (B) Under Secretary (Finance), Ministry of Finance	9/5 9/4		
KENYA	J. S. GICHURU (F-B) Minister for Finance and Economic Planning -----	9/6	J. N. MICHUKI, Adviser Deputy Permanent Secretary to the Treasury	9/6
KOREA	Jung Han RHI (F-B) Minister of Finance ----- Jae Sul LEE (Temp.)(F) Director, Foreign Exchange Bureau, Ministry of Finance Wan Mo HONG (Temp.)(B) Manager, Research Department, The Bank of Korea	9/3 9/3 9/3	So Yong CHUNG, Adviser Economic Secretary to the President Byoung Kyu SUH, Adviser Manager, Tokyo Branch, The Bank of Korea Seung Doo YOON, Adviser Manager, Osaka Branch, The Bank of Korea Sangjin CHYUN, Adviser Director, Economic Affairs Bureau, Ministry of Foreign Affairs *Moon Yong RHIE, Adviser First Secretary, Korean Mission in Japan	9/3 ** 9/5 9/5 **

*Wife accompanying

**Residence Tokyo

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
KUWAIT	<p>-----</p> <p>Abdlatif Y. AL-HAMAD (B) Director General, Kuwait Fund for Arab Economic Development</p> <p>Hamzeh Abbas HUSSEIN (F) Secretary, Kuwait Currency Board</p>	<p>9/4</p> <p>9/4</p>	<p>Adnan MAHHOUK, Adviser Economic Adviser, Kuwait Fund for Arab Economic Development</p>	<p>9/3</p>
LAOS #	<p>* Sisouk NA CHAMPASSAK (F-B) Secretary of State for Finance</p> <p>-----</p> <p>* Phouangpheth PHANARETH (B)</p> <p>Oudong SOUVANNAVONG (F) Governor, Banque Nationale du Laos</p>	<p>8/31</p> <p>9/4</p>	<p>Sitha SISOMBAT, Adviser Director, Foreign Department, Banque Nationale du Laos</p>	<p>9/4</p>
LEBANON	<p>*Andre TUENI (F) Director General of Finance, Ministry of Finance</p> <p>Elias SARKIS (B) Director General of the Civil Cabinet, Presidency of the Republic</p> <p>-----</p> <p>Farid SOLH (F) Director of Finance Affairs, Ministry of Finance</p> <p>Raja HIMADEH (B) Government Commissioner to BCAIF, Ministry of Finance</p>	<p>9/5</p> <p>9/6</p> <p>9/5</p> <p>9/5</p>		
LIBERIA	<p>Charles Dunbar SHERMAN (F-B) Secretary of the Treasury</p> <p>-----</p> <p>J. Milton WEEKS (F-B) Director General of National Planning</p> <p>*Wife accompanying</p>	<p>9/6</p> <p>9/5</p>	<p>S. Edward PEAL, Adviser Ambassador of Liberia to the United States</p> <p>George A. BLOWERS, Adviser President, Financial Consultants, Inc.</p>	<p>9/6</p> <p>9/6</p>

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
LI A	<p>Khalil BENNANI (F) Governor, Bank of Libya</p> <p>-----</p> <p>*Ali A. ATTIGA (B) Undersecretary, Ministry of Planning and Development</p>	<p>9/5</p> <p>9/5</p>		
LUXEMBOURG	<p>Pierre WERNER (F-B) Prime Minister and Minister of Finance</p> <p>-----</p> <p>Gustave STOLTZ (F) Director, Caisse d'Epargne de l'Etat</p>	<p>9/2</p> <p>9/2</p>		
MALAGASY REPUBLIC	<p>Victor MIADANA (F) Minister of Finance; President of the Board, Institut d'Emission Malgache</p> <p>Ralison RAKOTOVAO (B) Legal Representative of Caisse Centrale de Cooperation Economique; Director, Institut d'Emission Malgache</p> <p>-----</p> <p>Louis RAKOTOMALALA (B) Ambassador of the Malagasy Republic to the United States</p> <p>Raymond RABENORO (F) Director General of Finance; Director, Institut d'Emission Malgache</p> <p>*Wife accompanying</p>	<p>9/6</p> <p>9/6</p> <p>9/2</p> <p>9/6</p>		

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
MALAYSIA	*TAN SIEW SIN (F-B) Minister of Finance ----- *Dato ABDUL JAMIL (B) Secretary to the Treasury ISMAIL bin MOHAMED ALI (F) Governor, Central Bank of Malaysia	9/4 9/4 9/4	*Abdullah AYUB, Adviser Deputy Controller of Supply, The Treasury G. K. RAMA IYER, Adviser Acting Under Secretary (Finance) The Treasury TAN CHYE MIAN, Personal Assistant to the Minister of Finance LIM MENG JIT, Security Officer to the Minister of Finance	9/4 9/4 9/4 9/4
MALI #	Jean-Marie KONE (F) Minister of State for Planning and Coordination of Economic and Financial Affairs *Louis-Pascal NEGRE (B) Governor, Banque de la Republique du Mali ----- Hamacire N'DOURE (F) Minister Delegate to the Presidency Eli LOBEL (Temp.) (B) Technical Adviser, Banque de la Republique du Mali	9/5 9/5 9/5 9/4	Oumar LY, Adviser Director General, Societe Maliennne Import-Export Madame SY, Secretary to the Delegation	9/5 9/5
MAURITANIA #	Bocar Alpha BA (F) Minister of Finance, Labor, and Economic Affairs Mohamed Lamine Ould HAMONI (B) Commissioner General for the Plan ----- Mamadou KANE (B) Director General, Banque Mauritanienne de Developpement Robert PEBAYLE (F) Director, Banque Centrale des Etats de l'Afrique de l'Ouest, Nouakchott *Wife accompanying	9/4 9/4 9/4 9/2		

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
MEXICO	<p>-----</p> <p>*Rodrigo GOMEZ (F) Director General, Banco de Mexico, S.A.</p> <p>*Jose HERNANDEZ DELGADO (B) Director General, Nacional Financiera, S.A.</p>	<p>9/4</p> <p>9/4</p>	<p>*Praxedes REINA HERMOSILLO, Adviser (F) ED (F)</p> <p>*Daniel J. BELLO, Adviser (F) Subdirector, Banco de Mexico, S.A.</p> <p>*Javier MARQUEZ, Adviser (F) Director, Centro de Estudios Monetarios Latinoamericanos</p> <p>*Alfredo NAVARRETE, Adviser (B) Subdirector, Nacional Financiera, S.A.</p> <p>*Francisco RUIZ de la PENA, Adviser (B) Department Head, Nacional Financiera, S.A.</p> <p>*Juan GALLARDO MORENO, Adviser (B) Coordinator of Alianza para el Progreso</p>	<p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p>
MOROCCO	<p>-----</p> <p>Mohamed Amine BENGELOUN (B) Director General, Banque Nationale pour le Developpe- ment Economique</p> <p>*Wife accompanying</p>	<p>9/4</p>		

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
NEPAL #	<p>Surya Bahadur THAPA (B) Vice Chairman of the Council of Ministers and Finance Minister</p> <p>Lakshmi Nath GAUTAM (F) Governor, Nepal Rastra Bank</p> <p>-----</p> <p>Yadav Prasad PANT (B) Secretary, Ministry of Finance</p> <p>Naresh Man SINGH (F) Director, Nepal Rastra Bank</p>	<p>9/6</p> <p>9/5</p> <p>9/6</p> <p>9/5</p>		<p>9/31</p>
NETHERLANDS	<p>H. J. WITTEVEEN (B) Minister of Finance</p> <p>M. W. HOLTROP (F) President, De Nederlandsche Bank N.V.</p> <p>-----</p> <p>E. van LENNEP (F) Treasurer General, Ministry of Finance</p> <p>*S. POSTHUMA (B) Managing Director, De Neder- landsche Bank N.V.</p>	<p>9/3</p> <p>9/3</p> <p>9/3</p> <p>9/5</p>	<p>P. LIEFTINCK, Adviser ED (F-B)</p> <p>*H.M.H.A. van der VALK, Adviser Alt. ED (F)</p> <p>V. M. de MIRANDA, Adviser President, Centrale Bank van Suriname</p> <p>Miss G. A. KOEN, Adviser De Nederlandsche Bank N.V.</p> <p>C. van der TAK, Adviser Head, Multilateral Affairs Dept., Ministry of Finance</p> <p>T. de VRIES, Personal Assistant to Dr. Holtrop</p> <p>Miss K. van den AKKER, Secretary</p> <p>Mrs. J. S. ACKERMANN, Secretary</p> <p>Miss A. VERVELDE, Secretary</p>	<p>9/3</p> <p>9/5</p> <p>8/31</p> <p>9/3</p> <p>9/3</p> <p>9/3</p> <p>9/2</p> <p>9/3</p>
NEW ZEALAND ##	<p>*The Hon. H. R. LAKE (F) Minister of Finance</p> <p>E. L. GREENSMITH, C.M.G. (B) Secretary to the Treasury</p> <p>-----</p> <p>A. R. LOW (F) Deputy Governor, Reserve Bank of New Zealand</p> <p>J. D. LANG (B) Finance Officer, Department of the Treasury</p> <p>*Wife accompanying</p>	<p>9/6</p> <p>9/5</p> <p>9/5</p> <p>9/5</p>	<p>E. G. BUCKTON, Adviser Private Secretary to the Minister of Finance</p>	<p>9/6</p>

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
NICARAGUA	<p>Guillermo SEVILLA SACASA (B) Ambassador of Nicaragua to the United States</p> <p>*Francisco J. LAINEZ (F) President, Banco Central de Nicaragua</p> <p>-----</p> <p>Andres GARCIA (B) Minister of Economy</p> <p>Federico E. LANG (F) President, Banco Nacional de Nicaragua</p>	<p>9/4</p> <p>9/5</p> <p>9/4</p> <p>9/4</p>	<p>Alfonso ORTEGA URBINA, Adviser Minister of Foreign Affairs</p>	<p>9/4</p>
NIGER #	<p>Courmo BARCOURGNE (F-B) Minister of Finance and Economic Affairs</p> <p>-----</p> <p>*Lucien BAYLE (B) Commissioner General of the Plan</p> <p>Charles GODEFROY (F) Director, Banque Centrale des Etats de l'Afrique de l'Ouest, Niamey</p>	<p>9/4</p> <p>9/4</p> <p>9/4</p>	<p>Amadou ALKALY, Adviser Chief of the Money Credit Division, Ministry of Finance</p>	<p>9/4</p>
NIGERIA	<p>Chief Festus Sam OKOTIE-EBOH (F-B) Federal Minister of Finance</p> <p>-----</p> <p>E. O. OGBU (B) Permanent Secretary, Federal Ministry of Finance</p> <p>A. MAI-BORNU (F) Governor, Central Bank of Nigeria</p>	<p>9/5</p> <p>9/3</p> <p>9/3</p>	<p>B. A. EHIZUENLEN, Adviser Assistant Principal Secretary, Federal Ministry of Finance</p> <p>J. S. RAJ, Adviser General Manager, The Nigerian Industrial Develop- ment Bank, Ltd.</p> <p>A. E. BASSEY, Adviser Deputy Director of Research, Central Bank of Nigeria</p> <p>F. M. ETUOKWU, Secretary to the Governor of the Central Bank of Nigeria</p> <p>Miss EYETSEMITAN, Secretary</p> <p>Miss LEVER, Secretary</p>	<p>9/3</p> <p>9/3</p> <p>9/3</p> <p>9/3</p> <p>9/3</p> <p>9/5</p> <p>9/5</p>

*Wife accompanying

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
NORWAY	*O. C. GUNDERSEN (B) Minister of Justice *Erik BROFOSS (F) Governor, Norges Bank ----- Thomas LOVOLD (F) Director, Ministry of Commerce and Shipping Christian BRINCH (B) Permanent Secretary, Ministry of Commerce and Shipping	9/2 9/2 9/5 9/4	Karl SKJAEVELAND, Adviser ED (F) Erling BORRESEN, Adviser Director, Norges Bank *Egil R. NYGAARD, Adviser Ambassador of Norway to Japan ----- Miss Solveig ANDRESEN, Secretary	9/2 9/2 ** 9/5
PAKISTAN	S. A. HASNIE (F) Governor, State Bank of Pakistan ----- M. MAJID ALI (F) Joint Secretary, Ministry of Finance S. A. SOBHAN (B) Secretary, Planning Division, Government of Pakistan	9/5 9/5		
PANAMA	Julio E. LINARES (B) Minister of Finance and Treasury *Rene ORILLAC (F) General Manager, Banco Nacional de Panama ----- *Carlos F. ALFARO (F) Director, Banco Nacional de Panama Carlos A. VELARDE (B) General Manager, Desarrollo Industrial, S.A.	9/4 9/6 9/4 9/6	*Federico HUMBERT, Adviser ----- Julio Ernesto HEURTEMATTE, Adviser	9/6 9/4
PARAGUAY	*General Cesar BARRIENTOS (F) Minister of Finance *Cesar Romeo ACOSTA (B) President, Banco Central del Paraguay ----- *Edgar F. TABOADA (F) Undersecretary of Finance, Ministry of Finance Oscar STARK RIVAROLA (B) Manager, Banco Central del Paraguay ----- *Wife accompanying **Residence Tokyo	9/5 9/5 9/5 9/4		

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
PERU	Celso PASTOR (B) Ambassador of Peru to the United States *Enrique BELLIDO (F) President, Banco Central de Reserva del Peru ----- Emilio G. BARRETO (F) Director of Economic Studies, Banco Central de Reserva del Peru Tulio De ANDREA (B) General Manager, Banco Indus- trial del Peru	9/5 9/6 9/5 9/5	Javier OTERO, Adviser Manager, Banco Central de Reserva del Peru *Carlos FERREYROS, Adviser President, Banco Industrial del Peru *Alfonso MONTERO, Adviser President, Corporacion de Energia Electrica del Mantaro Enrique AYULO PARDO, Adviser President, Banco de Credito del Peru Juan PARDO ALTHAUS, Adviser	9/1 9/1
PHILIPPINES	*Andres V. CASTILLO (F-B) Governor, Central Bank of the Philippines ----- Rafael S. RECTO (F-B) President, Philippine National Bank	9/4	*Pablo LORENZO, Adviser Chairman, Board of Governors, Development Bank of the Philippines Benito LEGARDA, Jr., Adviser Director, Department of Economic Research, Central Bank of the Philippines *Andre NAVATO, Adviser Bank Executive Assistant II, Central Bank of the Philippines Jesus A. VILLAREAL, Secretary to the Delegation Central Bank of the Philippines	9/4 9/5 9/4 9/4
PORTUGAL # ##	*Antonio M. PINTO BARBOSA (B) Minister of Finance ----- L. M. TEIXEIRA PINTO (B) Minister of Economy *Manuel JACINTO NUNES (F) Vice Governor, Banco de Portugal *Wife accompanying	9/4 9/6 9/4	*Armenio FONSECA LOPES, Adviser (F) Head of the International Relations Dept., Banco de Portugal Joao ARANTES RODRIGUES, Adviser (B) Principal Private Secretary to the Minister of Finance Albino CABRAL PESSOA, Adviser (B) Financial Counselor, Portuguese Embassy, Washington Fernando CRUZ, Adviser (B) Director General of the Portu- guese Industrial Association	9/4 9/4 9/5 9/5

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
RWANDA #	G. CYIMANA (B) Minister of Finance and Foreign Commerce *J. A. BRANDON (F) Governor, Banque Nationale du Rwanda ----- J. B. HABYARIMANA (F-B) Vice Governor, Banque Nationale du Rwanda	9/4 9/4 9/4	M. UZAMUGURA, Adviser Director General of Foreign Affairs, Ministry of Foreign Affairs	9/4
SAUDI ARABIA	*Ahmed Zaki SAAD (F-B) Counselor to His Majesty the King of Saudi Arabia; ED (F) ----- *Abid M. S. SHEIKH (F) Minister of Commerce and Industry	9/3 9/6		
SENEGAL	Jean COLLIN (F) Minister of Finance Amadou Karim GAYE (B) Minister of Rural Economy ----- Ibrahima TAL (B) Director General, Banque Nationale de Developpement du Senegal Jehan DUHAMEL (F) Director, Banque Centrale des Etats de l'Afrique de l'Ouest, Dakar	9/6 9/2 9/2 9/5		
SIERRA LEONE	R. G. O. KING (F-B) Minister of Finance and Development ----- Sheikh Batu DARAMY (B) Financial Secretary, Ministry of Finance and Development G. E. HALL (F) Governor, Bank of Sierra Leone *Wife accompanying	9/6		

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
SOMALIA	Abdulkadir Mohamed ADEN (B) Minister of Finance Scek Abdi Hagi ABICAR (F) President, Banca Nazionale Somala ----- Ali Said ARRALE (F) Director General, Ministry of Finance Francesco PALAMENGGHI-CRISPI (B) Managing Director, Banca Nazionale Somala	9/5 9/5 9/5 9/5	Leone FIGI, Adviser Acting Deputy Head Department at the Secretariat, Banca Nazionale Somala	9/5
SOUTH AFRICA	*T. E. DONGES (F-B) Minister of Finance ----- *C.W.G. BROWNE (F) Secretary for Finance *G. RISSIK (B) Governor, South African Reserve Bank	9/3 9/3 9/2	*A.J.J. van VUUREN, Adviser Alt. ED (B) S.J.P. du PLESSIS, Adviser Private Secretary to the Minister of Finance K. E. PAKENDORF, Adviser Consul-General of the Republic of South Africa, Tokyo	9/3 **
SPAIN	*Mariano NAVARRO RUBIO (B) Minister of Finance Alberto ULLASTRES (F) Minister of Commerce ----- *Manuel VARELA (F) Technical General Secretary, Ministry of Commerce *Juan Antonio ORTIZ GRACIA (Temp)(B) Director General, Institute of Medium and Long Term Credit, Ministry of Finance *Wife accompanying ** Residence Tokyo	9/6 9/5 9/6	*Joaquin GUTIERREZ CANO, Adviser ED (B) *Jose Miguel RUIZ MORALES, Adviser Director General of Foreign Financing, Ministry of Finance *Francisco GIMENEZ TORRES, Adviser Vice Governor, Banco de Espana Juan Francisco MARTI de BASTERRECHEA, Adviser Joint Commissioner, Develop- ment Plan *Huberto VILLAR SARRAILLET, Adviser Managing Director, Instituto Espanol de Moneda Extranjera Enrique MANZANARES, Adviser Chief, Technical Department, Ministry of Commerce Juan SARDA, Adviser Chief, Research Department, Banco de Espana J. M. BENJUMEA, Adviser Department Head, Banco de Espana	9/6 9/6 9/6 9/6 9/5 9/6

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
SUDAN				
SWEDEN	Per ASBRINK (F) Governor, Sveriges Riksbank ----- S. F. JOGE (F) Deputy Governor, Sveriges Riksbank H. K. WICKMAN (Temp.)(B) Under-Secretary of State, Ministry of Finance G. von SYDOW (Temp.)(B) Under-Secretary of State, Ministry of Commerce	9/2 9/4 9/4 9/5	Lennart OLOFSSON, Adviser Alt. ED (F) Lennart KLACKENBERG, Adviser Head of Division, Ministry of Finance *Sigge LILLIEHOOK, Adviser Charge d'Affaires a.i., Royal Swedish Embassy, Tokyo	9/3 9/4 **
SYRIAN ARAB REPUBLIC	Kamal HOSNI (F) Minister of Economy Moustafa CHAMMAA (B) Minister of Finance ----- Adnan FARRA (F) Governor, Banque Centrale de Syrie Abdulhadi NEHLAWY (B) Secretary General, Ministry of Finance	9/5 9/5 9/5 9/5		

*Wife accompanying

**Residence Tokyo

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
TANZANIA				
THAILAND	SUNTHORN HONGLADAROM (F-B) Minister of Finance ----- BISUDHI NIMMANAHAEMINDA (F) Director, Office of the Governor, Bank of Thailand CHANCHAI LEETAVORN (Temp.)(B) Senior Economist, Fiscal Policy Office, Ministry of Finance	9/2 9/4 9/2	CHALALIT THANACHANAN, Adviser Department of Economic Research, Bank of Thailand KIATIKORN PHROMYOTHI, Adviser Chief Economist, Fiscal Policy Office, Ministry of Finance ARAN THAMMANO, Adviser Economist, Fiscal Policy Office, Ministry of Finance	9/4 9/2 9/2
TOGO	Antoine MEATCHI (F) Vice-President of the Republic; Minister of Finance, Economic Affairs, and Planning Boukari DJOBO (B) Civil Administrator, Direction of Planning ----- Paulin EKLOU (F) Director of Development Plan Jean TEVI (B) Director of Financing of Programs Service	9/5 9/5 9/5 9/5		
TRINIDAD AND TOBAGO # ##	A. N. R. ROBINSON (F) Minister of Finance *John F. PIERCE (B) Governor-Designate, Central Bank ----- Winston FUNG (F) Permanent Secretary, Ministry of Finance F. A. FRANCIS (B) Senior Economist, Ministry of Finance *Wife accompanying	9/5 9/5 9/5 9/5	Mrs. Patricia R. ROBINSON, Adviser Senior Economist, Central Bank Mrs. Kathleen SUN CHEONG, Secretary to the Delegation	9/5 9/5

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
TUNISIA	<p>Ahmed BEN SALAH (B) Secretary of State for Planning and Finance</p> <p>Hedi NOUIRA (F) Governor, Banque Centrale de Tunisie</p> <p>-----</p> <p>Abderrazak RASSAA (F) Director, Secretariat of State for Planning and Finance</p> <p>Moncef BELKHODJA (Temp.)(B) Deputy Director, Banque Centrale de Tunisie</p>	<p>9/5</p> <p>9/4</p> <p>9/5</p> <p>9/4</p>		
TURKEY	<p>Kemal SATIR (F) Minister of State and Deputy Prime Minister</p> <p>Ferit MELEN (B) Minister of Finance</p> <p>-----</p> <p>Menduh AYTUR (F) Undersecretary of the Ministry of Finance</p> <p>Ziya KAYLA (B) Governor, Central Bank of Turkey</p>	<p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p>	<p>Kamuran GURUN, Adviser Assistant Secretary General, Ministry of Foreign Affairs</p> <p>Mahir ABLUM, Adviser Senior Assistant Director General of the Treasury</p>	<p>9/4</p> <p>9/4</p>
UGANDA	<p>A. Kalule SEMPA (F-B) Minister of Finance</p> <p>-----</p> <p>A.J.P.M. SSENTONGO (F-B) Secretary to the Treasury</p>	<p>9/5</p> <p>9/5</p>		
UNITED ARAB REPUBLIC	<p>*A. M. EL KAISSOUNI (B) Deputy Prime Minister for Financial and Economic Affairs and Minister of Economy</p> <p>Nazeeh DIEF (F) Minister of Treasury</p> <p>-----</p> <p>Hamed EL SAYEH (B) Under Secretary, Ministry of Economy</p> <p>Nazmy ABDEL HAMID (F) Deputy Governor, Central Bank of Egypt</p> <p>*Wife accompanying</p>	<p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p>		

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
UNITED KINGDOM	<p>*The Rt.Hon. Reginald MAUDLING, M.P. (F) Chancellor of the Exchequer The Rt.Hon. The Earl of CROMER, M.B.E. (B) Governor, Bank of England</p> <p>----- Sir Denis RICKETT, K.C.M.G., C.B. (B)</p> <p>*M. H. PARSONS (F) Executive Director, Bank of England Maurice MACMILLAN, M.P. (Temp.) (F-B) Economic Secretary Sir Eric ROLL, K.C.M.G., C.B. (Temp.)(F-B) ED (F-B)</p> <p>*Wife accompanying</p>	<p>9/5</p> <p>9/4</p> <p>9/5</p> <p>9/5</p> <p>9/5</p> <p>9/5</p>	<p>N.M.P. REILLY, C.M.G., Adviser Alt. ED (B) J. A. KIRBYSHIRE, Adviser Alt. ED (F)</p> <p><u>From H.M. Treasury:</u> I. P. BANCROFT, Adviser Private Secretary to the Chancellor A.K. CAIRNCROSS, C.M.G., Adviser C. RAPHAEL, O.B.E., Adviser D. F. HUBBACK, Adviser H. L. JENKINS, Adviser T. FITZGERALD, Adviser J. J. COWPERTHWAIT, O.B.E., Adv <u>From Bank of England:</u> A. L. COLEBY, Adviser Private Secretary to Lord Cromer L. P. THOMPSON-McCAUSLAND, Adviser F. J. PORTSMORE, Adviser</p> <p><u>Personal Assistants:</u> Miss L. M. WILKINSON, P.A. to the Chancellor Miss M. WALLER, P.A. to Sir Denis Rickett Miss J. A. KANIS, P.A. to Mr. Hubback Miss B. M. IMRIE, P.A. to Mr. Parsons Miss J. M. HUGHES, P.A. to Sir Eric Roll, Mr. Reilly and Mr. Kirbyshire</p> <p>Miss E. B. CHAPLIN, Conference Officer Foreign Office</p>	<p>9/6</p> <p>9/2</p> <p>9/5</p> <p>9/5</p> <p>9/4</p> <p>9/5</p> <p>9/3</p> <p>9/5</p> <p>9/4</p> <p>9/4</p> <p>9/5</p> <p>9/5</p> <p>9/5</p> <p>9/5</p> <p>9/3</p> <p>9/2</p>

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
UNITED STATES	<p>*Douglas DILLON (F-B) Secretary of the Treasury</p> <p>*George W. BALL (F-B) Under Secretary of State</p> <p>*Robert V. ROOSA (Temp.) (F-B) Under Secretary of the Treasury for Monetary Affairs</p> <p>*John C. BULLITT (Temp.) (F-B) Assistant Secretary of the Treasury, and ED (B)</p> <p>William B. DALE (Temp.) (F-B) ED (F)</p> <p>*Wife accompanying</p>		<p><u>Congressional Advisers</u></p> <p>*Russell B. LONG Committee on Foreign Relations, U. S. Senate</p> <p>Frank CARLSON Committee on Foreign Relations, U. S. Senate</p> <p>A. Willis ROBERTSON Committee on Banking and Currency, U. S. Senate</p> <p>*Wallace F. BENNETT Committee on Banking and Currency, U. S. Senate</p> <p>*Henry S. REUSS Committee on Banking and Currency, House of Represent- atives</p> <p>*Clarence E. KILBURN Committee on Banking and Currency, House of Represent- atives</p> <p>*James HARVEY Committee on Banking and Currency, House of Represent- atives</p> <p>*Abraham J. MULTER Committee on Banking and Currency, House of Represent- atives</p> <p><u>Advisers (alphabetically)</u></p> <p>Joseph W. BARR Chairman, Federal Deposit Insurance Corporation</p> <p>*Henry J. BITTERMANN Director, Office of Interna- tional Financial Policy Co- ordination, U.S. Treasury</p> <p>Joseph M. BOWMAN, Jr. Assistant to the Secretary of the Treasury for Congressional Relations</p> <p>*Benjamin CAPLAN Director, Office of Interna- tional Finance and Economic Analysis, Department of State</p> <p>*Robert CARSWELL Special Assistant to the Secretary of the Treasury</p> <p>Charles A. COOMBS Vice President, Federal Reserve Bank of New York</p> <p>J. Dewey DAANE Member, Board of Governors, Federal Reserve System (continued)</p>	

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
U ED STATES			<p>Dixon DONNELLEY Assistant to the Secretary of the Treasury for Public Affairs</p> <p>E. Jay FINKEL Deputy Director, Office of International Financial Policy Coordination, U. S. Treasury</p> <p>Alfred HAYES President, Federal Reserve Bank of New York</p> <p>Ralph HIRSCHTRITT Special Assistant to the Assistant Secretary of the Treasury for International Affairs and Temp. Alt. ED (B)</p> <p>John S. HOOKER Alt. ED (F)</p> <p>Douglass HUNT Special Assistant to the Under Secretary of the Treasury</p> <p>G. Griffith JOHNSON Assistant Secretary of State for Economic Affairs</p> <p>Tom KILLEFER U. S. Executive Director, Inter-American Development Bank</p> <p>*Harold F. LINDER President and Chairman, Export-Import Bank of Washington</p> <p>William McChesney MARTIN, Jr. Chairman, Board of Governors, Federal Reserve System</p> <p>Lawrence C. MoQUADE Deputy Assistant Secretary of Commerce for Financial Policy</p> <p>*Robert G. PELIKAN Financial Attache, American Embassy, Tokyo</p> <p>*Edwin O. REISCHAUER U. S. Ambassador to Japan</p> <p>*James J. SAXON Comptroller of the Currency, U. S. Treasury</p> <p>Fred B. SMITH Deputy General Counsel, U. S. Treasury</p> <p>*George S. SPRINGSTEEN Special Assistant to the Under Secretary of State</p> <p>George H. WILLIS Director, Office of Interna- tional Affairs, U. S. Treasury (continued)</p>	<p>**</p> <p>**</p>
			*Wife accompanying	
			** Residence Tokyo	

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
UNITED STATES			<u>Secretarial Staff</u> Mrs. Dorothy deBORCHGRAVE Mrs. Edna W. PONTON Mrs. Mary A. MONOMACK Mrs. Ray K. FURST Mrs. Mildred S. DODD Miss Estella T. MICHURA Miss Mae B. ALEXANDER Mrs. Jeanne H. LETTS (IMF) Mrs. Rita ADLER (IBRD)	
UPPER VOLTA #	Edouard YAMEOGO (B) Minister of National Economy Charles KABORE (F) Minister of Finance Pierre Claver DAMIBA (B) Director of the Plan *Pierre BRAEMER (F) Director, Banque Centrale des Etats de l'Afrique de l'Ouest, Ouagadougou	9/6 9/6 9/5 9/6	Georges SANOGOH, Adviser Director of Statistics	9/5
URUGUAY # ##	Raul YBARRA SAN MARTIN (B) Accountant General Romeo MAESO (F) Roberto A. FERBER (B) *Daniel RODRIGUEZ LARRETA (F)	9/6 9/7 9/6		
VENEZUELA ##	*Alfredo MACHADO GOMEZ (F) President, Banco Central de Venezuela *General Rafael ALFONZO RAVARD (B) President, Corporacion Venezolana de Guayana *Benito Raul LOSADA (F) Adviser, Ministry of Finance *Luis VALLENILLA (B) President, Corporacion Venezolana de Fomento *Wife accompanying	9/4 9/3 9/4 9/5	*Ernesto PELTZER, Adviser (F) Economic Adviser, Banco Central de Venezuela *Alfonso ESPINOZA, Adviser Marcos SANDOVAL, Adviser (F) Director's Assistant, Economic Research Dept., Banco Central de Venezuela Samuel RIEBER, Secretary to the Delegation Banco Central de Venezuela	9/4 9/4 9/4 9/4

MEMBER	GOVERNOR ALTERNATE	ARRIVE TOKYO	ADVISERS AND OTHERS	ARRIVE TOKYO
VIET-NAM #	<p>NGUYEN XUAN OANH (F-B) Vice Premier for Economy and Finance</p> <p>-----</p>	9/4		
YUGOSLAVIA	<p>Kiro GLIGOROV (B) Federal Secretary for Finance</p> <p>Nikola MILJANIC (F) Governor, National Bank of Yugoslavia</p> <p>-----</p> <p>Antonije TASIC (F) Assistant Secretary in Federal Secretariat for Finance</p> <p>Zoran ZAGAR (B) General Manager, Yugoslav Investment Bank</p>	<p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/4</p>	<p>Milivoje SPASIC, Adviser Counsellor in Yugoslav Investment Bank</p> <p>Aleksandar BOGOJEV, Adviser Alt. ED (B)</p>	9/4

*Wife accompanying

BOARD OF GOVERNORS - 1964 ANNUAL MEETINGS

OBSERVERS

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ORGANIZATION	OBSERVER	ARRIVE TOKYO
MALAWI	<p>J. Z. U. TEMBO Minister of Finance</p> <p>H. S. NORMAN-WALKER, C.M.G., O.B.E. Secretary to the Treasury</p> <p>K. B. BALDWIN Economic Adviser to the Prime Minister</p> <p>A. G. PERRIN Governor of the Reserve Bank of Malawi</p>	<p>9/8</p> <p>9/4</p> <p>9/5</p>
NORTHERN RHODESIA	<p>R. C. H. HALLETT Governor, Bank of Northern Rhodesia</p>	
BANK FOR INTERNATIONAL SETTLEMENTS	<p>*Gabriel FERRAS General Manager</p> <p>*F. G. CONOLLY Manager</p> <p>*Milton GILBERT Economic Adviser</p> <p>*H. H. MANDEL Head of the Banking Department</p>	<p>9/4</p> <p>9/4</p> <p>9/4</p> <p>9/5</p>
CENTER FOR LATIN AMERICAN MONETARY STUDIES	<p>*Fernando RIVERA Assistant Director</p>	<p>9/6</p>
CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION	<p>Not attending</p>	
CENTRAL AMERICAN MONETARY COUNCIL		
CONTRACTING PARTIES TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE	<p>Herbert E. TENNEKOOH Special Adviser to the Executive Secretary on Trade and Development</p>	<p>9/3</p>
DEVELOPMENT ASSISTANCE COMMITTEE	<p>*Willard L. THORP Chairman</p> <p>*Wife accompanying</p>	<p>9/4</p>

OBSERVERS

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ORGANIZATION	OBSERVER	ARRIVE TOKYO
EUROPEAN ECONOMIC COMMUNITY	Franco BOBBA Director General for Economic and Financial Affairs Robert TRIFFIN Adviser Frederic BOYER de la GIRODAY Adviser	9/4 9/6 9/4
EUROPEAN FREE TRADE ASSOCIATION	Not attending	
EUROPEAN INVESTMENT BANK	Paride FORMENTINI President *Giandomenico SERTOLI Manager of the Finance and Treasury Department Guy TRANCART Manager of the Loans in Associated Countries Department	9/2 9/2 9/2
FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS	Not attending	
INTER-AMERICAN DEVELOPMENT BANK	*T. Graydon UPTON Executive Vice President *Ignacio COPETE-LIZARRALDE Financial Manager *Robert B. MENAPACE Financial Adviser	8/30 8/30 8/29
INTERNATIONAL ATOMIC ENERGY AGENCY	Not attending	
INTERNATIONAL LABOR ORGANIZATION	Y. SAKURAI Director of the I.L.O. Branch Office in Tokyo	**
LATIN AMERICAN FREE TRADE ASSOCIATION	Not attending	
ORGANIZATION FOR AFRICAN UNITY		
ORGANIZATION OF AMERICAN STATES	*Wife accompanying ** Residence Tokyo	

BOARD OF GOVERNORS - 1964 ANNUAL MEETINGS

OBSERVERS

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ORGANIZATION	OBSERVER	ARRIVE TOKYO
<p>ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT</p>	<p>Thorkil KRISTENSEN Secretary-General Jean COTTIER Deputy Secretary General Gunter KEISER Assistant Secretary General J. C. R. DOW Assistant Secretary General</p> <p><u>European Monetary Agreement</u></p> <p>*Alexandre HAY Chairman of the Board of Management</p>	<p>9/6 9/4 9/6 9/6</p>
<p>PERMANENT SECRETARIAT OF THE GENERAL TREATY FOR CENTRAL AMERICAN ECONOMIC INTEGRATION</p>	<p>Pedro Abelardo DELGADO Secretary General</p>	<p>9/6</p>
<p>UNION AFRICAINE ET MALGACHE DE COOPERATION ECONOMIQUE</p>	<p>M. FOALEM</p>	
<p>UNITED NATIONS</p>	<p>Philippe de SEYNES Under-Secretary for Economic and Social Affairs</p> <p><u>Special Fund</u></p> <p>Paul G. HOFFMAN Managing Director Clinton A. REHLING Assistant to the Managing Director Claude de KEMOULARIA Special Representative of the Managing Director</p>	<p>9/6 9/7 9/7 9/7</p>
<p>UNITED NATIONS EDUCA- TIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION</p>		
<p>WORLD HEALTH ORGANIZATION</p>	<p>*Wife accompanying</p>	

BOARD OF GOVERNORS - 1964 ANNUAL MEETING

EXECUTIVE DIRECTORS AND ALTERNATES

FUNDExecutive Directors

J. J. Anjaria
 Ulrich Beelits
 Mauricio C. Bicalho
 William B. Dale
 J. M. Garland
 Louis Kande
 Guillermo Walter Klein
 Rene Larre
 Pieter Liefstinck
 A. F. W. Plumtre
 Praxedes Reina Hermosillo
 Sir Eric Roll
 Ahmed Zaki Saad
 Sergio Siglienti
 Karl Skjaeveland
 Sumanang
 Gengo Suzuki
 Beue Tann
 Andre van Campenhout

Alternate Executive Directors

Arun K. Ghosh
 Walter Habermeier
 Antonio de Abreu Coutinho
 John S. Hooker
 Roy Daniel
 Semvano Kiingi
 Luis Escobar
 Gerard M. Teyssier
 H.M.H.A. van der Valk
 S. J. Handfield-Jones
 Charles E. Sanson
 J. A. Kirbyshire
 Albert Mansour
 Costa P. Caranicas
 Lennart Olofsson
 Amon Nikol
 William Tennekeon
 I-Shuan Sun
 Maurice Toussaint

BOARD OF GOVERNORS - 1964 ANNUAL MEETING

EXECUTIVE DIRECTORS AND ALTERNATES

BANK, IFC, AND IDAExecutive Directors

Alice Brun
 John C. Bullitt
 Reignson C. Chen
 Otto Donner
 John Mamman Garba
 J. M. Garland
 Joaquin Gutierrez Cano
 Fernando Illanes
 Rene Larre
 Pieter Liefertinck
 Luis Machado
 Jorge Mejia-Palacio
 Mumtas Mirza
 A. F. W. Plumptre
 K. S. Sundara Rajan
 Sir Eric Roll
 Gengo Suzuki
 Abderrahman Tasi
 Andre van Campenhout

Alternate Executive Directors

Eino Suomela
 Ralph Hirschtritt (Temporary)
 Helmut Abramowski
 Mohamed Nassim Kochman
 A. J. J. van Vuuren
 Sergio Siglienti
 Carlos S. Brignone
 Jean Malaplate
 Aleksandar Bogoev
 Rufino Gil
 Jose Camacho
 Ali Akbar Khosrepur
 S. J. Handfield-Jones
 N. M. P. Reilly
 Eiji Osaki
 Ismail Khelil
 Frans Oellerer

SCHEDULE OF EVENTS

FOR U.S. DELEGATION
USE ONLY

U.S. DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

as of 8/21/64

ORDER OF THE DAY

Tuesday, September 1, 1964

Done

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
3:00 P.M.	Meeting of full delegation	Washington Main Treasury Room 4426	Delegation

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U.S. DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

ORDER OF THE DAY

as of 8/21/64

Thursday, September 3, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
10:00 A.M.	Secretary Dillon's Aircraft departs Andrews. Departure arrangements as specified Administrative Memorandum No. 2	Andrews AFB, Washington	Passenger List
12:15- 1:45 P.M.	Special Aircraft makes refueling stop	Travis AFB, California	Passenger List
3:50 P.M.	Special Aircraft arrives in Hawaii. Cars transport group to Halekulani Hotel, Waikiki	Hickam AFB	Passenger List
7:00 P.M.	Governor Burns of Hawaii gives reception & dinner for group	Washington Place (Reception); Royal Hawaiian Hotel (Dinner)	Passenger List

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U.S. DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

ORDER OF THE DAY

as of 8/21/64

Friday, September 4, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
8:30 A.M.	Passengers depart Halekulani for Cincpac Briefing or Pearl Harbor Tour - see Administrative Memorandum No. 2	Halekulani Hotel	Passenger List
11:00 A.M.	Special Aircraft departs Hawaii	Hickam AFB	Passenger List

[Note change of date en route;
Friday, September 4, becomes
Saturday, September 5. Aircraft
arrives Tokyo Saturday, 2:00 P.M.]

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U.S. DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

as of 8/21/64

ORDER OF THE DAY

Saturday, September 5, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
2:00 P.M.	Secretary Dillon's aircraft arrives - limousine transportation to Hotel Okura and Hotel Hilton per arrival plan	Tokyo Int'l. Airport	Passenger List

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U.S. DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

as of 8/21/64

ORDER OF THE DAY

Sunday, September 6, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
10:30 A.M.	Secretary Dillon meets with Japanese Minister of Finance Tanaka	Okura	Secretary Dillon
4:00-			
6:30 P.M.	Cocktails Mr. & Mrs. Andrew Overby	Imperial Hotel Ran Room	Secretary Dillon
5:00 P.M.	Joint Procedures Committee meets	Okura	Mr. Bullitt Mr. Dale
6:00- 8:00 P.M.	Chairman (Governor Aquino of El Salvador) gives informal reception	Hilton	Delegation (by invitation)
8:00 P.M.	Ambassador Reischauer gives informal buffet supper	Embassy Residence	Delegation

unchanged Crown 1:00 P.M. Hilton

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U.S. DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

as of 8/21/64

ORDER OF THE DAY

Monday, September 7, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
9:30 A.M.	Opening Joint Meeting, IMF-IBRD Boards	Okura Conference Hall	Delegation
	<ul style="list-style-type: none">- (9:30 A.M.) Opening ceremonies- (9:45 A.M.*) Chairman's address- (10:30 A.M.*) Approval of Joint Procedures Committee Report I- (10:35 A.M.*) Mr. Schweitzer's address- (11:30 A.M.*) Mr. Woods' address <p><i>hunched Okura Kabuei - Group of Lew</i></p> <p>(No afternoon session)</p>		
2:30 P.M.	Embassy Briefing on Japanese-American relations and situation in Japan	Embassy Chancery	Delegation
4:00 P.M.	Emperor of Japan receives Imperial Governors and their wives	Imperial Palace	Secretary and Mrs. Dillon
6:30- 8:30 P.M.	Prime Minister and Mrs. Ikeda give reception for all delegations	Hotel New Otani	Delegation (by invitation)

Yamaguchi's dinner informal at official Residence

* Approximate times

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U.S. DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

ORDER OF THE DAY

as of 8/21/64

Tuesday, September 8, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
10:00 A.M.	IMF Board meetings - addresses by various Governors - (A.M.*) Address by Secretary Dillon (see note below)	Okura	Delegation
1:00 P.M.*	Minister of Finance Tanaka gives luncheon for determined all Governors and Alternate Governors	To be determined	Secretary Dillon
2:00- 4:00 P.M.	Special events for the ladies	To be determined	By invitation
3:00 P.M.	IMF Board meets - addresses by various Governors (continuation)	Okura	Delegation
8:00 P.M.	Messrs. Schweitzer and Woods give dinner for certain Governors - black tie	Shirogana Geikin-Kan	By invitation

Free

* Approximate times

Note: Order of speakers preceding Secretary Dillon
expected to be as follows: _____,
_____, etc.

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1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

ORDER OF THE DAY

as of 8/21/64

Wednesday, September 9, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
10:00 A.M.	IBRD-IFC-IDA Boards meet - addresses by various Governors	Okura	Delegation
	- (A.M.*) Address by Secretary Dillon (see note below)		
2:00- 4:00 P.M.	Special events for the ladies	To be determined	By invitation
3:00 P.M.	IBRD-IFC-IDA Boards meet - addresses by various Governors (continuation)	Okura <i>meal after Lake Hauge</i>	Delegation
7:30 P.M.	Japanese Minister of Finance gives informal dinner party	Shinkiraku Restaurant	Secretary and Mrs. Dillon Mr. Martin

* Approximate time

Note: Order of speakers preceding Secretary Dillon
expected to be as follows: _____,
_____, etc.

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1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

ORDER OF THE DAY

as of 8/21/64

Thursday, September 10, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
10:00 A.M.	IMF Board meets	Okura	Delegation
	- (10:00 A.M.) Election of Executive Directors; no U.S. participation		
	- (10:30 A.M.*) Addresses by various Governors (conclusion)		
	- (11:30 A.M.*) Approval of Joint Procedures Committee Report II		
2:00- 4:00 P.M.	Special events for the ladies	To be determined	By invitation
3:00 P.M.	IBRD-IFC-IDA Boards meet	Okura	Delegation
	- (3:00 P.M.) Election of Executive Directors; no U.S. participation		
	- (3:30 P.M.*) Addresses by various Governors (conclusion)		
	- (4:30 P.M.*) Approval of Joint Procedures Committee Report III		
5:00 P.M.	Joint Procedures Committee meets	Okura	Mr. Bullitt Mr. Dale
8:00 P.M.	Messrs. Schweitzer and Woods give dinner for certain Governors - black tie	Shirogana Geikin-Kan	By invitation

*Yamaquwa
Lunch at official
residence*

* Approximate time

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U.S. DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

ORDER OF THE DAY

as of 8/21/64

Friday, September 11, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
11:00 A.M.	Closing joint meeting IMF-IBRD Boards	Okura	Delegation
	- (11:00 A.M.) Approval of Joint Procedures Report IV		
	- (11:10 A.M.*) Comments by heads of organizations		
	- (11:30 A.M.*) Concluding remarks		
	- (11:45 A.M.*) Adjournment		
5:00- 7:00 P.M.	Japanese Minister of Finance gives Kabuki Theatre party	To be announced	Delegation (by invitation)
8:00 P.M.	Messrs. Schweitzer and Woods give buffet- reception - informal	To be announced	Delegation (by invitation)

* Approximate times

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U.S. DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

ORDER OF THE DAY

as of 8/21/64

Saturday, September 12, 1964

<u>Time</u>	<u>Event</u>	<u>Place</u>	<u>U.S. Participants</u>
9:00 A.M.	Assembly at hotels and limousine transportation to airport in accordance with departure plan to be distributed. Secretary Dillon's aircraft departs at 11:00 A.M.	Hotels and Tokyo Int'l. Airport	Delegation
12:25 P.M. (EDT)	Arrive Washington	Andrews AFB	Delegation

POSITION PAPER

ADDENDUM

IMF AGENDA ITEMS

Increase in Quota.

Malaysia - \$37.5 million to \$100.0 million

(The U.S. Governor has been authorized by action of the National Advisory Council to vote in favor of this action.)

Amendment to By-Laws.

Recommendation: To support a resolution adopting a change in the By-Laws of the Fund to permit an Executive Director or Alternate who is married to a national of a country other than his own to travel on home leave to his wife's country instead of his own, provided the cost does not exceed that of travel to his own country.

(The U.S. Governor has been authorized by action of the National Advisory Council to vote in favor of this amendment.)

IBRD AGENDA ITEMS

Increase in Subscription.

Malaysia - \$50.0 million to \$133.3 million

(The U.S. Governor has been authorized by action of the National Advisory Council to vote in favor of this action.)

Amendment to By-Laws.

[Action identical to Fund action above.]

FOR U.S. DELEGATION USE ONLY

1964 ANNUAL MEETINGS
BOARDS OF GOVERNORS
INTERNATIONAL MONETARY FUND
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND AFFILIATES

U.S. POSITION PAPER

Introduction: The Joint Procedures Committee will make an initial report (Report I) at the opening session on September 7 concerning the schedule of the meetings, the agenda for each institution's business, and the rules for the conduct of the meeting. At the same session, separate reports of the Joint Procedures Committee will be made concerning individual items on the agenda of the IMF (Report II) and the IBRD and its affiliates (Report III). A final report of the Committee at the closing session on September 11 will cover the place and date of the 1965 and 1966 Annual Meetings, and the officers and Joint Procedures Committee for the next meeting.

JOINT PROCEDURES COMMITTEE REPORT I

Recommendation: To vote for the approval of Joint Procedures Committee Report I covering the schedule of the meetings, the rules for conduct of the meetings, and the various agenda.

JOINT PROCEDURES COMMITTEE
REPORT II (FUND AGENDA ITEMS)

1. Annual Report for the Year Ending April 30, 1964.

Recommendation: To vote for approval of Joint Procedures Committee Report II which will note that provision has been made for discussion of the Annual Report of the Fund.

(The U.S. Governor's principal statement will be made in the course of the discussion of the Annual Report.)

2. Financial Statements and Audit Report.

Recommendation: To support a resolution stating that the Report of Audit and the Financial Statements contained

therein fulfill the requirements of the Articles of Agreement and By-Laws.

(As in previous years, the Audit Report has been prepared by an audit committee consisting of representatives from three member countries, in this case India, El Salvador, and Sweden.)

3. Administrative Budget.

Recommendation: To support a resolution (which may be combined with the resolution covering the preceding agenda items) stating that the Administrative Budget fulfills the requirements of the Articles of Agreement and By-Laws.

(The Administrative Budget for the Fund's fiscal year ending April 30, 1965, amounts to \$13,320,000, an increase of \$2,443,877 over the actual results for the 1964 fiscal year. The bulk of this increase resulted from additional costs for staff salaries, benefits and travel. Increases were also projected for the expenses of the Board of Governors and the Executive Directors, primarily in connection with the Tokyo meeting. A new item, Special Services to Member Countries, also accounted for a significant portion of the increased budget.)

4. General Reserve.

Recommendation: To support a resolution approving the allocation of net income for the fiscal year ended April 30, 1964 to the General Reserve. (For the Fund's fiscal year 1964, the Fund had ordinary income of \$36,352,072 and expenses of \$13,120,523, resulting in a net income of \$23,231,549, which has been provisionally transferred to General Reserve. Action by the Governors will approve the provisional transfer, and will bring the General Reserve to \$116,518,698. In addition, the Fund's Special Reserve, to which are credited the proceeds of the Fund's gold investment program, increased during the year by \$27,485,414 to a total of \$117,524,012.)

5. Changes in Rules and Regulations.

Recommendation: To support a resolution stating that the Board of Governors informs the Executive Directors that they have reviewed the amendments to Rules and Regulations and have no changes to suggest.

6. Regular Election of Executive Directors.

Recommendation: To vote for approval of Joint Procedures Committee Report III which will note that provision has been made for election of a fifteenth Executive Director. The countries with the five largest quotas in the Fund each appoint a director. These five, together with the fifteenth to be elected, will comprise the full Board of twenty Executive Directors. The U.S. Governor has been authorized by action of the National Advisory Council to vote in favor of the addition of a fifteenth Director, who will represent a group of the Fund's African members. Since it appoints its own Executive Director, the United States will not participate in the election.

7. Applications for Membership.

Recommendation: To support a resolution approving membership in the Fund for Malawi with a quota of \$11,250,000.

(The U.S. Governor has been authorized by an action of the National Advisory Council to vote in favor of this application. Membership will be subject to the standard terms and conditions, and will be completed upon subsequent deposit of appropriate documents with the Fund and payment of the gold subscription.)

8. Increases in Quota.

Recommendation: To support a resolution approving the following increases in IMF quotas: Ghana - \$35 million to \$55 million. Iraq - \$15 million to \$55 million. Sudan - \$15 million to \$45 million.

(The U.S. Governor has been authorized by actions of the National Advisory Council to vote in favor of these increases.)

9. General Increase in Quotas.

Recommendation: To support a resolution calling upon the Executive Directors to consider the question of adjustments in quotas and to submit an appropriate proposal to the Governors.

Background: As agreed among the Ministers and Governors of the Group of Ten at the time of the 1963 IMF meeting, "a thorough examination of the outlook for the functioning of the international monetary system and of its probable future needs for liquidity" was carried out during the course of the year by Deputies of the Ministers and Governors. The Ministers and Governors considered the Deputies' report at a meeting in Paris on June 15-16, 1964, and issued a Ministerial statement dated August 1, 1964. In their statement, the Ministers and Governors reaffirmed their conviction that the present international monetary structure based on fixed exchange rates and the established price of gold has proved its value as a foundation on which to build for the future. They further agreed that increasingly close cooperation among monetary authorities was essential and that, in regard to liquidity, supplies of gold and reserve currencies are fully adequate for the present and immediate future needs of the world monetary system, although continuing growth of world trade and payments is likely to entail a need for larger international liquidity which may be met by an expansion of credit facilities and in the longer run may possibly require some new form of reserve asset.

The Ministers and Governors noted the central position of the International Monetary Fund in the international credit structure. In order to further the Fund's capabilities, the Ministers and Governors agreed to support a moderate and general increase in member quotas in the Fund and to support relative adjustments in those individual quotas which are clearly out of line. In reaching this agreement among themselves, the Ministers and Governors recognized that the responsibility for decisions concerning an increase in quotas rests with the Fund itself and cannot be determined by the Group of Ten alone.

In its Annual Report released at the same time as the statement of the Ministers and Governors of the Group of Ten, the Fund management discussed the matter of international liquidity from the Fund's standpoint. Regarding quota increases, the Report concluded that "there is a case for an increase in Fund quotas," and suggested that the question should be examined in detail at an early date, preferably immediately after the Annual Meeting of the Governors. (The normal quinquennial review of quotas would occur in 1965 in accordance with the Articles.) Thus both the Fund management and the governments of the Fund's major members have suggested early action on the matter of Fund quota increases.

The question of action by the Governors in connection with quota increases is not at present an agenda item for the Tokyo meeting. The Managing Director of the Fund, however, is expected to take advantage of a provision of the By-Laws to place the matter on the agenda during the course of the meeting. The resolution which would be proposed would note the discussion of quota increases in the Annual Report and the fact that many Governors discussed the subject in their statements during the Annual Meeting and would therefore resolve that the Executive Directors should promptly consider quota adjustments and submit an appropriate proposal to the Governors. (See Appendix.) The timing of such a resolution would be at the discretion of the Managing Director of the Fund, and would take place after an appropriate number of Governors had had an opportunity to refer to the subject. Neither the percentage of increase nor the details of payment would be dealt with in the resolution, and members of the delegation should take care not to express views on these aspects inasmuch as the Executive Directors are being charged to study these questions in the first instance.

In voting for the proposed resolution, the U.S. Governor would only be supporting a study by the Executive Directors to be submitted to the Governors. The Governors would in turn refer the matter to the respective member governments for action in accordance with their respective legislative procedures. The Bretton Woods Agreements Act prohibits any representative of the United States from

requesting or consenting to any change in the U.S. quota unless Congress by law authorizes such action. When the Governors' recommendation is submitted to members, appropriate legislation will be forwarded to the Congress by the Executive Branch.

10. Place and Date of 1965 and 1966 Annual Meetings.

(See below - "Joint Procedures Committee Report IV.")

11. Election of Officers and Procedures Committee for 1964-65.

(See below - "Joint Procedures Committee Report IV.")

JOINT PROCEDURES COMMITTEE
REPORT III (IBRD - IFC - IDA AGENDA ITEMS)

IBRD - IFC - IDA AGENDA ITEMS

1. Annual Reports for the Year Ending June 30, 1964.

Recommendation: To vote for approval of Joint Procedures Committee Report III which will note that provision has been made for discussion of the Annual Reports of the IBRD, IFC, and IDA.

(The U.S. Governor's statement will be made in the course of the discussion of the Annual Reports and will cover the activities of the IBRD, IDA and IFC.)

2. Financial Statements and Annual Audits.

Recommendation: To support a resolution stating that the Financial Statements and Audit Reports fulfills the requirements of the respective Articles of Agreement and By-Laws.

(As in previous years, the Audit Report for the IBRD, IDA and IFC has been prepared by Price Waterhouse and Company.)

3. Administrative Budgets.

Recommendation: To support a resolution (which may be combined with the resolution covering the preceding agenda item) stating that the Administrative Budgets fulfill the requirements of the respective Articles of Agreement and By-Laws.

(The IBRD's Administrative Budget for the year ending June 30, 1965, amounts to \$21,291,000 exclusive of a \$200,000 provision for contingencies. Actual expenditures in the year ending June 30, 1964, amounted to \$18,895,892.

The IDA's Administrative Budget for the year ending June 30, 1965, amounts to \$3,247,000 exclusive of a \$50,000 provision for contingencies. Actual expenditures in the year ending June 30, 1964, amounted to \$2,635,565.

The IFC's Administrative Budget for the year ending June 30, 1965, amounts to \$2,811,000 exclusive of a \$50,000 provision for contingencies. Actual expenditures in the year ending June 30, 1964, amounted to \$2,458,181.)

IBRD AGENDA ITEMS

1. Allocation of Net Income.

Recommendation: To vote for a resolution recommending that the Governors approve the allocation of \$50 million of net income as a grant to IDA (and the proposed statement of policy concerning such transfers), and of \$47.5 million to the reserve against losses on loans and guarantees. (See Appendix.) (The U.S. Governor has been authorized by action of the National Advisory Council to vote in favor of this action.)

Background: At the Annual Meeting of the Bank in 1963, the Governors approved a proposal by the Executive Directors to terminate the automatic allocation of the Bank's net income to a supplementary reserve and instead

to consider each year the appropriate disposition of such net income. The Bank's net income for FY 1964 amounted to \$97.5 million, exclusive of proceeds attributable to the one percent commission charge on all loans of \$33.2 million which was appropriated to the Bank's Special Reserve. In a report to the Board of Governors the Executive Directors have recommended that \$47.5 million of the FY 1964 net income be allocated to the Supplementary Reserve. The Executive Directors have also recommended that, in the light of the need for additional development assistance on flexible terms, the balance of \$50 million be transferred to the International Development Association as a grant. Such a move has had the full support of U.S. representatives in the Bank and IDA.

Although the allocation of a portion of net income as a transfer to IDA is concerned only with the present fiscal year, the Governors are being asked to approve a statement of policy by the Executive Directors to cover similar transfers in future years. In brief, the statement would limit any transfers to the Association to net income accrued during the fiscal year in question and which need not be retained for the Bank's business but could otherwise be prudently distributed as dividends.

2. Applications for Membership.

Recommendation: To support a resolution approving membership in the Bank for Malawi with an initial subscription of \$15 million.

(The U.S. Governor has been authorized by an action of the National Advisory Council to vote in favor of this application. Membership will be subject to the standard terms and conditions, and will be completed upon subsequent deposit of appropriate documents with the Bank.)

3. Increase in Subscriptions.

Recommendation: To support resolutions approving the following increases in subscriptions to the IBRD's capital:

Ghana - \$46.7 million to \$73.4 million. Iraq - \$15 million to \$55 million. Sudan - \$20 million to \$60 million.

(The U.S. Governor has been authorized by actions of the National Advisory Council to vote in favor of these increases.)

4. Settlement of Investment Disputes.

Recommendation: To vote for a resolution requesting the Executive Directors to formulate a convention establishing facilities and procedures for settlement of investment disputes between contracting states and nationals of other contracting states through conciliation and arbitration, such convention to be submitted to governments. (See Appendix.)

Background: At the 1962 Annual Meeting, the Bank Governors requested the Executive Directors to consider the desirability and practicability of establishing Bank-sponsored institutional facilities for the settlement through arbitration and conciliation of investment disputes between governments and private parties. Pursuant to that request, the Executive Directors studied the matter and convened a series of regional meetings to consult with legal experts of member governments on a preliminary draft of a convention, which might be adopted by governments. On the basis of their studies and the results of the regional consultative meetings, the Executive Directors have concluded that the establishment by means of an inter-governmental agreement of the proposed facilities would be desirable. The resolution to be approved by the Governors would request the Executive Directors to formulate a convention for submission to governments with appropriate recommendations. The Executive Directors, in submitting the convention, would be acting on their own behalf, and would not thereby commit the governments they represent. Congressional approval would be necessary before the United States could sign the proposed convention.

5. Bank Loans to IFC.

Recommendation: To support a resolution approving the report of the Executive Directors entitled "Bank Loans to

IFC" and the submission to governments of the proposal contained in the joint report of the Executive Directors of the IBRD and of the Board of Directors of the IFC entitled "Bank Loans to IFC" that the Articles of the Bank and the IFC respectively be amended to permit the Bank to lend to IFC. (See Appendix.)

(The U.S. Governor has been authorized by action of the National Advisory Council to vote in favor of this action.)

Background: Although the World Bank has always lent for private sector projects, its activities outside the public sector have been hampered by the requirement of the Bank's Articles that the private borrower obtain the guarantee of the member government. Private enterprises have often been reluctant to seek, and governments have often been reluctant to give such guaranties. The IFC Articles of Agreement carry no such guarantee requirement. The IFC, however, has total resources of moderate size (presently about \$120 million) and cannot at the moment supplement these through borrowing in the manner of the Bank itself. The Bank management has concluded that augmenting the resources available to IFC through Bank loans to the Corporation would be preferable to eliminating the requirement of government guaranties on the Bank's loans in the private sector.

Although the Bank management is not prepared to forecast the likely demand for the additional resources which would be available through IFC, it is convinced that a substantial demand exists. Meeting the demand for larger amounts of loan capital from resources made available by the Bank would permit IFC to utilize its own subscribed resources and earnings for equity investments to a much greater degree. In order to provide the additional flexibility contemplated by the proposal, amendments to the Articles of Agreement of the Bank and of the Corporation would be necessary. The Articles of the Bank presently authorize loans only to member governments, political subdivisions thereof, and enterprises in the territory of a member. The Bank Articles, therefore, would be amended to add a specific authorization

for the Bank to "make, participate in, or guaranty loans" to IFC, within a proposed limit of four times the unimpaired subscribed capital and surplus of the Corporation.

On the IFC side, the present proposal would require an amendment of the Corporation's Articles to eliminate language specifically barring loans to or borrowings from the Bank. The proposed limitation on borrowings or guaranties by the Corporation to four times its unimpaired subscribed capital and surplus would also be incorporated in the IFC's Articles.

The vote by the U.S. Governor on both the IBRD and IFC resources will require prior approval by the Congress which will be sought in the spring of 1965. United States representatives in both the IBRD and IFC have previously indicated U.S. support for the proposal, subject, of course, to favorable Congressional action.

6. Regular Election of Executive Directors.

Recommendation: To vote for approval of Joint Procedures Committee Report II which will note that provision has been made for election of a fifteenth Executive Director. The countries with the five largest quotas in the Bank each appoint a Director. These five, together with the fifteenth to be elected, will comprise the full Board of twenty Executive Directors. The U.S. Governor has been authorized by action of the National Advisory Council to vote in favor of the addition of a fifteenth Director, who will represent a group of the Fund's African members. Since it appoints its own Executive Director, the United States will not participate in the election.

7. Place and Date of 1965 and 1966 Annual Meetings.

(See below - "Joint Procedures Committee Report IV.")

8. Officers and Procedures Committee for 1964-65.

(See below - "Joint Procedures Committee Report IV.")

IFC AGENDA ITEMS

1. Application for Membership.

Recommendation: To support a resolution approving membership in the Corporation for Trinidad and Tobago with a subscription of \$148,000, and Malawi with a subscription of \$83,000.

(The U.S. Governor has been authorized by actions of the National Advisory Council to vote in favor of these applications. Membership will be subject to the standard terms and conditions, and will be completed upon subsequent deposit of appropriate documents with the Corporation. It is possible, although not likely, that an application from Congo (Leopoldville) may be put before the Governors for action. Applications of Cameroon, Chad and Nepal have been approved by the Governors and these countries may become members upon completion of the necessary formalities.)

2. Borrowing from the IBRD.

Recommendation: To support a resolution approving the report of the Directors entitled "Borrowing from IBRD" and the submission to governments of the proposal contained in the joint report of the Executive Directors of the IBRD and of the Board of Directors of the IFC entitled "Bank Loans to IFC" that the Articles of the Bank and the IFC respectively be amended to permit the Bank to lend to IFC.

(The U.S. Governor has been authorized by action of the National Advisory Council to vote in favor of this action.)

IDA AGENDA ITEMS

1. Application for Membership.

Recommendation: To support a resolution approving membership in the Association for Trinidad and Tobago with an initial subscription of \$1,350,000, and Malawi with an initial subscription of \$760,000.

(The U.S. Governor has been authorized by actions of the National Advisory Council to vote in favor of these applications. Membership will be subject to the standard terms and conditions, and will be completed upon subsequent deposit of appropriate documents with the Association. Indonesia, Uruguay and Venezuela are the only Schedule A countries which have not taken up membership. Guinea and Jamaica have been approved by the Governors and these countries may become members upon completion of the necessary formalities.)

JOINT PROCEDURES COMMITTEE
REPORT IV

Recommendations: (a) to vote for approval of Joint Procedures Committee Report IV, covering the place and date of the 1965 and 1966 meetings, (Washington), the officers and members of the Joint Procedures Committee for the 1965 meeting, and (b) to leave to the discretion of the U.S. Governor, in consultation with other members of the National Advisory Council, decisions on any questions as to particular members of the Procedures Committee or the nationality of the various officers.

(No opposition is likely to the recommendation as to place of meeting in 1965 and 1966 which is in accord with past practice of holding annual meetings in Washington in two successive years, and outside of Washington in each third year. It appears likely that the Chairman of the 1965 meetings will be from the African group of members and that the Governor for Ethiopia will be chosen to serve in this capacity.)

APPENDIX

PRINCIPAL RESOLUTIONS
FOR APPROVAL
BY GOVERNORS

INTERNATIONAL MONETARY FUND

(DRAFT RESOLUTION)

Adjustment of Quotas

Pursuant to By-Law 6(b), the Managing Director is directed to place the following draft Resolution on the agenda for the 1964 Annual Meeting of the Board of Governors if in his judgment such action is warranted:

WHEREAS the Executive Directors in their Annual Report have examined certain considerations relating to the desirability of an increase in the quotas of members of the Fund; and

WHEREAS the next quinquennial review of quotas would in any event begin before the end of 1964; and

WHEREAS many Governors, in discussing the Annual Report, have expressed their views on many aspects relating to the adjustment of quotas;

NOW, THEREFORE, the Board of Governors hereby
RESOLVES:

That the Executive Directors proceed to consider the question of adjusting the quotas of members of the Fund and at an early date submit an appropriate proposal to the Board of Governors.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

ATTACHMENT B

(DRAFT RESOLUTION)

Allocation of Net Income and Statement of Policy

RESOLVED:

1. THAT the Report of the Executive Directors dated July 30, 1964 on "Allocation of Net Income and Statement of Policy" is hereby approved;
2. THAT the allocation of \$47,455,851 of the net income of the Bank for the fiscal year ended June 30, 1964 to the Supplemental Reserve against Losses on Loans and Guarantees is hereby noted with approval;
3. THAT the Bank transfer to the International Development Association by way of grant \$50,000,000 being the remainder of the net income of the Bank for the fiscal year ended June 30, 1964, such transfer to be made at the time and in the manner to be decided by the Executive Directors; and
4. THAT the following Statement of Policy is hereby approved:

"Any transfers to the Association will be made only out of net income which (i) accrued during the fiscal year in respect of which the transfer is made and (ii) is not needed for allocation to reserves or otherwise required to be retained in the Bank's business and, accordingly, could prudently be distributed as dividends."

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

(DRAFT RESOLUTION)

Settlement of Investment Disputes

RESOLVED:

- (a) The report of the Executive Directors on "Settlement of Investment Disputes", dated August 6, 1964, is hereby approved.
- (b) The Executive Directors are requested to formulate a convention establishing facilities and procedures which would be available on a voluntary basis for the settlement of investment disputes between contracting States and nationals of other contracting States through conciliation and arbitration.
- (c) In formulating such a convention, the Executive Directors shall take into account the views of member governments and shall keep in mind the desirability of arriving at a text which could be accepted by the largest possible number of governments.
- (d) The Executive Directors shall submit the text of such a convention to member governments with such recommendations as they shall deem appropriate.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

(DRAFT RESOLUTION)

Loans to International Finance Corporation

WHEREAS the Executive Directors have communicated to the Chairman of the Board of Governors a proposal to introduce modifications in the Articles of Agreement, as set forth in their Report dated August 6, 1964 entitled "Bank Loans to IFC"; and

WHEREAS the Chairman of the Board of Governors has brought the proposal before the Board;

NOW THEREFORE it is hereby resolved as follows:

- (a) The Board of Governors hereby approves the Report of the Executive Directors dated August 6, 1964 entitled "Bank Loans to IFC".
- (b) The Board of Governors shall vote by mail or telegram on the proposed Resolution set forth in Annex A to the said Report of the Executive Directors dated August 6, 1964.
- (c) The proposed Resolution shall be adopted and the proposed amendment approved by the Board of Governors when it shall have received the replies from a majority of the Governors exercising two-thirds of the total voting power, and the favorable vote of Governors exercising a majority of the votes cast.
- (d) Upon the approval of the proposed amendment by the Board of Governors the Bank shall ask all members by circular letter or telegram whether they accept the proposed amendment.
- (e) Notwithstanding paragraph (d) of this Resolution, any member may notify the Bank that it accepts the proposed amendment at any time after the Governor appointed by such member has voted in favor of the proposed Resolution and prior to the receipt

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

- 2 -

of the circular letter or telegram referred to in paragraph (d) of this Resolution.

- (f) The proposed amendment shall enter into force for all members on the date when the Bank shall have certified by formal communication addressed to all members that the proposed amendment has been accepted by three-fifths of the members, having four-fifths of the total voting power, and the formal communication shall so specify.

ADMINISTRATIVE

UNITED STATES DELEGATION
1964 ANNUAL MEETING IMF-IBRD
TOKYO, JAPAN

ADMINISTRATIVE MEMORANDUM NO. 1

This memorandum covers general aspects of the Tokyo trip. Administrative memorandum No. 2 contains special information for members of the delegation travelling on Secretary Dillon's MATS aircraft, including information relating to the stopover in Hawaii. Additional memoranda will be issued as required.

1. Membership of delegation. A copy of the delegation list is attached. A revision will be circulated in the event of additions or deletions.
2. Place and dates of meeting. Official sessions commence Monday, September 7, and conclude Friday, September 11. All plenary sessions will be in the Okura Hotel. An opening reception will be held Sunday evening, September 6, and the closing social function will be on Friday evening, September 11.
3. Special aircraft. The MATS aircraft carrying Secretary Dillon and the bulk of the delegation will leave Andrews AFB on Thursday, September 3, at 10:00 A.M. and will arrive in Tokyo at 2:00 P.M., Saturday, September 5, after a stopover in Hawaii. The aircraft will depart Tokyo at 11:00 A.M., Saturday, September 12, and will arrive at Andrews at 12:25 P.M. on the same date, stopping only in Alaska for refuelling (all times local; International Dateline affects date in each direction).
4. Passports, visas, inoculations. These items are the responsibility of the individual delegation member. A visa by the Japanese Embassy is required. Congressional members of the delegation should contact Miss Carolyn Comstock, Congressional Travel Aide, Department of State, code 182, extension 8195, for assistance regarding passports (and for local currency matters, if applicable). Treasury members of the delegation should contact Miss Sada Onoye, extension 5671, for passport and visa assistance. Other delegation members should follow normal agency procedures for overseas travel.

5. Accommodations in Tokyo. Secretary Dillon and his personal staff will be in the Hotel Okura. All other members of the delegation will be in the Tokyo Hilton. Rooms are being reserved by the delegation staff through the Fund-Bank Secretariat; delegation members should not seek to make individual hotel arrangements.

6. Office space. The delegation office will be in the Tokyo Hilton. Normal secretarial service will be available, and all mail, invitations and documents will be distributed at this point. Because of the tight hotel situation, it will not be possible to assign individual offices to delegation members. However, a limited amount of office space is available in the American Embassy, located across the street from the Hilton. A large conference room is available in the Embassy if required. Delegation members will be notified if a sitting room becomes available in the Okura for small conversations.

7. Formal attire. None of the officially-scheduled social events require formal dress. This does not preclude the possibility of private invitations from Japanese or other acquaintances requiring black tie, but each delegation member will have to assess this possibility for himself.


8. Financial arrangements. With the exception of Congressional members, each delegation member's expenses are to be borne by his own agency. Congressional members will be given Treasury travel letters authorizing reimbursement in accordance with Standard Government Travel Regulations. No charge will be made for passage on the special aircraft. All expenses of dependents who may accompany members must be borne by such members. Delegates should note in particular that hotel bills en route and in Tokyo are to be settled by each individual, who will then seek reimbursement.

9. Local transportation. The delegation will have a pool of about a dozen cars at its disposal. Embassy dispatchers will operate the pool at the Okura and Hilton Hotels. It will not be possible to assign cars individually, nor will the size of the pool permit trips outside of Tokyo by delegation members. Delegates anticipating special needs for local transportation should notify the Secretary of the Delegation,

who will arrange for local hire of cars at the expense of the agency or individual involved.

10. Delegate's handbooks. A delegate's handbook will be issued during the last week of August, containing lists of country delegations, schedules of events, agenda, the U.S. position paper on the formal agenda items, and various background materials of a substantive nature. Accompanying the handbook will be copies of the annual reports of the Fund and the Bank and its affiliates.

11. General information on Tokyo. A State Department compilation of general information on the Tokyo area is attached.


Henry J. Bittermann
Secretary of Delegation

Attachments: (1) delegation list
(2) general information on Tokyo

UNITED STATES DELEGATION
1964 ANNUAL MEETINGS
IMF - IBRD - IFC - IDA
TOKYO, JAPAN

GOVERNOR

- * Douglas Dillon, Secretary of the Treasury

ALTERNATE GOVERNOR

- * George W. Ball, Under Secretary of State

TEMPORARY ALTERNATE GOVERNORS

- * Robert V. Roosa, Under Secretary of the Treasury for Monetary Affairs
- * John C. Bullitt, Assistant Secretary of the Treasury and U.S. Executive Director, IBRD
- William B. Dale, U.S. Executive Director, IMF

CONGRESSIONAL ADVISERS

- * Senator Russell B. Long, Committee on Foreign Relations, U.S. Senate
- Senator Frank Carlson, Committee on Foreign Relations, U.S. Senate
- * Representative Henry S. Reuss, Committee on Banking and Currency, House of Representatives
- * Representative Clarence E. Kilburn, Committee on Banking and Currency, House of Representatives

CONGRESSIONAL OBSERVERS

- Senator A. Willis Robertson, Committee on Banking and Currency, U.S. Senate
- * Senator Wallace F. Bennett, Committee on Banking and Currency, U.S. Senate
- * Representative Abraham J. Multer, Committee on Banking and Currency, House of Representatives
- * Representative James Harvey, Committee on Banking and Currency, House of Representatives

ADVISERS

(alphabetically)

- Joseph W. Barr, Chairman, Federal Deposit Insurance Corporation
- * Henry J. Bittermann, Director, Office of International Financial Policy Coordination, U.S. Treasury

Superseded

ADVISERS - Continued

- Joseph M. Bowman, Jr., Assistant to the Secretary of the Treasury for Congressional Relations
- * Benjamin Caplan, Director, Office of International Finance and Economic Analysis, Department of State
- * Robert Carswell, Special Assistant to the Secretary of the Treasury
- Charles A. Coombs, Vice President, Federal Reserve Bank of New York
- J. Dewey Daane, Member, Board of Governors, Federal Reserve System
- Dixon Donnelley, Assistant to the Secretary of the Treasury for Public Affairs
- E. Jay Finkel, Deputy Director, Office of International Financial Policy Coordination, U.S. Treasury
- Alfred Hayes, President, Federal Reserve Bank of New York
- Walter H. Heller, Chairman, Council of Economic Advisers
- Ralph Hirschtritt, Special Assistant to the Assistant Secretary of the Treasury for International Affairs and Temporary Alternate Executive Director, IBRD
- John S. Hooker, Alternate Executive Director, IMF
- Douglass Hunt, Special Assistant to the Under Secretary of the Treasury
- G. Griffith Johnson, Assistant Secretary of State for Economic Affairs
- Tom Killefer, U.S. Executive Director, Inter-American Development Bank
- * Harold F. Linder, President and Chairman, Export-Import Bank of Washington
- William McChesney Martin, Jr., Chairman, Board of Governors, Federal Reserve System
- Lawrence C. McQuade, Deputy Assistant Secretary of Commerce for Financial Policy
- * Robert G. Pelikan, Financial Attache, American Embassy, Tokyo
- * Edwin O. Reischauer, U.S. Ambassador to Japan
- * James J. Saxon, Comptroller of the Currency, U.S. Treasury
- Fred B. Smith, Deputy General Counsel, U.S. Treasury
- * George S. Springsteen, Special Assistant to the Under Secretary of State
- George H. Willis, Director, Office of International Affairs, U.S. Treasury

* Wife accompanying

SECRETARIAL STAFF

Mrs. Dorothy deBorchgrave
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August 13, 1964

**INFORMATION
ON
TOKYO,
JAPAN**

**FOR
PROSPECTIVE
MEMBERS
OF
UNITED STATES
DELEGATIONS**

**DEPARTMENT OF STATE
OFFICE OF INTERNATIONAL CONFERENCES**

MAY 1964

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Geography

Japan is a chain of rugged, mountainous islands lying in a 2,000 mile long arc off the east coast of Asia. Japan comprises four main islands--Hokkaido, Honshu, Shikoku and Kyushu--and over 3,300 smaller islands. They lie between the 46th and 31st parallels of north latitude--approximately the same latitude as the United States. The total area of Japan, 147,000 square miles, is somewhat less than that of California. About four-fifths of Japan is covered by hills and mountains, a number of which are inactive or active volcanoes. Except for its surrounding waters, which are rich in aquatic life, Japan is poor in the land and natural resources needed by its population of over 96 million.

Tokyo, the capital of Japan, is situated on the east coast of Japan on the Kanto plain, one of Japan's most heavily populated and industrialized areas. Tokyo is the center of national administration, education and finance. The metropolitan area of Tokyo has a population of approximately ten and a half million.

Climate and Clothing

Temperature variations in Japan range from the sub-tropical climate of Kyushu, which is similar to that of northern Florida, to the cool climate of Hokkaido, which is similar to that of southern Maine. The climate of most of Japan is dominated by the Asiatic monsoon, which brings a pronounced summer rainy season, most intense in early July, and mild, sunny winters. During the late summer and early fall Japan is often buffeted by torrential rains accompanying Pacific typhoons.

The climate of Tokyo may be compared to that of cities on the American eastern seaboard at approximately the latitude of Washington, D.C. Winters are fairly mild, with little or no snow. The summer, particularly in July and August, is about as hot and humid as Washington. Hence, the clothing requirements in Tokyo are the same as in Washington for men, women and children, for all seasons.

Language

The Japanese spoken language is considered by most scholars to belong to the Ural-Altai family. The written language is based on characters introduced from China over a thousand years ago, supplemented by two phonetic systems: Katakana and Hiragana. English is the second language of Japan. Although many Japanese have a written knowledge of English, the number of English-speaking persons is relatively limited, particularly outside the major cities. English--varying from a smattering to full fluency--is spoken by many Japanese in foreign trade and diplomatic circles and in places frequented by tourists.

Laundry and Dry Cleaning

Laundry and dry cleaning facilities are available at the hotels; however, rates are usually less expensive outside the hotels. Laundry service is fast; dry cleaning takes about two days.

Health Conditions and Medical Facilities

The general level of community sanitation in the Tokyo area, although high by Asiatic standards, is far below what is found in the United States. Most water in private homes is potable, but in some areas water should be boiled before drinking. Food sanitation is below American standards.

The common illnesses among Americans are respiratory diseases and mild intestinal infections. Tuberculosis, intestinal parasites, typhoid and scarlet fever are relatively common among the local populace. The climate in Tokyo is unfavorable for persons susceptible to asthma, sinus trouble and other respiratory ailments.

Medical services in Tokyo are excellent. There are three recommended local hospitals: St. Luke's International Hospital, International Catholic Hospital (Seibo-Byoin), and the Tokyo Sanitarium Hospital. There are many American-educated Japanese physicians and several foreign physicians and dentists in the Tokyo area. Their fees are standard. There are three local pharmacies which sell standard American drugs and supplies, but they are expensive. Any special remedies should be provided from the U.S. as they may not be available in Tokyo.

Immunizations

Smallpox - a certificate of immunization against smallpox (International Certificates of Vaccination, PHS-731), valid for three years, is required for re-entry into the United States.

Cholera - a vaccination certificate is required for persons arriving from cholera-infected ports or endemic areas.

Typhoid and paratyphoid fever, tetanus, diphtheria and poliomyelitis inoculations are recommended as a personal and public health precaution, since U.S. standards of environmental sanitation are not maintained in Japan.

Entry Requirements

A Japanese visa is required for entry into Japan.

Customs Regulations

Japanese - As a general rule, articles for personal use may be taken into Japan duty-free. A maximum of 200 cigarettes, 50 cigars or one pound of pipe tobacco, and half a dozen bottles of wines or spirits may be imported for personal use free of duty.

United States - The present free import allowance of \$100 is granted to travelers who have been outside the United States for not less than 48 hours and who have not claimed an exemption within 30 days immediately preceding their arrival.

Currency and Exchange

The monetary unit of Japan is the Japanese Yen (or ¥). Yen may be purchased at foreign exchange banks and other legally designated agencies. All purchases and services from Japanese sources are paid for in Yen. The current rate of exchange is 360 Yen to one dollar. There is no limit to the amount of currency which can be taken into Japan, if personally carried. Upon departure from Japan, a maximum amount of Yen equivalent to U.S. \$100 may be converted into U.S. currency.

Electric Current

The electric current in Tokyo is AC, three-phase, 100 volts, 50 cycles. A U.S. electric razor will work satisfactorily on this current.

Local Transportation

There are modern tramways, streetcars, motor buses, and subways in Tokyo and other cities, and high-speed electric trains to major places within the country. Taxis, and cars for hire are readily obtainable. Rates are less than those in the United States. The Japanese National Railways, Japan Air Lines and All Nippon Airways operate throughout the country.

Hotels

There are excellent western-style hotels in Japan. Some of the hotels in Tokyo most frequently used by American visitors are as follows:

Imperial Hotel
Dai-Ichi
Ginza Tokyo
Hotel New Japan
Tokyo Hilton
Marunouchi
Nikkatsu
Gajoen Kanko
Palace
Okura
Nikko
Kokusai Kanko

Restaurants

All major hotels have dining rooms that serve familiar western food. There are many western-style restaurants in Tokyo, including Tokyo Kaikan Prunier for seafood; the Suehiro Steak House, Crescent and Frank's for steaks and chops. Some of the popular oriental restaurants are: Okahan and Yugiri for sukiyaki dinners; Chinzanso and Fujino for Japanese barbecue dinners; Inagiku and Ten-ichi for tempura dishes; China house, Sun-ya, or Liu Yuan for Chinese food. Prices vary widely, but range from about \$3 to \$10.

Tipping

A ten percent gratuity will probably be included in the hotel bill. A service charge of ten or twenty percent will be adequate in restaurants. The ¥100 (yen) note, worth about \$.30 is convenient for tipping purposes. No gratuity is given to taxi drivers.

Churches

Tokyo has many churches. English language religious services are available for members of most denominations. There are several Roman Catholic churches, a Seventh Day Adventist church, an Episcopal church, a Christian Science church and a Jewish Synagogue. Lutheran services are held regularly at Tachikawa Air Base. Tokyo Union Church, an interdenominational church established primarily for English-speaking Protestants in Tokyo, welcomes members from all denominations, and is largely attended by members of the Methodist, Baptist, Presbyterian, and other evangelical groups.

National Holidays

The following national holidays are observed in Japan:

January 1	- New Year's Day
January 15	- Adults' Day
March 20, 21 or 22	- Vernal Equinox Day
April 29	- Emperor's Birthday
May 3	- Constitution Memorial Day
May 5	- Children's Day
September 23 or 24	- Autumnal Equinox Day
November 3	- Culture Day
November 23	- Labor Thanksgiving Day

Time Differential

Tokyo time is 14 hours ahead of Washington, D.C. (Eastern Standard Time). When it is 12 noon in Washington, it is 2:00 a.m. the following day in Tokyo.

Location of American Embassy

The Embassy chancery is located at 1, Akasaka Enokizaka, Minatoku. The telephone number is 481-7141.

* * *

DEPARTMENT OF STATE

POST REPORT

RE: April 30, 1963

FROM: Tokyo
City
Japan
Country

Replaces Part I Dated April 18, 1962

____ Complete Revision ____ No Change

Revises Paragraphs Marked by Asterisk

The entire post report was reviewed at the time this part was revised.

PART I General Description

Introduction. Tokyo is both the capital and the heart of Japan, and, as such, better than any other Japanese city, reflects the diverse influences of East and West to which Japan is subject. Streets crowded with a constantly growing swarm of vehicles, modern department stores, and humming factories bear witness to a high level of modernization and "westernization." Views of temples, gardens, and women clad in lovely kimonos provide visible evidence of the continuing of a rich oriental tradition. It is precisely this mingling of old and new, East and West, which gives Tokyo its charm and marks it as part of a cultural transformation that is taking place, at varying rates, throughout Asia.

During a tour in Tokyo, the foreigner benefits in many ways from this cultural diversity. Should one be in search of new and interesting experiences, Kabuki and Noh plays, flower arranging, tea ceremony, sumie painting, judo and sumo wrestling await both participants and spectators. For those who prefer more accustomed pastimes, there are concerts, movie houses, baseball, restaurants, and night clubs. When one tires of the city hubbub, a quiet village farming community, beach, or mountain resort is only a short train ride away. However, the number of things to do (of which the above is but a sampling) is only part of the story.

Perhaps equally or more important for those who live abroad is the opportunity to meet with, and exchange ideas and experiences with, citizens of the country of residence. These opportunities are particularly rich and rewarding in Tokyo for those who are willing to take the initiative in entering into social relationships with the Japanese.

The Embassy, its affiliated agencies, the consulates, and the military headquarters in Japan conduct continuing programs designed to strengthen their administrative practices and to improve Japanese attitudes toward the United States presence here. There is a wide variety of activities designed to develop a

community of common interests and a more sympathetic attitude between the U.S. military and civilian personnel and the Japanese public. Personnel and their dependents are actively encouraged to participate in these wholesome activities. In Japan, U.S. citizens are most fortunate to find a host country warmly receptive to those who admire its beauties and appreciate its culture.

Geography and Climate. Tokyo is situated at the head of Tokyo Bay, on the Kanto Plain, the largest level area in Japan. The city proper covers 221 square miles. The metropolitan area of 796 square miles occupies both sea-level stretches along the bay and rivers and rolling areas further inland. Towering Mount Fuji and its surrounding mountains of the scenic Hakone Range, which lie about eighty miles to the west, are sometimes visible on clear days from the higher elevations of the city.

The climate of Tokyo may be compared to that of cities on the American eastern seaboard at approximately the latitude of Washington, D.C. Winters are fairly mild, with little or no snow. The coldest month is February with a mean daily minimum of 30 degrees F., and an extreme low of 17 degrees F. The summer, particularly in July and August, is about as hot and humid as Washington. The hottest month, August, has a mean daily maximum of 85 degrees F. with an extreme high of 98 degrees F. The fall and the spring--noted for its cherry blossoms--are the best seasons. The average yearly precipitation is 60 inches. The rainiest months are September, October, and June, with precipitations of 8.6, 7.5, and 6.5 inches, respectively. Except for the side effects of typhoons in the south, the full force of which rarely strikes Tokyo, wind is neither a hazard nor an inconvenience. Earth tremors occur many times each year. Although they may cause anxiety to personnel, they are usually of low intensity and seldom result in property damage in the city. Dust, soot and smoke are more prevalent than in large American industrial cities. Mildew and mold

are dangerous to woolens, leathers, and other materials during the humid summer months. The usual insect pests, such as flies and mosquitoes, exist in about the same proportions as in the Midwestern States of the United States. Screening during summer months is customary, and the use of insecticides before retiring is commonly practiced to insure comfort. Moths are a nuisance requiring careful precautions.

Description of Post. Tokyo has grown up around the feudal castle which was built here during the sixteenth century. A great feudal lord, Tokugawa Ieyasu, became the ruler of this castle and the surrounding Kanto Plain in the latter part of the sixteenth century and, after a series of civil wars, set himself up as military dictator or Shogun of all Japan in the year 1603, with his seat of administration in Tokyo, then called Edo. Under succeeding Tokugawa Shoguns the city grew in commercial and political importance and became the leading commercial center of the Kanto Plain. Its geographic position as a river port and seaport for coastal shipping encouraged its development as a distribution center for the surrounding country.

Since 1603 Tokyo has been for all practical purposes the capital of Japan, although a cloistered, impotent court maintained a shadowy authority at the ancient imperial capital of Kyoto until 1868 when, following Japan's opening to the west and the overthrow of the Shogunate, the imperial court moved to Tokyo and a westernized type of government was established there.

Modern downtown Tokyo has many similarities with other world capitals. There are some wide, tree-lined boulevards, imposing government buildings and commercial establishments, several modern and well-stocked department stores, and in general the usual aspects of a great city. It has many beautiful shrines and gardens while the center of the metropolis is dominated by the immense grounds of the Imperial Palace, surrounded by huge moats.

It is in the outlying districts that one realizes that he is in the Orient. The residential areas are characterized by small, narrow streets with walled-in or fenced-in Japanese homes. In general, there is no clear-cut distinction between residential areas such as one commonly finds in American cities—large, expensive houses being scattered among clusters of small and rather modest dwellings.

While Tokyo is the most modern city in the Orient, to the western eye the general appearance of most parts of the city is rather cluttered and a study in contrasts between gaily colored neon signs and the grey and weather-beaten color of unpainted wooden Japanese houses. It is also characterized by close crowding of homes and business establishments, predominantly narrow streets, and an almost complete absence of sidewalks and lawns in residential areas.

Japanese is, of course, the principal language of the country. English is the only other widely used language and the study of this language by students is compulsory at junior high, high school, and undergraduate college levels of education. Few Japanese have more than a modest command of spoken English, although many more are able to read English to some extent. However, persons who work in diplomatic or commercial circles usually have an adequate to fluent command of English.

As well as being the political capital, Tokyo is also the commercial and banking center of Japan. Many large and small industrial establishments are located in or near Tokyo, with the largest concentration stretching between Tokyo and neighboring Yokohama. In population, Tokyo ranks first among all the cities of the world, with 10,000,000 inhabitants. The largest foreign element is comprised of American military and civilian personnel of the U.S. Forces and their dependents, several thousand of whom are assigned in the Tokyo-Yokohama area. A substantial group of American and European business representatives also live in Tokyo, in addition to the large diplomatic colony. Exclusive of U.S. Government military and civilian complements, approximately 5,000 American citizens reside in the Tokyo consular district.

Nearby Places. The only other large city within the immediate neighborhood is Yokohama, an important port and commercial center, with a population of over a million. It is approximately twenty miles from downtown Tokyo, and may be reached by frequent interurban train service in about one-half hour, or one may drive over crowded highways in about one hour.

Many resorts are located within easy week-end distance of Tokyo. For those who enjoy the seashore there are bathing beaches near Kamakura, Numazu, and Atami, and on the Chiba peninsula. For those who prefer mountain resorts there are many excellent

Japanese and western-style hotels in the Hakone Range near Mount Fuji or in the mountains near Karuizawa in Nagano Prefecture. Nagano Prefecture is especially popular for winter sports. For those who are interested in visiting historical spots, the nearby town of Kamakura is of great interest, as it contains many old shrines and temples dating back to the twelfth and thirteenth centuries, together with the famous Great Buddha. Another popular vacation and historic spot near Tokyo is the town of Nikko where are found the famous shrines and tombs of the first and third Tokugawa Shoguns. All of these places are accessible for week-end trips.

*Location of Office. The chancery of the Embassy, located on the western fringe of the downtown business district, was constructed in 1930. It contains, among others, the offices of the Ambassador, the Deputy Chief of Mission, the Chief of the Political Section and the Chief of the Economic Section. The Commercial Attache and his staff; the Commercial Library; and the U.S. Trade Center are located on the first, second and third floors of the Tameike Tokyu Building, located in Tameike Area. The AID Regional Branch and two other government agencies affiliated with the Embassy are located on the fifth floor of the Kikai Boeki Kaikan Building (Embassy Annex No. 2).

The remainder of the officers and employees of the Embassy, including the Consular Section, the U.S. Information Service, the Service Attaches, and most of the Administrative Section, work in the Mantetsu Building (Embassy Annex No. 1), a six story and basement structure situated

one block from the Chancery on 10th Street near "B" Avenue in the Toranomon District. Several other agencies affiliated with the Embassy have quarters in this building. However, until a proposed Chancery addition is completed, every available space in the present buildings is being utilized. Thus the Embassy finds it difficult to provide the necessary administrative support, space-wise, to the many special commissions, conferences, and visiting high officials constantly coming to Tokyo.

The Embassy makes arrangements to meet all newly-arrived staff members and official visitors. However, if for some reason a person arrives in Tokyo and is not met, he should call the Administrative Section during working hours (telephone 481-7141, extension 300 or 301) or the duty officer at night or on week ends (telephone 481-7141, extension 234 on weekdays, and extension 216 on Saturdays, Sundays and holidays).

Although Tokyo is a seaport, large ships from the United States do not call here but at Yokohama, about 20 miles from the Embassy. Persons arriving by ship are met and escorted to Tokyo. Those who arrive by air enter at Tokyo International Airport (Haneda), situated between Yokohama and Tokyo, twelve miles from downtown Tokyo.

DEPARTMENT OF STATE

POST REPORT

E: September 15, 1963

Replaces Part II Dated April 30, 1963

____ Complete Revision ____ No Change

X Revises Paragraphs Marked by Asterisk
Revised to show change in APO number.

FROM: Tokyo
City
Japan
Country

PART II

Recreation and Social Life

Sports and Outdoor Life. The main sports in which Americans participate are swimming, tennis, bowling, golf and badminton. The Embassy has two tennis courts for American employees, one adjacent to the Nonomiya Apartments, and the other near the Perry and Harris House Apartments. Embassy personnel may also join the Japan Lawn Tennis Association which has several courts. There are several bowling centers in Tokyo equipped with automatic pin-setting machines and conveniently located. Golf is available, with an eighteen-hole course at Camp Drake, about an hour from the Embassy building. There are two public courses, but they are crowded, particularly on week ends. Membership fees in the nearby Japanese clubs with excellent golf courses are prohibitively high for most Embassy personnel and the waiting lists are long. Horseback riding for adults and children is available. Two riding clubs are available to foreigners. The Palace Riding Club offers excellent instruction in dressage and jumping. There are several commercial ice skating rinks, which are sometimes overcrowded. Tokyo residents can hunt, fish, go sailing and surf bathing, or enjoy winter sports at reasonable distances from the city. Ski excursions are popular in the winter months, and a number of comfortable Western-style lodges, most of them equipped with chair lifts or other types of tows, are located in the mountainous districts a few hours distant from Tokyo by train. Spectator sports include football, baseball, boxing, Japanese wrestling, bicycle races, horse races, horse shows and dog shows. There is a small children's playground adjacent to the Perry and Harris apartments and another adjacent to the Nonomiya Apartment building. There are many sightseeing tours to numerous places of historical and scenic interest within and near the city.

Sports enthusiasts may either bring their own equipment or procure it locally. Sports attire which is acceptable in Washington, D.C. is acceptable in Tokyo. If particular about fit, ski clothing should be brought. Ski boots of very good quality are available in Tokyo at cheaper prices

than in the United States. Larger people may have some difficulty in getting fitted.

Social Recreation. As a leading cosmopolitan center, Tokyo offers infinite opportunities for social life involving both Japanese and foreigners. Apart from the more formal representation functions, Embassy personnel find that their stay in Tokyo is made more rewarding through the development of informal friendships with Japanese. There are numerous clubs and classes which serve to bring Americans and Japanese together and many Embassy personnel help to fill the demand from students, businessmen, newspaper men, etc., for teachers of English.

The Chief of Mission and senior officers entertain and are entertained by high-ranking Japanese officials, senior officers of the diplomatic missions, leading members of the business community and American and Allied military officers. Cocktail parties, dinners, and other home entertainments are popular. Large receptions, both diplomatic and military, are held on national holidays and other appropriate occasions.

The junior officers usually follow the same pattern of social life as the senior officers, although on a lesser scale. Their associates are correspondingly lower-ranking Japanese officials, junior officers of the diplomatic missions and the U. S. Armed Forces, and members of the business community. This group entertains both in private homes, with dinners, buffet suppers, or cocktail parties, and also at service clubs for civilians and Army officers where dinners, dances, bridge and bingo are popular.

There are two clubs sponsored by the U. S. military forces for the military and civilians. The Sanno Hotel Officer's Open Mess and the Sands Club are open to any civilian employed by an U. S. government agency. Both clubs contain small military exchange facilities and book stores, and provide regularly scheduled dancing and floor shows. In addition the Sanno Hotel shows movies

three times a week. The Sanno Hotel is within walking distance of the Embassy and the Sands Club within twenty minutes driving time.

There are several other clubs open to Embassy employees; among these are the American Club and the Yokohama Yacht Club, both with excellent swimming pools and other facilities. The initial deposit, and the monthly dues, are comparatively high, however.

It is suggested that all staff members and their wives bring a limited number of calling cards to the post for use immediately on arrival. All new arrivals of any agency are invited to call at the residences of the Ambassador and the Deputy Chief of Mission.

Because of the size of the Mission and the desire on the part of the Japanese Government to restrict the Diplomatic List to manageable proportions, only those officers whose official and representational relationships so require are listed. A Circular Note is used to notify other diplomatic missions of the arrival or departure of officers included on the List.

Social life for single girls may be comparable to the social lives they would lead in large cities in America. Potential escorts may be found among bachelors of the Mission and other embassies, members of the Armed Forces, and American or foreign businessmen. However, with the exception of Embassy personnel, initial introductions are somewhat more difficult to secure than would be the case in the United States due to the more or less mutually exclusive working, living, and social circles of each group. There are various activities for participation by escorted or unescorted girls. Staff parties are scheduled occasionally throughout the year, with a large number being held during the Christmas season.

Girls entertain individually or in groups in their apartments, although the small "efficiency" apartments in which a majority of the female clerks live offer very limited space for entertaining.

Social life for the men clerks is also comparable to what it would be in large American cities. Like the female clerks, the majority of men clerks are quartered in fairly small "efficiency" apartments.

Entertainment. Tokyo is one of the entertainment capitals of the world, with prices generally equivalent to or higher

than those in the United States. Devotees and performances of almost any form of Western or Japanese entertainment can be found within the city.

Tokyo offers many excellent Japanese theaters where reasonably recent American, European, and Japanese motion pictures are shown. Motion picture soundtracks are usually in the original language, with Japanese subtitles. In addition some American films are offered at the Sanno Hotel.

The city has several symphony orchestras, and symphony concerts are scheduled frequently, with the exception of the midsummer months. Japanese opera companies give performances of Western operas while other Japanese companies present traditional Japanese musical dramas and colorful stage shows based on oriental and occidental themes. Superior artists from all over the world regularly visit Japan for performances in the major cities.

Baseball and football games, swimming meets, judo and sumo tournaments, wrestling and boxing matches, and other sports contests are regularly held. There are also horse and bicycle races. Desirable Western restaurants (generally expensive) and night clubs (expensive) are plentiful. There are innumerable Japanese restaurants, some of them catering especially to foreigners, which serve high quality food. In addition there are a number of restaurants which serve excellent Chinese food, and other restaurants specializing in the foods of other European, Asian, and South American countries.

American film for motion picture and still cameras is available at the military exchanges, although the exchanges may at times run out of film or limit sales. Exchange concessionaires do excellent developing and printing for black and white film and printing from color negatives, while frequent airmail service allows a speedy receipt of color slides from the processing centers in the United States and Hawaii. Ansco color film has processing facilities in Tokyo. Japanese cameras and accessories are excellent in all price ranges. Japanese film is also satisfactory, but generally more expensive than that available at the military exchanges. American film may be ordered from the United States through APO facilities.

Military exchanges located less than two hours drive from the Embassy offer an excellent selection of radios and radio-phonograph consoles of both American and Japanese manufacture. In addition Japanese-manufactured

favorably with prices in the United States. If a phonograph or tape recorder is brought from the United States it should be borne in mind that Japanese electric current is 50 cycle, and conversion kits should be purchased in the United States and either installed there or brought to Japan to be installed here. The Exchanges operate satisfactory radio repair service. American and Japanese records are available on the Japanese market but the selection of classical records is limited and usually only stereo is available. The Exchanges are a fairly good source of American-made popular and classical records and tape recordings at prices which compare favorably with retail price levels in the United States. The Armed Forces operate a radio station in Tokyo which broadcasts locally and relays on the standard band various recorded network programs from America. This station is on the air 24 hours a day with no commercials. Japanese broadcasting stations frequently present excellent classical musical programs on both AM and FM. Japanese FM equipment, however, is designed for a range of 76 Mc. to 90 Mc., and the only two FM stations now operating, at 84.5 Mc. and 84.5 Mc., cannot be picked up on a usual FM receiver designed for American channels. Short wave reception from America, the Philippines and Australia is usually good only on first-rate short wave sets. Persons interested in Asiatic languages and music find excellent short wave reception from stations in China, Southeast Asia, and India. Siberian stations relay Russian programs from Moscow over both medium and short wave. Six Japanese television stations broadcast daily afternoon and evening programs and American television sets, after a relatively inexpensive adjustment, will receive these programs satisfactorily. Japanese electronic equipment is excellent and moderately priced.

* There are several museums in Tokyo which present exhibits pertaining to Japanese culture. In addition all major Japanese department stores hold regular exhibits of Japanese arts, textiles, pottery, etc.

* Colorful Japanese festivals and ceremonies are held throughout the year, many within the precincts of Shinto shrines or Buddhist temples.

* Libraries and Reading Matter. The American military library in the Sanno Hotel maintains a good selection of current books. The American Cultural Center in Tokyo, operated by the U. S. Information Service, also possesses a large library which Embassy personnel may use. The ACC library includes a wide selection of specialized magazines. A small Embassy library contains standard reference works and a

collection of books on Japanese and Chinese civilization. There are also some works of fiction in the Embassy library.

* Five English-language dailies are published in Tokyo: "The Stars and Stripes" by the U.S. Army, the "Yomiuri," the "Japan Times," the "Mainichi Daily News," and the "Asahi Evening News."

* The military exchanges, and the Sanno Hotel, sell such American magazines as "The Saturday Evening Post," "Newsweek," "Time," "Life," "Esquire," "Readers Digest," comics, fashion magazines, and mystery thrillers, as well as paperbacks.

* In order to obtain domestic rates on magazine subscriptions placed in the United States a subscriber should use his APO address as follows:

Mr. John Doe
American Embassy
APO # 503
San Francisco, California

DEPARTMENT OF STATE

POST REPORT

DATE: April 30, 1963

FROM: Tokyo
City
Japan
Country

Replaces Part IV Dated April 18, 1962

_____ Complete Revision _____ No Change

X Revises Paragraphs Marked by Asterisk
The entire post report was reviewed at
the time this part was revised.

PART IV

Food, Clothing, and Miscellaneous Community Facilities

Food. There is no need to bring any food to Tokyo. Practically any food item in popular demand in Washington is available here. Usually fresh fruit, fresh vegetables, and seafood are available at reasonable prices. The military commissary stores stock canned and frozen foods, including baby foods, meats, eggs, staples, condiments, and fresh fruits, all from America, and occasionally offer tropical fruits from Taiwan and the Philippines. Items are not rationed. Snack items, such as cookies, cheese crackers, peanut butter, and coffee are available also.

The Military operates bakeries and a plant for reconstituting dried milk imported from the United States. There are also good Western style bakeries in Tokyo.

* Military Commissary stores and Exchanges are presently located in Washington Heights, Grant Heights, Green Park, Fuchu, Tachikawa and Yokohama (Security Forces Dependents Housing areas), about four, fifteen, and twenty miles, respectively, from downtown Tokyo. All facilities in the Washington Heights area will be returned to Japan by December, 1963, however. Access to Commissaries and Exchanges is granted only to those persons entitled to use Military Payment Certificates. Commissary and Exchange cards are issued to U. S. Government employees. Only holders of such cards (not their servants or agents) are authorized to enter Commissaries and Exchanges.

However, for the convenience of all American personnel of the Embassy, a small commissary has been established in the basement of Embassy Annex #1, and a second commissary outlet is located in the basement of Harris House. These Embassy commissaries, operated by the Employees Welfare Association, carry a fairly good stock of canned goods, bread, and milk at prices comparable to those charged by the military commissary stores. A few fresh and frozen fruits and vegetables as well as a limited variety of meat products are also stocked. Fruits and vegetables are also freely available from Japanese sources and are safe to eat, provided they are well cooked or are other-

wise subjected to some form of germ-killing treatment.

* In addition to its commissary facilities, the Embassy also has a snack bar in Annex #1 which sells sandwiches, salads, coffee, soft drinks, ice cream, and hot lunches. The top floor lounge of the Nonomiya may be used for parties of up to 125 people.

All types of alcoholic beverages are available at reasonable prices through Military or Embassy facilities. The supply which varies from time to time, includes popular American, Canadian, and Scotch whiskies, American, German and Danish beer, and wines and liqueurs from America and Europe.

Clothing and Shoes. The clothing requirements in Tokyo are the same as in Washington for men, women and children, for all seasons. A man's daytime wardrobe should include winter weight suits, light weight wool suits for spring and early fall, and washable suits such as cord or linen for summer. White sharkskin is occasionally worn, especially at social events. Top coats and accessories suitable for below freezing weather are winter requirements. For formal wear a man needs both winter and summer tuxedos, and officers on the diplomatic list have occasional use for morning coats, which can be rented. White tie and tails, which may be rented, are occasionally required for formal balls by senior officers. For sports attire whatever is suitable in Washington is suitable in Japan.

A man coming to Tokyo may either bring the above clothes with him, or have them made locally. There are good tailors, and prices are reasonable. Excellent quality American and English woolsens and Scotch tweeds are available at the Exchanges and at foreign stores at prices equal to or lower than those in the United States, but material for summer wash suits is difficult to find. American-made clothing, haberdashery and shoes are usually available in the Exchanges, but limited as to selection and sizes; Japanese products can be used as substitutes in the smaller size

ranges. Good quality silk neckties are plentiful at moderate prices.

Women's clothing requirements for Tokyo, like men's, are similar to requirements in Washington. Women coming to Tokyo should bring a raincoat, galoshes, shoes, suits, cocktail dresses, dinner or evening gowns (officer's wives need these more than staff girls), one or more light-weight topcoats, a heavy coat, lingerie, cotton dresses, blouses, and sweaters. In short, it would be advisable to bring an adequate wardrobe for all seasons. There should be included in the wardrobe some full skirts appropriate for dining in Japanese restaurants or homes where guests are seated on the "tatami" floor covering.

Wardrobes may be supplemented after arriving in Tokyo either by purchase of ready-made clothes at the Exchanges, where the supply and variety are usually limited; in foreign stores, which are quite expensive; or by direct purchase from the U. S. by parcel post shipment. There are a few good ladies' tailors and dressmakers. Excellent British woolsens, and Japanese and Chinese silks, are available locally at reasonable prices. Large sizes of nylon hose are not always in stock at the Exchanges. Women who are hard on their hosiery are advised to bring an ample supply. Since walking in Tokyo is hard on shoes, women should bring an adequate supply of shoes suitable for all seasons. While the Exchanges stock a limited variety of women's shoes, desired sizes and styles are frequently lacking. The Exchanges, however, have catalogues of many American shoe firms from which they will specially order any items desired.

Women may find that the social functions they attend here are inclined to be less dressy than those they may have encountered at other posts. Most of the cocktail parties, buffet suppers, etc., call for afternoon dresses rather than cocktail gowns; a costume suit is particularly appropriate for parties held in privately rented houses and "the good basic black" is most useful. The wide range of fabrics and adequate tailoring facilities make it advisable for women, especially single women, to consider ascertaining firsthand the need for dinner and evening gowns before investing in them. Long white evening gloves are not required.

Enough children's clothing should be brought to meet foreseeable needs for several months. The Exchanges carry replacement items of clothing, but may not be relied upon at all times, particularly with regard to shoes. Embassy families secure children's clothing

as needed through mail order firms in the United States via the Army Post Office.

* Miscellaneous Supplies. All Exchanges sell toiletries, cosmetics, some home medicines, and household needs. These include popular brands of American and French cosmetics, perfumes, and lotions which are sold at prices equal to or lower than those prevailing in the United States. Popular American tobacco products are sold at all military installations. Cigarettes are rationed at the rate of eight cartons per month per person, but cigars and smoking tobacco are ration-free. Purchases of several other items are limited to one per person per year: air conditioners, deep freezers, refrigerators, space heaters, washing machines, electric blankets, electric razors, watches over \$25, golf clubs and guns. Mildew repellents and moth crystals are usually available at the commissaries and Exchanges.

For a variety of supplies, Embassy personnel use the California branches of the two major American mail order houses and the Exchanges Special Order Service. Since APO facilities are available, postage need be paid only to San Francisco, and no customs clearance is required when the parcel is received. From four to six weeks ordinarily elapse from the date on which an order is mailed to the date on which the shipment is received.

* The Military Exchange system provides a full range of community services--tailor shops, radio and electrical appliance repair shops, and laundry and dry cleaning facilities. The Embassy Annex, No. 1 also contains a small barber shop, and a beauty shop and a dry cleaning outlet are located in the lobby of the Harris House. Charges for these services are considerably less than in the United States. All of these facilities will also be found in adequate numbers on the local economy at reasonable rates.

* Servants. Cook/maids for general housework are available at prices ranging from \$41 to \$50 per month. In addition board, room, and uniforms are generally provided. Servants who work for persons in the Government-owned apartments are usually housed in near-by dormitories without charge. Servants who live out usually expect to receive a little higher salary than those for whom quarters are provided. It is customary in Japan to pay a mid-year bonus of one-half month's salary and a year-end bonus of one month. Some employers give only the one-month year-end bonus. Domestic servants are not covered by

Japanese labor laws to provide for health and accident benefits, unemployment insurance, etc. Many employers, therefore, assume some obligations for doctor's bills and for the placement of servants in other positions upon the employer's departure from Japan.

*People living in separate houses frequently find it necessary to maintain two or more servants. Apartment occupants employ one or two servants, depending on the size of the family. Single people living in the one-room, efficiency-type apartments usually employ only a part-time servant. Japanese servants as a rule are honest, clean, unobtrusive, and willing to work long hours. It should be mentioned however that experienced servants are becoming increasingly harder to obtain.

*Monthly rates for servants other than cook/maids are as follows: Maid (no cooking) \$33 to \$45; cook (male) \$60 to \$75; children's nursemaid \$35 to \$40; driver \$64 to \$75. Where English is not required, prices may be slightly less. Cleaning women or laundresses may be hired on a daily basis at rates ranging from \$2.25 to \$2.75 per day plus car fare.

*Education. The United States Government maintains a high school at Grant Heights, about fifteen miles from the Embassy. The school is accredited for the purpose of transferring credits to schools in the United States. The U.S. Air Force operates a school bus system which Embassy children may utilize.

*There are several private schools in Tokyo which conduct classes in English. The American School in Japan, located seventeen miles from the Embassy, was established in 1902 and has an enrollment of approximately 700 pupils in grades 1 through 12. Bus transportation is provided. There are two Catholic schools; International Sacred Heart for girls, and Saint Mary's School for boys. No school bus system is available for these schools and the children attending them either use public transportation or ride in car pools organized by their parents. Ecole Francaise de Tokyo has an enrollment of approximately 50 students in grades two through ten with classes in French only. It should be borne in mind that school costs may vary somewhat without a great deal of advance notice.

Sophia University, a Jesuit College, has an International Division which offers courses in English toward a Bachelor of Arts degree in the fields of philosophy, German literature, English literature, history and journalism, and towards a Bachelor of

Science degree in the fields of commerce and economics. These courses are designed to correspond with those offered in American universities, and credits received here are accepted in colleges in the United States. This International Division is designed for night school work, but there is nothing to prevent a student from taking a full college workload in the limited fields offered.

International Christian University, located about 20 miles from the center of Tokyo, is an inter-denominational institution offering courses in English in all of its Divisions—Humanities, Social Sciences, Natural Sciences, and Languages. However, a competency in Japanese is needed in order to be granted the Bachelor of Arts degree. Students may acquire this competency at the University by taking an intensive program.

In addition to full-time training for Japanese language and area officers at the FSI Japanese Language School, the Embassy administers a part-time language program which provides elementary, intermediate, and advanced Japanese language instruction to all Embassy personnel and their dependents including employees of other U. S. Government agencies affiliated with the Embassy. All new personnel are encouraged to apply for appropriate instruction.

The University of Maryland, in cooperation with the Armed Forces, offers night courses at the undergraduate college level, with appropriate resident credits for those who complete a course. Although these courses are offered primarily to military personnel, members of the Embassy staff are also eligible to participate.

Churches. Tokyo has many churches and military chapels. English language religious services are available for members of most denominations. The military chapels hold weekly Protestant and Jewish services, and daily Roman Catholic services. There are several Roman Catholic churches, one Russian Orthodox church, a Seventh Day Adventist church, an Episcopal church, and a Christian Science Church. Lutheran services are held regularly at Tachikawa. Tokyo Union Church, an interdenominational church established primarily for English-speaking Protestants in Tokyo, welcomes members from all denominations, and is largely attended by members of the Methodist, Baptist, Presbyterian, and other evangelical groups.

Art-Music. Instruction in music or art

of any kind or form is available for both adults and children. Members of the Embassy also frequently find pleasure in studying flower arrangement, tray painting and landscape sumie drawing, calligraphy, and doll-making as well as oil, water color, and portrait painting.

DEPARTMENT OF STATE

POST REPORT

DATE: April 30, 1963

FROM: Tokyo
City
Japan
Country

Replaces Part VI Dated April 18, 1962

Complete Revision _____ No Change _____

X Revises Paragraphs Marked by Asterisk
The entire post report was reviewed
at the time this part was revised.

PART VI Health Controls

*Sanitation and Health Controls. The general level of community sanitation in the Tokyo area, although high by Asiatic standards, is far below what is found in the United States. In many areas open sewers traverse the city, and night soil is commonly used as a fertilizer. The city water supply is chlorinated, but because of plumbing breakdowns and danger of cross-contamination the water is chlorinated again before being piped to the Embassy buildings. Most water in private homes is potable, but in some areas water should be boiled before drinking. Food sanitation is below American standards. All meat and fresh water fish purchased on the local market should be well cooked, never eaten rare or raw. Vegetables, if eaten raw, present a risk of intestinal infections, unless known to have been grown with chemical fertilizer only. Vegetables and fruits purchased from the Embassy and military commissaries are safe for consumption. Public eating places are graded. Public health measures, under Army supervision during the occupation, have done much to reduce the danger of insect-borne diseases.

The common illnesses among Americans are respiratory diseases and mild intestinal infections. Tuberculosis, intestinal parasites, typhoid and scarlet fever are relatively common among the local populace.

Special Health Risks and Precautions.

The climate in Tokyo is unfavorable for persons susceptible to asthma, sinus trouble and other respiratory ailments.

Medical Services. Medical services are excellent. There is one U.S. Air Force dispensary in the Tokyo area where American personnel and their dependents may receive out-patient care very reasonably. The U.S. Army Hospital at Camp Zama, USAF Hospital, Tachikawa, and USN Hospital, Yokosuka, all approximately 2 hours by car from Tokyo, accept Embassy personnel and dependents for out-patient care as well as medical or surgical care. Patients who must be returned to the United States are evacuated on MATS

hospital planes from Tachikawa.

In addition to the Army Hospitals there are three recommended local hospitals: St. Luke's International Hospital, International Catholic Hospital (Seibo-Byoin), and the Tokyo Sanitarium Hospital. There are many American-educated Japanese physicians and several foreign physicians and dentists in the community. Their fees are the same as one would pay in the United States. There are three local pharmacies which sell standard American drugs and supplies, but they are expensive. Any "pet" remedies should be provided from the U.S. as they may not be available here.

*The Embassy has a Health Unit in the Embassy Annex building, staffed by an American nurse. This Unit treats on-the-job emergency illnesses; administers immunizations; advises on doctors and medical facilities; maintains health records of personnel and dependents; arranges for physical examinations and hospitalizations; and performs other related health functions.

MISCELLANEOUS

**FACTS ABOUT THE WORLD BANK AND
THE INTERNATIONAL DEVELOPMENT ASSOCIATION**
(Expressed in United States Dollars)

August 18, 1964

Fiscal Year	WORLD BANK LOANS			IDA CREDITS		
	Number	Amount	Disbursements	Number	Amount	Disbursements
1946/47	1	\$250,000,000	\$ 92,000,000			
1947/48	5	263,000,000	378,055,751			
1948/49	10	137,100,000	56,235,263			
1949/50	12	166,345,000	87,871,146			
1950/51	21	297,080,000	77,564,969			
1951/52	19	298,608,000	184,777,004			
1952/53	10	178,633,464	226,756,982			
1953/54	26	323,682,000	302,296,920			
1954/55	20	409,610,000	274,169,870			
1955/56	26	396,050,000	283,926,916			
1956/57	20	387,858,000	332,379,283			
1957/58	34	710,846,429	498,683,137			
1958/59	30	703,125,000	582,630,254			
1959/60	31	658,700,000	543,879,250			
1960/61	27	609,890,000	398,488,190	4	\$101,000,000	---
1961/62	29	882,300,000	485,366,490	18	134,100,000	\$ 12,168,476
1962/63	28	448,650,000	620,417,274	17	260,050,000	56,192,417
1963/64	37	809,850,000	558,884,723	18	283,200,000	124,130,697
1964/65	6	211,500,000	56,209,735	7	136,940,000	11,649,846
	392	\$8,142,827,893 ^{1/}	\$6,040,593,157	64	\$915,290,000	\$204,141,436 ^{4/}

PURPOSES	Bank Loans ^{2/ 3/}	IDA Credits
Reconstruction	\$ 496,800,000	---
Electric Power	2,795,800,000	\$ 96,700,000
Transportation	2,649,400,000	357,450,000
Communications	46,200,000	75,000,000
Agriculture & Forestry	548,600,000	194,140,000
Industry	1,199,700,000	106,500,000
General Development	205,000,000	---
Water Supply	24,100,000	62,900,000
Education Projects	---	22,600,000
	\$7,965,600,000	\$915,290,000

Fiscal Year	OUTSIDE PARTICIPATION IN BANK LOANS ^{4/}		
	With Guarantee	Without Guarantee	Total
In all loans prior to July 1, 1951	\$28,549,000	\$ 4,468,496	\$ 33,017,496
1951/52	12,950,001	10,409,191	23,359,192
1952/53	8,304,145	6,330,820	14,634,965
1953/54	7,940,698	25,865,768	33,806,466
1954/55	783,500	98,393,636	99,177,136
1955/56	10,476,500	61,690,626	72,167,126
1956/57	---	56,894,751	56,894,751
1957/58	---	86,999,875	86,999,875
1958/59	---	148,435,519	148,435,519
1959/60	---	242,561,031	242,561,031
1960/61	---	202,132,415	202,132,415
1961/62	---	318,807,746	318,807,746
1962/63	---	273,321,774	273,321,774
1963/64	---	173,272,432	173,272,432
1964/65	---	21,084,739	21,084,739
	\$69,003,844	\$1,730,668,819	\$1,799,672,663

Currency of Issue	No. of Issues	BANK BORROWINGS ^{2/4/}		Outstanding Issues
		Original Amount	Outstanding Amount	
U.S. Dollars	43	\$3,263,500,000	\$1,883,860,000	21
Belgian Francs	1	10,000,000	10,000,000	1
Canadian Dollars	3	50,805,000	28,970,000	2
Deutsche Mark	7	372,737,000	275,000,000	4
Italian Lire	1	24,000,000	24,000,000	1
Netherlands Guilders	4	46,837,000	38,258,000	4
Pounds Sterling	3	56,000,000	48,762,000	3
Swiss Francs	16	255,690,000	182,121,000	12
	78	\$4,079,569,000	\$2,490,971,000	48

^{1/} Of the total, \$177,204,806 has been cancelled, refunded or terminated.
^{2/} Round figures.
^{3/} Net of cancellations, refundings and terminations.
^{4/} As of July 31, 1964.

	NO. BANK LOANS	BANK LOANS ORIGINAL AMOUNT	BANK LOANS NET AMOUNT ^{3/}	NO. IDA CREDITS	AMOUNT IDA CREDITS
AFRICA					
Algeria & Sahara	3	\$ 80,500,000	\$ 80,500,000		
Bechuanaland	-	---	---	1	\$ 3,600,000
Congo (Leopoldville)	5	120,000,000	92,704,727		
East Africa	1	24,000,000	24,000,000		
Ethiopia	7	51,900,000	51,900,000	1	13,500,000
French West Africa	1	7,500,000	7,091,567		
Gabon	2	47,000,000	47,000,000		
Ghana	1	47,000,000	47,000,000		
Kenya	2	14,000,000	14,000,000	1	2,800,000
Liberia	1	3,250,000	3,250,000		
Mauritania	1	66,000,000	66,000,000		
Mauritius	1	7,000,000	7,000,000		
Morocco	1	15,000,000	15,000,000		
Niger	-	---	---	1	1,500,000
Nigeria	4	153,500,000	153,500,000		
Northern Rhodesia	2	63,500,000	63,500,000		
Ruanda-Urundi	1	4,800,000	4,800,000		
Sierra Leone	1	3,800,000	3,800,000		
South Africa	10	221,800,000	221,800,000		
Southern Rhodesia	3	83,100,000	83,100,000		
Sudan	3	74,000,000	74,000,000	1	13,000,000
Swaziland	1	4,200,000	4,200,000	1	2,800,000
Tanganyika	-	---	---	2	18,600,000
Tunisia	1	7,000,000	7,000,000	1	5,000,000
Uganda	1	8,400,000	8,400,000		
	<u>53</u>	<u>\$1,107,250,000</u>	<u>\$1,079,546,294</u>	<u>9</u>	<u>\$60,800,000</u>
ASIA AND MIDDLE EAST					
Burma	3	\$ 33,350,000	\$ 33,289,050		
Ceylon	3	41,510,000	38,900,000		
China	1	7,800,000	7,800,000	4	\$15,300,000
India	31	876,110,000	847,135,978	15	423,000,000
Iran	5	212,700,000	212,700,000		
Iraq	1	12,800,000	6,293,946		
Israel	3	74,500,000	74,500,000		
Japan	26	612,900,000	607,041,004		
Jordan	-	---	---	3	8,500,000
Korea	-	---	---	1	14,000,000
Lebanon	1	27,000,000	27,000,000		
Malaysia	3	95,500,000	88,500,000		
Pakistan	20	361,350,000	361,216,845	15	237,540,000
Philippines	6	102,400,000	99,900,000		
Singapore	1	15,000,000	15,000,000		
Syria	-	---	---	1	8,500,000
Thailand	12	181,900,000	164,359,078		
United Arab Republic	1	56,500,000	56,500,000		
	<u>117</u>	<u>\$2,711,320,000</u>	<u>\$2,640,135,901</u>	<u>39</u>	<u>\$706,840,000</u>
AUSTRALIA	7	\$ 417,730,000	\$ 417,730,000		
NEW ZEALAND	2	\$ 40,300,000	\$ 40,300,000		
EUROPE					
Austria	9	\$ 106,336,429	\$ 104,860,083		
Belgium	4	76,000,000	75,820,781		
Cyprus	1	21,000,000	20,451,200		
Denmark	3	85,000,000	85,000,000		
Finland	11	187,779,464	187,580,180		
France	1	250,000,000	250,000,000		
Iceland	6	7,914,000	7,914,000		
Italy	7	299,628,000	298,028,000		
Luxembourg	1	12,000,000	11,761,983		
Malta	1	7,500,000	7,500,000		
Netherlands	10	244,000,000	236,451,985		
Norway	6	145,000,000	145,000,000		
Portugal	2	12,500,000	12,500,000		
Spain	2	98,000,000	98,000,000		
Turkey	6	63,400,000	60,684,967	4	\$50,700,000
Yugoslavia	7	190,700,000	190,700,000		
	<u>77</u>	<u>\$1,806,757,893</u>	<u>\$1,792,253,179</u>	<u>4</u>	<u>\$50,700,000</u>
WESTERN HEMISPHERE					
Argentina	2	\$ 143,500,000	\$ 143,500,000		
Bolivia	-	---	---	2	\$15,000,000
Brazil	13	292,090,000	267,034,667		
British Guiana	1	1,250,000	919,017		
Chile	11	136,600,000	136,154,456	1	19,000,000
Colombia	25	388,980,000	388,905,441	1	19,500,000
Costa Rica	7	47,800,000	47,795,176	1	5,500,000
Ecuador	7	55,600,000	54,000,000	1	8,000,000
El Salvador	7	50,985,000	50,387,709	1	8,000,000
Guatemala	1	18,200,000	18,200,000		
Haiti	1	2,600,000	2,600,000	1	350,000
Honduras	4	19,950,000	19,917,613	1	9,000,000
Mexico	14	458,800,000	439,327,888		
Nicaragua	12	38,100,000	38,089,482	1	3,000,000
Panama	5	18,590,000	18,047,426		
Paraguay	1	5,000,000	4,488,990	2	9,600,000
Peru	17	138,425,000	123,326,732		
Trinidad & Tobago	1	23,500,000	23,500,000		
Uruguay	5	89,500,000	89,463,116		
Venezuela	2	130,000,000	130,000,000		
	<u>136</u>	<u>\$2,059,470,000</u>	<u>\$1,995,657,713</u>	<u>12</u>	<u>\$96,950,000</u>
Bank Total, 74 countries	<u>392</u>	<u>\$8,142,827,893</u>	<u>\$7,965,623,087</u>		
IDA Total, 24 countries				<u>64</u>	<u>\$915,290,000</u>

FACTS ABOUT IFC

(Expressed in United States Dollars)

as of June 30, 1964

<u>NUMBER OF COMMITMENTS (GROSS - INCLUDING SUPPLEMENTAL COMMITMENTS)</u>	<u>FISCAL YEAR</u>	<u>GROSS OPERATIONAL INVESTMENTS</u>	<u>GROSS STANDBY AND UNDERWRITING COMMITMENTS</u>	<u>TOTAL GROSS COMMITMENTS</u>	<u>DISBURSEMENT</u>
1	1957	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -
8	1958	8,710,000	-	8,710,000	3,317,000
14	1959	10,565,000	-	10,565,000	6,560,000
14	1960	23,747,000	-	23,747,000	12,825,273
10	1961	6,159,000	-	6,159,000	10,378,563
10	1962	18,397,420	2,942,500	21,339,920	11,876,176
12	1963	12,939,005	5,111,357	18,050,362	15,914,726
<u>18</u>	<u>1964</u>	<u>17,881,441</u>	<u>2,919,708</u>	<u>20,801,149</u>	<u>15,584,141</u>
87		\$100,398,866	\$10,973,565	\$111,372,431	\$ 76,455,879
Acquisition by others of securities, covered by standby and underwriting commitments		-	7,351,546	7,351,546	
Cancellations and terminations		8,286,192	-	8,286,192	
		<u>\$ 92,112,674</u>	<u>\$ 3,622,019</u>	<u>\$ 95,734,693</u>	

PURPOSES FOR WHICH INVESTMENTS AND STANDBY AND UNDERWRITING COMMITMENTS
HAVE BEEN MADE

<u>INDUSTRIAL DEVELOPMENT FINANCE COMPANIES</u>	\$ 16,825,037
<u>INDUSTRY</u>	
Iron and Steel, including Metal Manufacturing Industries	\$ 28,945,922
Pulp and Paper	13,075,000
Chemicals, including Fertilizer	11,983,290
Electrical Goods	7,672,815
Construction Materials	13,438,529
Textiles	5,885,666
Food Processing	7,931,172
Mining	3,100,000
Miscellaneous Industries	2,515,000
	<u>\$ 94,547,394</u>
Total	<u>\$ 111,372,431</u>

ACQUISITION BY OTHERS OF SECURITIES COVERED BY STANDBY AND UNDERWRITING COMMITMENTS

<u>Fiscal Year</u>	
1962 - 63	\$ 2,812,975
1963 - 64	<u>4,538,571</u>
	<u>\$ 7,351,546</u>

LOANS AND EQUITY SOLD OR AGREED TO BE SOLD

<u>Fiscal Year</u>	
In all investments prior to July 1, 1960	\$ 6,011,000
1960 - 61	2,885,000
1961 - 62	1,246,500
1962 - 63	6,737,294 *
1963 - 64	<u>5,540,729 *</u>
	<u>\$ 22,420,523</u>

*Including agreements to sell portions of non-effective investments in the following amounts:

1962 - 1963	\$ 1,087,000
1963 - 1964	\$ 1,959,829

Treasurer's Department
Finance Division
July 27, 1964

SUMMARY OF IFC INVESTMENTS AND STANDBY AND UNDERWRITING COMMITMENTS

	<u>Gross No. of Investments and Standby and Underwriting Commitments</u>	<u>Gross Operational Investments</u>	<u>Gross Standby and Underwriting Commitments</u>	<u>Total Gross Commitments</u>
<u>AUSTRALIA</u>				
Australia	3	\$ 975,000		\$ 975,000
<u>AFRICA</u>				
Morocco	1	\$ 1,495,774		\$ 1,495,774
Nigeria	2	700,078	\$ 1,470,000	2,170,078
Sudan	1	689,588		689,588
Tanganyika	2	4,731,172		4,731,172
Tunisia	<u>1</u>	<u>3,500,000</u>		<u>3,500,000</u>
	7	\$11,116,612	\$ 1,470,000	\$ 12,586,612
<u>ASIA AND THE MIDDLE EAST</u>				
India	8	\$10,564,948	\$ 300,000	\$ 10,864,948
Iran	1	300,000		300,000
Malaysia	1	817,917	490,000	1,307,917
Pakistan	4	5,829,400		5,829,400
Philippines	1	—	4,359,063	4,359
Thailand	<u>2</u>	<u>493,108</u>		<u>493</u>
	17	\$18,005,373	\$ 5,149,063	\$ 23,154,436
<u>EUROPE</u>				
Finland	3	\$ 2,189,644	\$ 158,644	\$ 2,348,288
Greece	1	600,000		600,000
Italy	1	960,000		960,000
Spain	2	3,294,535		3,294,535
Turkey	<u>1</u>	<u>916,667</u>		<u>916,667</u>
	8	\$ 7,960,846	\$ 158,644	\$ 8,119,490
<u>WESTERN HEMISPHERE</u>				
Argentina	4	\$11,210,000		\$ 11,210,000
Brazil	6	11,300,000		11,300,000
Chile	6	8,800,000		8,800,000
Colombia	12	10,639,137	\$ 501,002	11,140,139
Costa Rica	1	269,529		269,529
El Salvador	1	140,000		140,000
Guatemala	1	200,000		200,000
Honduras	1	350,000		350,000
Jamaica	1	224,000		224,000
Mexico	8	5,328,583	3,694,856	9,023,439
Peru	7	8,913,290		8,913,290
Venezuela	<u>4</u>	<u>4,966,496</u>		<u>4,966,496</u>
	52	\$62,341,035	\$ 4,195,858	\$ 66,536,893
Totals	<u>87</u>	<u>\$100,398,866</u>	<u>\$10,973,565</u>	<u>\$111,372,431</u>

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Capital; IDA Increase in Resources; IDB Expanded FSO
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**MINISTERIAL STATEMENT
OF THE GROUP OF TEN
AND
ANNEX PREPARED BY DEPUTIES**

*“ . . . examination of the outlook
for the functioning of the inter-
national monetary system and
of its probable future needs for
liquidity.”*

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10th August 1964

M. Valéry GISCARD D'ESTAING, Ministre des Finances et des Affaires Economiques of France, acting as Chairman of the Ministers and Governors of the Group of Ten countries participating in the General Arrangements to Borrow, today issued the following Statement. There is included with this Statement an Annex prepared by Deputies of the Group of Ten.

10th August 1964

M. Valéry GISCARD D'ESTAING, Minister des Finances
of the Affairs Economiques of France, acting as Chairman of
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the following Statement. There is included with this statement
an Annex prepared by Deputies of the Group of Ten.

MINISTERIAL STATEMENT

1. The Ministers and Governors of the ten countries participating in the General Arrangements to Borrow have, over the past year, examined, with a long-range perspective, the wider implications of the obligations which they have accepted for helping to assure the stability and adequacy of the international payments system. They have reviewed the functioning of the international monetary system and its probable future needs for liquidity. The necessary studies were entrusted to a Group of Deputies, to be carried out in cooperation with the International Monetary Fund and with the participation of representatives of the staffs of the International Monetary Fund, the Organization for Economic Cooperation and Development, and the Bank for International Settlements, as well as of an observer of the Swiss National Bank. The conclusions and decisions of the Ministers and Governors were greatly assisted by these studies, the results of which are described in the accompanying Annex.

2. In reviewing the functioning of the international monetary system, the Ministers and Governors reaffirmed their conviction that a structure based, as the present is, on fixed exchange rates and the established price of gold, has proved its value as a foundation on which to build for the future. They further agreed that increasingly close cooperation among monetary authorities was an essential element supporting the system. As concerns liquidity, the Ministers and Governors are agreed that, for the international monetary system as a whole, supplies of gold and reserve currencies are fully adequate for the present and are likely to be for the immediate future. These reserves are supplemented by a broad range of credit facilities. The continuing growth of world trade and payments is likely to entail a need for larger international liquidity. This need may be met by an expansion of credit facilities and, in the longer run, may possibly call for some new form of reserve asset.

3. The smooth functioning of the international monetary system depends on the avoidance of major and persistent international imbalances and on the effective use of appropriate policies by national governments to correct them when they occur. The Ministers and Governors have therefore decided to initiate a thorough study of the measures and instruments best suited for achieving this purpose compatibly with the pursuit of essential internal objectives. In view of the experience it has already acquired in this field, Working Party 3 of the O.E.C.D. is being invited to take charge of this study.

4. A significant development in the evolution and strengthening of the system has been the emergence of a wide range of bilateral and multilateral credit facilities, notably to cope with speculative movements and sudden pressures. There has at the same time been increasing recognition of the fact that the way in which balance of payments deficits and surpluses are financed has implications for countries other than those directly concerned. The Ministers and Governors have consequently agreed on the usefulness of participating, through the international institutions which are already concerned with these problems, in a "multilateral surveillance" of the ways and means of financing balance of payments disequilibria. To this end, they have approved arrangements which will give the monetary authorities of countries participating in them a more comprehensive and up-to-date view of major trends and will afford them a better basis for strengthening their policy cooperation in the international monetary sphere. This should help them to avoid excesses or shortages in the means of financing surpluses or deficits in the balance of payments, as well as to discuss measures appropriate for each country in accordance with the general economic outlook. The Ministers and Governors of the Group will meet from time to time to survey current developments in this field.

5. Looking further into the future, since there is a possibility that the supply of gold and foreign exchange reserves may prove to be inadequate for the over-all reserve needs of the world economy, the Ministers and Governors, without prejudging any aspect of this question, have approved the arrangements made by their Deputies for a study group to examine various proposals regarding the creation of reserve assets either through the I.M.F. or otherwise.

6. Finally, the Ministers and Governors have exchanged views on the adequacy of international credit arrangements. The International Monetary Fund, with large resources of credit and a code of obligations, occupies a central position. In order to further the Fund's capabilities and while recognizing that the responsibility for decisions concerning the provision of additional resources rests with the competent authorities of the I.M.F., itself, the Ministers and Governors, for their part, are agreed that they will, in the forthcoming quinquennial review of Fund quotas during 1965, support a moderate general increase in member quotas. At the same time, they will support rela-

tive adjustments of those individual quotas which are clearly out of line. In addition, the Deputies are instructed to study the questions related to the renewal of the General Arrangements to Borrow and to make recommendations to the Ministers and Governors before September, 1965.

7. The Ministers and Governors believe that the review of the international monetary system conducted during the past year has helped to clarify the fundamental considerations which underlie the various national points of view and has brought a fuller recognition of common interests. They believe that the spirit and practice of co-operation that have now been achieved warrant confidence that fully adequate, but not excessive, resources will be made available to meet the liquidity requirements of the world as a whole. This readiness of their countries to work together in meeting unexpected developments or longer range requirements will strengthen the capacity of the international monetary system to support and sustain the objectives of growth, employment, and price stability that are shared among all people.

ANNEX PREPARED BY DEPUTIES

This document presents the main results of the studies of the Deputies, which led to the report presented by them to the Ministers and Governors at their meeting in Paris on June 15-16, 1964.

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Introduction

1. Our Group was established by Ministers and Governors, as recorded in their communiqué of 2nd October 1963, in the following terms:

In reviewing the longer-run prospects, the Ministers and Governors agreed that the underlying structure of the present monetary system—based on fixed exchange rates and the established price of gold—has proven its value as the foundation for present and future arrangements. It appeared to them, however, to be useful to undertake a thorough examination of the outlook for the functioning of the international monetary system and of its probable future needs for liquidity. This examination should be made with particular emphasis on the possible magnitude and nature of the future needs for reserves and for supplementary credit facilities which may arise within the framework of national economic policies effectively aiming at the objectives mentioned in paragraph 2. The studies should also appraise and evaluate various possibilities for covering such needs.

The objectives mentioned in paragraph 2 of the communiqué were as follows:

The Ministers and Governors reaffirmed the objective of reaching such balance at high levels of economic activity with a sustainable rate of economic growth and in a climate of price stability.

We have also regarded certain passages in the same communiqué as relevant to our studies:

The Ministers and Governors noted that the present national reserves of member countries, supplemented as they are by the resources of the IMF, as well as by a network of bilateral facilities, seemed fully adequate in present circumstances to cope with possible threats to the stability of the international payments system.

The Ministers reviewed the "General Arrangements to Borrow" in the International Monetary Fund and reiterated their determination that these resources would be available for decisive and prompt action.

The Ministers and Governors believe that such an examination of the international monetary system will further strengthen international financial cooperation, which is the essential basis for the continued successful functioning of the system.

Our instructions were that:

Any specific suggestions resulting from the studies by the Deputies will be submitted to the Ministers and Governors for consideration.

2. In accordance with these instructions a number of meetings were held during the past year and close relations were maintained with the International Monetary Fund (IMF), the Organization for Economic Cooperation and Development (OECD) and the Bank for International Settlements (BIS). The staffs of these institutions have been represented in our discussions and have made valuable contributions to the work of the Group. The discussions also benefited from the presence of representatives of the Swiss National Bank, as decided by Ministers following completion of the legislation looking to Swiss cooperation with the General Arrangements to Borrow.

3. A review was made of the major proposals put forward in recent years for reform of the existing international payments system, ranging from a restoration of the former gold standard to the setting up of an international central bank with supra-national authority. While no single plan appeared to meet the requirements in a way fully consistent with the general political, economic and social environment in which international payments and arrangements must operate, we have found much in the analysis underlying these various approaches that has been useful and stimulating for our discussions and appraisal.

4. Our report, after examining the broader economic and financial structure within which the international monetary system must operate, surveys briefly the major aspects of the system as it has evolved in the postwar world, makes an appraisal of the present system, explores lines of future development and, finally, sets forth and explains our major conclusions and recommendations.

I. The Importance of International Balance and the Process of Adjustment

5. The smooth functioning of the international monetary system depends on the avoidance of major and persistent imbalances and on the effective use of appropriate policies by national governments to correct them when they occur. The process of adjustment and the need for international liquidity are closely interrelated. If there is not enough liquidity, countries may not

have time to make adjustments in an orderly fashion, and may be forced into measures that are disruptive both to their domestic economies and to international economic relationships. If, on the other hand, there is too much liquidity, the adjustment mechanism may function too slowly, and a delay in taking measures necessary to restore balance will in the end be harmful at home as well as abroad. In view of this close interdependence, we have thought it right, before proceeding to examine the international monetary system itself, to look into the processes and procedures for maintaining balance of payments equilibrium, and for correcting imbalances when they occur.

6. The objectives of economic policy in a free society are broad and complex. They include healthy and sustainable economic growth, full and efficient employment, together with goals in the fields of social development, defense policy, and foreign aid. But continuing success in the pursuit of these objectives demands reasonable price stability and equilibrium in the over-all balance of international payments. Countries will nevertheless from time to time find themselves showing a tendency toward a sustained deficit or a sustained surplus on their over-all balance of payments, and in order to counteract this tendency they will find it necessary to make use of an appropriate combination of the following instruments of economic policy:

- Budgetary and fiscal policies;
- Incomes policies;
- Monetary policies;
- Other measures relating to international capital transactions (e.g., measures designed to affect capital movements, advance repayments of inter-governmental debts, etc.);
- Commercial policies (e.g., temporary unilateral tariff reductions and similar measures);
- Selective policies directed to particular sectors of the economy (e.g., housing or hire purchase, governmental transactions affecting the balance of payments, etc.).

7. Such instruments must be employed with proper regard for obligations in the field of international trade and for the IMF obligation to maintain stable exchange parities which are subject to change only in cases of fundamental disequilibrium. A "mix" of policies appropriate to both internal and external objectives has to be found and applied by national governments. It falls to each

government to ensure that it is fully equipped with the various policy instruments necessary to its task, to be alert to the dangers of delay in making use of these instruments, and to put appropriate weight on the maintenance of external equilibrium without neglecting internal objectives. It is thus for each government individually to find means of reconciling its own social priorities, institutional practices and general economic performance with the ever-present need for external equilibrium. It is for governments collectively to consider how the actions of each may affect others and whether additional standards for improving external balance and new forms of consultation and cooperation to that end may be called for.

8. The growing recognition of common interest in the smooth flow of international trade and payments has already greatly promoted the practice of international consultation in the field of finance and trade, which at first tended to be mainly concerned with the fulfillment of, or occasional derogation from, specific obligations, but has more recently developed into a broader cooperation, to ensure so far as possible, that adjustment measures adopted by national authorities take adequate account of the interest of other countries.

9. Much, however, remains to be done in clarifying the measures and instruments which are best adapted to avoiding imbalance and to correcting it as early and as smoothly as possible when it occurs. This is so relevant to the functioning and liquidity needs of the international monetary system that, subject to the review and approval of the Ministers and Governors, we have suggested that Working Party 3 of OECD, which already has gained experience in this field, might be invited to study how member countries, individually and collectively, and compatibly with the pursuit of their essential internal objectives, could in the future preserve a better balance of payments equilibrium and achieve a faster and more effective adjustment of imbalance.

10. Working Party 3 would conduct studies of the interrelationship between internal liquidity and the balance of payments as well as how measures in the field of fiscal, trade, incomes and other policies can be used by both surplus and deficit countries, in combination with monetary policy, to achieve internal and external objectives, particularly when there is some possibility of conflict between the two. These studies would explore

whether standards could be formulated on the contribution of monetary and related policies to balance of payments equilibrium, against which the performance of countries could be appraised. The studies would also cover the relationship of different types of liquidity to the adjustment process, the role of capital movements and capital markets in the adjustment process under conditions of widespread convertibility, and means of improving the process of continuing international consultation and cooperation.

II. Functioning of the Present System

11. The international monetary system is, and doubtless will always be, in a state of evolution, with elements both old and new. Rather than attempt a summary of the whole working of the system as it now is, we set out below the elements which have proved most relevant to the questions referred to us.

12. Gold remains the basic reserve asset of the system and the common measure of par values. But other elements have been added. Much use is made of foreign currencies (particularly the dollar) for intervention by monetary authorities in the exchange markets, as a reserve holding, and in the greatly enlarged international credit facilities now available.

13. The enlargement of the currency element was not the result of any deliberate plan but a gradual process growing out of the spontaneous practices, first of individual traders and bankers, and later of central bankers and national monetary authorities. Under the former gold standard, the maintenance of exchange parities involved passive purchases or sales of gold by central banks in response to initiatives by traders in the markets. But, even under the gold standard, central banks had, on occasion, bought or sold foreign currency to keep the exchange rate away from the gold points. Official intervention in the foreign exchange markets has now become the general practice for keeping the exchange rate within the agreed parity limits. If only for obvious reasons of convenience, intervention is conducted in a currency widely dealt in by traders and bankers throughout the world. Many monetary authorities have seen advantage in accumulating, as a reserve asset, balances of the operating currency which accrue to them in time of surplus.

14. In this way an important supplement to gold has developed in the form of reserve currency hold-

ings (see Appendices I and II). In the decade 1954-63, nearly \$6 billion of new gold found its way into official reserves and about \$6.5 billion was transferred from the gold holdings of the United States to the reserves of other countries. These additions and transfers were accompanied by an increase of nearly \$8 billion in foreign exchange holdings, principally in dollars, during the decade. The practices of individual monetary authorities vary as to the proportion of gold and foreign exchange held in their reserves, but dollars and other foreign exchange accounted for nearly 40 percent of the total reserves of the non-reserve members of our Group (including Switzerland), while the rest of the world held nearly 70 percent of their reserves in the form of foreign exchange.

15. A further distinctive and important feature of the present system lies in the development, since the war, of international monetary cooperation, not only in international organizations, such as the IMF, the OECD, the BIS, and the European Economic Community, but also in smaller or less formal groups. A central role in this cooperation is played by the International Monetary Fund, not only through its large fund of credit but also through its code of obligations. To preserve a framework within which mutual trade and investment can grow freely, member countries undertake to maintain convertibility and stable exchange rates—which does not, however, preclude adjustment to a new stable rate in case of fundamental disequilibrium. The credit element is designed to allow these obligations to be observed, while a country is in deficit, “without resorting to measures destructive of national or international prosperity” (IMF Article I).

16. In view of the importance of the International Monetary Fund in the functioning of the system, it may be useful at this point to recall, in broad outline, its purposes, operating principles and procedures:

(a) As mentioned above, the Fund, under its Articles of Agreement, combines (i) a code of international good behaviour in the field of exchange rates and exchange arrangements and (ii) a central pool of resources available to members, in the form of short- or medium-term loans, in order to help them to observe this code and to shorten the duration and lessen the degree of disequilibrium in international payments.

(b) Each of the 102 member countries has a "quota" determined by reference to such factors as his trade, national income and international payments. Quotas serve three purposes: (i) they determine the amount of the member's subscription; (ii) they measure his borrowing possibilities; (iii) they provide the basis for calculating his voting rights.

(c) Of the quota, 25% is normally subscribed in gold and 75% in the member's currency. Members "draw" from the Fund by purchasing other currencies from it against further payments of their own currency into the Fund. Up to the equivalent of the 25% subscribed in gold (the "gold tranche"), the Fund permits a member to purchase other currencies virtually at will. When transactions flow in the opposite direction and a member's currency is drawn by other members, his position in the Fund improves. If the drawing reduces the Fund's holding of his currency below the original 75% of his quota subscription, his rights to draw virtually at will are *pro tanto* enlarged by what is sometimes called a "super gold tranche" or a "net creditor position in the Fund". Rights to draw from the Fund virtually at will have many of the qualities of a reserve asset; and they are, in fact, so recorded by the Fund itself in its statistics on members' total reserves, as well as by some individual members in their own reserve statements.

(d) A member's drawing rights in his "credit tranches" are normally equal to his quota and can be exercised only in accordance with the Fund's policies. While drawings in the "credit tranches" are subject to stricter requirements as the amount drawn rises, a member may undertake in advance to meet certain conditions laid down by the Fund and so obtain a "standby arrangement" assuring access to the Fund over a limited period of time and for a specified amount. It is the Fund's rule that all drawings be repaid as soon as the drawer's position allows, and, in any event, within a 3- to 5-year period at most.

(e) At any given time, only some of the currencies held by the Fund will be suitable to be drawn. Other currencies will be relatively unsuitable, because the level of reserves of the country concerned is low or because its

balance of payments is weak, either temporarily or, as is often the case with less developed countries, for prolonged periods.

(f) Under the General Arrangements to Borrow of 1961-62, our 10 countries have entered into an undertaking to lend the Fund amounts of their currencies up to a total of \$6 billion, so as to reinforce the Fund's ability to grant drawings to participants in the Arrangements in order to forestall or cope with an impairment of the international monetary system.

(g) All members' claims on, or liabilities to, the Fund are expressed in terms of a constant gold value as provided by the maintenance-of-value provisions of the Articles of Agreement or of the General Arrangements to Borrow.

17. Since the Fund's creation, its members have drawn a total of \$7.5 billion, of which \$5.8 billion has been repaid. Drawings have been made by many countries, including among them eight of the members of the Group, three of which have standby arrangements outstanding. In the first 10 years, drawings were made almost exclusively in U.S. dollars with a consequent increase of the super gold tranche rights of the United States. In recent years, however, the balance of payments of the United States being in deficit, drawings have been mainly directed toward other currencies—those of the European countries, Japan and Canada. But repurchases have continued to be made primarily in U.S. dollars, and thus have served to finance part of the U.S. deficit. As a result of these two developments, the U.S. net creditor position ("super gold tranche") of about \$1.3 billion which existed at the end of 1958 has largely been replaced by net creditor positions of about \$1.1 billion of other members of the Ten. The increased number of countries whose Fund positions have moved into credit during recent years has drawn attention to the fact that, as explained above, countries' gold tranche and creditor positions in the Fund may be regarded as part of their international reserve assets. There are indeed recent examples, besides the United States, in which such a previously accumulated asset in the Fund has been utilized to assist in financing newly-incurred deficits.

18. The sources of credit are not limited to the facilities of the IMF. After the termination of

the European Payments Union (and the transition to the European Monetary Agreement), central bank support operations played a more important part, e.g., the Basle arrangements of 1961 and 1963 and the swap and other arrangements established between the United States and other members of the Ten. The Fund's own resources have been enlarged by the 50 percent general increase in quotas in 1959 and reinforced by the General Arrangements to Borrow of 1961-62 which were the origin of the Group of Ten.

19. While our report focuses on official liquidity, private liquidity is also of importance to the international monetary system and to official liquidity. Traders' credits and working balances in foreign exchange are an indispensable part of the day-to-day transactions of private traders and investors; and foreign exchange held by commercial banks as working balances plays a role as a secondary reserve asset along-side official reserves in many national banking systems. Temporary shifts between private and official liquidity can be either equilibrating or disequilibrating but, over time, the probable need for growth of private liquidity should be taken into consideration along with the needs for official resources.

20. Statistical Appendix II shows that, during the decade 1954-63, gold reserves of the Group of Ten and Switzerland rose by about \$4¾ billion and their foreign exchange holdings by over \$5 billion, while other forms of reserve assets, resulting from transactions with the IMF or from the extension of credits, increased by approximately \$2½ billion. These countries as a group also had substantial unused short-term credit facilities in the form of swaps and IMF standbys (about \$3½ billion), as well as other short- or medium-term facilities in the IMF.

21. In this connection, it should be noted that credits which monetary authorities extend to one another to finance balance of payments fluctuations normally produce an increase in total gross reserve assets.

22. In sum, a country's liquidity is no longer measured solely by the level of its reserves in the form of gold and reserve currency balances (primary reserves). There is now a variety of ways in which monetary authorities can, at need, replenish their balances of the currencies used for operations. Primary reserves are thus supplemented by a broad spectrum of other resources

and facilities (see statistical Appendix II). At one end of this range come "other reserves" of only slightly less liquidity but of unquestioned availability; at the other end of the range are negotiated credits, including those which will only be available when an international institution is satisfied that the borrower will employ effective adjustment processes to correct his deficit.

III. Appraisal of the Present System and Lines of Future Development

23. The system, as it has evolved up to this point, has shown a great capacity for adapting itself to growth and change, has facilitated the remarkable economic progress achieved since the war, and has withstood with success periods of political and other strain, although many countries are still faced with inflationary pressures and others still have unemployed resources. In these circumstances, it appears to us prudent, 20 years after Bretton Woods, to inquire whether the amount and the character of future liquidity may call for any significant further changes.

24. We find no new considerations which would qualify the view expressed by the Ministers and Governors in their communiqué of 2d October 1963 that "the over-all liquidity of the system seemed fully adequate in present circumstances to cope with possible threats to the stability of the international payments system". Although we know of no satisfactory quantitative formula for the measurement of liquidity needs, we believe that some comments are possible. On the one hand, the fact that some individual countries find themselves short of external liquidity is not *prima facie* evidence of a general shortage of international liquidity. On the other hand, the existence of a general shortage, in its extreme form, might be accompanied by widespread deflationary developments or restrictions on trade and payments resulting from the efforts of governments to defend or restore their reserves. The aggregate needs for liquidity are presumably in some way related to such factors as the growth of world trade and capital movements, and the amplitude and duration of imbalances in international payments, taking into account the efficacy of adjustment policies in correcting such imbalances; they are also affected by psychological attitudes toward minimum or desired levels of national reserves, toward reserve movements, and toward the use of available credit

facilities. While there appears to be no convincing evidence that imbalances will be longer-lasting or more intractable than hitherto in the postwar period, a rising turnover of current and capital payments is likely to entail some increase in the size of fluctuations. Moreover, we have noted that a concern for domestic objectives such as growth, employment and price stability, or for international political, monetary and economic responsibilities, may sometimes lead to wider swings in the balance of payments.

25. With regard to the provision of liquidity in the future, the Group has established broad agreement on the following points:

(a) Gold will continue to be the ultimate international reserve asset and common denominator of par values. But, while recent developments lead us to anticipate some continuing increase in world gold production and to expect that the continued success of the gold pool arrangements and other measures will channel a substantial proportion of it into official reserves, we cannot prudently expect new gold production to meet all liquidity needs in the future.

(b) The rise in dollar holdings has contributed somewhat more than monetary gold to the growth of international liquidity in the last decade. The deficit in the U.S. balance of payments now appears to be shrinking and the contribution of dollar holdings to the growth in international liquidity seems unlikely to continue as in the past.

(c) There is no immediate prospect of any other currency assuming the function of an international reserve currency. Indeed, at the present juncture such a development could raise problems without substantially strengthening the system.

(d) The need may in time be felt for some additional kind of international reserve asset. We think it would be timely to investigate the problems raised by the creation and use of such an asset, the possible forms it might take and the institutional aspects associated with it.

(e) Credit facilities—both through the IMF and of a bilateral character—will continue to play an essential part in financing imbalances. Particularly for medium-term credit, the IMF fulfills a valuable and unique function and should continue in its central role.

(f) The recently developed bilateral facilities for swaps and *ad hoc* support operations have already, in periods of stress, been effective in maintaining orderly conditions for international payments in the exchange markets. They should, within a suitable framework for “multilateral surveillance” (see pars. 35–37) continue to play an essential role for short-term purposes.

(g) There is no single, unique manner in which the growing requirements for liquidity have to be met. Past experience shows that, at different times, countries have relied on gold, reserve currencies and credit facilities in different amounts and proportions. Their relative importance may vary from period to period in the evolution of the monetary system, as in the past, but a combination of primary reserves, other reserves, and credit facilities should provide for a needed growth in world liquidity in the future. Viewed from the point of view of the holder, these components of liquidity are, depending on the circumstances, substitutable for one another over a more or less wide margin. In any case, when credits provided by monetary authorities are availed of by the debtor, a form of reserve asset is created in the process.

(h) In view of our increased economic and financial interdependence, the present consultative machinery, whether provided under the IMF, the various bodies of OECD, the BIS, or under other auspices, should be fully utilized by their members and, wherever necessary, provision should be made for closer coordination between the international organizations concerned. The need being to supply sufficient liquidity to finance temporary payments imbalances without frustrating the required processes of international adjustment in individual countries, it is desirable to bring under multilateral review and appraisal the various means of financing surpluses or deficits. Such a “multilateral surveillance”, exercised through existing international consultative bodies, would represent a strengthening of the arrangements for international monetary cooperation that have been developed in recent years. This development of a common approach to international monetary matters may well be the main distin-

guishing feature of the present phase of evolution of the international monetary system.

26. Given the complexity of the problem referred to us, it is not surprising that a number of views were expressed as to the areas which most deserve further study or action for the longer run improvement and strengthening of the international monetary system. Some Deputies considered that it was mainly in the field of the provision of owned reserves under the gold exchange standard that changes and improvements were desirable. They noted that the present system might imply a reliance on a continuing accumulation of reserve currency holdings, and they stressed the disadvantage of depending for the creation of reserves on the balance of payments deficits of a reserve currency country rather than on the needs of the international monetary system as a whole. Other Deputies stressed the primary desirability of building upon the accomplishments and flexibility of the present system. They noted that reserve currencies were unlikely to make the same contribution as in the past to the growth of international liquidity and believed that principal reliance should be placed on strengthening the international credit component of the present system, and on the increase in reserve assets created when official credits are extended either through the Fund or in some other form.

27. In spite of these differences regarding the best means of meeting adequately the world's future requirements for liquidity, we agreed on the issues of immediate practical concern, and also on the areas in which the development of the international monetary system calls for further study.

28. We have agreed on three main lines of advance: (1) strengthening the international monetary system through the multilateral surveillance of the means of financing both deficits and surpluses; (2) giving support, during the forthcoming quinquennial review of IMF quotas, to an enlargement, by means of a general quota increase, of the credit facilities provided through the International Monetary Fund, and to a relative adjustment of those individual quotas which are clearly out of line; and (3) investigating whether, how, and under what conditions it might be advantageous in the longer run to supplement the existing system by a new type of reserve asset.

29. The practical recommendations on these and other agreed matters, as well as the arrangements

for further elaboration on certain questions, are set forth in the remainder of our report.

IV. Conclusions and Recommendations

30. Our recommendations concern:

- A—The monetary use of gold
- B—Multilateral surveillance of bilateral financing and liquidity creation
- C—Further needs for reserve assets
- D—International short-term credit facilities
- E—Long-term lending
- F—The International Monetary Fund

A. The monetary use of gold

31. We have reviewed the world situation with respect to gold production and the monetary uses of gold in the light of the statement of the Ministers and Governors quoted at the outset of our report ("... the underlying structure of the present monetary system—based on fixed exchange rates—and the established price of gold—has proven its value as the foundation for present and future arrangements."). While any projection of the future supplies of monetary gold would be hazardous, we do not believe that the flow of new gold into official reserves can be relied on in fact to meet fully the liquidity needs of the future.

32. In connection with the use of gold for monetary purposes, we have noted with satisfaction the successful coordination, through London, among a number of central banks, of their purchases and sales of gold in the international market. Partly as a result of this there was, during 1963, a marked increase in the flow of gold into official reserves.

33. We consider that leading countries should, according to circumstances, make every practicable effort to discourage speculation in gold and to ensure that as much as possible of the world's new gold supply not required for industrial uses be available to augment official reserves. Full account of this principle should be taken in considering any internal arrangements with respect to gold uses and gold transactions.

34. Moreover, the gold held by monetary authorities should be readily available for use in international settlements, and it is important in this respect that statutory or conventional relationships of gold to the domestic money supply should not prevent gold from playing its proper role in the international monetary system.

B. Multilateral surveillance of bilateral financing and liquidity creation

35. We have noted that the development in recent years of new techniques—discussed more fully later in our report—for providing countries with various forms of credit facilities to supplement reserves has brought with it a considerable increase in international monetary cooperation and better knowledge of the workings of the international payments mechanism. Thus, the central banks participating in reciprocal support operations for meeting short-term payments strains have evolved, through the Bank for International Settlements, facilities for the regular confidential exchange of information and views on such operations. Likewise, various groups within OECD, notably Working Party 3, have provided a forum wherein officials directly concerned with formulation of national policies can review from time to time the balance of payments positions of the various participating countries, the measures taken to adjust imbalances, and the means of financing them. The arrangements put into effect by the International Monetary Fund for consultations with the “Article VIII countries”—that is, those countries with convertible currencies—have also reinforced the fabric of international cooperation.

36. In the course of developing these techniques of consultation and cooperation, the participating countries have been made aware not only of the great gains to be drawn from such an exercise but also of the still remaining shortcomings in their endeavors. Their exchanges of information and the mutually reinforcing actions they have taken have led them to the conclusion that these processes should be continued and intensified. They feel, in particular, that the initiative already taken toward strengthening the multilateral character of the international monetary system should be further developed by bringing within the review and appraisal processes of multilateral surveillance the various elements in international liquidity—whether of a private or official character—available or created for the financing of surpluses and deficits. The object would be to give the monetary authorities of countries participating in the Arrangements a more comprehensive and up-to-date view of major trends and afford them a better basis for strengthening their policy cooperation in the international monetary sphere.

37. We therefore propose that all countries in our Group should provide to the Bank for Interna-

tional Settlements statistical data bearing on the means utilized to finance surpluses or deficits on their external account. These statistical data, combined by the BIS, would be supplied confidentially to all participants and to Working Party 3 of OECD. Any supplementary data would be reported in such detail and form as the Central Bank Governors may advise. Information would also be exchanged among Central Bank Governors of the Group at the earliest practicable stage on undertakings between members of the Group for new or enlarged credit facilities, with due regard to the recognized need for flexibility in such arrangements. The data and other information would give an indication of trends, leading to a full exchange of views in Working Party 3 of the OECD. This would provide a basis for multilateral surveillance of the various elements of liquidity creation, with a view to avoiding excesses or shortages in the means of financing existing or anticipated surpluses and deficits in the balance of payments, and to discussing measures appropriate for each country in accordance with the general economic outlook.

C. Further needs for reserve assets

38. Taking a longer view, we have discussed various methods of meeting possible future needs for an expansion of reserve assets, apart from new accruals to existing gold and currency balances. A suggestion was made, but not extensively discussed, that the composition of reserves might also be considered in this context, with a view to a gradual harmonization of members' practices.

39. Our discussions mainly concerned two types of proposal: one for the introduction, through an agreement among the member countries of the Group, of a new reserve asset, which would be created according to appraised over-all needs for reserves; and the other based on the acceptance of gold tranche or similar claims on the Fund as a form of international asset, the volume of which could, if necessary, be enlarged to meet an agreed need.

40. Proposals of this kind, which imply a common approach to the process of reserve creation, involve complex questions as to their compatibility with the evolution of the existing system, their merits as a contribution to a greater stability of the international monetary system, their ability to direct liquidity to the point of greatest legitimate need at any given time, their ability to adapt the

volume of reserves to global needs as opposed to individual shortages, the acceptability and soundness of the claims they offer as a reserve asset, their effect on relations of the Group with the rest of the world, the machinery required for controlling the volume and distribution of reserves created, and the desirability of a group approach as opposed to a worldwide approach.

41. These questions could not be covered in detail in the course of our meetings and no judgment could be reached on the proposals until their details had been more fully spelled out and their implications had been further clarified. We have, therefore, established a Study Group on the Creation of Reserve Assets. This Study Group would, in appropriate consultation with the IMF and other international bodies, assemble the elements necessary for evaluation of the various proposals, and report to us as Deputies. It should be clear that a long-run view is involved and that the decision to embark upon the study implies no commitment on the part of the participating countries as to its findings.

42. In view of the adequacy of the supplies of gold and reserve currencies in the present and in the near future, there is no immediate need to reach a decision as to the introduction of a new type of reserve asset. The studies can therefore be pursued without undue haste. But, having recognized the uncertainties concerning the future supplies of monetary reserves, we agreed that such studies are timely and should be put in hand without delay.

D. International short-term credit facilities

43. Official short-term bilateral credit facilities have proved their value in the working of the international monetary and credit system:

- Swaps and networks of standby swap arrangements are primarily designed to compensate short-term swings, and, being reciprocal by nature, are capable of providing mutual benefits.
- Ad hoc* support operations, such as have been arranged from time to time in Basle, have similarly been effective in arresting heavy movements of funds in special circumstances.

These demonstrations of close central bank cooperation are themselves an effective deterrent to speculative movements. Their informality, speed and flexibility make them especially suitable as a

first line—and short-term—defense against sudden balance of payments pressures. Over the past several years, they have mobilized massive resources in a short time to combat and limit speculative and crisis situations. Their success has greatly reduced the threat to official reserves from disequilibrating movements of private short-term capital. Such central bank support operations appear to be particularly appropriate to deal with speculative and other movements of funds which are not the outcome of, and do not significantly influence, demand and prices in the countries concerned, and are therefore inherently reversible. While we agreed that the facilities must be sufficiently flexible to supply the funds without delay when needed, we recognize the need for arrangements for exchange of information and review of such operations, as proposed under B, above.

44. We also reviewed the special bonds developed by the United States which are often denominated in the creditor's currency and are redeemable in case of need. Within the consultative framework proposed under B, above, opportunities might be found for discussion on the relationship of this method of financing to other types of credit availabilities, the role of medium-term bonds as a supplementary reserve asset in the portfolio of the lender, and the appropriate maturity for bonds of this nature, as well as possibilities for adapting this type of bond to wider uses among holders.

45. Although we were mainly concerned with credit facilities derived from official sources, we did not overlook certain recent tendencies in the field of private credit. Since the restoration of external convertibility, there has been a general increase in the volume and volatility of private and banking funds. We have no doubt that a growing volume of private credit is indispensable to a further growth in international trade and payments and that action to foster national and international money and capital markets is desirable. Movements of private funds, however, have often been of a disequilibrating kind, requiring policy instruments to be developed and special defenses to be built by international monetary cooperation, to prevent such flows from straining the international monetary system and, if possible, to direct them in an equilibrating direction. A particularly striking development has been the so-called Euro-Currency market, which has helped to channel liquid funds internationally from lenders to borrowers and may at times have had a

compensating effect on reserves. On the other hand, too large borrowing of such funds in a situation of basic external deficit may, in taking the strain from the monetary reserves, camouflage the seriousness of a development, offset the self-correcting forces of adjustment and delay deliberate action toward reestablishing external equilibrium.

46. Recourse to foreign short-term credit by commercial banks that takes place under the influence of official action may in certain cases be valuable, but it should not be relied upon generally to reduce the needs for international liquidity available to monetary authorities. In any event, it would be desirable that the members of the Group inform each other, to the extent practicable and within the consultative framework proposed in B, above, as to the scope and character of relevant private movements, especially as they may be influenced by official actions.

E. Long-term lending for monetary purposes

47. While very effective facilities have been developed for short- and medium-term credit between the larger countries, both bilaterally and through the Fund, there has so far been little provision for long-term lending between them for monetary purposes. This reflects the fact that a country that needs credit facilities for overcoming balance of payments difficulties is ordinarily expected—in the interest of international equilibrium and stability—to overcome its difficulties within a reasonably short period of time. It has, however, been suggested by some Deputies that there may be exceptional cases where longer-term lending for monetary purposes between members of the Group might be in the general interest—for example, where a temporary transfer of reserves to the low-reserve country can strengthen it in anticipation of a permanent increase in its reserves to be achieved over a longer period by moderate balance of payments surpluses.

48. There was agreement that no general arrangements for such longer-term lending should be laid down, since this might unjustifiably lessen the pressure for adjustment of existing imbalances. Exceptional cases could therefore be treated on an *ad hoc* basis, after Group appraisal of the concrete case. Some Deputies suggested that, in such cases, it might be useful for a number of countries of the Group to act together on the lend-

ing side and, if approved by the Group, there might be some collective understanding that, should a lender subsequently suffer serious reserve losses, others whose reserves were then strong would be prepared to take his holding over, with or without the IMF being associated with the transaction. The consultation and common appraisal within the Group might both lessen the risks and enhance the liquidity of any such lending; at the same time, it might ensure that the adjustment process between deficit and surplus countries of the Group would not be weakened by such lending.

F. International Monetary Fund

49. The quinquennial review of IMF quotas by the Executive Directors of the Fund is due to take place in 1965. The Fund's resources could be enlarged either by a general increase of quotas, in uniform proportions for all members, or by selective increases for some members only, or by some combination of the two, with or without an increase in the General Arrangements to Borrow (GAB). While decisions in this field rest with the competent authorities of the Fund itself, we thought it appropriate, because of the important position of the IMF in the monetary system and because of the special obligations of our countries under the GAB, to explore thoroughly the possible attitude of the members of our Group on the questions regarding the size, timing and manner of providing, if necessary, additional resources to the Fund.

50. The following points were raised during our discussions:

- Adequacy of the Fund's quotas in present and foreseeable circumstances.
- The actual use of Fund facilities by members of the Ten and other Fund members in recent years.
- Disparities in size of quota among members.
- Payment in gold of 25% of new subscriptions.
- Comparative merits of a general increase in quotas, of selective increases, or of enlargement of the GAB.
- Effect of the above on the liquidity of the Fund.

51. We are all agreed that appropriate credit facilities, particularly through the IMF, provide an element of strength to the international mone-

tary system through financing imbalances while assisting in the process of adjustment. In order, therefore, to provide resources for the Fund in the years ahead, which will no doubt bring a further growth of the world economy, we suggest that the Ministers and Governors of the Group may wish to give their support to an appropriate general increase in quotas during the quinquennial review of the adequacy of Fund resources. We also suggest that there may be some cases in which the quotas of individual members may need to be adjusted on a selective basis.

52. We considered the place of gold in the IMF. Over its whole history, the Fund has had gold receipts of \$4.2 billion from subscription payments, repurchases, and charges. The Fund has used \$1.1 billion of gold to replenish its holdings of currencies, of which \$500 million was used for this purpose in 1961, leaving \$3.1 billion. Of this, the Fund has invested \$800 million, the remainder of \$2.3 billion being the Fund's present gold holdings.

53. Various functions have been attributed to quota subscriptions in gold:

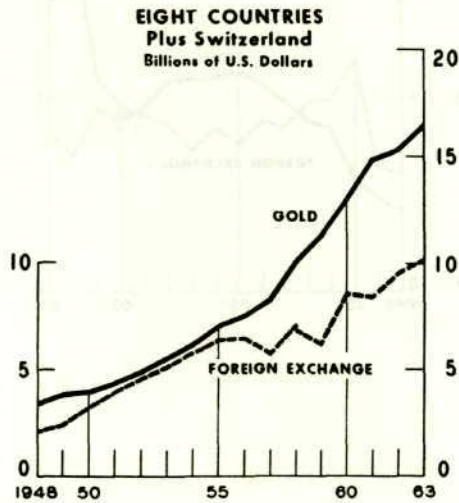
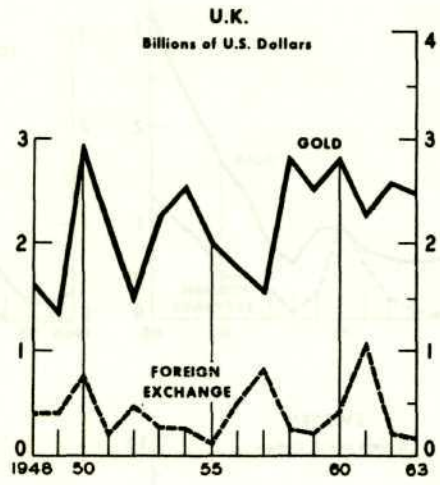
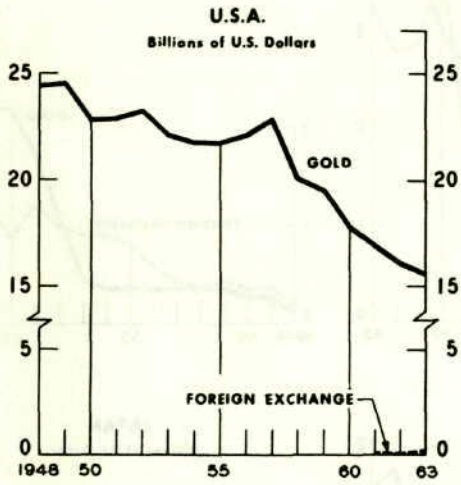
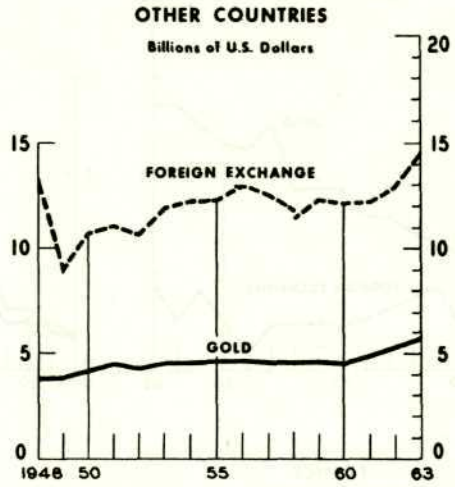
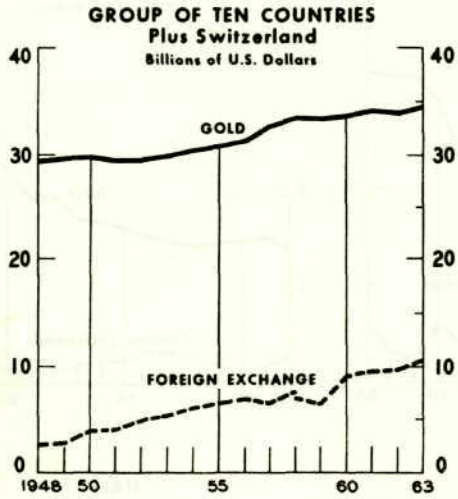
- (a) to provide the Fund with a liquid resource available, if needed, to acquire appropriate currencies necessary for its operations;
- (b) to measure the initial amount of drawing rights to which it is the Fund's policy to allow members access virtually at will; and
- (c) in some cases, to help moderate any

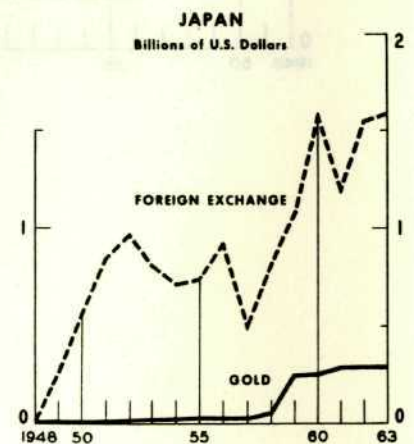
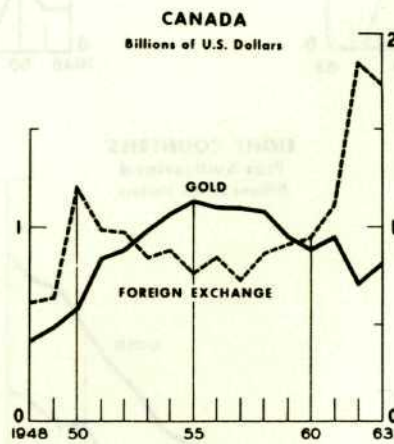
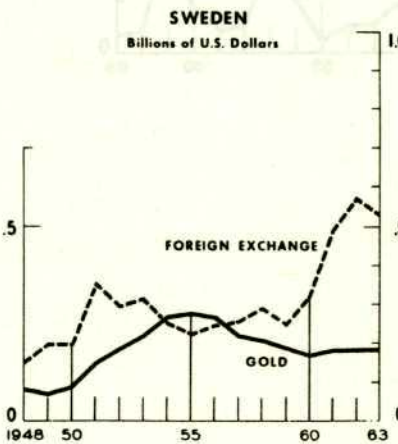
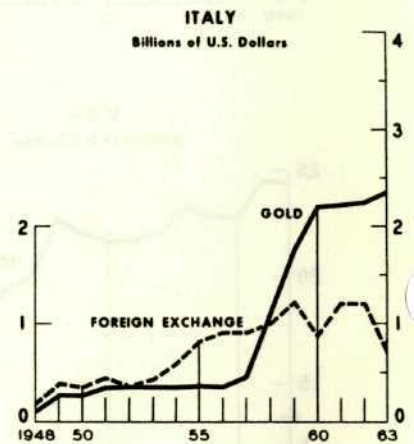
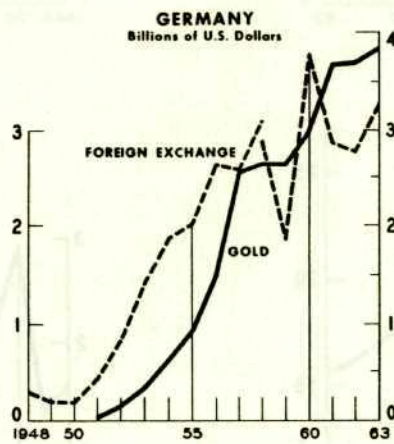
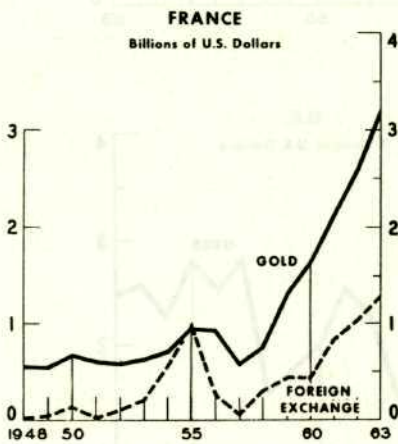
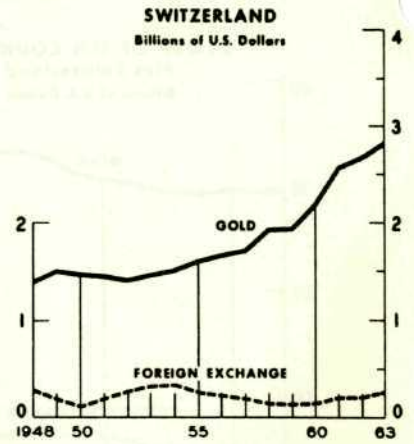
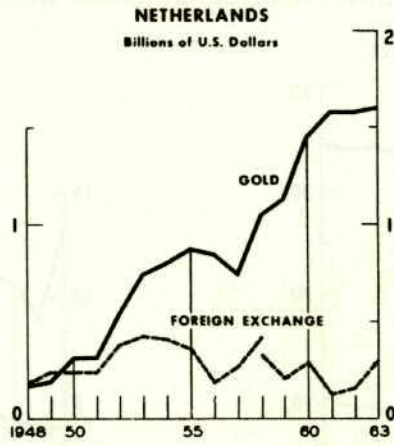
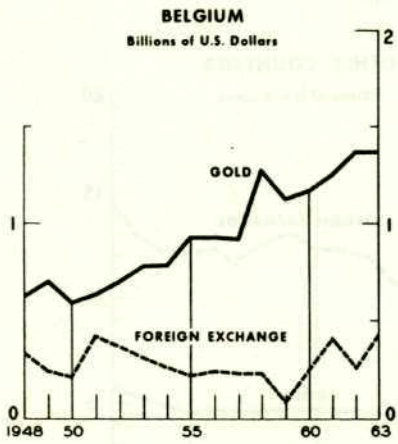
propensity to ask for larger quotas than might be justified.

54. While payments of gold subscriptions to the Fund can reduce a country's gold reserves, its overall reserve position may be said to remain unchanged if it counts the gold tranche drawing rights which it acquires as part of its reserves. But contributions of gold to the IMF made by non-reserve countries who acquire gold from a reserve currency country can reduce the gold holdings of the reserve center and, in that way, can actually diminish world reserves in the aggregate. In view of these considerations, although we are agreed on maintaining the established principle of payment in gold, attention should be given during the quinquennial review to methods of minimizing the impact, particularly on reserve currency countries, of transfers to the Fund of gold from national reserves.

55. The General Arrangements to Borrow, to which reference has already been made, expire in October, 1966. Any decision on renewal or modification must be taken not later than October, 1965, and will no doubt be related to any increases in IMF quotas, general or selective, that may be agreed. We therefore suggest that a study of this subject should be made over the coming months, in the light of possible action concerning quotas in the Fund, and that a report be made to the Ministers and Governors well in advance of October, 1965.

GOLD AND FOREIGN EXCHANGE HOLDINGS





APPENDIX II—Page 1

TABLE I—OFFICIAL RESERVES AND CREDIT FACILITIES¹

December 31, 1953–December 31, 1963

[In billions of U.S. dollars equivalent]

	RESERVES								CREDIT FACILITIES											
	GOLD AND FOREIGN EXCHANGE			OTHER					Total reserves (3)+(8)	ASSURED				SUBJECT TO NEGOTIATION				Total credit facilities (13)+(16)	Total (8)+(17)	Grand total (9)+(17)
	Gold	Foreign exchange	Sub-total (1)+(2)	Gold ² tranche	Special U.S. bonds	Swaps used by other party	Miscellaneous	Sub-total (4) to (7)		Swaps unactivated	IMF standbys ³	Other credit lines	Sub-total (10, 11, 12)	Other IMF ⁴ tranches	Potential credit lines	Sub-total (14) + (15)				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)		
The Eight and Switzerland:																				
1953.....	5.49	5.05	10.54	.26	0	0	n.a.	.26	10.80	0	0	0	1.48	1.48	1.48	1.48	1.74	12.28		
1963.....	16.44	10.13	26.57	1.80	.66	.24	n.a.	2.70	29.27	1.03	0	1.03	3.74	3.74	3.74	4.77	7.47	34.04		
Change.....	+10.95	+5.08	+16.03	+1.54	+.66	+.24	n.a.	+2.44	+18.47	+1.03	0	+1.03	+2.26	+2.26	+2.26	+3.29	+5.73	+21.76		
Group of Ten and Switzerland:																				
1953.....	29.85	5.33	35.18	1.75	0	0	n.a.	1.75	36.93	0	0	0	5.53	5.53	5.53	5.53	7.28	42.46		
1963.....	34.52	10.51	45.03	3.33	.66	.29	n.a.	4.28	49.31	3.11	.51	3.62	9.30	9.30	9.30	12.92	17.80	62.23		
Change.....	+4.67	+5.18	+9.85	+1.58	+.66	+.29	n.a.	+2.53	+12.38	+3.11	+.51	+3.62	+3.77	+3.77	+3.77	+7.39	+9.92	+19.77		
Rest of World:																				
1953.....	4.47	11.78	16.25	.14	0	0	n.a.	.14	16.39	0	0	0	1.61	1.61	1.61	1.61	1.75	18.06		
1963.....	5.68	14.56	20.24	.61	.05	0	n.a.	.66	20.90	.05	0	.05	4.18	4.18	4.18	4.23	4.82	25.13		
Change.....	+1.21	+2.78	+3.99	+.47	+.05	0	n.a.	+.52	+4.51	+.05	0	+.05	+2.57	+2.57	+2.57	+2.62	+3.14	+7.13		
All Countries:																				
1953.....	34.32	17.11	51.43	1.89	0	0	n.a.	1.89	53.23	0	0	0	7.14	7.14	7.14	7.14	9.03	60.46		
1963.....	40.20	25.07	65.27	3.94	.71	.29	n.a.	4.94	70.21	3.16	.51	3.67	13.48	13.48	13.48	17.15	22.09	87.56		
Change.....	+5.88	+7.96	+13.84	+2.05	+.71	+.29	n.a.	+3.05	+16.98	+3.16	+.51	+3.67	+6.34	+6.34	+6.34	+10.01	+13.06	+26.90		

¹ Data for other reserves and credit facilities are incomplete and partly estimated.

² Including super gold tranche.

³ Beyond the gold tranche.

⁴ Including standbys subject to policy performance.

n.a. Not available.

APPENDIX II—Page 2

TABLE II—OFFICIAL RESERVES AND CREDIT FACILITIES¹

December 31, 1959—December 31, 1963

[In billions of U.S. dollars equivalent]

	RESERVES								CREDIT FACILITIES										Total (8)+(17)	Grand total (9)+(17)
	GOLD AND FOREIGN EXCHANGE			OTHER					ASSURED				SUBJECT TO NEGOTIATION							
	Gold	Foreign exchange	Sub- total (1)+(2)	Gold ² tranche	Special U.S. bonds	Swaps used by other party	Mis- cella- neous	Sub- total (4) to (7)	Total reserves (3)+(8)	Swaps unacti- vated	IMF stand- bys ³	Other credit lines	Sub- total (10, 11, 12)	Other IMF ⁴ tranches	Poten- tial credit lines	Sub- total (14) +(15)	Total credit facilities (13)+(16)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)		
The Eight and Switzerland:																				
1959.....	11.27	6.20	17.47	.86	0	0	n.a.	.86	18.53	0	0	0	3.80		3.80	3.80	4.66	22.13		
1963.....	16.44	10.13	26.57	1.80	.66	.24	n.a.	2.70	29.27	1.03	0	1.03	3.74		3.74	4.77	7.47	34.04		
Change.....	+5.17	+3.93	+9.10	+1.94	+.66	+.24	n.a.	+1.84	+10.94	+1.03	0	+1.03	-.06		-.06	+1.97	+2.81	+11.91		
Group of Ten and Switzerland:																				
1959.....	33.29	6.44	39.73	2.93	0	0	n.a.	2.93	42.66	0	0	0	9.87		9.87	9.87	12.80	52.53		
1963.....	34.52	10.51	45.03	3.33	.66	.29	n.a.	4.28	49.31	3.11	.51	3.62	9.30		9.30	12.92	17.20	62.23		
Change.....	+1.23	+4.07	+5.30	+.40	+.66	+.29	n.a.	+1.35	+6.65	+3.11	+.51	+3.62	-.57		-.57	+3.05	+4.40	+9.70		
Rest of World:																				
1959.....	4.59	12.66	17.25	.32	0	0	n.a.	.32	17.57	0	0	0	3.03		3.03	3.03	3.55	20.60		
1963.....	5.68	14.56	20.24	.61	.05	0	n.a.	.66	20.90	.05	0	.05	4.18		4.18	4.23	4.89	25.13		
Change.....	+1.09	+1.90	+2.99	+.29	+.05	0	n.a.	+.34	+3.33	+.05	0	+.05	+1.15		+1.15	+1.20	+1.54	+4.53		
All Countries:																				
1959.....	37.88	19.10	56.98	3.25	0	0	n.a.	3.25	60.23	0	0	0	12.90		12.90	12.90	16.15	73.13		
1963.....	40.20	25.07	65.27	3.94	.71	.29	n.a.	4.94	70.21	3.16	.51	3.67	13.48		13.48	17.15	22.09	87.36		
Change.....	+2.32	+5.97	+8.29	+.69	+.71	+.29	n.a.	+1.69	+9.98	+3.16	+.51	+3.67	+1.58		+1.58	+4.25	+5.94	+14.23		

¹ Data for other reserves and credit facilities are incomplete and partly estimated.² Including super gold tranche.³ Beyond the gold tranche.⁴ Including standbys subject to policy performance.

n.a. Not available.

TABLE III—OFFICIAL RESERVES AND CREDIT FACILITIES¹

December 31, 1953—December 31, 1963 [In billions of U.S. dollars equivalent]

	RESERVES								CREDIT FACILITIES											
	GOLD AND FOREIGN EXCHANGE			OTHER					Total reserves (3)+(8)	ASSURED				SUBJECT TO NEGOTIATION				Total credit facilities (13)+(16)	Total (8)+(17)	Grand total (9)+(17)
	Gold	Foreign exchange	Sub-total (1)+(2)	Gold ² tranche	Special U.S. bonds	Swaps used by other party	Miscellaneous	Sub-total (4) to (7)		Swaps unactivated	IMF standbys ³	Other credit lines	Sub-total (10, 11, 12)	Other IMF ⁴ tranches	Potential credit lines	Sub-total (14) + (15)				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)		
The Eight:																				
1953	4.03	4.74	8.77	.26	0	0	n.a.	.26	9.03	0	0	0	1.48	1.48	1.48	1.74	10.51			
1963	13.62	9.88	23.50	1.80	.61	.16	n.a.	2.57	26.07	.95	0	.95	3.74	3.74	4.69	7.26	30.76			
Change	+9.59	+5.14	+14.73	+1.54	+.61	+.16	n.a.	+2.31	+17.04	+.95	0	+.95	+2.26	0	+2.26	+3.21	+5.52	+20.25		
Switzerland:																				
1953	1.46	.31	1.77	0	0	0	n.a.	0	1.77	0	0	0	0	0	0	0	0	1.77		
1963	2.82	.25	3.07	0	.05	.08	n.a.	.13	3.20	.08	0	.08	0	0	0	.08	.21	3.28		
Change	+1.36	-.06	+1.30	0	+.05	+.08	n.a.	+.13	+1.43	+.08	0	+.08	0	0	0	+.08	+.21	+1.51		
The Eight and Switzerland:																				
1953	5.49	5.05	10.54	.26	0	0	n.a.	.26	10.80	0	0	0	1.48	1.48	1.48	1.74	12.28			
1963	16.44	10.13	26.57	1.80	.66	.24	n.a.	2.70	29.27	1.03	0	1.03	3.74	3.74	4.77	7.47	34.04			
Change	+10.95	+5.08	+16.03	+1.54	+.66	+.24	n.a.	+2.44	+18.47	+1.03	0	+1.03	+2.26	0	+2.26	+3.29	+5.73	+21.76		
United Kingdom:																				
1953	2.26	.28	2.54	.12	0	0	n.a.	.12	2.66	0	0	0	1.30	1.30	1.30	1.42	3.96			
1963	2.48	.17	2.65	.49	0	0	n.a.	.49	3.14	.50	.51	1.01	1.44	1.44	2.45	2.94	5.59			
Change	+.22	-.11	+.11	+.37	0	0	n.a.	+.37	+.48	+.50	+.51	+.01	+.14	0	+1.15	+1.52	+1.63			
United States:																				
1953	22.10	0	22.10	1.37	0	0	n.a.	1.37	23.47	0	0	0	2.75	2.75	2.75	4.12	26.22			
1963	15.60	.21	15.81	1.04	0	.05	n.a.	1.09	16.90	1.58	0	1.58	4.12	4.12	5.70	6.79	22.60			
Change	-6.50	+.21	-6.29	-.33	0	+.05	n.a.	-.28	-6.57	+1.58	0	+.01	1.37	1.37	+2.95	+2.67	-3.62			
Reserve Countries:																				
1953	24.36	.28	24.64	1.49	0	0	n.a.	1.49	26.13	0	0	0	4.05	4.05	4.05	5.54	30.18			
1963	18.08	.38	18.46	1.53	0	.05	n.a.	1.58	20.04	2.08	.51	2.59	5.56	5.56	8.15	9.73	28.19			
Change	-6.28	+.10	-6.18	+.04	0	+.05	n.a.	+.09	-6.09	+2.08	+.51	2.59	+1.51	1.51	+4.10	+4.19	-1.99			
Group of Ten:																				
1953	28.39	5.02	33.41	1.75	0	0	n.a.	1.75	35.16	0	0	0	5.53	5.53	5.53	7.28	40.69			
1963	31.70	10.26	41.96	3.33	.61	.21	n.a.	4.15	46.11	3.03	.51	3.54	9.30	9.30	12.84	16.99	58.95			
Change	+3.31	+5.24	+8.55	+1.58	+.61	+.21	n.a.	+2.40	+10.95	+3.03	+.51	3.54	+3.77	3.77	+7.31	+9.71	+18.26			
Group of Ten and Switzerland:																				
1953	29.85	5.33	35.18	1.75	0	0	n.a.	1.75	36.93	0	0	0	5.53	5.53	5.53	7.28	42.46			
1963	34.52	10.51	45.03	3.33	.66	.29	n.a.	4.28	49.31	3.11	.51	3.62	9.30	9.30	12.92	17.20	62.23			
Change	+4.67	+5.18	+9.85	+1.58	+.66	+.29	n.a.	+2.53	+12.38	+3.11	+.51	3.62	+3.77	3.77	+7.39	+9.92	+19.77			
Rest of World:																				
1953	4.47	11.78	16.25	.14	0	0	n.a.	.14	16.39	0	0	0	1.61	1.61	1.61	1.75	18.00			
1963	5.08	14.56	20.24	.61	.05	0	n.a.	.66	20.90	.05	0	.05	4.18	4.18	4.23	4.89	25.13			
Change	+1.21	+2.78	+3.99	+.47	+.05	0	n.a.	+.52	+4.51	+.05	0	+.05	+2.57	2.57	+2.62	+3.14	+7.13			
All Countries:																				
1953	34.32	17.11	51.43	1.89	0	0	n.a.	1.89	53.32	0	0	0	7.14	7.14	7.14	9.03	60.46			
1963	40.20	25.07	65.27	3.94	.71	.29	n.a.	4.94	70.21	3.16	.51	3.67	13.48	13.48	17.15	22.09	87.36			
Change	+5.88	+7.96	+13.84	+2.05	+.71	+.29	n.a.	+3.05	+16.89	+3.16	+.51	3.67	+6.34	6.34	+10.01	+13.06	+26.90			
BIS:																				
1953	.08	0	.08	0	0	0	n.a.	0	.08	0	0	0	0	0	0	0	0	.08		
1963	-.28	0	-.28	0	0	.15	n.a.	.15	-.13	.01	0	.01	0	0	.01	.16	-.12			
Change	-.20	0	-.20	0	0	+.15	n.a.	+.15	-.05	+.01	0	+.01	0	0	+.01	+.16	-.04			
Other International Organizations:																				
1953	1.86	0	1.86	0	0	0	n.a.	0	1.86	0	0	0	0	0	0	0	0	1.86		
1963	2.36	0	2.36	0	0	0	n.a.	0	2.36	0	0	0	0	0	0	0	0	2.36		
Change	+.50	0	+.50	0	0	0	n.a.	0	+.50	0	0	0	0	0	0	0	0	+.50		

¹ Data for other reserves and credit facilities are incomplete and partly estimated.² Including super gold tranche.³ Beyond the gold tranche.⁴ Including standbys subject to policy performance.

n.a. Not available.

APPENDIX II—Page 4
 TABLE IV—OFFICIAL RESERVES AND CREDIT FACILITIES ¹

December 31, 1959–December 31, 1963 [In billions of U.S. dollars equivalent]

	RESERVES								CREDIT FACILITIES											
	GOLD AND FOREIGN EXCHANGE			OTHER					Total reserves (3)+(8)	ASSURED				SUBJECT TO NEGOTIATION				Total credit facilities (13)+(16)	Total (8)+(17)	Grand total (9)+(17)
	Gold	Foreign exchange	Sub-total (1)+(2)	Gold ² tranche	Special U.S. bonds	Swaps used by other party	Miscellaneous	Sub-total (4) to (7)		Swaps unactivated	IMF standbys ³	Other credit lines	Sub-total (10, 11, 12)	Other IMF ⁴ tranches	Potential credit lines	Sub-total (14) to (15)				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)		
The Eight:																				
1959.....	9.34	6.07	15.41	.86	0	0	n.a.	.86	16.27	0	0	0	3.80		3.80	3.80	4.66	20.07		
1963.....	13.62	9.88	23.50	1.80	.61	.16	n.a.	2.57	26.07	.95	0	.95	3.74		3.74	4.69	7.26	30.76		
Change.....	+4.28	+3.81	+8.09	+1.94	+1.61	+1.16	n.a.	+1.71	+9.80	+1.95	0	+1.95	-.06		-.06	+1.89	+2.60	+10.69		
Switzerland:																				
1959.....	1.93	.13	2.06	0	0	0	n.a.	0	2.06	0	0	0	0		0	0	0	2.06		
1963.....	2.82	.25	3.07	0	.05	.08	n.a.	.13	3.20	.08	0	.08	0		0	.08	.21	3.28		
Change.....	+1.89	+1.12	+1.01	0	+1.05	+1.08	n.a.	+1.13	+1.14	+1.08	0	+1.08	0		0	+1.08	+1.21	+1.22		
The Eight and Switzerland:																				
1959.....	11.27	6.20	17.47	.86	0	0	n.a.	.86	18.33	0	0	0	3.80		3.80	3.80	4.66	22.13		
1963.....	16.44	10.13	26.57	1.80	.66	.24	n.a.	2.70	29.27	1.03	0	1.03	3.74		3.74	4.77	7.47	34.04		
Change.....	+5.17	+3.93	+9.10	+1.94	+1.66	+1.24	n.a.	+1.84	+10.94	+1.03	0	+1.03	-.06		-.06	+1.97	+2.81	+11.91		
United Kingdom:																				
1959.....	2.51	.24	2.75	.07	0	0	n.a.	.07	2.82	0	0	0	1.95		1.95	1.95	2.02	4.77		
1963.....	2.48	.17	2.65	.49	0	0	n.a.	.49	3.14	.50	.51	1.01	1.44		1.44	2.45	2.94	5.59		
Change.....	-.03	-.07	-.10	+1.42	0	0	n.a.	+1.42	+1.32	+1.50	+1.51	+1.01	-.51		-.51	+1.80	+1.92	+1.82		
United States:																				
1959.....	19.51	0	19.51	2.00	0	0	n.a.	2.00	21.51	0	0	0	4.12		4.12	4.12	6.12	25.63		
1963.....	15.60	.21	15.81	1.04	0	.05	n.a.	1.09	16.90	1.58	0	1.58	4.12		4.12	4.12	5.70	22.60		
Change.....	-3.91	+1.21	-3.70	-.96	0	+1.05	n.a.	-.91	-4.61	+1.58	0	+1.58	0		0	+1.58	+1.67	-3.03		
Reserve Countries:																				
1959.....	22.02	.24	22.26	2.07	0	0	n.a.	2.07	24.33	0	0	0	6.07		6.07	6.07	8.14	30.40		
1963.....	18.08	.38	18.46	1.53	0	.05	n.a.	1.58	20.04	2.08	.51	2.59	5.56		5.56	5.56	8.15	28.19		
Change.....	-3.94	+1.14	-3.80	-.54	0	+1.05	n.a.	-.49	-4.29	+2.08	+1.51	+2.59	-.51		-.51	+2.08	+1.59	-2.21		
Group of Ten:																				
1959.....	31.36	6.31	37.67	2.93	0	0	n.a.	2.93	40.60	0	0	0	9.87		9.87	9.87	12.80	50.47		
1963.....	31.70	10.26	41.96	3.33	.61	.21	n.a.	4.15	46.11	3.03	.51	3.54	9.30		9.30	12.84	16.99	58.55		
Change.....	+1.34	+3.95	+4.29	+1.40	+1.61	+1.21	n.a.	+1.22	+5.51	+3.03	+1.51	+3.54	-.57		-.57	+2.97	+4.19	+8.08		
Group of Ten and Switzerland:																				
1959.....	33.29	6.44	39.73	2.93	0	0	n.a.	2.93	42.66	0	0	0	9.87		9.87	9.87	12.80	52.53		
1963.....	34.52	10.51	45.03	3.33	.66	.29	n.a.	4.28	49.31	3.11	.51	3.62	9.30		9.30	12.92	17.20	62.23		
Change.....	+1.23	+4.07	+5.30	+1.40	+1.66	+1.29	n.a.	+1.35	+6.65	+3.11	+1.51	+3.62	-.57		-.57	+3.05	+4.40	+9.70		
Rest of World:																				
1959.....	4.59	12.66	17.25	.32	0	0	n.a.	.32	17.57	0	0	0	3.03		3.03	3.03	3.35	20.60		
1963.....	5.68	14.56	20.24	.61	.05	0	n.a.	.66	20.90	.05	0	.05	4.18		4.18	4.23	4.89	25.13		
Change.....	+1.09	+1.90	+2.99	+1.29	+1.05	0	n.a.	+1.34	+3.33	+1.05	0	+1.05	+1.15		+1.15	+1.80	+1.54	+4.53		
All Countries:																				
1959.....	37.88	19.10	56.98	3.25	0	0	n.a.	3.25	60.23	0	0	0	12.90		12.90	12.90	16.15	73.13		
1963.....	40.20	25.07	65.27	3.94	.71	.29	n.a.	4.94	70.21	3.16	.51	3.67	13.48		13.48	17.15	22.09	87.36		
Change.....	+2.32	+5.97	+8.29	+1.69	+1.71	+1.29	n.a.	+1.69	+9.98	+3.16	+1.51	+3.67	+1.58		+1.58	+4.25	+5.94	+14.23		
BIS:																				
1959.....	-.13	0	-.13	0	0	0	n.a.	0	-.13	0	0	0	0		0	0	0	-.13		
1963.....	-.28	0	-.28	0	0	.15	n.a.	.15	-.13	.01	0	.01	0		0	.01	.16	-.12		
Change.....	-.15	0	-.15	0	0	+1.15	n.a.	+1.15	0	+1.01	0	+1.01	0		0	+1.01	+1.16	+1.01		
Other International Organizations:																				
1959.....	2.44	0	2.44	0	0	0	n.a.	0	2.44	0	0	0	0		0	0	0	2.44		
1963.....	2.36	0	2.36	0	0	0	n.a.	0	2.36	0	0	0	0		0	0	0	2.36		
Change.....	-.08	0	-.08	0	0	0	n.a.	0	-.08	0	0	0	0		0	0	0	-.08		

¹ Data for other reserves and credit facilities are incomplete and partly estimated.

² Including super gold tranche.

³ Beyond the gold tranche.

⁴ Including standbys subject to policy performance.

n.a. Not available.

APPENDIX II—Page 5

Notes to Accompany Tables on Reserves and Credit Facilities

*Table Column
No.*

1. *Gold.* Figures are published data from *International Financial Statistics*.
2. *Foreign Exchange.* Figures are published in *IFS*.
3. Subtotal of (1) and (2) represents the sum of gold and foreign exchange (primary reserves).
4. *Gold Tranche*, including super gold tranche, is published in *IFS*.
5. *Special U.S. Bonds* represent U.S. Government nonmarketable obligations payable in foreign currencies or in U.S. dollars, with an original maturity of more than one year, and convertible at the option of the holder into short-term Treasury obligations.
6. *Swaps Used by Other Party* represent that part of a reciprocal swap arrangement that corresponds to a swing credit that has been drawn upon by the other party, and is therefore an asset of the drawee country. Where swaps have been activated and amounts are held in the form of foreign exchange, they appear under "foreign exchange". The total amounts for swaps included in the tables will always add up to twice the original amount available to one party in the case of a group of countries that includes both parties to the swap.
7. *Miscellaneous* includes, but is not limited to, forward or other availabilities, long-term mobilizable securities and other foreign assets that have been acquired by monetary authorities, such as IBRD notes, etc.

*Table Column
No.*

9. *Total Reserves* represent the sum of primary and other reserves. Total may not be statistically exact since some countries treat special U.S. bonds as part of foreign exchange reserves and therefore there may be some element of double counting. This also applies to Columns 8, 18 and 19.
10. *Swaps Unactivated.* This represents the standby facilities that have been established under swap agreements but not activated in the sense of reciprocal acquisition of foreign exchange.
11. *IMF Standbys.* This column would include standby facilities that can be drawn upon without further policy review; there was one of these in existence on December 31, 1963.
12. *Other Credit Lines.* This column would include bilateral or other assured credit lines that may exist now or in the future.
14. *Other IMF Tranches.* The amount shown in this column (together with the amount in column 11) represents for each country the undrawn portion of four credit tranches, which if drawn in full would bring the currency holdings of the IMF in that country's currency to 200 percent of quota.
15. *Potential Credit Lines.* This column registers the potentiality of other credit facilities that may be negotiated, or may be available after negotiation under some kind of policy review.
18. *Total of Other Reserves and Credit Facilities.* This is the sum of all the items except gold and foreign exchange reserves.

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Bank of Spain	Bank of Spain
Bank of Portugal	Bank of Portugal
Bank of Greece	Bank of Greece
Bank of Turkey	Bank of Turkey

Observers

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Bank of Italy	Bank of Italy
Bank of Spain	Bank of Spain
Bank of Portugal	Bank of Portugal
Bank of Greece	Bank of Greece
Bank of Turkey	Bank of Turkey

BUSINESS NEWS REPORTS

PRELIMINARY RELEASE ON THE BALANCE OF PAYMENTS
DURING THE SECOND QUARTER

FOR IMMEDIATE RELEASE
THURSDAY, AUGUST 13, 1964

OBE 64-45

Walther Lederer: WOrth 7-3709

During the second quarter of this year, international reserves of the monetary authorities of the United States declined by \$303 million, the U.S. Department of Commerce reported today.

While the official gold stock increased by \$73 million, holdings of convertible foreign currencies declined by \$258 million, and the gold tranche position of the United States in the International Monetary Fund--which represents nearly automatic drawing rights on foreign currency holdings of that institution--declined by \$118 million, according to preliminary calculations by the Department's Office of Business Economics.

Liquid liabilities, consisting of foreign deposits in U.S. banks and foreign holdings of marketable U.S. Government securities, increased by about \$245 million. Foreign holdings of nonmarketable medium-term securities, convertible into cash at short notice, were \$122 million higher than in the previous quarter.

The balance on international transactions during the second quarter, measured by the changes in U.S. official monetary reserves, and in liquid liabilities to foreigners, was adverse by \$670 million, if the foreign holdings of nonmarketable medium-term convertible securities are included among the latter--and by \$548 million if they are excluded and considered long-term foreign investments in the United States.

The major part of the adverse balance of \$670 million, \$470 million, occurred early in the quarter, in April. The adverse balance during May and June together was only \$200 million. (If the special Government securities are not included with liquid liabilities, the April figure is \$418 million and that for May and June \$130 million.) The large adverse balance in April followed a favorable balance of about \$360 million in March. Both the March and April figures were quite exceptional, and the \$830 million shift of the balance between these two months accounted for a large part of the change in the balance from the first to the second quarter, OBE noted.

Seasonal factors are generally favorable to the U.S. balance of payments during the first half of the year, but more so in the first than in the second quarter. Preliminary adjustments for seasonal variations

(Over)

would raise the second quarter balance to about \$790 million, which compares with a revised figure of about \$75 million for the first quarter of the year. Counting the foreign purchases of the \$122 million of convertible special Government securities in the second quarter as long-term investments in the United States, the balances for the two quarters would be about \$670 million and \$75 million, respectively.

Although the change in the balance from the first to the second quarter appears to have been large, it was not unexpected, as the international transactions during the first quarter included many which were temporarily favorable to the U.S. balance of payments.

Incomplete data now available to OBE indicate that the following changes accounted for the major part of the shift in the balance from the first to the second quarter.

(1) Special Government transactions (mainly advances on military purchases by foreign countries) which in the first quarter were favorable to the balance of payments by about \$140 million, changed to being unfavorable by about \$50 million as cash receipts on military orders fell short of deliveries. Omitting these special transactions, the adverse balance on other (regular) transactions, after adjustment for seasonal factors, rose from slightly over \$200 million in the first quarter to about \$740 million in the second. This compares with last year's nearly \$3.3 billion, or a quarterly average of \$820 million in 1963, and the quarterly average of \$900 million in 1962.

(2) Merchandise imports, which in the first quarter were lower than usual at the prevailing level of domestic business activity and incomes, rose by about \$200 million. Merchandise exports, which in the first quarter were expanded by extraordinary grain sales to the Soviet Bloc, declined by about \$70 million. The trade balance declined, therefore, by about \$270 million, but was still \$200 million higher than in last year's second quarter.

(3) Preliminary data on capital transactions indicate a rise of about \$130 million from the previous quarter in purchases of newly issued foreign securities. In both the first and the second quarters the new issues included \$50 million of securities which were part of a larger issue arranged for early in 1963 before the Interest Equalization Tax was proposed. The second quarter issues also included \$50 million of bonds of the Inter-American Development Bank.

(4) Transactions in other foreign securities, which had resulted in net sales of close to \$100 million in the first quarter, changed to net sales of only about \$34 million in the second quarter. The adverse effect of this change was largely offset, however, by a shift from net sales to net purchases of U.S. securities by foreigners.

(More)

(5) Net capital outflows reported by banks, both on long- and short-terms, which had risen to about \$700 million in the first quarter of this year continued close to that rate after adjustment for seasonal variations. There was, however, a shift from long- to short-term outflows.

(6) The balance on other transactions--for which data are not yet available but can be derived as a residual--changed from net debits of \$1,250 million in the first quarter to net debits of \$1,420 million in the second. It includes all private services transactions, Government transactions, and capital transactions reported by U.S. and foreign corporations other than banks and security dealers.

This balance appears to have been exceptionally low in the first quarter, and the change returned the balance approximately to the same level as it was in the last two quarters of 1963. It continued to be more favorable, however, than in the first two quarters of 1963 or the average quarterly balance during 1962.

A summary of data now available is provided in the following table.

Details on the second quarter balance of payments will be published in the September issue of the Survey of Current Business, official monthly journal of the Office of Business Economics, U.S. Department of Commerce.

The Survey of Current Business is available from field offices of the Department of Commerce, or from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402, at an annual subscription price of \$4.00, including weekly supplements; single copy 30 cents.

Selected data on foreign transactions and the balance of payments
in the second quarter of 1964 available as of the middle of August

(Millions of dollars)

Credits +, Debits -	1962	1963								Adjusted for seasonal variations					
		Year								1963				1964	
		I	II	III	IV	I	II	III	IV	I	II p				
A. Regular types of transactions:															
Merchandise, excluding military:															
Exports.....	20,576	21,938	4,953	5,691	5,192	6,102	6,090	6,275	4,984	5,459	5,597	5,898	6,087	6,020	
Imports.....	-16,134	-16,931	-3,909	-4,212	-4,299	-4,511	-4,333	-4,570	-4,017	-4,197	-4,353	-4,364	-4,347	-4,550	
Balance.....	4,442	5,007	1,044	1,479	893	1,591	1,757	1,705	967	1,262	1,244	1,534	1,740	1,470	
New issues of foreign securities..	-1,076	-1,269	-481	-518	-183	-87	-132	-265	-446	-483	-253	-87	-97	-230	
Redemptions.....	203	195	43	50	52	50	44	55	43	50	52	50	44	55	
U.S. purchases (-) or sales (+) of other foreign securities.....	-96	-6	-59	-68	32	89	99	34	-59	-68	32	89	99	34	
Capital outflows reported by U.S. banks:															
Long-term.....	-127	-722	27	-177	-114	-458	-231	-67	-13	-147	-134	-428	-271	-37	
Short-term.....	-324	-721	77	-402	96	-492	-421	-534	62	-492	-19	-272	-436	-624	
Foreign purchases (+) or sales (-) of U.S. securities.....	134	252	14	114	51	73	-42	9	14	114	51	73	-42	9	
Other transactions (derived as residual).....	-6,761	-6,022	-1,478	-1,690	-1,672	-1,182	-1,006	-1,560	-1,738	-1,550	-1,377	-1,357	-1,251	-1,419	
Balance on regular types of transactions.....	-3,605	-3,286	-813	-1,212	-845	-416	68	-623	-1,170	-1,314	-404	-398	-214	-742	
B. Special Government transactions:															
Nonscheduled receipts on															
Government loans.....	681	326	25	34	241	26	54	30	25	34	241	26	54	30	
Advances on military exports.....	470	359	20	-5	105	239	140	-70	20	-5	105	239	140	-70	
Sales of nonmarketable, medium- term, nonconvertible securities..	251	-43	63	-10	-95	-1	-55	-7	63	-10	-95	-1	-55	-7	
Sales of nonmarketable, medium- term, convertible securities.....	--	702	350	152	175	25	--	122	350	152	175	25	--	122	
C.1. Balance A+B excluding net receipts from sales of nonmarketable, medium-term, convertible securities.....	-2,203	-2,644	-705	-1,193	-594	-152	207	-670	-1,062	-1,295	-153	-134	-75	-789	
2. Balance A+B including net receipts from sales of nonmarketable, medium-term, convertible securities.....	-2,203	-1,942	-355	-1,041	-419	-127	207	-548	-712	-1,143	22	-109	-75	-667	
D. Increase (+) or decrease (-) in short-term official and banking liabilities and in foreign holdings of other liquid assets in the United States.....	670	1,564	323	917	192	132	-156	245							
E. Decrease (+) or increase (-) in monetary reserve assets.....	1,533	378	32	124	227	-5	-51	303							
1. IMF gold tranche position.....	626	30	-46	2	59	15	131	118							
2. Convertible currencies.....	17	-113	-33	6	-28	-58	-228	258							
3. Gold.....	890	461	111	116	196	38	46	-73							

p. Preliminary.

Source: U.S. Department of Commerce, Office of Business Economics.

by WALTHER LEDERER

The Balance of Payments During the First Quarter 1964

DURING the first quarter of this year international reserves of the monetary authorities of the United States increased by \$51 million, and U.S. liquid liabilities to foreigners dropped by \$156 million, resulting in an improvement of \$207 million in our net position on these international accounts. Since there were no transactions in special nonmarketable medium-term securities convertible into cash at short notice, there are no alternative versions of this balance for this period (table 3, lines 52 and 52a).

Seasonal factors have a favorable influence on the international transactions of the United States during the first quarter, mainly because travel expenditures abroad are low, but also because net capital outflows are usually less than average. During the first quarter of 1964, these and other seasonal factors are estimated to have improved our balance by about \$250 million, so that after adjustment for these factors it was adverse by only about \$40 million. (Table 1, lines C1 and C2.) Changes in U.S. international reserves and net transfers of liquid dollar assets to foreign accounts thus indicate that the international transactions of the U.S. were in virtual balance.

The first quarter improvement occurred largely in March, when the international reserve assets of the monetary authorities rose by \$123 million, while liquid liabilities to foreigners dropped by \$237 million, for a total gain of \$360 million. During the 2 preceding months the overall balance had been adverse by \$153 million. The improvement in March was more than offset, however, in April. This suggests that the favorable change during the first quarter was in part temporary.

The seasonally adjusted adverse balance of \$140 million for the first quarter

compares with adverse quarterly balances during the second half of 1963 averaging about \$135 million if the nonmarketable medium-term convertible Government securities are counted as liquid liabilities (table 1, line C1), or about \$35 million if these securities are considered as foreign long-term investments in the United States (table 1, line C2). The corresponding figures for 1963 as a whole were \$2,644 million and \$1,942 million, respectively.

According to data that are still preliminary, "special" Government transactions contributed about \$140 million to receipts during the quarter, considerably less than in the last quarter of 1963 (table 1, B 1, 2, 3). Foreign debt repayment in advance of the scheduled dates were about \$50 million, of which \$42 million was collected from Mexico. In addition, some foreign obligations were sold in advance of their maturity. These receipts were offset, however, by repayments by the United States of \$55 million of nonmarketable, medium-term, nonconvertible Government securities. Precise data on changes in Government liabilities on military sales contracts are not yet available, but preliminary figures indicate a rise of about \$140 million.

Consequently, the first quarter balance on all other or "regular types" of transactions after seasonal adjustment was adverse by about \$180 million. This compares with an adverse quarterly average of about \$400 million during the second half of 1963 and \$1,250 million during the first half of last year (table 1, line A13).

Favorable temporary developments

Among the temporary developments having a favorable effect on the first quarter balance the following seem to have been most important:

(1) Agricultural exports were increased by sales to the Soviet bloc amounting to about \$100 million. Other agricultural exports, which had risen sharply in the last quarter of 1963, also partly because of temporary conditions, continued at the same level.

(2) Merchandise imports were temporarily low relative to the amounts that could be expected on the basis of past relationships to economic activity in this country and in other industrialized countries. The shortfall for the quarter, estimated at about \$100 million, was concentrated in the first 2 months. Imports rose sharply in March, and a further rise occurred in April.

(3) Receipts from military transactions were boosted by collections of about \$50 million on foreign obligations arising from logistical support given by the United States to Allied troops in Korea in earlier years. This item is included in the tables with military sales as the amounts of foreign liabilities had not been established at the time the supplies were transferred.

(4) Income on direct investment after seasonal adjustment increased from the fourth quarter of last year by \$230 million, and exceeded by about \$210 million last year's quarterly average. At least \$75 million of the first quarter receipts represented dividend distributions from earnings accumulated earlier. These dividend distributions to U.S. parent companies appear to have been postponed to take advantage of the lower tax rates applicable to corporate incomes this year.

(5) Net capital outflows to Canada through direct investments were exceptionally low. The \$21 million total in the first quarter of 1964 may be compared with over \$100 million

in the first quarter 1963 and a quarterly average of about \$80 million in each of the years 1961 through 1963.

Including only the special agricultural sales to the Soviet bloc these developments improved the balance in the first quarter by close to \$400 million; counting also the agricultural sales which may be attributed to special conditions in other areas the figures might be raised by about another \$100 million.

In addition, the effects of the proposed Interest Equalization Tax on capital outflows through security issues may have been somewhat more restrictive than may be expected after the tax has been enacted.

Unfavorable temporary developments

Among the transactions which had an exceptionally large temporary negative effect the following are most important:

(1) Net outflows of short-term corporate funds to unaffiliated foreign organizations amounted to more than \$200 million, of which \$160 million moved to Canada (table 5). The large first quarter outflow followed an inflow of \$120 million after seasonal adjustment in the second half of last year. The major part of the unusually large shift to Canada probably reflected differences in relative yields on time deposits and similar investments offered by Canadian and U.S. banks, but some of the outflow may also consist of trade credits.

Although shifts in the movement of corporate funds during the 12-month period ended in March were relatively large, the longer run growth in the net outflow of such funds appears to have slowed down considerably. From \$350 million in 1960 it increased to \$430 million in 1961, but declined to \$230 million in 1962 and to about \$180 million in 1963 and the first quarter of 1964 combined. Unless, as now seems unlikely, the first quarter movement indicates a sharp reversal of this trend, it may be concluded that the first quarter net outflow was exceptionally large.

(2) Foreign claims, reported by banks classified as short-term were well over \$400 million after seasonal adjustment. This was among the largest amounts for

a single quarter in recent years (table 5). Japan and Canada were among the major recipients of these funds. The net flow to Canada was \$80 million, an unusually large amount compared with earlier periods, but it consisted mostly of acquisitions of foreign currency assets probably on behalf of the reporting banks' customers.

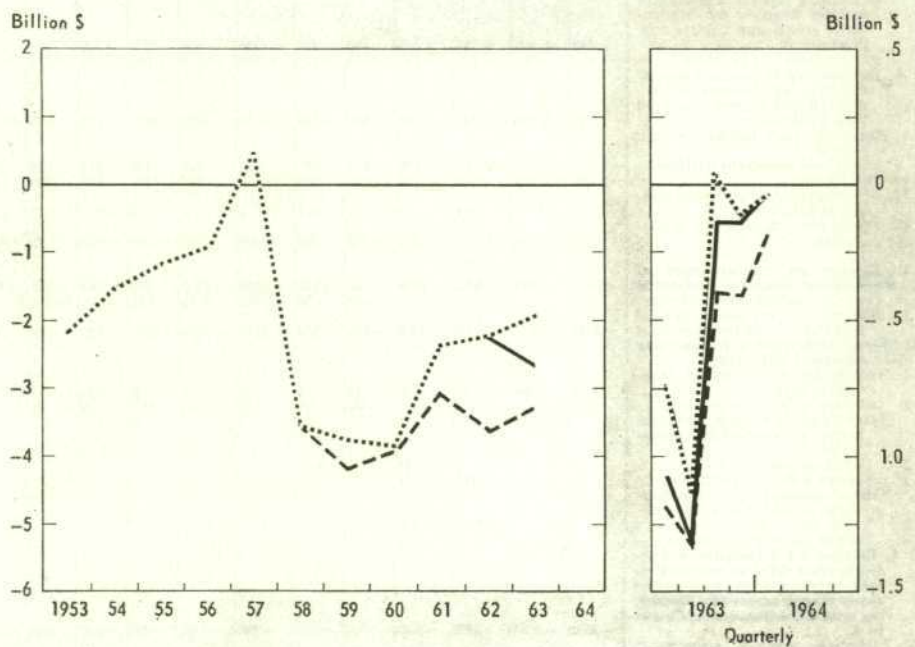
Net new credits to Japan totaled about \$230 million. While this amount was not exceptionally high for a single quarter, it was added to the already large outstanding banking claims on Japan. At the end of the first quarter short-term claims came to nearly \$2.4 billion and comprised about half of all short-term loans and acceptance credits of U.S. banks. In addition U.S. banks had \$300 million in longer term loans outstanding to Japan. In view of the concentration of loans to that country, credits are not likely to continue at the first quarter rate.

While bank loans to Japan appear to have been exceptionally large, this does not necessarily imply that a decline in loans to that country may not be offset by loans to other countries, as long as lending facilities of U.S. banks remain as large as they currently appear to be. It would be difficult to determine therefore, whether under these conditions net foreign bank credits in the first quarter were exceptionally high, and to estimate the amount by which they exceeded the amount that might be sustained over a longer period.

Furthermore, some of the bank credits may have been extended to finance exports, or at least may have enabled foreign countries to purchase here more than they would have done without these additional dollar resources. It cannot be concluded, therefore, that the rise in such credits necessarily affected the overall balance by the same amount.

BALANCE ON ALL TRANSACTIONS

- Including Net Receipts From Sales of Nonmarketable Medium-Term Convertible Government Securities (Table 1 Line C2)
- Excluding Net Receipts From Sales of Nonmarketable Medium-Term Convertible Government Securities (Table 1 Line C1)
- - - Excluding Net Receipts From Other Special Government Transactions (Table 1 Line A13)



U.S. Department of Commerce, Office of Business Economics

Quarterly Seasonally Adjusted 64-6-12

Table 1.—Analysis of U.S. Balance of Payments, Seasonally Adjusted, Excluding Military Grant Aid

	[Millions of dollars]																				
	Calendar year				1960*				1961*				1962*				1963*				1964
	1960	1961	1962	1963	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I*
Transactions other than changes in official monetary assets and in liquid liabilities (including nonmarketable medium-term, convertible Government securities)																					
I. U.S. PAYMENTS (DEBITS) RECORDED	31,155	31,791	33,486	35,710	7,530	7,743	7,922	7,960	7,673	7,497	8,005	8,616	8,447	8,151	8,312	8,576	8,603	9,679	8,383	9,045	9,113
1. Imports of goods and services	23,193	22,852	25,021	26,160	5,964	5,959	5,801	5,469	5,495	5,506	5,867	5,984	6,118	6,269	6,298	6,336	6,293	6,506	6,659	6,702	6,680
2. Merchandise	14,723	14,497	16,134	16,931	8,801	8,836	8,664	8,422	8,386	8,404	8,826	8,881	9,948	4,058	4,088	4,040	4,017	4,197	4,353	4,364	4,347
3. Military expenditures	3,048	2,954	3,044	2,897	772	762	789	725	776	769	695	714	758	749	745	792	747	731	711	708	720
4. Other services	5,422	5,401	5,843	6,332	1,391	1,361	1,348	1,322	1,333	1,333	1,346	1,389	1,412	1,462	1,465	1,504	1,529	1,578	1,595	1,630	1,613
5. Remittances and pensions	672	705	738	826	163	166	108	175	181	176	174	174	187	189	177	185	213	219	203	191	202
6. Government grants and capital outflows	3,405	4,054	4,293	4,522	750	891	806	958	966	848	1,034	1,206	1,074	1,065	1,066	1,088	1,041	1,333	1,009	1,139	897
7. (Transactions involving no direct dollar outflows from the United States)	2,294	2,916	3,220	3,635	497	547	569	688	674	606	748	888	818	807	824	776	790	1,078	816	962	753
8. (Dollar payments to foreign countries and international institutions)	1,111	1,139	1,073	887	253	344	244	270	292	243	286	318	261	258	242	312	251	255	194	187	144
9. U.S. private capital	3,885	4,180	3,434	4,202	653	727	1,147	1,358	1,031	967	930	1,252	1,068	628	771	967	1,056	1,621	512	1,013	1,334
10. Direct investments	1,674	1,599	1,654	1,862	325	292	389	668	478	309	435	377	260	446	417	531	581	451	236	594	463
11. Long-term portfolio	863	1,025	1,227	1,644	261	194	196	212	99	222	259	445	390	303	208	326	521	598	302	223	226
12. Short-term	1,348	1,556	553	696	67	241	562	478	454	436	236	430	418	-121	146	110	-46	572	-20	196	645
II. U.S. RECEIPTS (CREDITS) RECORDED	28,046	30,419	32,394	33,352	6,838	7,083	7,132	6,993	7,467	7,973	7,262	7,717	7,706	7,925	8,408	8,355	7,655	8,337	8,528	8,832	9,179
1. Exports of goods and services	27,044	28,438	30,084	31,673	6,504	6,750	6,862	6,928	7,127	6,882	7,121	7,308	7,230	7,634	7,627	7,563	7,416	7,880	7,972	8,405	8,858
2. Merchandise	19,459	19,913	20,576	21,938	4,657	4,876	4,940	4,986	5,050	4,755	4,987	5,121	5,032	5,237	5,288	5,019	4,984	5,459	5,597	5,898	6,087
3. (Financed by Government grants and capital)	1,914	2,220	2,563	2,720	418	457	461	478	468	480	528	644	596	668	607	598	579	815	658	695	617
4. Military sales	335	402	656	634	75	84	84	92	88	112	102	100	113	190	141	212	181	206	155	213	
5. Income on investments, private	2,911	3,464	3,850	3,982	694	730	731	756	855	833	901	875	866	944	961	1,079	1,026	972	993	991	1,231
6. Income on investments, Government	349	380	471	498	87	87	87	88	94	120	70	96	109	143	105	114	123	124	125	126	127
7. Other services	3,990	4,279	4,531	4,621	991	973	1,020	1,006	1,040	1,062	1,061	1,116	1,110	1,120	1,132	1,169	1,102	1,119	1,165	1,235	1,200
8. Repayments on U.S. Government loans, scheduled	583	578	599	643	157	133	175	118	123	217	93	145	149	179	129	142	141	156	183	163	162
9. Repayments and selloffs, non-scheduled	53	696	681	326	17	5	24	7	5	634	6	51	1	58	477	145	25	34	241	26	54
10. Foreign private capital other than liquid funds	340	622	166	299	211	127	47	-45	199	258	8	157	170	16	2	-22	-30	271	85	-27	25
11. Government liabilities	26	85	864	411	-51	68	24	-15	13	-18	34	56	156	38	173	497	103	-4	47	265	80
SELECTED BALANCES (NET CREDITS +, DEBITS -)																					
A. Regular types of transactions, seasonally adjusted:																					
1. Merchandise trade, excluding military	4,736	5,416	4,442	5,007	856	1,040	1,276	1,564	1,664	1,351	1,161	1,240	1,084	1,179	1,200	979	967	1,262	1,244	1,534	1,740
2. Military sales and expenditures	-2,713	-2,552	-2,388	-2,263	-697	-678	-705	-633	-688	-657	-593	-614	-645	-559	-604	-580	-566	-625	-619	-553	-507
3. Income on investments	2,321	2,962	3,326	3,273	630	577	589	625	733	741	752	736	737	843	815	931	878	810	809	770	1,060
4. Other services	-493	-240	-317	-604	-149	-148	-99	-97	-77	-59	-66	-38	-64	-98	-82	-73	-156	-173	-121	-54	-115
5. Goods and services	3,851	5,586	5,063	5,513	540	791	1,061	1,459	1,632	1,376	1,254	1,324	1,112	1,365	1,329	1,257	1,123	1,374	1,313	1,703	2,178
6. (Excluding exports of goods and services financed by Government grants and capital outflows)	1,612	2,890	2,155	2,175	49	250	524	789	977	792	601	529	306	677	593	519	396	372	552	855	1,443
7. Remittances and pensions	-672	-705	-738	-826	-163	-166	-168	-175	-181	-176	-174	-174	-187	-189	-177	-185	-213	-219	-203	-191	-202
8. Government grants and capital outflows, less changes in associated liabilities, less scheduled loan repayments, less domestic and foreign private capital	-2,781	-3,396	-3,547	-3,785	-593	-749	-610	-829	-831	-616	-928	-1,021	-912	-842	-872	-921	-880	-1,167	-791	-947	-744
9. Direct and long-term portfolio	-2,107	-2,177	-2,609	-3,188	-371	-306	-531	-809	-455	-352	-673	-697	-457	-683	-635	-834	-1,103	-845	-470	-770	-677
10. Short-term	-1,438	-1,381	-659	-715	-71	-294	-569	-504	-377	-357	-249	-398	-441	71	-134	-155	17	-505	43	-270	-632
11. Miscellaneous Government non-liquid liabilities	1	(*)	-4	1	1	1	1	1	(*)	-1	(*)	-4	1	-1	(*)	1	2	-2	4		
12. Errors and unrecorded transactions	-772	-998	-1,111	-286	-103	-190	-199	-280	-280	-429	+43	-332	-7	-24	-430	-460	-124	+42	-277	+73	-108
13. Balance on regular types of transactions (seasonally adjusted)	-3918	-3071	-3605	-3286	-761	-915	-1015	-1227	-491	-554	-728	-1298	-892	-496	-918	-1299	-1180	-1319	-383	-404	-181
14. Less: Net seasonal adjustments					-97	-22	+192	-73	-155	-26	+212	-31	-274	-118	+359	+33	-367	-107	+462	+12	-249
15. Balance on regular types of transactions before adjustment	-3918	-3071	-3605	-3286	-664	-893	-1207	-1154	-336	-528	-940	-1267	-618	-378	-1277	-1332	-813	-1212	-845	-416	68
B. Special Government transactions (not seasonally adjusted)																					
1. Non-scheduled receipts on Government loans	53	696	681	326	17	5	24	7	5	634	6	51	1	58	477	145	25	34	241	26	54
2. Advances on military exports	-16	5	470	359	-51	60	2	-27	(*)	-33	22	16	143	-2	107	222	20	-5	105	239	140
3. Dollar securities				31														58	19	-45	-1
4. Foreign currency securities				251	-74													251	5	-29	-50
5. Dollar securities				150																25	
6. Foreign currency securities				552														225	152	150	25
C. I. Balance A+B excluding net receipts from sales of nonmarketable, medium-term, convertible Government securities (including seasonal adjustment of items in A)	-3881	-2370	-2203	-2644	-795	-850	-989	-1247	-486	+47	-700	-1231	-748	-440	-334	-681	-1072	-1300	-132	-140	-42
1a. Excluding seasonal adjustment (equals line 52, table 3)	-3881	-2370	-2203	-2644	-698	-828	-1181	-1174	-331	+73	-912	-1200	-474	-322	-693	-714	-705	-1193	-594	-152	+24

Table 1.—Analysis of U.S. Balance of Payments, Seasonally Adjusted, Excluding Military Grant Aid—Continued
[Millions of dollars]

	Calendar year				1960 [*]				1961 [*]				1962 [*]				1963 [*]				1964
	1960	1961	1962	1963	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	Ic
2. Balance A+B including net receipts from sales of nonmarketable, medium-term, convertible Government securities (including seasonal adjustment of items in A)	-3881	-2370	-2203	-1942	-795	-850	-989	-1247	-486	+47	-700	-1231	-748	-440	-334	-681	-722	-1148	+43	-115	-42
2a. Excluding seasonal adjustment (equals line 52a, table 3)	-3881	-2370	-2203	-1942	-608	-828	-1181	-1174	-331	+73	-912	-1200	-474	-322	-693	-714	-355	-1041	-419	-127	+207
D. Increase in short-term official and banking liabilities and in foreign holdings of marketable U.S. Government bonds and notes (decrease -)	1,738	1,764	670	1,564	538	653	442	105	-40	247	1,125	432	47	486	-188	325	323	917	192	132	-156
1. Foreign private holders including banks and international and regional organizations (excluding IMF gold tranche position)	289	1,083	213	594	436	328	-46	-429	-84	565	225	377	700	24	-458	-53	397	144	47	6	270
2. Foreign official holders	1,449	681	457	970	102	325	488	534	44	-318	900	55	-653	462	270	378	-74	773	145	126	-426
E. Decrease in U.S. monetary reserve assets (increase -)	2,143	606	1,533	378	160	175	739	1,069	371	-320	-213	768	427	-164	881	389	32	124	227	-5	-51
1. IMF gold tranche position	441	-135	626	30	110	81	102	148	25	11	-483	312	237	44	331	14	-46	2	59	15	131
2. Convertible currencies	-116	17	-113	-113	-50	94	-637	921	371	-170	146	510	304	116	446	24	111	116	196	38	46
3. Gold	1,702	857	890	461	50	94	637	921	371	-170	146	510	304	116	446	24	111	116	196	38	46

* Revised. † Preliminary. ‡ Less than \$500,000. § Includes certificates sold abroad by Export-Import Bank.

NOTE.—A new issue of \$25 million to Japan has been omitted from the figures for I 1963. A correction will be made in the September SURVEY.

(3) Foreign transactions in U.S. securities resulted in net liquidations by foreigners by \$42 million, in contrast to net purchases of \$250 million in 1963 and of \$130 million in 1962. The first quarter 1964 data were affected by special transactions which do not reflect a change in economic conditions which ordinarily may be expected to influence foreign decisions to invest in U.S. securities.

It is apparent that the aggregate of these transactions which had a temporarily unfavorable effect on the first quarter balance is more difficult to ascertain than the aggregate of those transactions which had a temporarily favorable influence. Without counting any part of the capital flows reported by banks, however, the former may be estimated to have been about \$200 million. It seems likely, therefore, that among the temporary developments those favorable to the overall balance were somewhat larger than those which had adverse effects.

Longer run developments in trade

In addition to temporary factors, more persistent forces have been influencing recent balance of payments developments.

Merchandise exports have continued to rise, even after adjustment for agricultural exports which may be attributed to special and transitory conditions. The rise was most pronounced in exports to Western Europe and Canada.

The rise in nonagricultural shipments to Western Europe occurred mainly in machinery and various industrial materials. It may be attributed primarily to the expansion in European business activity, although the increased demand for steel seems to have reflected also production losses in the British steel industry due to strikes.

The data for the first quarter do not indicate, however, that exports to Western Europe have risen more than by the amount that may have been anticipated on the basis of past relationships to foreign and U.S. business activity. The improvement in exports during 1963 over the amount that could be anticipated on the basis of such relationships seems to have been maintained, however. This improvement may indicate a stronger competitive position of U.S. industry than was the case in earlier years, in part because of intensified efforts to develop foreign markets.

Exports to Canada also increased. To a large extent the gains occurred in machinery and seem to have reflected the rise in industrial and construction investments in Canada which this time appears to have been largely independent of new direct investments by U.S. enterprises. Shipments of automotive parts for assembly in Canada moved up also. Sales of other consumer goods recovered from the drop attributable to the devaluation of the Canadian dollar in the first half of 1962 and the

import restrictions imposed in the middle of that year.

Exports to other areas expanded relatively little. Increasing stringencies in the foreign exchange situation of Japan seemed to have dampened the rise in our exports to that country. Reduced shipments under Government assistance programs were one of the factors keeping down exports to the less developed countries, particularly in Asia and Africa.

Merchandise imports, as indicated earlier, were relatively low during the first quarter, particularly during the first 2 months of the year. A substantial rise occurred in March and April, however. That rise strengthened the impression—gained from comparisons of our imports with various economic indicators for the United States as well as other industrially advanced countries whose demand is competing with ours for the goods imported by us—that the shortfall earlier in the year may, in part at least, have been temporary. Imports were also affected by other developments.

Imports of meat, for instance, which were a major factor in the import rise during the last years were down as a result of increasing domestic supplies and declining prices, and in consequence of recently imposed import restrictions. Imports of certain industrial materials were affected by sales from the stockpile. On the other hand, the recent rise in the price of coffee was not yet fully reflected in

first quarter import values, and a further rise can be expected from that source.

Rise in investment income

The principal development in goods and services transactions other than the merchandise exports and imports was

the strong rise in incomes on direct investments, referred to earlier, which in part was due to extraordinary dividend distributions. Even aside from these, income receipts rose, however, thus resuming the upward trend which was interrupted in 1963. The recent rise was mainly in incomes re-

ceived from investments by the petroleum industry in the Middle East, Africa and, to a lesser extent, Latin America, and reflected the steadily increasing demand for petroleum products as well as the start of production during 1963 in newly-developed oil fields in North Africa. Incomes from direct investments in Western Europe were lower than in the first quarter of 1963 after adjustment for the earlier-mentioned extraordinary dividend distributions, possibly because of increasing pressures on profits. This decline extended the trend which was already noticeable last year, although the total amount invested in the area continued to rise.

Government grants and credits were considerably below the quarterly average during recent years. The decline which seems to have been a temporary dip rather than a change in longer run trends, was partly reflected in exports of goods and services, but it also affected the direct cash out flow, and thus improved somewhat the overall balance (table 6)

Capital outflows higher

The net outflow of U.S. capital during the first quarter—according to data that are still preliminary—was more than \$1.3 billion after seasonal adjustment (table 1, line 19). Except for the second quarter of last year this outflow was higher than in any other quarter during the past 3 years. Net new capital outflows reported by banks for both short- and long-term loans and investments were about \$700 million after seasonal adjustment consisting of long-term credits of \$265 million and short-term capital outflows of \$436 million. This was a record rate if the reported credits for the fourth quarter of 1963 are adjusted downward by about \$150 million for medium-term trade credits taken over from a commercial enterprise.

The \$700 million figure includes about \$100 million for outstanding collections, presumably on trade bills, and associated with the rise in exports. The net outflow of funds for short-term investments in liquid foreign currency assets, including deposits and open market paper held by banks

Table 2.—U.S. Balance of Payments by Major Components,¹ Seasonally Adjusted
(Millions of dollars)

	Calendar year *				1963 *				1964
	1960	1961	1962	1963	I	II	III	IV	I [†]
Goods and Services, Government Assistance and Long-Term Capital Accounts²									
A. 1. Nonmilitary merchandise exports...	19,450	19,913	20,576	21,938	4,084	5,459	5,597	5,898	6,087
2. Less those financed by Government grants and capital.....	1,914	2,220	2,363	2,720	579	815	633	693	617
3. Merchandise exports, other than those financed by Government grants and capital.....	17,545	17,693	18,213	19,218	4,405	4,644	4,964	5,205	5,470
4. Nonmilitary merchandise imports.....	-14,723	-14,497	-16,134	-16,931	-4,017	-4,197	-4,353	-4,364	-4,347
5. Balance on trade excluding exports financed by Government grants and capital.....	2,822	3,196	2,079	2,287	388	447	611	841	1,123
6. Nonmilitary service exports.....	7,250	8,123	8,852	9,101	2,251	2,215	2,283	2,352	2,558
7. Less those financed by Government grants and capital.....	300	434	532	601	150	177	123	151	128
8. Service exports other than those financed by Government grants and capital.....	6,950	7,689	8,320	8,500	2,101	2,038	2,160	2,201	2,430
9. Nonmilitary service imports.....	-5,422	-5,401	-5,843	-6,332	-1,529	-1,578	-1,595	-1,630	-1,613
10. Balance on services other than those rendered under Government grants and capital.....	1,528	2,288	2,477	2,168	572	460	565	571	817
11. Balance.....	4,350	5,484	4,556	4,455	960	907	1,176	1,412	1,940
B. Other major transactions:									
1. Military expenditures.....	-3,048	-2,954	-3,044	-2,897	-747	-731	-711	-708	-720
2. Military cash receipts.....	320	399	1,139	982	204	195	193	390	363
3. Government grants and capital—dollar payments to foreign countries and international institutions.....	-1,111	-1,139	-1,073	-887	-251	-255	-194	-187	-144
4. Repayments on U.S. Government loans excluding fundings by new loans and repayments on military credits.....	596	1,212	1,182	771	124	129	404	114	189
5. U.S. direct and long-term portfolio investments abroad.....	-2,537	-2,624	-2,881	-3,506	-1,102	-1,049	-538	-817	-689
6. Foreign direct and long-term portfolio investments in the United States.....	430	447	272	318	-1	204	68	47	12
7. Remittances and pensions.....	-672	-705	-738	-826	-213	-219	-203	-191	-202
8. Changes in Government liabilities ³	1	(9)	247	-42	63	-9	-93	-3	-51
9. Balance.....	-6,021	-5,364	-4,896	-6,087	-1,923	-1,735	-1,074	-1,355	-1,242
C. Balance on Goods and Services, Government Assistance and Long-Term Capital Accounts.....	-1,671	120	-340	-1,632	-963	-828	102	57	698
D. Recorded U.S. private short-term capital outflow less foreign short-term credits to the United States (excluding foreign liquid dollar holdings).....	-1,438	-1,492	-752	-775	15	-514	43	-270	-632
E. Unrecorded transactions.....	-772	-928	-1,111	-286	-124	49	-277	73	-108
F. Sales of nonmarketable, medium-term, convertible Government securities.....				702	500	152	175	25	
G. Balance C+D+E.....	-3,881	-2,376	-2,202	-2,644	-1,072	-1,300	-132	-140	-42
H. Balance C+D+E+F.....	-3,881	-2,376	-2,203	-1,942	-722	-1,148	43	-115	-42
Memorandum Item: Reconciliation of "Military Cash Receipts" (line B2) with Table 1.									
1. Military sales (table 1, line II-4).....	335	402	656	634	181	206	92	155	213
2. Less: Military sales financed by credits (line 15, above).....	25	33	13	17	-2	10	5	4	-10
3. Plus: Principal collections on military credits.....	26	25	26	6	1	4	1		
4. Change in liability for advances on military exports (table 1, line B-2).....	-16	5	470	379	20	-5	105	239	140
5. Equals: Military cash receipts (table 2, line B-2).....	320	399	1,139	982	204	195	193	390	363

* Revised. † Preliminary. ‡ Less than \$500,000. NOTE.—See note to table 1.

1. Excludes military transfers under grants.

2. Short-term capital movements between parent companies and their foreign affiliates are reported as part of direct investment.

3. Excludes liabilities associated with military transactions, with Government assistance operations, and with sales of nonmarketable, medium-term, convertible Government securities.

largely for their customers was only \$30 million. The increase in Canadian currency assets, referred to earlier, was to a large extent offset by a decline in United Kingdom currency assets. By far the largest part of the \$700 million was in loans and acceptance credits, some of which (directly or indirectly) may have financed our export trade and may have supplied capital to countries, which—in the absence of the interest equalization tax proposal—would have obtained it through issues of long-term securities.

The other item contributing to the large capital outflow during the quarter was in short-term corporate assets referred to earlier.

Direct investments—except for the sudden decline in those to Canada—continued relatively high. The outflow to Western Europe was \$270 million compared with over \$400 million during the corresponding period of 1963. The 1963 figure included, however, nearly \$100 million for a single company to increase its equity in a foreign enterprise. Even after adjustment for this special transaction, new capital outflows to Europe were somewhat down from last year. This decline continued a development which appears to have set in during 1963, and may possibly reflect the decline in incomes on direct investments referred to earlier. A continuation of this trend would indicate weakening of Western Europe in attracting U.S. capital investments. Relative changes in the economies of Europe and the United States must be expected to affect direct investments more slowly than other capital flows, since capital flows to already existing foreign branches and subsidiaries are not only determined by considerations for potential earnings from the new funds but also by considerations for the requirements of the already established investment to remain competitive.

Capital flows through direct investments to areas other than Europe and Canada were generally up over the first quarter of 1963, possibly indicating a change which may continue for some time. A shift in direct investments from Europe to other countries may be beneficial to the balance of payments as a larger share of such investments

is likely to be in the form of goods exported from the United States.

Transactions in foreign securities continued to reflect the effect of the proposed interest equalization tax, but also perhaps an improved attractiveness of domestic relative to foreign investments.

New issues of foreign securities increased from the previous quarter, but hardly more than seasonal. The first quarter issues included \$50 million of bonds sold by the Quebec Hydro-Electric Commission, which was an installment on a \$300 million issue arranged for a year earlier. Most of the other new issues were also sold by Canada, but the total was only one-fourth of the amount sold by Canada in the first quarter of last year.

Net transactions in outstanding foreign securities continued to result in net U.S. sales of nearly \$100 million. The shift to net sales started in the middle of last year and net sales have increased since then, although the amount of change in the first quarter was less than in the previous quarter.

The balance on unrecorded transactions indicates a larger increase from the previous quarter in missing debits than in missing credits after adjustment

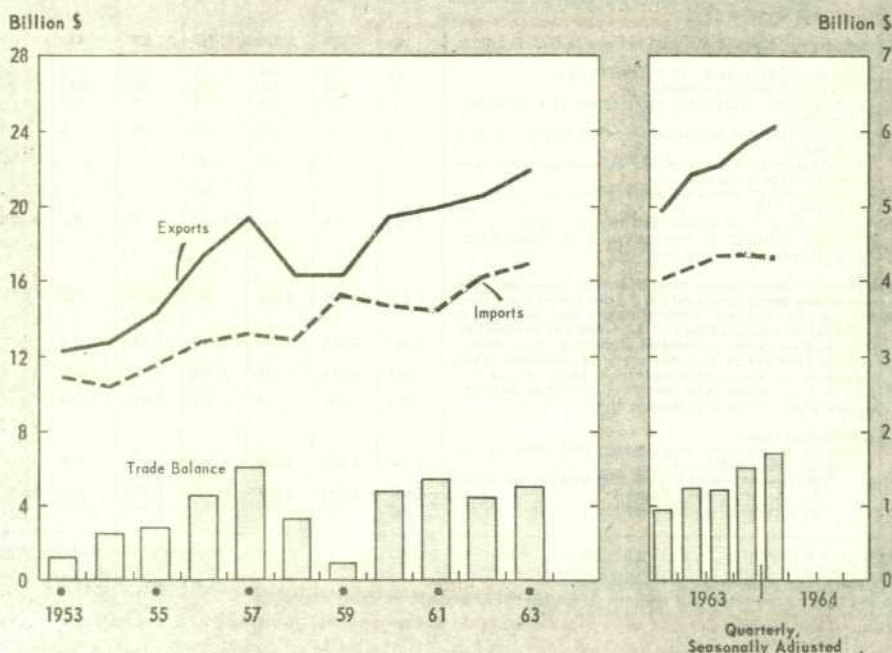
for the usual seasonal changes. The longer run trend in the balance on unrecorded transactions, however, seems to be moving toward zero from the peak negative balances in the second half of 1962 and the first half of 1961.

Changes in reserves and in liquid liabilities

From the point of view of our official reserve balances the first quarter developments were also favorable. The total of official reserves increased by \$51 million, as gold sales of \$46 million, and a reduction in our gold tranche position at the IMF by \$131 million was offset by increased holdings of convertible foreign currencies by \$228 million. During the preceding quarter, the official reserves increased by \$5 million. These increases, although small, contrast with almost continuous declines in reserves since the beginning of 1958.

Within the total of foreign dollar holdings, official holdings declined while those of foreign banks increased. These movements largely reflected window-dressing operations which generally result in shifts of dollar assets by private banks to their central banks before the end of the year and in a reverse movement during the following weeks.

MERCHANDISE TRADE



U.S. Department of Commerce, Office of Business Economics

64-5-11

Table 3A.—U.S. Balance of Payments—
[Millions]

Line	All areas				Western Europe				Eastern Europe				Canada	
	1960	1961	1962	1963	1960	1961	1962	1963	1960	1961	1962	1963	1960	1961
1	28,809	29,983	31,623	33,305	9,879	10,079	10,892	11,475	229	164	162	213	5,097	5,204
2	1,765	1,465	1,539	1,632	913	611	626	828						9
3	27,044	28,438	30,084	31,673	8,966	9,468	10,266	10,647	229	164	162	213	5,097	5,195
4	19,459	19,913	20,576	21,938	6,696	6,798	7,118	7,558	203	140	131	174	3,768	3,710
5	1,687	1,821	1,925	1,887	727	887	927	875	8	6	12	18	96	107
6	875	885	870	934	88	91	103	111	(*)	(*)	(*)	(*)	469	449
7	1,275	1,399	1,533	1,569	474	526	597	625	9	9	10	11	145	172
8	153	174	203	231	53	65	87	69	(*)	(*)	(*)	1	6	2
9	336	402	656	634	221	265	538	518					35	38
10	2,355	2,767	3,050	3,072	388	478	520	504					362	464
11	556	697	800	910	123	158	183	209					216	253
12	349	380	471	498	196	199	213	178	9	9	9	9		
13	23,193	22,852	25,021	26,160	8,384	8,119	8,854	9,211	93	93	94	100	3,984	4,174
14	14,723	14,497	16,134	16,931	4,174	4,045	4,535	4,714	81	81	79	82	2,899	3,073
15	1,988	1,921	2,115	2,187	1,040	1,103	1,171	1,265	2	3	3	3	109	120
16	1,744	1,747	1,892	2,070	666	600	615	688	7	4	7	7	380	425
17	438	445	445	430	228	243	247	246		(*)	(*)	(*)	26	33
18	313	406	396	438	80	80	86	114	2	4	4	7	4	3
19	3,048	2,954	3,044	2,897	1,629	1,510	1,609	1,496	1	1	1	1	379	340
20	607	604	656	807	381	381	400	467					156	152
21	332	278	339	400	186	157	191	221				(*)	31	28
22	5,616	7,051	6,602	7,145	1,495	1,960	2,038	2,264	136	71	68	113	1,113	1,030
23	3,851	5,586	5,063	5,513	582	1,349	1,412	1,436	136	71	68	113	1,113	1,021
24	-4,101	-4,024	-4,196	-4,354	-1,382	-1,116	-1,106	-1,264	-30	-27	-36	-37	-36	-36
25	-2,326	-2,559	-2,657	-2,722	-469	-505	-480	-436	-30	-27	-36	-37	-36	-27
26	-458	-470	-493	-564	-138	-147	-158	-158	-24	-21	-27	-26	-4	1
27	-1,765	-1,465	-1,539	-1,632	-913	-611	-626	-828						-9
28	-1,664	-1,854	-1,919	-1,896	-240	-254	-216	-148	-5	-4	-7	-8		
29	-214	-235	-245	-262	-91	-104	-120	-130	-1	-2	-2	-3	-32	-28
30	-4,990	-5,106	-4,528	-5,859	-1,387	-465	-647	-1,518	-117	-51	-42	-56	-828	-1,067
31	-3,885	-4,180	-3,434	-4,202	-1,521	-1,146	-1,314	-1,686	1	-4	3	-25	-835	-1,065
32	-1,674	-1,599	-1,654	-1,862	-962	-724	-867	-899					-451	-302
33	-555	-523	-1,076	-1,269	-24	-57	-195	-272					-221	-237
34	201	148	203	195	35	30	33	23					112	55
35	-309	-387	-95	-6	-126	-233	-16	2					-94	-88
36	-200	-1,556	-553	-696	-421	-47	-185	-73	-2	-2	2	-16	32	10
37	-1,348	-926	-1,094	-1,657	137	681	667	168	-118	-47	-45	-31	7	-2
38	-1,105	-1,939	-2,129	-2,181	-232	-276	-287	-303	-5	-2	-2	(*)		
39	583	678	599	643	266	246	232	209	8	10	13	14		
40	53	696	681	326	31	669	666	277						
41	-528	-261	-245	-445	72	42	56	-15	-121	-55	-56	-45	7	-2
42														
43	366	707	1,030	710	229	445	784	495	-2	(*)	(*)	(*)	-8	-17
44	141	73	132	17	113	78	62	8					18	-3
45	289	374	140	301	235	245	102	171					-16	27
46	-90	175	-106	-19	-98	120	-109	26	-2	(*)	(*)	(*)	-1	-15
47	26	85	613	454	-21	2	478	339	(*)	(*)	(*)	(*)	-9	-26
48			251	-43			251	-49						
49				702				577						
50	1,738	1,764	670	1,564	717	1,224	-720	665	11	-6	1	4	184	330
51	2,143	606	1,533	378	1,718	636	1,127	287						
52	3,881	2,370	2,203	2,644	2,435	1,860	407	1,529	11	-6	1	4	184	330
52a	3,881	2,370	2,203	1,942	2,435	1,860	407	952	11	-6	1	4	184	330
53	-772	-998	-1,111	-286	-1,390	-2,684	-1,476	-1,506	2	13	9	-24	-425	-240
Memorandum items:														
I	4,189	2,971	2,540	3,489	3,042	2,605	490	2,043	11	-6	1	4	109	391
II	3,847	2,332	2,145	2,575	1,045	-824	-1,069	23	13	7	10	-20	-241	90
III	342	639	395	914	1,997	3,429	1,559	2,020	-2	-13	-9	24	350	301

* Revised. * Preliminary. na Not available. * Less than \$500,000.

1. Transactions with shipping companies operating under the flag of the Bahamas, Honduras, Liberia and Panama are included in "unallocated."

2. Changes in reported total gold reserves of foreign banks and governments (including

international organizations but excluding the countries of the Soviet bloc), net of convertible currencies held by U.S. monetary authorities, plus liquid claims on the United States plus net changes in their IMF position through U.S. dollar transactions.

3. For "All Areas" equals balance (with reverse sign) of line 23 (less net sales of gold by

Annual, Total and by Area, 1960-63
of dollars]

Canada—Con.		Latin American Republics				Other countries									International institutions and unallocated ¹				Line
1962	1963	1960	1961	1962	1963	Total				Japan			Australia, New Zealand, and South Africa, 1963	Other Caribbean, 1963	1960	1961	1962	1963	
						1960	1961	1962	1963	1961	1962	1963							
5,370	5,555	5,256	5,377	5,315	5,353	8,070	8,797	9,571	10,400	2,092	1,926	2,229	1,143	635	278	282	313	309	I
		72	128	81	62	780	717	832	742										2
5,370	5,555	5,184	5,249	5,234	5,291	7,290	8,080	8,739	9,658	2,092	1,926	2,229	1,143	635	278	282	313	309	3
3,892	4,106	3,522	3,488	3,318	3,225	5,257	5,777	6,117	6,875	1,766	1,543	1,811	836	367	13				4
120	115	266	219	251	292	445	479	473	433	109	125	109	45	56	145	123	142	154	5
392	372	253	273	302	344	65	72	73	107	13	12	20	20	35					6
181	178	275	292	297	288	301	328	370	384	87	96	95	88	19	71	72	78	83	7
3	3	27	32	41	49	67	75	92	109	7	7	9	(*)	1	(*)	(*)			8
26	18	19	17	16	17	54	57	63	70	24	24	23	26	(*)	6	24	13	11	9
476	449	641	730	762	799	960	1,078	1,260	1,304	15	26	25	98	153	4	17	32	16	10
280	314	102	121	135	151	76	119	154	191	59	78	106	27	4	39	46	48	45	11
(*)		79	77	112	126	65	95	137	185	12	15	31	3	(*)				(*)	12
4,616	4,867	4,568	4,201	4,393	4,524	5,610	5,734	6,432	6,817	1,612	1,937	2,070	827	813	554	531	632	641	13
3,445	3,645	3,619	3,299	3,457	3,514	3,016	3,958	4,535	4,901	1,054	1,358	1,407	654	530	34	41	83	75	14
114	102	175	144	145	149	259	260	304	261	91	108	82	38	22	403	291	378	407	15
479	522	447	442	477	532	244	276	314	321	46	50	52	12	152					16
53	60	163	155	125	104	21	14	20	20	4	6	6	1	7					17
4	5	61	65	73	83	199	118	129	156	7	7	12	8	3	57	136	100	73	18
308	278	59	57	76	79	980	1,046	1,050	1,043	388	383	365	105	92				(*)	19
178	198	30	32	31	52	38	37	46	75	3	10	32	6	7	2	2	1	15	20
35	57	14	7	9	11	43	25	34	40	19	15	24	3	(*)	58	61	70	71	21
754	688	688	1,176	922	829	2,460	3,063	3,139	3,583	480	-11	159	316	-178	-276	-249	-319	-332	22
754	688	616	1,048	841	767	1,680	2,346	2,307	2,841	480	-11	159	316	-178	-276	-249	-319	-332	23
-22	-29	-254	-363	-355	-434	-2,283	-2,370	-2,521	-2,445	-27	-28	-32	-9	-28	-116	-112	-156	-145	24
-22	-29	-182	-235	-274	-372	-1,503	-1,653	-1,689	-1,703	-27	-28	-32	-9	-28	-116	-112	-156	-145	25
1	-5	-63	-68	-81	-101	-227	-233	-240	-271	-21	-21	-25	-6	-18	-2	-2	-2	-3	26
		-72	-128	-81	-62	-780	-717	-832	-742										27
		-106	-151	-174	-251	-1,199	-1,335	-1,366	-1,347	-2	-1	(*)	-8	-8	-114	-110	-154	-142	28
-23	-24	-13	-16	-17	-20	-77	-85	-83	-85	-4	-6	-7	-3	-2					29
-710	-823	-700	-1,156	-721	-524	-1,749	-2,307	-2,047	-2,781	-851	-583	-835	-80	-161	-209	-60	-361	-157	30
-710	-824	-539	-453	-230	-150	-858	-1,525	-953	-1,435	-828	-527	-782	-112	-155	-130	13	-240	-82	31
-314	-334	-95	-173	32	-63	-154	-392	-431	-557	-29	-54	-68	-100	-147	-12	-8	-74	-39	32
-457	-737	-107	-18	-102	-35	-106	-199	-238	-225	-61	-101	-140	-17	-97	-12	-84	-31	33	
83	108	12	14	14	18	33	31	57	35	2	4	9	15	1	19	18	16	11	34
79	81	(*)	-18	-22	-1	-49	-62	-39	-34	-11	-23	-29	-10	-1	-40	15	-98	-54	35
-37	16	-159	-108	-39	29	-60	-49	-100	-96	-34	-108	-114	28	5					36
-64	42	-190	-150	-103	-98	-522	-854	-202	-558	-605	-245	-440	-19	-12	(*)	(*)	(*)	(*)	37
(*)	1	-161	-703	-501	-374	-891	-782	-1,094	-1,346	-23	-56	-53	32	-6	-79	-73	-121	-75	38
		-331	-798	-621	-552	-801	-801	-1,088	-1,248	-64	-98	-93	(*)	-6	-74	-62	-121	-78	39
		177	138	164	215	130	181	188	200	37	39	61	17	2	3	2	5	40	
(*)	1	22	26	34	34	1	15	15	15				15						41
		-29	-69	-59	-71	-450	-163	-184	-313	4	3	-21	(*)	(*)	-7	-14	-2	-2	42
115	46	1	75	109	33	75	134	-30	57	41	11	-38	34	5	71	70	52	79	43
43	42	3	-1	5	-25	7	-1	22	-8			25	-10	(*)	(*)				44
59	12	16	34	-20	54	41	56	-17	41			1	5	(*)	13	(*)	12	23	45
19	-8	-9	13	20	-22	20	57	-36	-15	32	-15	-28	5	(*)	(*)	(*)	(*)	(*)	46
-6	-1	-9	29	104	26	7	22	1	34	9	(*)	-5	28	(*)	58	58	36	56	47
	1								5										48
	125																		49
522	-64	-48	103	124	594	351	-160	568	504	-297	524	259	38	12	523	273	175	-139	50
-193	(*)	100	109	-175	-32	150	109	90	24						175	-248	684	99	51
329	61	52	212	-51	562	501	-51	658	528	-297	524	259	38	12	698	25	859	-40	52
329	-64	52	212	-51	562	501	-51	658	528	-297	524	259	38	12	698	25	859	-40	52a
-466	57	213	56	96	-466	996	1,531	801	1,058	654	87	487	-299	350	-168	326	-75	595	53
281	170	-322	160	-115	586	353	45	955	678	-272	524	259	38	12	996	-224	928	8	I
-137	118	265	268	45	96	1,497	1,480	1,459	1,586	357	611	746	-261	362	496	313	726	486	II
418	52	-587	-108	-160	490	-1,144	-1,435	-504	-908	-629	-87	-487	299	-350	500	-537	202	-478	III

domestic sources to (+) or purchases from (-) the monetary gold stock of the United States) plus lines 25, 30, 43, and 53. Domestic sales to (+) or purchases from (-) the monetary gold stocks were in millions of dollars: 1960 I, -9; II, -10; III, -5; IV, -16; 1961 I, -5; II, -9; III, -8; IV, -16; 1962 I, -13; II, -15; III, -12; IV, -18; 1963 I, -15; II, -16; III, -15; IV, -23; 1964 I, -19.

4. Line I minus line II for all areas represents gold obtained by foreign central banks and governments outside the United States.

Note—See note to table 1.

Source: U.S. Department of Commerce, Office of Business Economics.

Table 3B.—U.S. Balance of Payments—Quarterly, 1960-63, and 1st Quarter 1964

(Millions of dollars)

Line	1960*				1961*				1962*				1963*				1964*	Line
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV		
1	6,732	7,519	6,877	7,681	7,231	7,594	7,014	8,064	7,441	8,510	7,379	8,293	7,682	8,814	7,692	9,117	na	1
2																		
3	443	622	282	418	324	543	247	351	390	626	218	305	447	675	215	295	na	2
4	6,289	6,897	6,595	7,263	6,907	7,051	6,767	7,713	7,051	7,884	7,161	7,988	7,235	8,139	7,477	8,822	8,675	3
5	4,615	5,008	4,691	5,145	5,012	4,918	4,674	5,309	5,011	5,461	4,915	5,189	4,953	5,691	5,192	6,102	6,090	4
6	403	431	437	416	419	468	460	474	455	484	491	495	420	476	504	487	464	5
7	172	234	288	181	173	245	283	184	186	238	260	166	185	204	288	197	215	6
8	303	306	319	347	328	340	339	302	355	376	377	425	375	370	371	453	377	7
9	36	36	43	38	42	43	44	45	46	50	53	54	55	58	57	61	60	8
10	58	122	70	85	71	150	88	93	96	228	127	205	164	244	78	148	196	9
11	517	565	520	753	640	621	642	864	644	701	646	1,059	785	702	651	934	827	10
12	125	138	140	153	158	175	176	188	186	200	201	210	226	227	247	253	11	11
13	60	57	87	145	64	91	61	104	72	126	91	182	88	108	109	193	93	12
14	5,742	6,051	6,011	5,389	5,263	5,612	6,069	5,917	5,849	6,336	6,496	6,340	5,917	6,567	6,973	6,703	6,415	13
15	3,830	3,858	3,551	3,484	3,399	3,457	3,883	3,958	3,931	4,073	3,956	4,174	3,909	4,212	4,299	4,511	4,333	14
16	446	551	437	434	408	541	539	433	431	598	574	512	473	607	590	517	478	15
17	278	470	668	328	275	454	668	350	295	495	727	375	314	538	820	398	343	16
18	100	102	118	118	102	103	117	123	111	105	115	114	101	106	112	111	100	17
19	64	70	110	69	88	77	150	91	82	74	142	98	94	90	154	100	130	18
20	772	762	789	725	776	769	695	714	758	749	745	792	747	731	711	708	720	19
21	151	152	141	163	146	146	140	172	161	158	151	186	188	188	183	248	200	20
22	101	86	77	68	69	65	68	76	80	84	86	89	91	95	104	110	111	21
23	990	1,468	866	2,292	1,968	1,982	954	2,147	1,592	2,174	883	1,953	1,765	2,247	719	2,414	na	22
24	547	846	584	1,874	1,644	1,439	797	1,796	1,202	1,548	665	1,648	1,318	1,572	504	2,119	2,260	23
25	-983	-1,200	-863	-1,055	-983	-1,198	-830	-1,013	-1,111	-1,273	-821	-991	-1,098	-1,382	-868	-1,006	na	24
26	-540	-578	-581	-637	-659	-583	-583	-662	-721	-647	-603	-686	-651	-707	-653	-711	-635	25
27	-103	-111	-111	-133	-117	-109	-114	-130	-116	-121	-115	-141	-137	-141	-135	-151	-130	26
28	-443	-622	-282	-418	-324	-543	-247	-351	-390	-626	-218	-305	-447	-675	-215	-295	na	27
29	-381	-418	-417	-448	-480	-486	-413	-475	-537	-467	-430	-485	-445	-500	-455	-496	-435	28
30	-56	-49	-53	-56	-62	-60	-56	-57	-68	-59	-58	-60	-69	-66	-63	-64	-70	29
31	-888	-1,127	-1,092	-1,883	-1,394	-578	-1,147	-1,987	-1,420	-1,119	-496	-1,493	-1,468	-2,412	-297	-1,682	-1,562	30
32	-658	-737	-947	-1,543	-1,011	-992	-680	-1,497	-1,023	-673	-521	-1,217	-1,006	-1,696	-227	-1,273	-1,284	31
33	-305	-312	-329	-728	-458	-334	-365	-442	-235	-476	-342	-601	-551	-501	-136	-674	-433	32
34	-206	-111	-53	-95	-107	-187	-91	-138	-170	-312	-133	-461	-481	-518	-183	-87	-132	33
35	53	55	47	46	41	29	40	38	66	36	45	56	43	50	52	50	44	34
36	-23	-110	-105	-71	-69	-88	-73	-157	-91	-33	(*)	28	-59	-68	32	89	99	35
37	5	-78	-25	-102	51	-36	-60	-218	-185	-59	-35	21	-19	-127	-113	-305	-232	36
38	-92	-181	-482	-593	-409	-376	-131	-580	-408	171	-56	-290	61	-532	121	-346	-630	37
39	-239	-390	-145	-340	-383	414	-467	-490	-397	-446	25	-276	-462	-716	-70	-409	-278	38
40	-238	-353	-224	-388	-409	-309	-537	-684	-479	-507	-486	-657	-558	-620	-441	-562	-516	39
41	132	108	190	183	98	192	78	210	129	154	109	207	121	131	163	228	142	40
42	17	5	24	7	5	634	6	51	1	58	477	145	25	34	241	26	54	41
43	-141	-150	-95	-142	-77	-103	-14	-67	-48	-151	-75	29	-50	-261	-33	-101	42	42
44	146	181	57	-18	198	226	28	255	312	40	161	517	70	242	129	269	102	43
45	40	59	53	-11	21	31	-5	26	41	77	6	8	-11	55	12	-39	24	44
46	175	121	1	-8	101	148	26	99	152	-11	-16	15	10	149	56	86	-12	45
47	-4	-53	-7	-26	77	79	-13	32	-23	-50	12	-45	-29	67	17	-74	13	46
48	-65	54	10	27	-1	-32	20	98	142	24	159	288	37	-19	139	297	132	47
49																		48
50																		49
51	538	653	442	105	-40	247	1,125	432	47	486	-188	325	323	917	192	132	-156	50
52	160	175	739	1,069	371	-320	-213	768	427	-164	881	389	32	124	227	-5	-51	51
53	698	828	1,181	1,174	331	-73	912	1,200	474	322	693	714	705	1,193	594	152	-207	52
54	698	828	1,181	1,174	331	-73	912	1,200	474	322	693	714	255	1,041	419	127	-207	52a
55	37	-150	-149	-510	-120	-359	83	-602	153	-144	-420	-700	26	112	-277	-147	42	53
56																		
57																		
58																		
59																		
60																		
61	860	1,030	1,274	1,025	462	238	924	1,347	597	380	664	899	843	1,339	736	571	-80	I
62	689	818	1,176	1,164	326	-82	904	1,184	461	307	681	696	690	1,177	579	129	-226	II
63	171	212	98	-139	136	320	20	163	136	73	-17	203	153	162	157	442	146	III

NOTE.—See note to table 1. See footnotes, table 3A.

There were also sales of dollars by certain foreign central banks to their private banks aimed at dampening expansionary tendencies in their economies by reducing bank reserves and lending facilities. These changes in foreign dollar holdings do not reflect transactions with the United States, and do not affect the overall balance as measured here.

The geographic distribution of foreign gold and dollar holdings shows declines by Canada and Europe, offset by increases in Latin America, the Far East (other than Japan), and the Middle East.

The balance by areas

The geographic breakdown of the balance of payments on regular transactions shows that the improvement in the balance from the first quarter of last year can be found in the transactions with each of the separate areas shown in the table with the exception of Japan. The unfavorable change in the balance with that country can be attributed to the exceptionally large bank credits in the first quarter of this year. The improvement in the balance with Western Europe was about \$250 million. The favorable change in our transactions with Canada was even more, but the balance in the first quarter of last year was relatively adverse because of the large volume of new issues sold here, including a \$125 million issue of the Canadian Government. Even allowing for these exceptional transactions the improvement in our balance was quite substantial.

The balance with Latin America improved by about \$200 million, and that with other developing countries by nearly \$100 million. The fact that the improvement was so widespread rather than being concentrated in transactions with any one area indicates that it is rather well founded rather than due to foreign developments with only local significance.

The data also indicate that before seasonal adjustment but without receipts from special Government transactions we had in the first quarter a \$160 million surplus with Western Europe and a surplus of similar size with Canada, Australia, New Zealand, and South Africa taken together,

balanced by deficits with Japan and the less developed countries.

MAJOR STATISTICAL REVISIONS

Merchandise trade

The 1962 export figure was increased by about \$100 million. Nearly half of the revision was in the recorded trade figure. Slightly more than half represents the value of partial shipments not included in the recorded figures until the shipments are completed. The latter type of adjustment accounts also for the upward revisions of the 1963 export figure by \$36 million.

The \$30 million downward change in 1963 imports represents mainly revisions in the recorded trade data.

Transportation

The revisions are the result partly of the use of 1962 data not previously available under established reporting systems, and partly of the introduction of new types of information and corresponding changes in estimating methods. The principal changes are as follows in millions of dollars (rounded):

	1961	1962	1963
<i>Credits, total</i>	130	180	40
Foreign port expenditures in the United States.....	110	100	-----
Passenger fares received from foreign residents.....	30	50	30
Freight earnings of U.S. transportation companies.....	-10	30	10
<i>Debits, total</i>	-30	60	50
U.S. port expenditures abroad.....	20	20	-----
Passenger fares paid by U.S. residents.....	-10	10	30
Freight on imports paid to foreign transportation companies.....	-40	30	-----

Further revisions for 1963 will be included in the September SURVEY.

Travel

Credits: The estimates were reduced by \$15 million in 1961, \$50 million in 1962, and \$7 million in 1963. Most of the 1962 revisions affected receipts from Canada, the other revisions are due to lower estimates of average expenditures of in-transit travelers.

Miscellaneous services, private

Credits: The totals for 1962 and 1963 were revised upwards by about \$60 million. For 1962 this includes \$40 million added to the figures for income from management fees, royalties and

other services charged by American companies to their foreign subsidiaries, and about \$20 million added to incomes from royalties received from unrelated sources. These revisions are based on questionnaire returns not available at the time the previous figures were published. The estimates for expenditures by foreign governments in the United States and various other types of transactions were also raised. The revisions for 1963 were mainly for the fourth quarter, for which only incomplete data were available at the time of the previous publication. Net receipts from the carriage of mail were transferred to Government transactions.

Income on direct investments

Credits: The 1963 figure was reduced by about \$80 million. The change was mainly in the fourth quarter and represents the usual revision of preliminary quarterly estimates.

U.S. direct investments abroad

Debits: The 1962 figure was raised by about \$100 million to include questionnaire reports not available at the time of the previous revision of that figure in June 1963. The \$60 million increase for 1963 represents a \$50 million upward revision of the figure for the first quarter, a \$20 million downward revision in the third quarter, and a \$30 million upward revision in the fourth. The revisions are based on recent questionnaire returns.

Redemptions of foreign securities

Credits: The estimates were raised by \$25 million in 1961, \$33 million in 1962, and \$45 million in 1963, reflecting recalculations of the redemption schedules of foreign dollar bonds issued in U.S. markets. These amounts were shifted from transactions in outstanding securities, thus resulting in an offsetting change in that figure.

Other long-term U.S. capital

The \$20 million increase in debits in 1963 was due to the usual revisions of the preliminary fourth quarter 1963 figures.

Short-term U.S. capital

The increase in net debits by about \$50 million in both 1962 and 1963 rep-

Table 3C.—U.S. Balance of Payments—

[Millions]

	Western Europe				Eastern Europe				Canada				Latin America and Other Caribbean				
	1963 *		1964 *		1963 *		1964 *		1963 *		1964 *		1963 *				
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II			
1 Exports of goods and services	2,730	3,163	2,506	3,086	na	29	74	39	71	169	1,218	1,449	1,348	1,540	1,482	1,354	1,575
2 Goods and services transferred under military grants, net.	221	399	114	124	na											23	16
3 Goods and services excluding transfers under military grants.	2,509	2,784	2,392	2,962	2,932	29	74	39	71	169	1,218	1,449	1,348	1,540	1,482	1,331	1,559
4 Merchandise, adjusted, excluding military.	1,754	1,955	1,727	2,122	2,118	23	67	27	57	163	921	1,094	981	1,110	1,121	700	978
5 Transportation	199	230	230	216	217	3	3	3	9	3	24	29	32	30	25	72	82
6 Travel	22	31	33	25	25	(*)	(*)	(*)	(*)	(*)	72	107	126	67	90	79	106
7 Miscellaneous services:																	
8 Private	150	147	141	187	152	2	3	3	3	2	41	41	44	52	41	71	73
9 Government, excluding military	17	17	18	17	17	(*)	(*)	(*)	1	(*)	(*)	1	1	1	1	12	13
10 Military transactions	136	207	57	118	148						3	7	4	4	12	10	4
11 Income on investments:																	
12 Direct investments	165	121	101	117	176						89	90	81	189	109	233	227
13 Other private	48	50	53	58	58					(*)	68	80	79	87	83	39	39
14 Government	18	26	32	102	21	1	1	6	1	1						25	37
13 Imports of goods and services	2,024	2,351	2,418	2,418	2,202	21	25	29	25	25	1,009	1,236	1,385	1,237	1,134	1,318	1,310
14 Merchandise, adjusted, excluding military	1,061	1,171	1,166	1,316	1,225	18	22	23	19	22	789	946	929	981	910	1,010	992
15 Transportation	250	361	347	307	252	1	1	(*)	1	1	22	27	28	25	23	44	46
16 Travel	72	208	288	120	80	(*)	1	4	2	(*)	40	110	286	86	51	173	165
17 Miscellaneous services:																	
18 Private	59	62	62	63	60	(*)	(*)	(*)	(*)	(*)	15	15	16	14	16	23	26
19 Government, excluding military	28	24	33	29	31	2	1	2	2	2	1	2	1	1	2	20	23
20 Military expenditures	391	371	362	372	377	(*)	(*)	(*)	1	(*)	83	73	64	58	71	34	40
21 Income on investments:																	
22 Private	114	102	102	149	116					(*)	45	49	46	58	45	12	15
23 Government	49	52	58	62	61						14	14	15	14	16	2	3
22 Balance on goods and services	706	802	88	668	na	8	49	10	46	144	209	213	-37	303	348	36	265
23 Excluding transfers under military grants	485	433	-26	544	730	8	49	10	46	144	209	213	-37	303	348	13	249
24 Unilateral transfers, net [to foreign countries (-)]	-328	-474	-227	-235	na	-10	-8	-9	-10	-9	-8	-6	-7	-8	-7	-115	-130
25 Excluding military transfers	-107	-105	-113	-111	-94	-10	-8	-9	-10	-9	-8	-6	-7	-8	-7	-92	-114
26 Private remittances	-31	-32	-46	-49	-38	-7	-6	-6	-7	-7	-2	(*)	-1	-2	-1	-33	-42
27 Government:																	
28 Military grants of goods and services	-221	-369	-114	-124	na											-23	-16
29 Other grants	-43	-40	-36	-29	-20	-2	-2	-2	-2	-2						-52	-60
30 Pensions and other transfers	-33	-33	-31	-33	-36	-1	(*)	-1	-1	(*)	-6	-6	-6	-6	-6	-7	-6
30 U.S. capital, net [increase in U.S. assets (-)]	-461	-709	116	-464	-422	4	-52	5	-13	-13	-467	-451	20	75	-312	-66	-315
31 Private, net	-424	-633	-135	-494	-374	(*)	-13	2	-14	-9	-467	-449	16	76	-312	-69	-146
32 Direct investments, net	-403	-142	-88	-236	-270						-118	-53	-54	-109	-21	13	-100
33 New issues of foreign securities	-65	-154	-19	-34							-308	-264	-79	-26	-91	-13	(*)
34 Redemptions	2	3	10	3							27	30	28	23	20	2	8
35 Transactions in outstanding foreign securities:											30	1	15	35	20	2	-5
36 Other long-term, net	-28	-134	-83	-252	-152	(*)	-8	2	-10	-7	19	32	-25	-10	4	-13	-4
37 Short-term, net	87	-171	47	-36	-21	(*)	-5	(*)	-4	-2	-57	-195	131	163	-244	78	-45
38 Government, net	-37	-76	251	30	-48	4	-39	3	1	-4	(*)	-2	4	-1	-135	-169	
39 Long-term capital	-103	-67	-54	-79	-87	(*)	(*)	(*)	(*)	4					-124	-197	
40 Repayments on U.S. Government loans, scheduled	19	35	66	89	16	4	1	8	1	4					35	44	
41 Repayments and selloffs, nonscheduled	24	16	233	4												1	7
42 Foreign currency holdings and short-term claims, net [increase (-)]	23	-60	6	16	23	(*)	-40	-5	(*)	-8	(*)	-2	4	-1		-47	-23
43 Foreign capital (lines 44-48), net [increase in U.S. liabilities (+)]	105	145	103	142	15	(*)	(*)	(*)	(*)	(*)	-19	28	-2	39	51	-22	49
44 Direct investments in the United States	-18	69	16	-59	-9						1	21	-4	24	19	-2	-4
45 Other long-term investments	2	80	39	50	-36		(*)	(*)	(*)	(*)	-3	11	(*)	4	9	3	28
46 U.S. private short-term commercial and brokerage liabilities	31	21	28	-54	-8	(*)	(*)	(*)	(*)		-17	-4	3	10	-2	-29	13
47 U.S. Government liabilities other than interest-bearing securities	27	-9	115	206	123	(*)	(*)	(*)			(*)	-1	-1	1	25	6	12
48 U.S. Government nonmarketable, medium-term, nonconvertible securities	63	-16	-95	-1	-55							1		(*)			
49 U.S. Government nonmarketable, medium-term, convertible securities	225	152	175	25							125						
50 Increase in short-term official and banking liabilities and in foreign holdings of marketable U.S. Government bonds and notes [decrease (-)]	48	501	84	32	-16	-4	6	-4	6	-3	-72	151	-10	-133	-305	216	167
51 Increase (-) in monetary reserve assets, including gold, convertible currencies, and IMF position	71	155	129	-68	-195						(*)	(*)	-17	17	-2	-17	-34
52 Reduction in monetary reserve assets and increase in liquid liabilities including U.S. Government nonmarketable, medium-term, convertible securities (lines 49-51)	344	808	388	-11	-211	-4	6	-4	6	-3	53	151	-27	-116	-307	199	133
52a Excluding increase in U.S. Government nonmarketable, medium-term, convertible securities (lines 50 and 51)	119	656	213	-36	-211	-4	6	-4	6	-3	-72	151	-27	-116	-307	199	133
53 Errors and omissions and transfers of funds between foreign areas [receipts by foreign areas (-)], net	-366	-572	-468	-100	-18	2	5	-2	-29	-119	232	65	53	-293	227	-32	-2
Memorandum items:																	
1 Increase in reported total foreign gold reserves and liquid dollar holdings ¹	388	886	422	347	-143	-4	6	-4	6	-3	77	174	-7	-74	-253	188	127
11 Through estimated net receipts from, or payments (-) to, the United States ²	-22	236	-80	-111	-229	-2	11	-6	-23	-122	285	216	26	-409	-80	167	131
111 Through other transactions ³	410	650	502	458	86	-2	-5	2	29	119	-208	-42	-33	335	-173	21	-4

NOTE.—See note to table 1. See footnotes, table 3A.

Area by Quarter, 1963 and 1st Quarter 1964

(of dollars)

Latin America and Other Caribbean—Con.			Japan					Australia, New Zealand, and South Africa					Other countries					International institutions and unallocated					Line
1963 r—Con.		1964 *	1963 r				1964 *	1963 r				1964 *	1963 r				1964 *	1963 r				1964 *	
I	IV	I	I	II	III	IV	I	I	II	III	IV	I	I	II	III	IV	I	I	II	III	IV	I	
1,439	1,620	na	535	501	554	637	670	271	291	257	324	318	1,465	1,495	1,467	1,766	na	80	76	80	73	69	1
9	14	na											203	200	99	157	na						2
1,430	1,606	1,518	535	501	556	637	670	271	291	257	324	318	1,262	1,405	1,375	1,609	1,517	80	76	80	73	69	3
864	960	939	436	404	449	522	548	194	206	190	237	238	835	987	945	1,094	963						4
97	97	89	26	27	29	27	32	8	14	11	12	13	51	62	62	58	66	37	30	40	38	29	5
104	90	86	3	6	6	5	4	3	6	7	4	4	6	8	12	6	6						6
77	86	71	23	22	22	28	23	21	21	20	26	21	46	42	43	51	46	21	21	21	20	21	7
12	13	14	2	2	2	2	2	(*)	(*)	(*)	(*)	(*)	24	24	24	27	26						8
1	2	2	4	5	4	10	8	3	11	4	8	18	4	7	5	5	7	4	3	3	1	1	9
214	278	251	7	4	7	7	8	36	24	9	29	18	250	233	235	310	360	5	3	4	4	5	10
37	40	44	24	26	30	30	35	5	6	8	8	5	13	13	14	14	16	13	10	12	10	12	11
24	40	22	10	4	11	6	10	1	1	1	(*)	1	38	39	35	44	37	(*)				1	12
1,345	1,364	1,400	478	504	555	533	486	202	179	244	202	196	721	814	796	776	797	144	148	201	148	175	13
994	1,048	1,071	338	353	413	393	365	157	139	199	159	150	518	572	569	571	568	18	17	16	24	22	14
45	36	43	20	20	22	20	19	10	11	8	9	10	27	33	33	26	33	90	106	107	93	97	15
186	160	180	9	13	14	10	10	4	2	3	3	5	16	30	39	11	17						16
31	31	21	2	2	1	1	1	(*)	(*)	(*)	1	(*)	2	1	2	1	2	(*)	(*)	(*)	(*)	(*)	17
22	21	21	3	3	3	3	4	1	1	3	3	3	32	34	34	33	34	7	2	66	8	33	18
49	48	44	94	99	88	84	72	28	24	29	24	26	117	124	119	121	130	(*)	(*)				19
15	17	17	7	8	8	9	9	1	2	1	2	1	6	8	7	9	9	3	4	4	4	3	20
3	3	3	5	6	6	7	6	1	(*)	1	1	1	3	3	3	4	4	17	17	18	19	20	21
94	256	na	57	-3	1	104	184	69	112	13	122	122	744	881	671	990	na	-64	-72	-121	-75	-106	22
85	242	118	57	-3	1	104	184	69	112	13	122	122	541	591	579	833	720	-64	-72	-121	-75	-106	23
-102	-115	na	-8	-8	-9	-7	-6	-3	-2	-1	-3	-3	-613	-721	-484	-548	na	-13	-33	-19	-80	-21	24
-93	-101	-84	-8	-8	-9	-7	-6	-3	-2	-1	-3	-3	-410	-431	-402	-391	-411	-13	-33	-19	-80	-21	25
-20	-24	-21	-6	-6	-7	-6	-5	-2	-1	-1	-2	-2	-56	-54	-54	-54	-56						26
-9	-14	na	(*)	(*)	(*)	(*)	(*)						-203	-290	-92	-157	na						27
-68	-73	-56	(*)	(*)	(*)	(*)	(*)						-335	-359	-330	-315	-336	-13	-33	-19	-77	-21	28
-5	-4	-7	-2	-2	-2	-1	-1	-1	-1	(*)	-1	-1	-19	-18	-18	-18	-19						29
-113	-191	-74	-72	-312	-91	-360	-287	-15	-58	26	-33	-22	-335	-476	-267	-627	-420	-56	-39	7	-69	-12	30
-52	-176	-102	-69	-253	-95	-365	-309	-16	-77	18	-37	-25	-43	-96	12	-259	-132	-56	-29	7	-4	-21	31
33	-156	-15	-13	-36	-14	-5	-31	-13	-48	12	-60	-31	-20	-98	-26	-90	-42	3	-34	1	-9	-23	32
-23		-13	-17	-66	-52	-5		-17					-18	-17	-10	-22	-24						33
1	8	2	5	1	3	(*)	13	2	2	5	6	2	1	4	2	3	1	4	2	3	2	3	34
3	-2	4	-10	-15	-8	4	4	-1	-14	2	3	1	-1	-2	19	-10	1	-62	2	3	3	3	35
23	28	-15	-22	-3	-37	-52	-56	1	-1	3	25	-5	24	-9	4	-34	-1						36
-89	-51	-65	-12	-134	13	-307	-239	-5	1	-4	-11	8	-29	16	23	-97	-67	-1	1	(*)	(*)		37
-61	-15	28	-3	-59	4	5	22	1	19	8	4	3	-252	-380	-279	-368	-288						38
-88	-149	-80	-16	-65	-9	-3	-3	(*)	(*)				-309	-284	-290	-296	-346	-6	-7				39
34	102	44	26	17	12	6	25	1	8	4	4	3	34	26	36	26	48	2		3			40
4	22	52																					41
-11	10	12	-13	-11	1	2	(*)	(*)	(*)	11	4		-17	-122	-25	-128	8	4	-3	-3	(*)	7	42
24	-13	24	(*)	-32	-4	-2	4	-7	5	6	30	-5	9	63	-5	-11	8	4	-16	7	84	5	43
-12	-7	4	6	-31	12	3	10	(*)	(*)	(*)	(*)		2	(*)	(*)	(*)	(*)						44
10	18	10	(*)	1	(*)	4	-1	(*)	(*)	(*)	1	-1	4	23	(*)	3	1	4	6	7	6	6	45
4	-10	15	-6	-3	-14	-5	(*)	-7	8	6	-2		-1	32	-10	-13	8	(*)	(*)	(*)	(*)		46
22	-14	-5	(*)	1	-2	-1	-5	(*)	-3	(*)	31	-4	4	3	5	-1	-1						47
																							48
																							49
121	102	26	59	54	77	69	-8	3	11	-12	36	-17	117	40	-59	97	237	-44	-13	-5	-77	-70	50
16	3	3											9	-15	25	5	-7	-31	18	74	38	150	51
137	105	29	59	54	77	69	-9	3	11	-12	36	-17	126	25	-34	102	230	-75	5	69	-39	80	52
137	105	29	59	54	77	69	-8	3	11	-12	36	-17	126	25	-34	102	230	-75	5	69	-39	80	52a
-40	-42	-13	-36	301	26	196	113	-47	-68	-32	-152	-75	69	228	129	94	-127	204	155	57	179	54	53
132	151	38	59	54	77	69	-8	3	11	-12	36	-17	191	74	14	90	229	-59	7	114	-54	77	I
97	63	16	23	355	103	265	105	-44	-57	-44	-116	-92	195	253	95	196	103	114	144	111	117	115	II
35	88	22	36	-301	-26	-196	-113	47	68	32	152	75	-4	-179	-81	-106	126	-178	-137	3	-171	-38	III

Table 4.—Changes in Short-Term Official and Banking Liabilities and in Foreign Holdings of Marketable U.S. Government Bonds and Notes

[Millions of dollars]

	Amount outstanding end of December 1963	Calendar year ^r				1962 ^r				1963 ^r				1964 ^p
		1960	1961	1962	1963	I	II	III	IV	I	II	III	IV	I
Total (decrease -) (line 50, pp. 14 and 16) ¹	25,594	1,738	1,764	670	1,564	47	496	-188	325	323	917	192	192	-156
By foreign holders:														
Foreign central banks and governments, total.....	13,650	1,149	881	457	970	-663	462	270	378	-74	773	145	126	-426
As reported by U.S. banks.....	12,467	1,059	727	1,058	504	-472	737	412	381	-178	592	15	75	-479
Other.....	1,183	90	-46	-601	466	-181	-276	-142	-3	104	181	130	51	53
Foreign commercial banks ²	5,689	104	595	-129	438	442	-243	-214	-114	386	75	-31	8	322
International and regional institutions ¹	2,764	637	407	211	-238	213	-2	-106	106	-65	-46	-15	-112	-86
Other foreigners and undetermined.....	3,491	-152	81	131	394	45	269	-138	-45	76	115	93	110	34
By type of liabilities:														
Deposits in U.S. banks.....	11,707	1,206	1,257	-63	1,131	145	73	-638	357	425	451	56	196	300
U.S. Government obligations:														
Bills and certificates payable in dollars.....	8,600	144	-129	1,819	-641	242	659	767	151	-422	212	-153	-278	-582
Bonds and notes (marketable).....	2,742	127	513	-728	671	-282	-214	-193	-39	128	240	215	88	-3
Nonmarketable certificates payable in foreign currencies.....	30		46	2	-18	29		75	-102		-23	-25	30	
Other.....		190	-60	-462		-115	-115	-115	-117					
Bankers acceptances, commercial paper, time deposit certificates, and other liabilities.....	2,321	35	146	111	412	23	90	-86	84	189	31	92	100	142
Other banking liabilities payable in foreign currencies.....	104	30	-9	-9	9	5	-7	2	-9		6	7	-4	-22

^r Revised. ^p Preliminary. ² Less than \$500,000.

1. Excludes dollar holdings of the IMF except for those acquired by the IMF through gold sales to the U.S. with the option to reverse the transaction. These transactions amounted to \$200 million in 1956, \$300 million in 1959 and \$300 million in 1960; and the corresponding liabilities of \$800 million at the end of 1963 are included in the total liabilities and in those shown to

International and regional institutions. Other dollar assets of the IMF at the end of 1963 were \$3,090 million.

2. Includes banking liabilities to foreign official institutions held through foreign commercial banks.

Table 5.—U. S. Short-Term Private Capital, 1960-63, and 1st Quarter 1964, by Country and Type

[Millions of dollars]

	Amount outstanding end of December 1963	Changes ² [decreases (-)]												
		Calendar year ^r				1962 ^r				1963 ^r				1964 ^p
		1960	1961	1962	1963	I	II	III	IV	I	II	III	IV	I
Total short-term capital outflow (Table 3 line 37, pp. 14 and 16) ..	8072	1348	1556	553	696	408	-171	56	260	-61	532	-121	346	530
Seasonally adjusted (table 1 line 112).....						418	-121	149	110	-46	572	-26	196	645
Total reported by U.S. banks ¹.....	5827	995	1125	324	721	254	-159	-106	335	-77	402	-96	492	421
Seasonally adjusted.....						265	-69	4	114	-62	492	19	272	450
Major financial centers, total.....	1249	305	184	31	58	35	-204	1	199	-46	207	-177	74	69
United Kingdom.....	225	124	-64	41	4	-21	-8	12	58	-24	-9	7	30	-35
E.E.C. and Switzerland.....	417	32	116	20	-27	-30	-28	-3	81	-43	109	-84	-9	23
Canada.....	607	149	132	-30	81	86	-168	-8	60	21	107	-100	53	81
By type:														
Commercial and financial claims payable in dollars.....	802	80	115	83	33	134	-198	15	132	-28	97	-82	46	25
Foreign currency deposits and claims.....	447	225	69	-52	25	-99	-6	-14	67	-18	110	-95	28	44
Other countries, total.....	4578	690	941	293	663	219	45	-107	136	-31	195	81	418	352
Japan.....	2149	482	670	212	408	251	-20	-47	28	11	120	-4	281	228
Latin American Republics.....	1588	180	135	70	98	-1	29	-50	92	-72	39	89	42	58
Other.....	841	28	136	11	157	-31	36	-10	16	30	36	-4	95	66
By type:														
Commercial and financial claims payable in dollars.....	4,489	648	926	280	648	230	38	-112	133	-37	195	78	412	350
Foreign currency deposits and claims.....	89	42	15	4	15	-11	7	5	3	6	(*)	3	6	2
Total reported by nonfinancial concerns.....	2,245	353	431	229	-25	154	-12	162	-75	16	130	-25	-146	209
Seasonally adjusted.....						165	-62	142	-4	16	80	-45	-76	209
Claims of commercial enterprises.....	2,137	357	394	266	-48	154	26	162	-76	16	118	-25	-157	209
Major financial centers, total.....	1,230	305	361	171	-136	127	2	143	-101	-9	97	-13	-21	182
United Kingdom.....	225	219	-77	17	-16	-5	-27	-6	-18	-46	5	18	7	4
E.E.C. and Switzerland.....	337	21	75	59	5	51	21	-23	10	(*)	4	(*)	1	15
Canada.....	668	65	363	95	-125	81	8	99	-93	37	88	-31	-219	163
Claims payable in dollars.....	950	168	385	103	-110	111	11	62	-81	21	116	-44	-203	na
Foreign currency deposits and claims.....	280	137	-24	68	-26	16	-9	81	-20	-30	-19	31	-8	na
Other countries, total.....	907	52	33	95	88	27	24	19	25	25	21	-12	54	27
Claims payable in dollars.....	783	51	3	82	93	24	3	25	30	24	3	-13	79	na
Foreign currency deposits and claims.....	124	1	30	13	-5	3	21	-6	-5	1	18	1	-25	na
Claims of brokerage concerns.....	108	-4	37	-37	23		-38		1		12		11	

^r Revised. ^p Preliminary. na Not available. ² Less than \$500,000.

1. Excludes Exchange Stabilization Fund holdings.

2. Changes adjusted for variations in coverage and therefore do not necessarily correspond to changes computed from reported amounts outstanding.

resents mainly an improvement in the coverage of business firms engaged in such transactions.

Foreign direct investments in U.S.

The reduction in net credits in 1963 by about \$70 million represents the usual revision of the preliminary fourth quarter 1963 figures, and reflects recent questionnaire returns.

Seasonal adjustments

Seasonal adjustments were changed

on the basis of the quarterly figures for 1963 and incorporate the adjustments of the figures on merchandise trade as published by the Bureau of the Census. The new adjustments result in a larger downward shift of the overall balance in the first half of the year, particularly in the first quarter, and correspondingly a larger upward shift in the second half of the year, about evenly distributed between the third and fourth quarters.

Table 6.—Analysis of Government Grants (Excluding Military) and Capital Transactions

[Millions of dollars]

Line	Item	1960	1961	1962	1963				1964	
					Total	I	II	III	IV	1*
						Not adjusted for seasonal variations				
1	Government grants and capital outflows:									
2	Under farm products disposal programs.....	1,277	1,349	1,503	1,663	382	575	323	383	373
3	Under Foreign Assistance Act and related programs.....	1,685	1,797	1,950	2,150	510	588	495	557	443
4	Under Export-Import Bank Act.....	405	822	621	509	105	178	83	143	88
5	Subscriptions to IDA and IDB.....	154	172	122	62				62	
6	Other assistance programs.....	21	27	111	97	27	24	21	25	31
7	Foreign currency claims acquired in the collection of—									
8	Principal.....	34	50	62	94	31	29	19	15	23
9	Interest.....	59	74	115	148	33	41	33	41	37
10	Less: Foreign currencies used for U.S. Government uses other than grants or loans.....	212	218	230	231	65	57	59	50	62
11	Miscellaneous short-term capital transactions (net).....	-18	11	39	30	30	3	14	-17	-24
12	Total, Government grants and capital outflows (not seasonally adjusted) (table 3, lines 28 + 39 + 42).....	3,405	4,054	4,293	4,522	1,053	1,381	929	1,159	909
						Adjusted for seasonal variations				
13	Total, Government grants and capital outflows (seasonally adjusted) (table 1, line 1-6).....	3,405	4,054	4,293	4,522	1,041	1,333	1,009	1,139	897
14	Less: Estimated transactions involving no direct dollar outflows from the United States.....	2,294	2,915	3,220	3,635	790	1,078	815	952	753
15	Expenditures on merchandise in the United States.....	1,914	2,220	2,363	2,720	579	815	633	603	617
16	Expenditures on services in the United States.....	300	434	532	601	150	177	123	151	128
17	Military sales financed by credits (including short-term, net).....	25	33	13	17	-2	10	5	4	-10
18	Refunding of Government loans.....	14	37	72	192	41	57	19	75	27
19	Government loans to repay private credits.....		111	93	11	2	9			
20	Increase in Government liabilities associated with Government grants and capital (including changes in restricted accounts).....	41	80	147	94	20	10	35	29	-9
21	Equals: Estimated dollar payments to foreign countries and international institutions through Government grants and capital operations.....	1,111	1,139	1,073	887	251	255	194	187	144

* Preliminary.

Source: U.S. Department of Commerce, Office of Business Economics.

