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BALANCES OF PAYMENTS

1933

including an Analysis of Capital Movements
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Contractions used (credit and debit items)	Full wording of the items given in the first column	
	Credit items	Debit items
Goods, services and gold.		
<i>I. Merchandise.</i>		
1. Merchandise	Merchandise, including silver bullion and coins other than gold, exported (according to trade returns)	Merchandise, including silver bullion and coins other than gold, imported (according to trade returns)
2. Adjustment for wrong valuation	Adjustment of 1 in order to arrive at the commercial value f.o.b.	Adjustment of 1 in order to arrive at the commercial value c.i.f.
3. Contraband	Contraband exports	Contraband imports
<i>II. Interest and dividends.</i>		
4. Interest on inter-governmental debts	Interest received on intergovernmental debts n.e.i. (inter-allied debts, etc.)	Interest paid on intergovernmental debts n.e.i. (inter-allied debts, etc.)
5. Interest on other public debts	Interest received on other foreign government and municipal loans	Interest paid on other Government and municipal foreign debt
6. Yield of other long-term capital : (a) interest (b) dividends, profits, etc.	Yield of other long-term capital investments abroad : (a) interest (b) dividends, profits, etc.	Yield of other foreign long-term capital invested in the country : (a) interest (b) dividends, profits, etc.
7. Interest on short-term capital	Interest received from short-term capital invested abroad	Interest paid on foreign short-term capital invested in the country
<i>III. Other services (1).</i>		
8. Shipping : (a) ordinary freights (b) charter money (c) passage money	Income of national ships on account of all foreign traffic (2) : (a) ordinary freights (b) charter money (c) passage money	Payments to foreign ships on account of traffic between domestic ports : (a) ordinary freights (b) charter money (c) passage money
9. Port fees	Port receipts from foreign shipping in national ports	Port expenses incurred by national shipping in foreign ports
10. Other transport fees	Transport and other charges received for foreign goods transhipped or in transit (if not included in group I)	Transport payments to foreign carriers, n.e.i.
11. Commissions, insurance, brokerage	Commissions, insurance, brokerage and similar receipts, n.e.i.	Commissions, insurance, brokerage and similar payments, n.e.i.
12. Post, telegraph and telephone	Post, telegraph and telephone earnings, n.e.i.	Post, telegraph and telephone payments, n.e.i.
13. Immigrants' and emigrants' funds	Funds brought in by immigrants and returned emigrants	Funds taken out by emigrants and returning immigrants
14. Immigrants' and emigrants' remittances	Emigrants' remittances and money gifts from abroad, n.e.i.	Immigrants' remittances and money gifts sent abroad, n.e.i.
15. Tourists' expenditure	Receipts from foreign tourists and travellers	Expenditure abroad by national tourists and travellers
16. Diplomatic and similar expenditure	Diplomatic, consular and similar expenditure in the country	Diplomatic, consular and similar expenditure abroad
17. Miscellaneous personal services	Receipts for services rendered in the country for "persons" domiciled abroad, n.e.i.	Payments for services rendered abroad for "persons" domiciled in the country, n.e.i.
18. Reparations in cash	Government receipts in cash on account of reparation payments	Government payments in cash on account of reparations
19. Counter-value of reparations in kind	Counter-value of reparation receipts in kind, included in merchandise imports above	Counter-value of reparation deliveries in kind, included in merchandise exports above

(1) Besides services proper, there are included under this heading such items as emigrants' funds and remittances, etc.
(2) Foreign shipping traffic here means all traffic other than that between domestic ports.
Maritime freight on imported goods, which is included in group I of imports, amounted to approximately during the year. Of this amount, about were paid to national ships, and included on the credit side against item 8.

Contractions used (credit and debit items)	Full wording of the items given in the first column	
	Credit items	Debit items
Goods, services and gold <i>(continued)</i> .		
20. Other Government receipts and exp.	Government receipts from abroad, n.e.i.	Government expenditure abroad, n.e.i.
21. Other items	Other items	Other items
IV. <i>Gold.</i>		
22. Gold coin and bullion imported and exported	Gold bullion and gold specie exported (according to trade returns)	Gold bullion and gold specie imported (according to trade returns)
23. Adjustment for wrong valuation	Adjustment of 22 in order to arrive at the commercial value f.o.b.	Adjustment of 22 in order to arrive at the commercial value c.i.f.
24. Changes in earmarked gold	Decrease in the amount of gold earmarked abroad for domestic account, or increase in the amount of gold earmarked in the country for foreign account	Increase in the amount of gold earmarked abroad for domestic account, or decrease in the amount of gold earmarked in the country for foreign account.
Capital items.		
I. <i>Long-term operations.</i>		
1. Amortisation :		
(a) of intergovernmental debts	Receipts on account of amortisation of intergovernmental debts, n.e.i. (inter-allied debts, etc.)	Payments on account of amortisation of intergovernmental debts, n.e.i. (inter-allied debts, etc.)
(b) of other public debts	Receipts on account of amortisation of other foreign government and municipal loans	Payments on account of amortisation of other Government and municipal foreign debt
(c) of other debts	Receipts on account of amortisation of other loans	Payments on account of amortisation of other loans raised abroad
2. Purchases and sales :		
(a) of real estate abroad	Real estate (a) abroad	Real estate (a) abroad
(b) of real estate in the country	(b) in the country sold abroad	(b) in the country purchased from foreigners abroad
(c) of domestic securities	Existing domestic securities sold abroad	Repurchase of national securities formerly held abroad
(d) of foreign securities	Foreign securities resold abroad	Purchase of existing foreign securities issued abroad
3. New capital issues :		
(a) Government and municipal	Sale of new domestic securities on account of new loans floated abroad : (a) Government and municipal loans	New foreign capital issues subscribed in the country : (a) on account of foreign government and municipal loans
(b) other	(b) other loans	(b) other capital issues
4. Participation in new capital issues	Sale of new domestic securities on account of foreign participation in domestic capital issues	Participation of domestic capital in foreign capital issues
5. Other long-term investments	Other foreign long-term capital invested in the country	Other long-term capital investments made abroad
II. <i>Short-term operations.</i>		
6. Change in short-term debts	Net increase in foreign short-term debts on account of credits raised and repaid	Net decrease in foreign short-term debts on account of credits raised and repaid
7. Change in short-term assets	Net decrease in foreign floating assets on account of short-term credits granted and repaid	Net increase in foreign floating assets on account of short-term credits granted and repaid

Figures for international indebtedness.

At the end of the statements for a number of countries, information is given concerning the amount of outstanding international liabilities and assets. In the circular letter referred to above, the following classification of the obligations concerned has been suggested :

Liabilities	Assets
Liabilities on account of intergovernmental debts n.e.i. (inter-allied debts, etc.)	Claims on abroad on account of intergovernmental debts n.e.i (inter-allied debts, etc.)
National securities held abroad on account of :	Foreign securities held in the country on account of :
(a) other Government and municipal debt	(a) other foreign government and municipal debt
(b) private long-term loans	(b) foreign private long-term loans
National real estate owned by foreigners	Foreign real estate owned by nationals
Other long-term debt (foreign participation in national enterprises, and other foreign direct investments)	Other long-term assets (participation in foreign enterprises, and other direct investments abroad)
Floating foreign debt of :	Floating assets abroad of :
(a) central and local governments	(a) central and local governments
(b) banks :	(b) banks :
current account deposits of foreign correspondents	deposits on current account with foreign correspondents
liabilities on account of foreign bills of exchange	assets on account of foreign bills of exchange
other debts	other assets
(c) other enterprises and individuals (excluding bills of exchange shown under b)	(c) other enterprises and individuals

The information available for certain countries relates to the nominal value of outstanding securities and original outlay in the case of direct investments, deduction made, however, of investments which have become valueless. Obviously estimates on this basis, particularly of long-term investments, may be misleading. Certain countries therefore undertake a periodical census of the market value of their outstanding liabilities and assets. The changes during a given period in the amounts calculated on this basis are due to the capital operations during that period, and to variations in values. The balance of long-term capital operations over a period may differ considerably from the change in international indebtedness on account of long-term investments, owing to fluctuations in the value of securities.

When the short-term capital operations are calculated from the changes in the floating balances, it is assumed that allowance has been made for changes due to the insolvency of debtors or to fluctuations in the value of the currencies in which those balances are held.

Summary statement concerning certain items.

Attempts have been made in previous issues of this publication to co-ordinate certain of the data contained in the various national statements in the hope that the results thus obtained might throw some further light on the broad tendencies of the international exchange of goods and services.

It must be borne in mind, however, that the estimates differ very considerably in authority and value, and in each individual statement the figures given necessarily vary from well-founded and carefully compiled administrative statistics to confessedly doubtful inferences drawn from an unavoidably inadequate basis of established fact. The figures supplied must therefore be accepted with reserve and any conclusions drawn be treated as tentative.

Synoptical table (pages 10-15).

In order to facilitate the study, a table of reference has been drawn up, showing for each country, in terms of United States "old" gold dollars ⁽¹⁾, the balances of the main groups of items during the last few years.

The table, which is reproduced on the following pages, is based on the summary tables given in the chapters for individual countries. The countries are arranged by continents in the following order : Africa, America, Asia, Europe, Oceania, and in French alphabetical order within each continent. Conversion into gold dollars has been made on the basis of par rates for gold currencies and the average exchange value (calculated by combining rates on New York with the Paris rates of the dollar) for paper currencies. The use of annual average exchange rates for conversion purposes (which was necessary, as monthly figures are available only for gold movements and trade in goods) is likely to have affected somewhat the figures for countries whose currencies fluctuated widely and whose foreign transactions are subject to large seasonal fluctuations.

The figures should be studied in conjunction with the information in the explanatory notes given after the table. Particular attention should be paid to the fact that, in some cases, where direct evidence was not available concerning the short-term capital transactions (column 8), the balance of such transactions has been calculated as the difference between the balance of long-term capital movements (column 7) and that of goods, services and gold (column 6). In these cases, the amounts (which include allowances for possible errors and omissions in other groups of items) have been given in brackets in the table. In other cases, the balances shown in the last column are due to errors and omissions in the account.

It has not been possible to explain in footnotes all the divergencies between the methods employed for different countries. For a close study, reference has to be made to the sections for individual countries in this and the preceding volumes.

(1) Dollar of 1.50463 grammes of fine gold.

BALANCES DES PAIEMENTS INTERNATIONAUX (en millions de dollars-or).
BALANCES OF INTERNATIONAL PAYMENTS, in terms of gold \$ (000,000's).

Le signe plus (+) indique un mouvement net d'entrée des paiements, ou mouvement créditeur (un excédent afférent aux marchandises, services ou or, ou une importation nette de capitaux), et le signe moins (—) un mouvement net de sortie des paiements, ou mouvement débiteur (un déficit afférent aux marchandises, services ou or, ou une exportation nette de capitaux).

The plus sign (+) means a net inward or credit movement of payments (a surplus on account of goods, services or gold, or a net capital import), and the minus sign (—) a net outward or debit movement (a deficit on account of goods, services or gold, or a net capital export).

Pays — Country	Année Year	Marchandises, services et or Goods, services and gold						Mouvement des capitaux Capital items			Solde dû aux erreurs et omissions Balance due to errors and omissions
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long-term	A court terme Short- term	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Union Sud-Africaine — Union of South Africa ¹	1927	-135.9	-80.3	-21.5	-237.7	+212.1	-25.6	+30.4	(-4.8)	+25.6	—
	1928	-154.9	-77.0	-22.8	-254.7	+208.3	-46.4	+13.8	(+32.6)	+46.4	—
	1929	-183.4	-76.4	-24.1	-283.9	+218.9	-65.0	-8.6	(+73.6)	+65.0	—
	1930	-161.0	-73.5	-22.2	-256.7	+225.1	-31.8	+48.2	(-16.6)	+31.6	—
	1931	-149.3	-67.6	-21.4	-238.3	+219.3	-19.0	+1.9	(+17.1)	+19.0	—
	1932	-77.5	-61.3	-20.9	-159.7	+235.2	+75.5	+22.2	(-97.7)	-75.5	—
Argentine ² a)	1927/28	+198.9	-181.8	-52.3	-35.2	-145.7	-180.9	+106.4	+24.3	+130.7	-50.2
	1928/29	+114.1	-188.4	-48.8	-123.1	+119.0	-4.1	+48.7	-10.9	+37.8	+33.7
	1929/30	-103.1	-157.8	-37.7	-298.6	+56.1	-242.5	+175.7	-8.3	+167.4	-75.1
	1930/31	+42.8	-117.2	-21.6	-96.0	+123.0	+27.0	-5.9	+7.3	+1.4	+28.4
Brésil — Brazil	1932	+109.0	-56.5	-14.2	+38.3	+3.9	+42.2	.	.	-48.9	-6.7
Canada ³	1927	+100.9	-170.2	+173.3	+104.0	+33.0	+137.0	.	.	-18.7	+118.3
	1928	+75.6	-165.9	+223.7	+133.4	+68.0	+201.4	.	.	.	.
	1929	-180.9	-169.7	+239.1	-111.5	+46.5	-65.0	.	.	.	.
	1930	-162.3	-184.1	+201.0	-145.4	-13.8	-159.2	.	.	.	.
	1931	-47.7	-174.7	+183.5	-38.9	+65.6	+26.7	-60.7	.	.	.
	1932	+36.3	-169.2	+137.8	+4.9	+58.6	+63.5	-20.3	.	.	.
	1933	+81.7	-164.7	+45.4	-37.6	+67.2	+29.6	+45.0	.	.	.
Etats-Unis d'Amérique — United States of America ⁴	1927	+417	+679	-572	+524	+154	+678	-722	+845	+123	+301
	1928	+738	+680	-634	+734	+272	+1,006	-684	-228	-912	+94
	1929	+382	+699	-681	+400	-120	+280	-94	-95	-189	+91
	1930	+386	+769	-580	+575	-278	+297	-224	-465	-689	-392
	1931	+17	+621	-493	+145	+176	+321	+233	-719	-486	-165
	1932	+150	+455	-504	+101	-11	+90	+247	-489	-242	-152
	1933	+67	+321	-218	+170	+139	+309	+39	-383	-344	-35
Chine — China ⁵	1928	-186.7	-114.7	+213.0	-88.4	-4.3	-92.7	.	.	+47.4	-45.3
	1929	-179.2	-118.5	+201.0	-96.7	+1.3	-95.4	.	.	+72.6	-22.8
	1930	-180.7	-95.0	+151.2	-124.5	+14.5	-110.0	.	.	+62.0	-48.0
	1933	-168.4	-22.9	+84.7	-106.6	+40.2	-66.4	.	.	+6.4	-60.0

Des notes explicatives générales sont données aux pp. 14 et 15.

General explanatory notes are given on pp. 14 and 15.

a) 1. X - 30. IX.

¹ Union Sud-Africaine. — Col. 2 et 7 : non compris les réinvestissements des bénéfices réalisés dans le pays par les entreprises étrangères.

² Argentine (Relevé privé de M. Carlos A. Tornquist). — L'amortissement de la dette publique et de certains titres hypothécaires a été compris dans la col. 2 au lieu de la colonne 7.

³ Canada. — Col. 1 et col. 3 : non compris les frets payés aux navires nationaux pour le transport de marchandises importées.

⁴ Etats-Unis d'Amérique. — Col. 1 et col. 3 : pour les années 1927, 1928 et 1932, non compris les frets payés aux navires nationaux pour le transport de marchandises importées. Col. 2, 7, 8 : dividendes acquis à l'étranger mais non transférés aux Etats-Unis sont exclus (voir les notes explicatives générales).

⁵ Chine (1928-1930 : relevé privé du professeur C. F. Remer). — Les paiements au titre de l'amortissement sont compris dans la col. 2 au lieu de la col. 7.

¹ Union of South Africa. — Col. 2 and 7 : not including reinvestments of profits earned in the country by foreign firms.

² Argentine (Private compilation by M. Carlos A. Tornquist). — Amortisation of the public debt and certain mortgage bonds is included with col. 2 instead of col. 7.

³ Canada. — Col. 1 and col. 3 : not including freights paid to domestic ships on account of imported goods.

⁴ United States of America. — Col. 1 and 3 : in 1927, 1928 and 1932, not including freights paid to domestic ships on account of imported goods. Col. 2, 7, 8 : in 1932, 1933 and partly also in 1931, interest and dividends earned abroad but not transferred to the United States are excluded (cf. the general explanatory notes).

⁵ China (1928-1930 : private compilation by Prof. C. F. Remer). — Amortisation payments are included with col. 2 instead of col. 7.

**Balances des paiements internationaux (en millions de dollars-or).
Balances of International Payments, in terms of gold \$ (000,000's).**

Pays — Country	Année Year	Marchandises, services et or Goods, services and gold						Mouvement des capitaux Capital Items			Solde de aux erreurs et omissions Balance due to errors and omissions
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long-term	A court terme Short- term	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Inde (brit.) — India a)	1927/28	+187.4	-114.7	-126.7	-54.0	-66.1	-120.1	+53.6	(+66.5)	+120.1	—
	1928/29	+242.8	-118.6	-113.9	+10.3	-77.4	-67.1	+1.9	(+65.2)	+67.1	—
	1929/30	+196.4	-115.3	-65.7	+15.4	-51.9	-36.5	+48.6	(-12.1)	+36.5	—
	1930/31	+135.6	-122.6	-58.1	-45.1	-46.6	-91.7	+157.8	(-66.1)	+91.7	—
	1931/32	+69.6	-108.7	-56.1	-95.2	+181.3	+86.1	+36.8	(-122.9)	-86.1	—
	1932/33	-14.3	-90.0	-42.2	-146.5	+171.3	+24.8	-17.0	(-7.8)	-24.8	—
1933/34	+65.8	-82.4	-29.6	-46.2	+138.5	+92.3	-52.3	(-40.0)	-92.3	—	
Indes néerlandaises — Nether- lands Indies ¹	1927	+291.8	-149.6	-86.8	+55.4	-6.4	+49.0	-26.3	+2.0	-24.3	+24.1
	1928	+231.5	-142.7	-80.8	+8.0	-6.0	+2.0	-5.2	-2.4	-7.6	-5.6
	1929	+137.9	-127.0	-70.4	-39.5	-3.6	-63.1	-24.9	+56.7	+31.8	-31.3
	1930	+109.3	-104.1	-63.5	-58.3	+0.8	-57.5	+31.8	—	+31.8	-25.7
	1931	+62.7	-59.1	-52.3	-48.7	+16.5	-32.2	+13.7	—	+18.5	+32.2
	1932	+65.9	-45.8	-39.0	-18.9	+14.9	+4.0	+11.3	—	+49.4	+60.7
1933	+64.7	-46.6	-35.0	-16.9	+14.1	-2.8	+12.5	—	+5.2	+17.7	+14.9
Irak — Iraq a)	1926/27	-19.5	+0.4	+12.0	-7.1	+2.6	-4.5	+2.3	+1.0	+3.3	-1.2
	1927/28	-15.7	+0.2	+9.0	-6.5	+1.2	-5.3	-0.4	+0.6	+0.2	-5.1
	1928/29	-14.8	+0.1	+7.6	-7.1	+2.7	-4.4	+2.0	+1.7	+3.7	-0.7
	1929/30	-16.3	-0.3	+7.3	-9.3	+2.9	-6.4	+1.4	+1.5	+2.9	-3.5
	1930/31	-12.9	-0.9	+6.4	-7.4	+2.7	-4.7	+2.8	+0.8	+3.6	-1.1
	1931/32	-8.7	-0.8	+8.9	-0.6	+4.4	+3.8	+0.3	-3.3	-3.0	+0.8
1932/33	-14.7	-1.5	+6.2	-10.0	+2.8	-7.2	+4.4	-0.7	+3.7	-3.5	
Japon (y compris Corée et Formose — Japan (incl. Korea and Formosa)	1927	-134.1	-1.5	+63.7	-66.9	+17.0	-49.9	-59.8	+81.9	+22.1	-27.8
	1928	-150.1	-11.1	+81.1	-80.1	-0.2	-80.3	+24.7	+29.3	+54.0	-26.3
	1929	-75.5	-9.1	+93.4	+8.8	-0.3	+8.5	-24.3	-1.9	-26.2	-17.7
	1930	-76.4	-12.5	+75.4	-13.5	+141.6	+128.1	-45.4	+100.5	-145.9	-17.3
	1931	-69.4	-11.5	+52.8	-28.1	+189.6	+161.5	-114.2	-39.1	-153.3	+8.2
	1932	-16.0	-10.6	+42.4	+15.8	+31.5	+47.3	-47.2	-45.4	-92.6	+45.3
1933	15.3	+14.7	—	-0.6	+4.2	+3.6	—	—	—	—	
Albanie — Albania	1927	-2.8	—	+2.3	-0.5	—	-0.5	—	—	+0.7	+0.2
	1928	-3.4	—	+2.5	-0.9	—	-0.9	—	—	+1.1	+0.2
	1929	-4.8	—	+2.7	-2.1	—	-2.1	—	—	+3.0	+0.9
	1930	-4.0	—	+2.0	-2.0	—	-2.0	—	—	+3.1	+1.1
	1931	-4.3	—	+1.9	-2.4	—	-2.4	—	—	+3.7	+1.3
	1932	-3.6	—	+1.7	-1.9	—	-1.9	—	—	+3.1	+1.2
Allemagne — Germany ²	1927	-688.4	-82.2	-242.5	-1,013.1	-23.6	-1,036.7	+423.5	(+613.2)	+1,036.7	—
	1928	-297.8	-134.1	-315.1	-747.0	-219.6	-966.6	+425.9	(+540.7)	+966.6	—
	1929	+7.4	-190.6	-388.3	-571.5	+89.6	-481.9	+157.2	(+324.7)	+481.9	—
	1930	+391.6	-233.2	-279.4	-126.0	-3.1	-129.1	+266.5	(-137.4)	+129.1	—
	1931	+680.8	-285.9	-129.3	+265.6	+274.2	+539.8	+2.9	(-382.7)	-539.8	—
	1932	+251.1	-214.4	+23.3	+60.0	+43.4	+103.4	+3.3	(-106.7)	-103.4	—
1933	+157.4	-166.7	+18.1	+8.8	+103.1	+111.9	-11.9	(-100.0)	-111.9	—	

Des notes explicatives générales sont données aux pp. 14 et 15.

General explanatory notes are given on pp. 14 and 15.

a) 1. IV - 31. III.

¹ Indes néerlandaises. — Col. 2 et 7 : non compris les réinvestissements des bénéfices réalisés dans le pays par les entreprises étrangères.

² Allemagne. — Le service de l'emprunt Dawes (intérêts : 16 millions de dollars environ; amortissement : 6 millions de dollars environ, par an) a été compris dans la col. 3 au lieu des col. 2 et 7. Les données relatives au mouvement des capitaux ne permettent pas de distinguer clairement entre les opérations à long et à court terme. La balance de ceux des mouvements de capitaux qui sont connus comme étant à long terme figure dans la col. 7.

¹ Netherlands Indies. — Col. 2 and 7 : not including re-investments of profits earned in the country by foreign firms.

² Germany. — Service of the Dawes Loan (interest : some \$16 million; amortisation : some \$6 million annually) is included in col. 3, instead of col. 2 and 7. The data on capital movements do not permit an exact distribution between short- and long-term operations. The balance of such capital movements as are definitely known to be on long term has been entered in col. 7.

Balances des paiements internationaux (en millions de dollars-or).
Balances of International Payments, in terms of gold \$ (000,000's).

Pays — Country	Année Year	Marchandises, services et or Goods, services and gold						Mouvement des capitaux Capital items			Solde da aux erreurs et omissions Balances due to errors and omissions
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long-term	A court terme Short- term	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Belgique-Luxembourg et Congo—Belgium-Luxem- burg and Congo ¹	1929	-83.9	+52.9	+134.2	+103.2	-37.7	+65.5	.	.	.	.
Bulgarie — Bulgaria ² . . .	1927	+6.7	-8.2	-1.9	-3.4	-0.2	-3.6	+7.5	-3.9	+3.6	—
	1928	-1.7	-5.5	+0.5	-6.7	-0.1	-6.8	+22.3	-15.5	+6.8	—
	1929	-12.8	-7.8	-0.5	-21.1	-0.2	-21.3	+5.8	+15.5	+21.3	—
	1930	+8.7	-8.2	-1.3	-0.8	-0.2	-1.0	+5.9	-4.9	+1.0	—
	1931	+5.0	-8.1	-1.4	-4.5	-0.1	-4.6	+4.1	+0.5	+4.6	—
Danemark — Denmark . . .	1927	-52.0	-13.3	+54.3	-11.0	+7.2	-3.8	+38.8	-27.5	+11.3	+7.5
	1928	-21.2	-13.4	+33.3	-1.3	+2.4	+1.1	+41.5	-41.5	—	+1.1
	1929	-22.0	-16.9	+48.0	+9.1	—	+9.1	-6.7	-2.7	-9.4	-0.3
	1930	-31.3	-13.7	+39.9	-5.1	—	-5.1	-2.7	+4.8	+2.1	-3.0
	1931	-33.8	-17.5	+32.8	-18.5	+7.0	-11.5	-6.0	+35.1	+29.1	+17.6
	1932	-0.9	-14.0	+26.7	+11.8	+3.8	+15.6	-7.0	-10.7	-17.7	-2.1
	1933	-7.9	-10.8	+25.9	+7.2	—	+7.2	-8.4	-2.5	-10.9	-3.7
Espagne — Spain	1931	-50.1	+3.4	+27.3	-18.9	—	-18.9	-0.2	+19.5	+19.3	+0.4
	1932	-51.7	-4.8	+33.5	-23.0	—	-23.0	-1.7	-14.2	-15.9	-38.9
Estonie — Estonia	1927	+2.4	-1.8	+1.1	+1.7	—	+1.7	+0.8	.	.	.
	1928	-1.4	-2.1	+1.6	-1.9	—	-1.9	+0.7	+2.5	+3.2	+1.3
	1929	-1.8	-1.6	+1.0	-2.4	—	-2.4	-0.2	+1.7	+1.5	-0.9
	1930	-0.9	-1.3	+1.2	-1.5	—	-1.5	+1.7	+0.5	+2.2	+0.7
	1931	+2.5	-1.3	+1.5	+2.7	—	+2.7	-0.2	-1.3	-1.5	+1.2
	1932	+1.4	-1.4	+0.8	+0.8	+0.1	+0.9	-0.1	+0.6	+0.5	+1.4
	1933	+1.8	-1.0	+0.7	+1.5	—	+1.5	.	.	-2.2	-0.7
Finlande — Finland	1927	-1.8	-8.0	+11.7	+1.9	—	+1.9	-4.8	+1.5	-3.3	-1.4
	1928	-44.8	-8.8	+13.2	-40.4	—	-40.4	.	.	.	.
	1929	-14.5	-10.3	+12.8	-12.0	—	-12.0	.	.	.	.
	1930	+4.6	-10.4	+11.1	+5.3	-0.5	+4.8	.	.	.	.
	1931	+23.4	-10.4	+10.7	+23.7	-0.2	+23.5	.	.	.	.
	1932	+17.5	-9.0	+9.7	+18.2	—	+18.2	.	.	.	.
	1933	+20.0	-7.7	+7.4	+19.7	—	+19.7	.	.	.	.
France et territoires d'outre- mer, sauf l'Indochine — France and oversea terri- tories, excl. Indo-China ³	1927	+4.2	+479.1		+483.3	+20.6	+503.9	.	.	.	.
	1928	-129.3	+619.5		+490.2	-253.7	+236.5	.	.	.	.
	1929	455.3	+752.4		+317.0	-336.7	-19.7	.	.	.	.
	1930	-506.2	+708.5		+202.3	-459.8	-257.5	.	.	.	.
	1931	-513.0	+453.5		-59.5	-727.2	-786.7	.	.	.	.
	1932	-393.0	+45.6	+156.7	-190.7	-825.9	-1,016.6	.	.	.	.
	1933	-352.6	+68.6	+168.5	-115.5	+78.3	-37.2	.	.	.	.
Grèce — Greece ⁴	1929	-81.2	+36.5		-44.7	—	+44.7	.	.	+44.7	—
	1930	-64.0	+29.7		-34.3	—	+34.3	.	.	+34.3	—
	1931	-59.5	+22.7		-36.8	—	+36.8	.	.	+36.8	—
	1932	-30.3	+18.7		-11.6	—	+11.6	.	.	+11.6	—
	1933	-17.1	+20.1		+3.0	—	+3.0	.	.	-3.0	—

Des notes explicatives générales sont données aux pp. 14 et 15.

General explanatory notes are given on pp. 14 and 15.

¹ Belgique (Relevé privé du professeur F. Baudhuin). — L'amortissement de la dette interalliée est inclus dans la col. 2 au lieu de la col. 7.

¹ Belgium (Private statement, compiled by Professor F. Baudhuin). — Amortisation of inter-allied debt is included in col. 2 instead of col. 7.

² Bulgarie (Relevé privé du Dr Sagoroff et du Dr Tchakaloff). — L'amortissement de la dette de l'Etat figure dans la col. 2.

² Bulgaria (Private compilation by Dr. Sagoroff and Dr. Tchakaloff). — Amortisation of Government debt is included in col. 2.

³ France (Relevé privé de M. P. Meynial). — L'amortissement des dettes interalliées a été compris dans les col. 2 et 3.

³ France (Private compilation by M. P. Meynial). — Amortisation of inter-allied debts is included in col. 2 and 3.

⁴ Grèce. — L'or a été compris dans la col. 9.

⁴ Greece. — Gold is included in col. 9.

Balances des paiements internationaux (en millions de dollars-or).
Balances of International Payments, in terms of gold \$ (000,000's).

Pays — Country	Année Year	Marchandises, services et or Goods, services and gold					Mouvement des capitaux Capital Items			Solde dû aux erreurs et omissions Balance due to errors and omissions	
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long-term	A court terme Short- term		Total
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Hongrie — Hungary ¹ . . .	1927	-65.9	-20.5	-2.2	-88.6	-0.3	-88.9	+48.6	+35.3	+83.9	-5.0
	1928	-67.4	-25.9	+2.8	-90.5	-0.9	-91.4	+55.2	+32.7	+87.9	-3.5
	1929	-7.8	-28.3	-1.1	-37.2	-0.8	-38.0	+38.2	-1.8	+36.4	-1.6
	1930	+10.8	-32.7	-0.8	-22.7	-1.4	-24.1	+34.6	+2.0	+36.6	+12.5
	1931	+2.5	-36.3	-4.6	-38.4	-0.9	-39.3	+3.4	+46.8	+50.2	+10.9
	1932	-1.5	-3.3	+1.1	-3.7	-0.6	-4.3	+0.2	+0.9	+1.1	-3.2
Irlande, Etat libre d' — Irish Free State	1929	-65.3	+28.8	.	.	+0.8	.	.	.	.	.
	1930	-53.2	+26.1	.	.	+0.3	.	.	.	.	.
	1931	-60.5	+20.4	.	.	+0.2	.	.	.	.	.
	1932	-54.6	+15.3	.	.	+0.2	.	.	.	.	.
Italie — Italy ²	1928	-385.1	-51.3	+306.3	-130.1	-3.0	-133.1	.	.	.	.
	1929	-338.5	-52.6	+306.3	-84.8	-12.1	-96.9	.	.	.	.
	1930	-275.3	-51.3	+285.2	-41.4	-5.1	-46.5	.	.	.	.
Lettonie — Latvia	1927	-1.0	-1.2	+6.5	+4.3	—	+4.3	+1.3	-3.2	-1.9	+2.4
	1928	-2.9	-0.6	+5.0	+1.5	-0.1	+1.4	-0.8	-5.2	-6.0	-4.6
	1929	-9.7	-1.1	+5.9	-4.9	—	-4.9	+7.0	-0.8	+6.2	+1.3
	1930	-3.0	-1.2	+5.6	+1.4	—	+1.4	-0.5	+4.7	+4.2	+5.6
	1931	-0.6	-1.2	+3.3	+1.5	-0.1	+1.4	-0.1	+2.0	+1.9	+3.3
	1932	+3.2	-1.0	+2.2	+4.4	—	+4.4	-0.1	-2.4	-2.5	+1.9
	1933	-0.8	-0.8	+1.7	+0.1	—	+0.1	.	.	.	.
Lithuanie — Lithuania . .	1927	-2.7	-0.2	+3.9	+1.0	-0.2	+0.8	+1.2	-1.9	-0.7	+0.1
	1928	-4.2	-0.2	+4.1	-0.3	-0.2	-0.5	+0.2	+1.5	+1.7	+1.2
	1929	+1.3	-0.5	+4.1	+4.9	-0.1	+4.8	+0.7	-4.3	-3.6	+1.2
	1930	-1.1	-1.0	+2.3	+0.2	-0.4	-0.2	+2.0	-0.1	+1.9	+1.7
	1931	-4.8	-1.0	+2.7	-3.1	-1.1	-4.2	+2.4	+1.1	+3.5	-0.7
	1932	+1.1	-0.8	+2.3	+2.6	—	+2.6	+0.7	-2.9	-2.2	+0.4
	1933	+0.9	-0.4	+0.8	+1.3	-0.3	+1.0	-1.2	+0.2	-1.0	—
Norvège — Norway	1927	-63.5	-15.7	+61.2	-18.0	—	-18.0	+36.7	-14.1	+22.6	+4.6
	1928	-75.1	-18.7	+60.8	-33.0	—	-33.0	+46.1	-12.6	+33.5	+0.5
	1929	-63.3	-18.5	+71.6	-10.2	—	-10.2	-3.8	+17.7	+13.9	+3.7
	1930	-73.2	-19.3	+63.5	-29.0	—	-29.0	-3.7	+41.0	+37.3	+8.3
	1931	-74.2	-17.5	+55.4	-36.3	+9.8	-26.5	+6.8	+18.5	+25.3	-1.2
	1932	-20.7	-15.5	+43.0	+6.8	—	+6.8	+0.7	-12.9	-12.2	-5.4
	1933	-11.9	-14.1	+40.3	+14.3	+0.2	+14.5	-7.2	-8.6	-15.3	-1.3
Pologne — Poland ³	1927	-50.5	-25.7	+22.3	-53.9	-28.4	-82.3	+62.3	-5.6	+56.7	-25.6
	1928	-97.8	-31.9	+17.7	-112.0	-11.8	-123.8	+29.2	+95.4	+124.6	+0.8
	1929	-36.3	-42.6	+20.7	-58.2	-9.1	-67.3	+6.5	+60.0	+66.5	-0.8
	1930	+10.1	-50.6	+23.9	-16.6	+15.8	-0.8	+3.3	-49.9	-46.6	-47.4
	1931	+35.2	-47.6	+24.1	+11.7	-6.8	+4.9	+16.9	-21.0	-4.1	+0.8
	1932	+13.9	-32.0	+22.9	+4.8	-1.6	+3.2	+3.9	-10.7	-6.8	-3.6
Royaume-Uni — United Kingdom ⁴	1927	-1,833.3	+1,216.6	+1,065.8	+899.1	-14.6	+384.5	.	.	.	.
	1928	-1,717.9	+1,216.6	+1,095.0	+593.7	-24.3	+569.4	.	.	.	.
	1929	-1,854.2	+1,216.6	+1,138.8	+501.2	+73.0	+574.2	.	.	.	.
	1930	-1,878.2	+1,070.5	+944.1	+136.4	-24.3	+112.1	.	.	.	.
	1931	-1,850.3	+771.0	+607.7	-471.6	+158.7	-312.9	.	.	.	.
	1932	-1,006.2	+508.4	+301.5	-196.3	(-52.6)	(-248.9)	.	.	.	.
	1933	-874.9	+513.7	+348.0	-13.2	(-649.6)	(-662.8)	.	.	.	.

Des notes explicatives générales sont données aux pp. 14 et 15.

¹ Hongrie. — Les transactions en capitaux à moyen terme sont inscrites à la col. 7 pour les années 1927-1929, mais à la col. 8 pour les années 1930 et 1931.

² Italie. — Relevé privé du professeur G. Borgatta.

³ Pologne. — Les chiffres se réfèrent seulement à la Pologne. Les valeurs officielles des statistiques du commerce qui se réfèrent à la Pologne et à Dantzig ont été ajustées en conséquence.

⁴ Royaume-Uni. — Les transactions gouvernementales de capitaux (c'est-à-dire l'amortissement des dettes interalliées) ont été comprises dans la col. 3. L'intérêt des capitaux à court terme figure dans la col. 3 au lieu de la col. 2.

General explanatory notes are given on pp. 14 and 15.

¹ Hungary. — Medium-term capital transactions in the years 1927-1929 are included in col. 7, but in the years 1930 and 1931 in col. 8.

² Italy. — Private compilation by Professor G. Borgatta.

³ Poland. — The figures refer to Poland only. The recorded trade figures, which refer to Poland and Danzig, have been adjusted accordingly.

⁴ United Kingdom. — Government capital transactions (e.g., amortisation of inter-allied debts) are included with col. 3. Short-term interest is included in col. 3 instead of col. 2.

Balances des paiements internationaux (en millions de dollars-or).
Balances of International Payments, in terms of gold \$ (000,000's).

Pays — Country	Année Year	Marchandises, services et or Goods, services and gold						Mouvement des capitaux Capital items			Solde dû aux erreurs et omissions Balance due to errors and omissions
		Marchan- dises Merchandise	Intérêts et dividendes Interest and dividends	Autres services Other services	Total marchan- dises et services Total goods and services	Or Gold	Total	A long terme Long- term	A court terme Short-term	Total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Suède — Sweden ¹	1927	+7.7	+5.1	+52.0	+64.8	+0.3	+65.1	+13.7	-38.1	-24.4	+40.7
	1928	-36.2	+6.7	+50.9	+21.4	-2.9	+18.5	-48.0	+9.1	-38.9	-20.4
	1929	+9.9	+3.1	+56.2	+74.2	-2.9	+71.3	0.5	-25.5	-26.0	+45.3
	1930	-31.1	+5.4	+52.0	+26.3	—	+26.3	-105.1	+21.2	-83.9	-57.6
	1931	-76.8	-1.5	+45.2	-32.1	+9.6	-22.5	-34.9	+48.0	+13.1	-9.4
	1932	-37.9	+23.7	+31.2	+17.0	+1.3	+18.3	+19.2	+41.9	-22.7	-4.4
	1933	-2.3	+13.5	+25.9	+37.1	-7.4	+29.7	+6.9	-43.0	-36.1	-6.4
Tchécoslovaquie — Czecho- slovakia	1927	+64.3	-20.6	+17.5	+61.2	-2.8	+58.4	-61.0	-7.6	-68.6	-10.2
	1928	+60.0	-16.9	+18.1	+61.2	-4.7	+56.5	-50.9	-5.5	-56.4	+0.1
	1929	+15.4	-10.7	+21.4	+26.1	-3.7	+22.4	-34.8	+9.8	-25.0	-2.6
	1930	+52.7	-16.9	+15.1	+50.9	-9.0	+41.9	-7.3	+16.6	-9.3	+32.6
	1931	+40.7	-10.6	—	+30.1	-3.3	+26.3	-15.6	+40.8	+25.2	+51.5
	1932	-4.3	-8.3	+4.7	-7.9	-1.8	-9.7	+33.2	-24.4	+8.3	-0.9
	1933	+0.6	-9.8	+7.4	+8.0	+0.1	-1.7	+5.4	+3.2	+8.6	+6.9
Turquie — Turkey	1926	-26.6	-3.9	+2.2	-28.3	—	-28.3	+4.9	+21.8	+26.7	-1.6
	1927	-20.9	-3.8	+2.9	-21.8	—	-21.8	+2.7	+17.9	+20.6	-1.2
	1928	-13.9	-3.1	+5.6	-11.4	—	-11.4	+3.4	—	+3.4	-8.0
	1929	-45.1	-2.2	-2.7	-50.0	—	-50.0	+6.1	+4.2	+10.3	-39.7
	1930	+6.8	-2.9	+1.7	+5.6	—	+5.6	+1.0	—	+1.0	+6.6
	1931	+1.9	-0.4	—	+1.5	-4.0	-2.5	+3.2	—	+3.2	+0.7
	1932	+6.0	—	-1.7	+4.3	-1.0	+3.3	—	—	—	+3.3
Yougoslavie — Yugoslavia	1927	-31.6	-20.0	+28.5	-23.1	-0.1	-23.2	+25.3	-5.9	+19.4	-3.8
	1928	-38.3	-20.5	+31.6	-27.2	—	-27.2	+19.2	+7.1	+26.3	-0.9
	1929	-9.4	-22.3	+44.5	+12.8	-0.1	+12.7	+14.5	-22.7	-8.2	+4.5
Australie — Australia a).	1928/29	-51.2	-167.1	+6.4	-211.9	+12.9	-199.0	.	.	+104.3	-94.7
	1929/30	-193.8	-176.4	+12.5	-357.7	+129.4	-228.3	.	.	+195.1	-35.2
	1930/31	+64.3	-166.0	+15.2	-86.5	+57.9	-28.6	.	.	+18.6	-10.0
	1931/32	+113.7	-111.3	+8.3	+10.7	+34.7	+45.4	.	.	+96.7	51.3
	1932/33	+64.3	-98.9	+5.8	-28.8	+57.5	+28.7	.	.	-41.1	-12.4
Nouvelle-Zélande — New Zealand b)	1928/29	+48.3	-42.3	-1.9	+4.1	+5.4	+9.5	.	.	+31.7	+41.2
	1929/30	-13.6	-42.7	-0.8	-57.1	+5.3	-51.8	.	.	+18.7	-33.1
	1930/31	-7.0	-44.4	-1.5	-52.9	+1.3	-51.6	.	.	+39.2	-12.4
	1931/32	+32.3	-35.5	-3.7	-6.9	+4.7	-2.2	.	.	+7.4	+5.2
	1932/33	+31.3	-26.9	-2.0	+2.4	+9.6	+12.0	.	.	+3.3	+15.3

a) 1. VII - 30. VI. b) 1. IV - 31. III.

¹ Suède. — Les balances au titre des capitaux à court terme jusqu'à 1930 inclusivement ne se rapportent qu'aux opérations bancaires.

¹ Sweden. — The balances on account of short-term capital up to 1930 inclusive refer to operations by banks only.

NOTES EXPLICATIVES GÉNÉRALES. — GENERAL EXPLANATORY NOTES.

Sauf indication contraire, les chiffres donnés sont fondés sur des relevés officiels fournis directement, dans la plupart des cas, par les gouvernements. Ces relevés ont parfois subi certains ajustements permettant de les rendre plus comparables. Tous les relevés ne constituent que des estimations, et les chiffres relatifs à certaines rubriques sont très incertains.

Dans les cas où les relevés originaux ont été établis en monnaies dépréciées, on a dû faire la conversion en dollars-or au cours moyen de l'année.

Théoriquement, le déficit ou l'excédent, pour le compte des marchandises, services et or, doit concorder avec le mouvement net des entrées ou des sorties de capitaux. La

Unless otherwise stated, the figures are based on official statements, the majority of which have been supplied directly by the respective governments. These statements have been rearranged whenever necessary, so as to secure greater comparability. All the statements are merely estimates and the figures given for certain items are to some extent conjectural in character.

Where the original statements were made out in depreciated currencies, conversion into gold dollars had to be made at the average exchange rate for the year.

In theory, the deficit or surplus on account of goods, services and gold should agree with the net inward or outward movement of capital. The final balance that, in practice, occurs

balance définitive qui apparaît pratiquement (col. 10 du tableau) représente les erreurs et les omissions. Dans certains cas, les divergences sont si grandes que l'on ne peut tirer aucune conclusion sûre quant à l'amplitude du mouvement des capitaux.

Le fait que, pour certains pays, il n'apparaît, dans la dernière colonne, aucune balance de ce genre ne signifie pas nécessairement que le relevé soit absolument exact, car, dans la plupart de ces cas, les chiffres inscrits dans la colonne relative aux opérations de capitaux à court terme (col. 8) sont obtenus en calculant la différence entre la balance du mouvement des capitaux à long terme (col. 7) et celle des marchandises, des services et de l'or (col. 6). Ils comprennent donc une marge pour les erreurs et omissions possibles dans les autres colonnes. Cette méthode implique que les chiffres relatifs aux marchandises, aux services, à l'or et aux capitaux à long terme sont assez complets ou que les erreurs et les omissions peuvent être considérées comme se compensant. Les chiffres calculés ainsi indirectement sont donnés entre parenthèses.

Voici les principales caractéristiques des rubriques du tableau :

Marchandises (col. 1). — Les chiffres de base pour le calcul des balances comprennent l'argent en lingots et les monnaies autres que les monnaies d'or. Les données primitives ont été rectifiées de façon à exprimer la valeur c. i. f. des importations et la valeur f. o. b. des exportations. On a, pour cela, fait entrer en ligne de compte des éléments tels que les frets à l'importation, les sous-estimations et les surestimations des importations et des exportations, la contrebande et diverses catégories de marchandises non comprises dans les relevés du commerce.

Intérêts et dividendes (col. 2). — Les intérêts et dividendes investis à nouveau dans le pays où ils ont été gagnés et qui, par suite, ne sont jamais comptés dans les paiements internationaux, sont compris, dans la plupart des cas, dans cette colonne et compensés dans les colonnes relatives au mouvement des capitaux.

Autres services (col. 3). — Ce groupe comprend des éléments tels que le fret maritime pour transports internationaux (les importations de marchandises étant indiquées c. i. f. et les exportations de marchandises f. o. b., on a inclus le chiffre total de ces frets, c'est-à-dire même la tranche ne comportant pas de paiements internationaux), les gains de transit, les dépenses de touristes et de voyageurs, les dépenses diplomatiques et autres des gouvernements, etc., et, d'autre part, certains transferts monétaires qui n'entrent pas, à proprement parler, sous la dénomination de services, les sommes détenues par les émigrants et les remises effectuées par eux et tous les paiements faits au titre des réparations, qu'ils soient en espèces ou en nature. Les réparations en nature ont cependant été comprises, avec le signe opposé, également dans le groupe des marchandises et, par suite, n'affectent pas la balance totale du compte. Le tableau pour l'Italie ne a compris les paiements au titre des réparations dans la col. 3 est qu'il n'est généralement pas possible de les subdiviser en amortissements (mouvement de capitaux) et en intérêts. D'autre part, le service des dettes de guerre et des autres dettes intergouvernementales, sauf indication spéciale (comme dans le cas du Royaume-Uni et de la France), est subdivisé en intérêts et amortissements (col. 2 et 7).

Total des marchandises et des services (col. 4). — Cette rubrique est la représentation la plus approchée de la balance des transactions courantes, sauf dans le cas où l'or transféré inscrit dans la colonne suivante revêt, entièrement ou partiellement, le caractère d'une marchandise.

Or (col. 5). — Les chiffres donnés dans les relevés du commerce ont, dans certains cas, subi des ajustements pour tenir compte des mouvements d'or non enregistrés. Dans le cas de certains pays (par exemple, les Etats Unis), les changements survenus dans les quantités d'or en dépôt pour le compte de l'étranger dans le pays ou pour le compte du pays à l'étranger sont groupés dans le commerce de l'or enregistré.

On n'a pas tenté d'établir une distinction entre les transferts bancaires d'or et les autres mouvements d'or. Ainsi, les exportations d'or provenant des mines sud-africaines sont indiquées dans la col. 5, quoique revêtant le caractère d'une exportation de marchandises.

Opérations à long terme (col. 7). — Cette colonne renferme les éléments tels que l'amortissement des dettes à long terme, les achats et ventes de titres et de biens immeubles, les émissions nouvelles de capital, les placements directs à long terme.

Opérations de capitaux à court terme (col. 8). — Ces données ont trait aux crédits sur marchandises et aux autres comptes flottants, créditeurs et débiteurs, des banques, des entreprises, etc., en général, elles ne sont pas très complètes. Les chiffres représentent généralement la différence entre la situation du début et celle de la fin de l'année, compte tenu des changements dus aux variations dans le cours des changes, à l'insolvabilité des débiteurs, etc. Les chiffres obtenus par voie de déduction et représentant ainsi le solde des éléments connus du relevé sont donnés entre parenthèses.

(col. 10 of the table) represents errors and omissions. In certain cases, the discrepancy is so large that no deductions with regard to the magnitude of the capital movement can be safely drawn.

The absence of such a balance in the last column does not necessarily mean that the statement concerned is rigidly exact, for, in most of these cases, the figures entered in the column for short-term capital operations (col. 8) represent the difference between the balance of long-term capital movements (col. 7) and that of goods, services and gold (col. 6). They include, therefore, allowances for possible errors and omissions in the other columns. This method implies that the figures for goods, services, gold and long-term capital items are fairly complete, or that errors and omissions can be considered as offsetting each other. Such indirectly calculated figures are given in brackets.

The main characteristics of the items shown in the table are:

Merchandise (col. 1). — The basic figures for the balances include silver bullion and coin other than gold. The original data have been adjusted so as to represent the c.i.f. value of imports and f.o.b. value of exports, by taking into consideration such items as import freights, under and over-valuations of imports and exports, contraband and various categories of goods not included in trade returns.

Interest and dividends (col. 2). — Interest and dividends re-invested in the country where they are earned, and thus never entering into international payments, are in most cases included in this column and offset in the columns for capital movements.

Other services (col. 3). — This group includes such items as shipping freights earned in international trade (as merchandise imports are shown c.i.f. and merchandise exports, f.o.b., the total of such freights has been included, even the portion which involves no international payment), transit earnings, expenditure of tourists and travellers, diplomatic and other government expenditure, etc.; further, certain money transfers not properly of the nature of services, such as emigrants' funds and remittances, and all repatriation payments, whether in cash or in kind. Reparations in kind are, however, included also in the merchandise group under the opposite sign, and accordingly do not affect the total balance of the account. The reason for including reparation payments in col. 3 is that it is not generally possible to divide them into amortisation (capital items) and interest. On the other hand, the service of war debts and other intergovernmental debts is, unless otherwise indicated (as in the case of the United Kingdom and France), split up into interest and amortisation (col. 2 and 7).

Total goods and services (col. 4). — This item represents most nearly the balance of the current transactions, except in cases where the gold transfers given in the following column are wholly or partly of a merchandise nature.

Gold (col. 5). — The figures given in the trade returns have in some cases been adjusted on account of unrecorded gold movements. In the case of certain countries (e.g., the United States), changes in the amount of gold under earmark held for foreign account in the country, or for national account abroad, are grouped with the recorded trade in gold.

No attempt has been made to separate banking transfers of gold from other gold movements. Thus, for example, the South African gold exports from the mines are shown in col. 5, although of a merchandise nature.

Long-term capital items (col. 7). — This column refers to such items as amortisation of long-term debts, purchases and sales of securities and real estate, new capital issues floated and direct long-term investments.

Short-term capital items (col. 8). — These data refer to merchandise credits and other floating assets and debts of banks, enterprises, etc., and are, as a rule, not comprehensive. The figures are generally calculated as the difference between the amounts outstanding at the beginning and the end of the year, allowance being made for changes due to variations in exchange rates, insolvency, etc. Figures obtained by deduction and entered, as mentioned above, as balancing accounts, are given in brackets.

Long-term capital operations.

Columns 7 and 8 of the Summary Table give available balances of long- and short-term capital movements. The table on page 17 gives the total inward and outward movement from which these balances are calculated.

New capital issues.

The principal long-term capital items are new capital issues, international movements of outstanding securities, amortisation payments and direct long-term investments. While purchases and sales of existing securities normally offset each other to a large extent, international capital transactions in the form of new issues almost exclusively represent lendings by the few capital exporting countries of the world. For such issues, continuous monthly and quarterly statistics are available, which make it possible to trace certain of the changes in the international capital markets even where details concerning other capital items are missing.

The following table summarises the annual movement of capital issues for domestic and foreign account in the United States of America, the United Kingdom, the Netherlands and Switzerland ⁽¹⁾. Except in the case of the Netherlands, the figures exclude conversion operations.

	\$ (000,000's) gold					
	1930	1931	1932	1933	Jan.-Sept.	
					1933	1934
U.S.A. :						
Issues for domestic account ⁽²⁾	6,014	2,862	1,165	577	436	626
Issues for foreign account	1,009	254	26	—	0.1	—
Foreign as % of total	14.4	8.1	2.2	—	—	—
U.K. :						
Issues for domestic account	620	193	294	315	238	199
Issues for oversea account	529	209	102	125	110	105
Foreign as % of total	46.1	52.0	25.8	28.5	31.6	34.6
Netherlands :						
Issues for domestic and colonial account	118	74	96	105	⁽⁴⁾ 32	⁽⁴⁾ 75
Issues for foreign account ⁽³⁾	82	15	9	—	⁽⁴⁾ —	⁽⁴⁾ —
Foreign ⁽²⁾ as % of total	41.0	16.9	8.8	—	—	—
Switzerland :						
Issues for domestic account	54	101	62	53	26.7	53
Issues for foreign account	59	20	28	—	—	1
Foreign as % of total	52.3	16.6	31.1	—	—	0.4

(1) Sources: For the United States of America, the *Financial and Commercial Chronicle* (nominal value; given elsewhere in this volume); for the United Kingdom, the *Monthly Reviews of the Midland Bank Ltd.* (price of issue; United Kingdom Government issues excluded); for the Netherlands, the *Maandschrift* of the Netherlands Central Bureau of Statistics (price of issue); for Switzerland, the *Bulletins mensuels* of the Banque Nationale Suisse (price of issue).

(2) Including issues for the account of United States possessions.

(3) Excluding issues for the account of Dutch oversea territories.

(4) January-August.

SUMMARY STATEMENT

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INWARD AND OUTWARD MOVEMENT OF LONG-TERM CAPITAL.
U.S. \$ (000,000's) gold.

Country	Inward movement						Outward movement					
	1928	1929	1930	1931	1932	1933	1928	1929	1930	1931	1932	1933
Union of South Africa	13.8	4.3	49.1	7.0	23.1	.	—	12.9	0.9	5.1	0.9	.
Argentine (1) . .	110.0	59.8	178.7	42.4	.	.	(3.6)	(11.1)	(3.0)	(48.3)	.	.
United States of America	2,641.0	2,390.0	2,238.0	1,541.0	894.0	1,213.0	3,325.0	2,484.0	2,462.0	1,308.0	647.0	1,174.0
India (2)	52.9	74.5	176.7	112.0	33.4	61.6	51.0	25.9	18.9	75.2	50.4	114.0
Netherlands Indies	41.4	23.7	72.4	41.4	41.8	46.3	46.6	48.6	40.6	27.7	30.5	33.8
Iraq	2.3	2.9	3.4	1.2	5.3	.	0.3	1.5	0.6	0.9	0.9	5
Japan (incl. Korea and Formosa)	156.0	137.4	178.8	200.8	32.0	.	131.3	161.7	224.2	315.0	79.2	.
Germany (3) . . .	(906.4)	(516.4)	(592.4)	(270.4)	(71.4)	47.6	(480.5)	(359.2)	(325.9)	(227.5)	(68.1)	59.5
Bulgaria	22.3	5.8	6.4	4.1	.	.	—	—	0.5	—	.	.
Denmark	89.8	24.1	30.8	25.8	10.3	8.3	48.3	30.8	33.5	31.8	17.3	16.7
Spain . . . . .	.	.	.	7.3	8.1	.	.	.	.	7.5	9.8	.
Estonia	0.8	—	2.0	—	—	.	0.1	0.2	0.3	0.2	0.1	.
Hungary	78.0	55.7	65.9	20.9	1.7	.	22.8	17.5	31.3	17.5	1.5	.
Italy . . . . .	.	.	.	.	.	.	.	.	.	.	.	.
Latvia	—	7.5	—	—	—	.	0.8	0.5	0.5	0.1	0.1	.
Lithuania	0.8	1.1	3.1	3.5	1.8	0.5	0.6	0.4	1.1	1.1	1.1	1.7
Norway	70.2	21.4	42.6	42.9	11.7	10.6	24.1	25.2	46.3	36.1	11.0	17.8
Poland	45.6	31.4	21.3	43.7	20.4	.	16.4	24.9	18.0	26.8	16.5	.
Roumania	46.0	97.4	42.0	.	.	.	18.3	6.8	7.8	.	.	.
Sweden	52.5	76.4	58.4	119.9	41.4	30.2	100.5	76.9	163.5	154.8	22.2	23.3
Czechoslovakia .	83.9	63.4	88.6	36.9	44.6	17.5	134.8	98.2	81.3	52.5	11.4	12.1
Turkey	5.4	13.6	5.4	5.1	2.7	.	2.0	7.5	4.4	1.9	2.7	.
Yugoslavia . . .	24.1	33.5	.	.	.	.	4.9	19.0	.	.	.	.
New Zealand (2) .	53.6	30.6	39.2	20.4	7.5	.	21.9	11.9	—	13.0	4.2	.

Note. — The net inward or outward balances are shown in column 7 of the table on pages 10-15.

New capital issues no longer play an important part in international capital movements. The amount of such issues for foreign account fell rapidly in 1931 and 1932; in 1933 and the first three quarters of 1934, no foreign issues were floated in the United States, the Netherlands and Switzerland. The United Kingdom continued to lend to certain countries; the amount of new overseas issues floated in London has, in fact, been on a somewhat higher level during the last three years than in 1931, but it remains much less than it was before that year.

Owing to the lack of comparable figures, the French capital issues are not included in the above table. French issues for foreign account (not including issues for the account of French overseas territories) are stated to have been \$55 million in 1930, \$146 million in 1931, \$65 million in 1932 and \$16 million gold in 1933.

As the above table shows, the reduction in the issues of foreign securities has been accompanied by unwillingness of capitalists to assume risks in domestic investments. In particular, the amounts raised in the United States capital market have decreased, as may be studied in more detail below.

(1) Argentine: Economic years ending September 30th. The figures for outward payments exclude amortisation of the public debt and certain mortgage loans.

(2) India, New Zealand: Economic years beginning April 1st.

(3) Germany: Incomplete data. The figures for outward payments exclude amortisation of the Dawes and Young Loans and of the debt regulated by the so-called Mark Agreement with Belgium.

SUMMARY STATEMENT

United States (1)	U.S. \$ (000,000's)									
	Domestic issues (2)					Issues for foreign account				
	1930	1931	1932	1933	Jan.-Sept. 1934	1930	1931	1932	1933	Jan.-Sept. 1934
Bonds and notes :										
(a) Government and municipal loans	1,445	1,237	764	491	600	548	41	26	—	—
(b) industrial bonds and notes	3,066	1,314	382	104	414	419	213	—	—	—
Shares :										
(a) preference shares	412	116	10	15	3	13	—	—	—	—
(b) ordinary shares	1,091	195	10	105	30	29	—	—	0.1	—
Total	6,014	2,862	1,166	715	1,047	1,009	254	26	0.1	—

The figures now given exclude conversion issues which, with the fall in interest rates, have increased in importance. An account of the more important recent conversion operations will be given on a subsequent page.

The supply of fresh long-term capital to certain debtor countries has fallen more rapidly than the figures of new issues for foreign account suggest. Thus, the proportion of oversea issues floated in London for the account of foreign (that is, non-British) countries fell from 69% in 1930 to 23% in 1932 and 21% in 1933. Of the amount of such issues in 1933, more than half represented the funding of a short-term credit granted to Austria in 1931 by the Bank of England. The share of United States new issues for foreign account absorbed by Canada rose from 31% in 1930 to 55% in 1931 and 100% in 1932. Several debtor countries, particularly in Latin America, have, during a number of years, had no access to the international capital markets.

Other long-term capital operations.

Movements of long-term capital other than those resulting from new capital issues have, on balance, resulted in the liquidation of a portion of outstanding debts.

Thus, in spite of the fact that amortisation of outstanding debts has, in many cases, been suspended, the repayments to the United Kingdom out of sinking funds in 1932 and 1933, amounting to £48 and £55 million respectively, were much above the average for the preceding years (in terms of sterling) and exceeded the amount of new oversea issues on the London market. Brazil records an outward capital balance in 1933 of £14 million, largely on account of amortisation and repayment of debt.

The movement of outstanding securities has, in many cases, been determined by the fact that there has been a tendency of the prices of bonds to be higher in domestic than in foreign markets. In certain countries where dealings in foreign currency are subject to control, there has been a considerable difference between these prices, and permission to repurchase bonds has been utilised as a means of favouring merchandise exports. According to official information, the repatriation of German bonds during the two years ending November 1933 totalled a nominal value of 781 million marks (calculated at exchange parity), of which 549 million on account of the system of "supplementary exports".

In certain cases, however, the movement of existing securities has led to an increase in liabilities. Thus, in the account for the United States in 1933, the recorded movement of domestic securities shows an excess of sales over purchase of \$180 million and that of foreign securities an excess of purchases of \$120 million. Particular care

(1) Series of the *Commercial and Financial Chronicle*. The figures exclude refunding operations.
 (2) Including those for the account of United States possessions.

is required in interpretation of the statistics of the securities movement, which are always incomplete; but it would appear that the balances mentioned reflect the flight of American capital from the dollar during the first half of 1933 through acquisition of foreign securities, and the speculative purchase by foreigners of dollar securities (particularly shares) later in that year. The total amounts involved in the United States dealings in existing securities increased considerably in 1933.

While the majority of the debtor countries for which figures are available record an outward movement of long-term capital in 1932 and 1933, certain of them attracted such capital. The Union of South Africa raised new capital in London in 1932; Canada records a net inward movement in 1933 due to large sales of Canadian mining stocks and Government bonds, and the Netherlands Indies absorbed in both years a large amount of foreign — probably Dutch — capital.

Short-term capital movements.

The total amount of outstanding short-term international indebtedness of European countries and the United States in recent years is estimated as follows in the fourth annual report of the Bank for International Settlements:

	Swiss frs. (000,000's)
At the end of 1930	70,000
" " " " 1931	45,000
" " " " 1932	39,000
" " " " 1933	32,000

Of the 32 milliard francs outstanding at the end of 1933, about 11.5 milliards are estimated to have been blocked through currency regulations, standstill agreements and similar measures.

A portion of the reduction in commitments shown by the above figures is the result of the depreciation of the currencies in which debts are due. The Bank for International Settlements points out, however, that another part of the reduction has been attained by the employment of gold and assets of foreign exchange, or a surplus on account of goods and services, to meet capital withdrawals and repayments and by consolidation of certain of the commitments.

The balances which may be withdrawn are in many cases reduced to a fraction of what they were a few years ago. The foreign currency assets of the Bank of France and the French Treasury were, after withdrawals which during four years had totalled \$1,350 million gold, reduced to \$47 million gold at the end of 1933. Amounts due to foreigners by United States banks amounted to \$3,037 million at the end of 1929, but had, at the end of 1933, fallen to \$487 million (\$392 million gold). Russian commercial debts, which, at the end of 1931, amounted to 1,400 million roubles, are stated at the end of 1933 to have fallen to 450 million, of which about three-fourths were due to Germany; a further reduction in this debt has taken place in 1934. The outstanding short-term debt of Germany remains at a substantial amount (at the end of September 1933, 7.4 milliard marks), but this debt is largely blocked.

Of the sums which are still outstanding and not tied up by exchange control and standstill agreements, a substantial amount represents credits required for the financing of ordinary international commercial transactions. These credits, which largely offset each other, are not likely to be reduced unless such transactions contract further; the value of world trade, however, has, since the beginning of 1933, contracted only very slowly.

Though capital withdrawals from certain countries have not yet come to an end, others have recently attracted short-term funds. Thus the above-mentioned report of the Bank for International Settlements draws attention to the accumulation of

foreign funds in the London market, due to larger holdings of sterling exchange in the reserves of the note-issuing institutions within the sterling area : " As primary or secondary cover, South Africa, Australia, India and Egypt and the four Scandinavian countries held foreign exchange to the equivalent of approximately £100-£110 million at the end of the years 1929 and 1930, but by the end of 1931 their holding had been reduced to £50 million (of which about one-half belonged to India); at the end of 1932, the total had grown to £75 million and, by the end of 1933, to £120 million — an aggregate amount which, expressed in sterling, was larger than that before the depression ". It is stated that, in May 1934, the total foreign funds held in the London market, calculated in sterling, appeared to be in the neighbourhood of the 1930 level.

Changes in the international accounts of principal countries.

In recent years, important international gold movements have, to a large extent, been offset by withdrawals or flight of short-term capital. The principal interest in the international accounts is, however, afforded by the information supplied with reference to the transactions on income or current account and the manner in which the balance resulting from these transactions is offset by gold and capital movements. Unfortunately, it has not proved possible to compile balances on account of current items proper, as this would have demanded the separation of banking transfers of gold from other gold movements (exports from mines, imports for industrial purposes) — a separation which, for certain important countries, has not proved possible. Assuming, however, that demands for industrial purposes do not vary considerably from year to year, the balances on account of goods and services shown in column 4 of the Summary Table may be taken to reflect adequately the changes in the balance on account of current items, at least for countries which are not producing gold on a big scale.

The balance on account of goods and services of the United Kingdom ⁽¹⁾ was active up to 1930 but is estimated to have become passive to the extent of \$472 million in 1931, as a result of the heavy fall in the income from foreign investments and services sold. The gold value of this income continued to fall in 1932 and rose only slightly in 1933, but with the contraction of the passive trade balance by one milliard gold dollars during these two years, the deficit on account of goods and services is estimated to have almost disappeared in 1933. The inflow of foreign short-term funds due to purchases of sterling exchange by the note-issuing banks within the sterling area would appear to have been offset by imports of gold entering into the reserves of the Bank of England ; in addition, large amounts of foreign-owned gold have been hoarded in London. Trade returns show gold imports exceeding \$700 million (gold) during 1932 and 1933.

The United States balance of payments during the years 1930-1933 ⁽²⁾ was dominated by falling interest receipts and the persistent outflow of short-term capital (foreign withdrawals and later capital flight), offset by an inward movement of long-term capital from 1931, by sales of gold in 1931 and 1933 and by the rapid contraction in the expenditure of American tourists abroad. The trade surplus remains at a fraction of the figure before the depression. With the provisional stabilisation in January 1934 of the gold value of the dollar, the American short-term funds temporarily invested abroad were repatriated. The fixing of the gold value of the dollar at a level below that to which it had previously adjusted itself rendered gold imports to the United States profitable, and the repatriation of United States funds, as well as the inflow to the United States of foreign capital (mainly from France), gave rise to large gold

(1) Cf. page 13.

(2) Cf. page 10.

imports. During the first seven months of 1934, the gold reserves of the Federal Reserve Banks and the United States Government increased by \$700 million gold (according to the old parity).

The balance of payments of France ⁽¹⁾ in 1933 is characterised by the discontinuation of gold purchases after the repatriation of all but a fraction of the large short-term assets which France possessed at the outset of the depression. The balance on account of goods and services is estimated to have become passive in 1931 and to have remained so in the two following years; it may be, however, that the reduction in the trade deficit which has taken place in the course of 1934 has rendered this balance active.

The German balance on account of goods was active in 1931 and 1932 ⁽²⁾. In 1933, however, the German trade in goods and services is estimated practically to have balanced. As in the three preceding years, there was an outward movement of gold, and the long-term indebtedness was reduced. The unfavourable development of the German barter terms of trade, the increased demand for foreign raw materials and the reduction in the competitive power of the export industry due to the rise in domestic prices rendered the trade balance passive from the beginning of 1934. The payments due for the service of German foreign debts were partly suspended from the middle of 1933, and, in 1934, the amounts allowed to be transferred abroad for the service of debts have been further reduced.

Available figures for countries producing raw materials and foodstuffs indicate that, in several cases, the balance on account of the current items in their international accounts has become less passive or more active. This must largely be attributed to the growing demand in industrial countries for raw materials and the change in the terms of trade between industrial and raw material producing countries, to the advantage of the latter, which has taken place since 1932, in spite of the fact that average prices of raw materials in the world market, calculated in terms of gold, have continued to fall. ⁽³⁾

The balances on account of goods and services in the accounts of Canada, the Netherlands Indies, Australia and New Zealand have undergone a mighty redressment since the early years of the depression, when they were heavily deficitary. The balance of the Union of South Africa on account of current items (which should be taken to include gold exports) became active in 1932, the last year for which figures are available. India's trade in goods and services continues to leave a large deficit, but this is more than offset by the release of gold from domestic hoards, and India has recently been able to reduce her foreign long-term debt, at the same time as the assets of the Government on account of treasury and reserve balances in London have risen (the increase in the two years ended March 31st, 1934, exceeded £37 million).

Little information is available with reference to countries in Latin America. An outflow of capital from the Argentine and Brazil in 1932 was offset by a surplus of these countries on account of goods and services. Judging from the movement of the trade figures, the surplus was heavily reduced in 1933, but has again increased in 1934.

The trade of Norway, Sweden, Finland and Denmark in goods and services resulted, in 1932, in a surplus which, except in the case of Denmark, increased in 1933. As is shown elsewhere in this volume, these countries have recently been able to repay a portion of their foreign debt or increase their assets of foreign currency.

In the preceding issue, particular attention was paid to the effect of currency depreciation upon the balances on account of goods and services. It was found that the balances of the countries whose currencies had depreciated became more active or less passive in 1932 than they had been in 1931, while the balances of countries which maintained their currencies at par moved in the opposite direction.

(1) Cf. page 12.

(2) Cf. page 11.

(3) Cf. *Review of World Trade, 1933.*

SUMMARY STATEMENT

The following table shows that, in the case of the majority of the countries for which information is available, this movement of balances continued during 1933. It was, however, less regular than in 1932, and the magnitude of the changes was smaller than in that year.

CHANGES IN THE BALANCES ON ACCOUNT OF GOODS AND SERVICES.
\$(000,000's) gold.

A plus sign (+) means an increase in surplus or a reduction in deficit ;
a minus sign (—) a reduction in surplus or an increase in deficit.

	Countries whose currencies did not depreciate		Countries whose currencies depreciated	
	From 1931 to 1932	From 1932 to 1933	From 1931 to 1932	From 1932 to 1933
United States	— 44		United Kingdom	+ 275
France (1)	— 131	+ 75	United States	+ 69
Germany	— 206	— 51	Canada	+ 44
Netherlands Indies	+ 30	+ 2	Australia (2)	+ 97
Czechoslovakia	— 38	+ 16	India (3)	— 51
Hungary	+ 35(4)		Sweden	+ 49
Latvia	+ 3	— 4	Norway	+ 43
Turkey	+ 3		New Zealand (2)	+ 9
Lithuania	+ 6	— 1	Denmark	+ 30
Estonia	— 2	+ 1	Japan	+ 44
			Finland	— 6
			Greece	+ 25
			Estonia	— 2
				+ 1

To a great extent, the changes which have taken place must be regarded as reactions against those which had occurred in 1930 and 1931. The balance of the United Kingdom, in spite of a redressment of \$459 million gold between 1931 and 1933, is estimated still to have remained deficitary in the last-mentioned year, while it was active to the extent of \$500 million in 1930. The "improvement" of the balance of Australia from 1931 to 1932 implied an adjustment to the situation which arose when capital imports were reduced; in the case of Canada, this adjustment had largely taken place one year earlier. The redressment of the balances of the countries whose currencies depreciated in 1931 and 1932 brought the movement of gold to certain other countries to an end and, in some cases, reversed that movement. With the replenishment of the gold and foreign currency reserves of the more important of the former countries, the process of mutual adjustment of the balances of the two groups of countries should be mainly accomplished.

There is little evidence, however, of the attainment of a stable equilibrium in international business relations. The intermittent decline in the exchange value of paper currencies continues. In 1934, this decline has at least to some extent been offset by an increase in domestic prices in the paper countries; but the information so far available does not indicate that the fall in the prices, in terms of gold, of goods entering into international trade has come to an end. An index of such prices, calculated on the basis of weighted average prices fetched by goods imported into four principal importing countries, continued to decline uninterruptedly during the first half of 1934, as during the preceding years (5). The protracted fall in prices has naturally been extremely precarious to the gold countries, which have had

(1) Including French oversea territories (except Indo-China).

(2) Financial years ending June 30th.

(3) Financial years beginning April 1st.

(4) Of the reduction in the deficit of Hungary from 1931-1932, \$33 million represent decrease in payments of interest and dividends abroad (a transfer moratorium was established in December 1931).

(5) A curve showing the movement of this index is drawn in the diagram entitled "Movement of World Trade" in the recent numbers of the League of Nations *Monthly Bulletin of Statistics*.

to choose between domestic price deflation, with all its complications, and the maintenance of an uncompetitive price level.

The nature of the disequilibrium of which this price fall is a sign cannot easily be studied without taking into account, not only the international accounts of individual countries in their entirety, but the distribution of the amounts entering therein between various foreign countries. No complete study of this kind can be made in this volume but at least certain aspects of the disequilibrium may be elucidated by an attempt to trace the outlines of the system of triangular or many-cornered operations in international trade and the main changes which that system has undergone in recent years.

Triangular and many-cornered international business transactions.

Nature of enquiry.

A country *A*, which has, for example, to make regular payments in country *B* for the service of debts, may not be able to transfer the amount in question by bilateral transactions for the simple reason that country *B* does not require a sufficient quantity of the goods or services that *A* can supply. But *A* may be able to sell these in a country *C* and thus obtain the amount of *B*'s currency which it requires and which *C* has acquired either directly in trade with *B* or through her trade with a fourth country *D*. The result is a chain of trade operations between three or more countries, and the transfer is effected through currency arbitrage transactions. Such multilateral trade is in the interests, not only of the countries initially concerned with the transfer (*A* and *B* in the above example), but also of the other countries involved, whose exchange of their own products against the foreign goods and services they require is facilitated.

The study of the manner in which countries employ the surplus on account of their transactions in certain directions to meet deficits in other directions is difficult, as the information available on the geographical distribution of inward and outward payments in international accounts is incomplete. International trade in goods represents, however, the bulk of international business transactions, and though the statistics of the geographical distribution of the trade of individual countries are generally not made according to countries of purchase and sale, they furnish, together with the less complete data with reference to the distribution of other transactions, adequate material for the study.

The table on the following page, showing the trade balances in various directions of a few principal countries, illustrates some of the points made below and should be studied in conjunction with the synoptical table of the balances of international transactions of the countries concerned (pages 10 to 15).

Some features of the system of multilateral trade before 1929.

The table begins with 1927, a characteristic year of the large post-war capital transfers from creditor to debtor countries. Attention should be paid to the large passive balances of the United Kingdom during the years 1927 to 1931 in her trade with the United States and Europe. The bulk of the British income from foreign investments is derived from other countries, and its transfer involves large triangular operations. An American student of the balance of payments between the United States and the United Kingdom (1) pointed out in 1929 that "each year, the United

(1) Dr. Ray Hall in *Commerce Reports* for August 19th, 1929.

Kingdom collects in the form of American merchandise about \$500 million of the revenues from its oversea investments and its merchant marine", and that, accordingly, to that extent the United States export trade depended upon the prosperity of British shipping and British foreign investments. A similar or greater amount was transferred over European countries importing raw materials from the countries in which British capital is invested and exporting their own products (mainly manufactured articles) to the United Kingdom or to countries which, in their turn, exported more to that country than they bought there.

TRADE BALANCES OF CERTAIN COUNTRIES IN VARIOUS DIRECTIONS ACCORDING TO TRADE RETURNS,
1927 TO 1933.

Trade balances of :	\$ (000,000's) gold						
	1927	1928	1929	1930	1931	1932	1933
1. <i>United Kingdom</i> in trade ⁽¹⁾ with :							
(a) British countries	87	64	55	171	275	250	250
(b) United States	649	583	652	553	353	220	164
(c) foreign countries in Europe	767	715	782	857	896	298	249
(d) other foreign countries	377	350	369	300	321	234	196
(e) all countries	1,880	1,712	1,858	1,881	1,845	1,002	859
2. <i>United States</i> in trade ⁽²⁾ with :							
(a) United Kingdom	+ 482	+ 499	+ 518	+ 468	+ 321	+ 213	+ 162
(b) rest of Europe	+ 556	+ 626	+ 490	+ 462	+ 226	+ 182	+ 151
(c) Canada	+ 362	+ 427	+ 445	+ 257	+ 130	+ 67	+ 20
(d) Japan	145	96	173	114	50	1	12
(e) other countries	574	418	478	291	293	175	163
(f) all countries	+ 681	+ 1,038	+ 842	+ 782	+ 334	+ 288	+ 182
3. <i>Germany</i> in trade with :							
(a) United Kingdom	+ 51	+ 69	+ 105	+ 138	+ 162	+ 45	+ 40
(b) France (incl. Saar)	94	36	56	151	124	70	43
(c) 9 smaller European countries ⁽³⁾	+ 178	+ 337	+ 461	+ 516	+ 507	+ 305	+ 247
(d) rest of Europe	35	68	60	41	162	92	32
(e) other countries	916	913	673	455	272	256	203
(f) all countries	816	475	9	391	685	256	159
4. <i>France</i> in trade with :							
(a) United Kingdom	+ 138	+ 101	+ 68	+ 62	+ 52	19	19
(b) rest of Europe	+ 365	+ 255	+ 122	114	230	128	89
(c) French oversea countries	+ 76	+ 85	+ 96	+ 91	+ 39	1	29
(d) other countries	493	502	603	418	322	248	254
(e) all countries	+ 86	61	317	379	461	396	391
5. <i>Japan</i> in trade with :							
(a) China and Hong-Kong	+ 82	+ 90	+ 91	+ 76	+ 23	12	10
(b) United States	+ 76	+ 93	+ 120	+ 31	+ 41	18	26
(c) Europe	115	115	127	79	49	29	20
(d) other areas	112	154	96	49	46	17	5
(e) all countries	88	104	31	38	43	6	11

Among the countries in Europe requiring large imports of raw materials, Germany had before 1929 a large trade deficit and had further to pay an increasing amount abroad on account of other current items, particularly interest and reparations. Her

(1) United Kingdom and United States : general trade.
 (2) As the recorded import figures for the United States do not include freights from the country of shipment, the trade balances are not comparable with those for other countries.
 (3) The countries are : Austria, Belgium, Czechoslovakia, Denmark, Finland, Netherlands, Norway, Sweden and Switzerland.

account was settled by large capital imports, partly from the United States, partly from European countries. During the period from 1923 to the middle of 1928, French capital amounting to some \$500 million annually was lent, largely on short-term, to other creditor countries and re-lent by these to Germany and other European debtor countries. The French capital export, which was connected with the "flight from the franc" before its legal stabilisation in June 1928, played an important part in the system of international trade which developed during post-war years.

With the stabilisation of the franc, the French capital exports discontinued, and simultaneously the United States long-term capital exports to debtor countries were heavily reduced when boom conditions prevailed in 1928 and 1929 (1). The reduced supply of foreign capital to debtor countries rendered it necessary for them to increase their exports or reduce their imports, and the increased supply of goods in industrial creditor countries was readily absorbed as long as boom conditions prevailed in these countries. The prices of primary products were, however, slightly falling. The situation changed radically when, in 1929, large French capital withdrawals and other events gave the signal for the liquidation of short-term liabilities which has been the outstanding phenomenon in international finance during the last few years.

Disorganisation of the United States triangular trade since 1929.

As mentioned above, the United States long-term loans to debtor countries fell heavily from the middle of 1928. There was a slight revival of these loans during 1930, but, since 1931, the long-term capital movement of the United States has been inward. On the other hand, large withdrawals from the United States of short-term capital by, and flight of such capital to, European creditor countries have occurred in recent years.

The outward movement of short-term capital from the United States is estimated at \$465 million in 1930, \$719 million in 1931, \$489 million in 1932 and \$475 million (\$383 million gold) in 1933. The bulk of these amounts was transferred (directly or indirectly) to Europe. Simultaneously, the surplus of the United States in her trade with Europe fell from \$930 million in 1930 to \$313 million (\$252 million gold) in 1933 (items 2 a—b in the above table). As late as 1928 and 1929, the known items in the transactions between Europe and the United States (including goods, interest, other services and long-term capital transactions (2)) are estimated to have left a balance in favour of the United States of \$500 to \$700 million, which she could employ in her purchases from, and the financing of loans to, other continents (3). Since then, United States long-term loans to Europe have been discontinued and the expenditure of her tourists there has been drastically reduced, but owing to the short-term capital movement and the reduced surplus on account of merchandise trade and certain other items, her surplus from transactions with Europe has been reduced to very small proportions.

It appears from the aforesaid that the United States triangular trade has lost in importance. With the discontinuation of long-term loans to countries in Latin America and Asia, a growing share of the merchandise exports of these countries to the United States had to be employed in the transfer of payments in the service of debts due to that country, and to the extent that this occurred, the monies received for these exports could no longer be employed in meeting commitments in Europe.

(1) For the connection which may exist between the boom and the discontinuation of French capital exports, see *Balances of Payments, 1930* (Series No. 1931.II.A.28 II), pages 18 to 22.

(2) Before the autumn of 1929, short-term capital transactions between Europe and the United States largely offset each other, and it would appear that there was seldom a heavy balance in the direction of Europe.

(3) Cf. *Commerce Reports* (U. S. Dep. of Commerce) for October 6th, 1930.

The countries in question had to draw upon their gold and foreign currency assets, and gold accumulated in the United States and European creditor countries. Later, when the latter countries employed their short-term assets in the United States in settling their deficit on account of current transactions with that country, the foreign currency available in the United States for the purchase of raw materials abroad was reduced, and the prices of primary products were severely depressed.

The above reasoning should not be taken to imply that the quantities of goods and services proper entering into trade in various directions are fixed. In fact, these quantities are subject to variations, which normally tend to offset changes in the capital movement. The magnitude and irregularity of the changes in capital movements during recent years and the commercial policy of the majority of countries, among other factors, have prevented those changes from being offset in this way, and accounts have been balanced only through a reduction in the amounts paid to creditor countries on account of interest and dividends.

The German transfer crisis of 1931.

Pressure upon the prices of primary products has also been exercised by capital movements between European industrial countries. During the early part of the depression, the growing commitments of Germany on account of reparations and the service of loans raised were met to a great extent by the larger surplus of the manufacturing export industry, due mainly to the improvement in Germany's terms of trade. At the same time, the German exports of manufactured articles were a link in the triangular or four-cornered trade financing the transfer of amounts due to European creditor countries from the oversea countries, from which Germany has to import the bulk of her requirements of primary products. In 1931, however, a growing share of the German exports of manufactured articles to other industrial countries in Europe was absorbed by the financing of the rapid withdrawal of short-term capital by Germany's foreign creditors. As the yield of these exports could no longer be employed in the purchase of raw materials from countries outside Europe, the system of triangular or four-cornered trade which forms the basis of the German export industry was disorganised. The products of the raw material producing countries fell further in price and the German transfer difficulties led to the freezing of the bulk of the foreign short-term assets in Germany.

The events now referred to are reflected in the trade balance of Germany with various groups of countries. In 1927, her total trade balance was passive to the extent of \$816 million; in 1931, it was active to the extent of \$685 million. Of the total "improvement" in the balance, amounting to \$1,500 million, 43% was due to a lower deficit in trade with non-European countries and the remainder to increased surplus in trade with European — particularly industrial — countries. Simultaneously, the French trade balance changed from active to passive, in spite of the facts that the bulk of the French capital withdrawn from abroad was taken home in the form of gold and that the deficit in French trade with foreign countries outside Europe was reduced owing to lower prices of primary articles.

Factors involved in the depreciation of sterling.

The difficulties encountered by the United Kingdom, leading to the depreciation of sterling in September 1931, may be summarised as follows. The repatriation of French balances in the United Kingdom compelled that country to withdraw its liquid assets abroad, particularly in the United States and Germany. The use of the ordinary channels of merchandise imports for these withdrawals partly blocked them

for the usual triangular or four-cornered transfer of income due from oversea countries on account of interest, dividends and remuneration for shipping and other services rendered. The deficit of the United Kingdom in trade with the United States and the European continent was nearly as great in 1931 as it had been in 1928, although the net annual income on account of "invisible" items in her international account is estimated to have shrunk by about one milliard dollars. This reduction was a result of the transfer difficulties encountered by countries with large current payments due to the United Kingdom — particularly the British Dominions, India and Latin America — whose products fell in price and whose balance of payments was adversely affected. The trade balance of the British Empire less the United Kingdom, which had been active to the extent of \$199 million in 1928, became passive to the extent of \$229 million in 1929 and \$289 million in 1930 (1) — a deterioration of not far from half a milliard dollars in two years. The countries indebted to the United Kingdom, which generally held considerable short-term balances there, were thus compelled to draw upon them and in certain cases to make overdrafts. These withdrawals, together with that of French balances and the freezing of the British short-term balances in Central Europe, rendered the position of the pound sterling untenable.

Redistribution of the trade of the United Kingdom since 1931.

It has been pointed out by a student of the questions now under review (2) that, through a redistribution of the trade of the United Kingdom, the industrial countries on the continent of Europe have been partly eliminated from the transactions involved in the transfer of amounts due to that country from British countries in other continents.

This is illustrated by the table on page 24, which also suggests that the United States has to a growing extent been excluded from the orbit of these transfers. Between 1931 and 1933, the passive balance of the United Kingdom in trade with the European continent fell by \$647 million gold or by 72 % and that with the United States by \$289 million gold or by over half (items 1 b and c in the table). The passive balance in trade with British countries had already between 1929 and 1931 risen from \$55 to \$275 million gold and remained at \$250 million gold in 1932 and 1933 (item 1a). A larger portion of the transfer of amounts due from them is thus made directly through bilateral trade, while the three or four-cornered trade has lost in importance. It is obvious from the figures now quoted, however, that the direct transfer from the debtor countries exporting primary products has by no means made up for such trade. The facts that the passive balance in trade with foreign countries outside Europe fell by \$173 million gold between 1929 and 1933 (item 1d) and that the whole increase in that with British countries occurred before 1932, suggest that there has so far been very little room for an expansion of the direct transfer to the United Kingdom.

To some extent, it is undoubtedly the difficulty of the transfer of large amounts which continues to depress the prices of primary products and, accordingly, the income of the United Kingdom from her oversea investments and from services sold.

Effect upon the trade of the European continent.

The majority of the industrial countries on the European continent had, up to 1931, a large surplus in trade with the United Kingdom and a deficit in trade with

(1) Cf. *Review of World Trade, 1930 and 1932* (Series Nos. 1931.II.A.28¹ and 1933.II.A.10), pages 17 and 28 respectively. The figures quoted refer to the balances adjusted on account of various freight items.

(2) Dr. Kurt A. Herrmann in *Bank-Archiv* for July 1st, 1934.

oversea countries. Their trade with Germany was, however, also deficitary, and a large portion of the amounts due to the United Kingdom from countries outside Europe was transferred through the following operations: (1) the last-mentioned countries exported raw materials and foodstuffs to Germany; (2) Germany exported manufactured articles to other industrial countries and to the Scandinavian countries; (3) these last-mentioned sold their specialised products to the United Kingdom. The following table, showing the balances of certain of them in trade with Germany and the United Kingdom in 1929 and 1933, illustrates the changes which have taken place in this trade:

ACTIVE (+) OR PASSIVE (—) BALANCES OF CERTAIN COUNTRIES IN THEIR TRADE
WITH GERMANY AND THE UNITED KINGDOM.
S (000,000's) gold

	Trade with Germany		Trade with U. K.	
	1929	1933	1929	1933
Austria	— 47.0	— 10.9	+ 1.3	+ 0.2
Belgium	— 30.5	— 28.2	+ 52.1	+ 11.7
Czechoslovakia	— 30.5	— 4.9	+ 17.9	+ 1.3
Denmark	— 67.3	— 19.4	+ 188.4	+ 62.7
Finland	— 44.3	— 8.2	+ 38.5	+ 23.7
France	— 73.6	— 52.5	+ 68.4	— 19.2
Germany	—	—	+ 56.9	+ 15.0
Netherlands	— 155.2	— 89.2	+ 60.3	+ 6.8
Sweden	— 73.2	— 33.5	+ 37.8	+ 15.9
Switzerland	— 66.2	— 62.1	+ 23.2	— 0.6

The reduction in the transfer to the United Kingdom through trade over Germany and other industrial countries is reflected by the simultaneous contraction of the passive balances with Germany and the active balances with the United Kingdom. The contraction of the active balances with the United Kingdom of the industrial countries which, in 1933, still adhered to the gold standard was particularly marked; those of the Netherlands and Czechoslovakia, for example, were in 1933 only 11 and 7 % respectively of what they had been in 1929, and the balances of France and Switzerland changed from active to passive.

No detailed analysis of the causes of the movement of these two groups of balances can be given here, but the most obvious causes may be briefly indicated. First, the depreciation of sterling and the tariffs imposed in the United Kingdom on various manufactured articles reduced the ability of the European industrial countries to compete in the British market. Secondly, as a result of the depreciation of the pound, the competitive power of British manufacturing industry in the European market rose, while that of the German industry declined. Thirdly, with the revival in the domestic market, prices rose in Germany, while the prices in other countries whose currencies remained at their old parities were stable or falling and the movement of the gold price of goods entering into international trade was clearly downward. Fourthly, import quotas and other similar provisions would appear to have had an unfavourable effect upon the competitive power of the export industries of certain of the countries such as France and Switzerland⁽¹⁾ whose exports to the United Kingdom have suffered the most. Finally, both these countries and Germany have determined the direction of a part of their trade by clearing and barter agreements (particularly with countries in eastern and southern Europe) which aim directly at balancing all or a portion of the business transactions in bilateral trade. This

(1) Cf. *Review of World Trade, 1933* (Series No. 1934.II.A.12), pages 67 and 68.

result can only be achieved at the expense of triangular transactions and will often reduce bilateral balances in the trade with countries which are not directly involved in the agreements.

The above account of the trade involved in the transfer to the United Kingdom is to some extent schematised. A study of the trade returns of various countries suggests that, in certain cases, the trade is many-cornered, comprising more links than those referred to above. A detailed study of the transfer problem on the basis of trade statistics meets, however, with difficulties owing to the fact that bilateral transactions comprise the transfer of amounts due on account of various "invisible" items which partly offset each other, and the importance of these items is only imperfectly known. Moreover, the transfer of amounts due to the United Kingdom is but one — though undoubtedly the most important — operation involving triangular or many-cornered trading transactions. As an example of another operation of this kind may be mentioned the transfer from the Netherlands Indies of amounts due to the mother country.

Transfer from the Netherlands Indies to the Netherlands.

The Dutch demand for products of the Netherlands Indies is not great enough to permit of the transfer in bilateral trade of the amount — before the depression perhaps some 250 million gulden or more annually — due from the latter as interest and dividends on account of Dutch investments and remuneration for services rendered by the Netherlands (1). The big deficit of the Netherlands in her trade with Germany and the United States suggests that her income on account of "invisible" items, which is mainly derived from the Netherlands Indies, is collected in the form of German and American merchandise. The Netherlands Indies is largely dependent for the transfer upon her sales to the United States (a large portion of these sales is recorded in her trade returns as exported to Singapore, whence it is reshipped) or to countries such as India, which, in their turn, have an active trade balance with the United States or Germany (according to the trade returns of the Netherlands Indies, her bilateral trade with Germany gives a passive balance).

The withdrawal of capital by European creditor countries from the United States and Germany has had a similar effect upon the transfer in question as upon that of sums due to the United Kingdom from her debtors — that is, the amount which could be transferred has been reduced and the prices of the products of the Netherlands Indies have fallen accordingly. A contributing factor is the fall in the surplus of that country's trade with India resulting from the development of the Indian sugar industry (2).

Japan's transfer problem.

Another example is afforded by Japan. Before 1931, her trade with China, Hong-Kong and the United States resulted in a large surplus (in 1929, 457 million yen, or \$211 million), which enabled her to meet her commitments elsewhere, particularly in Europe, India, Australia and Canada (3). Among other factors, the heavy fall in the price of raw silk sold to the United States, connected with events discussed above, and the Chinese blockade of Japanese goods, turned this surplus into a small

(1) According to Dutch trade returns, the trade between the two countries has even shown an export surplus for the Netherlands since 1927.

(2) Cf. *Review of World Trade, 1933*, page 47.

(3) Cf. item 5 in the table on page 24.

deficit from 1931. The result of this change was a transfer crisis, which was only solved by depreciation of the yen favouring Japanese exports in a way which has involved severe disturbances of the interests of other countries.

Tourist traffic as a link in triangular trade.

France, Italy, Switzerland and Austria have large passive trade balances offset by various "invisible" credit items, the most important of which is the expenditure of foreign tourists. As the deficit is largely incurred in trade with countries other than those from which the invisible income is derived, the circuit of the transactions involved can be closed only by a system of triangular or many-cornered trade. France, for example, recorded a deficit of 6,475 million francs in 1933 in her trade with non-European countries other than French colonies — a deficit due largely to the large and indispensable imports of raw materials for the French manufacturing industries. As long as the French trade with other countries results in a deficit, the payment for the import of raw materials out of the French current income depends upon the expenditure by foreign tourists in France, French receipts of interest and dividends, and remuneration for transport services. As is shown in the chapter on France in this volume, the income from foreign tourists is the most important of these items, and the French tourist trade and manufacturing industry alike are thus dependent upon a system of international trade which permits of large balances in bilateral transactions.

General observations.

Triangular or many-cornered trade forms the basis of the system by which the majority of industrial countries acquire the raw materials they need. It has permitted young countries to develop their productive forces by means of foreign capital and rendered it possible, not only for these countries and their creditors, but also for other countries responsible for the transfer of interest and dividends on account of the capital in question, to share in this increase in wealth. The system which has developed determines in fact to a large extent the economic structure of all trading countries and the international distribution of economic activities. The examples given above illustrate the inadequacy of a system of bilateral trade and the danger which it involves both to creditor and to debtor States — a danger which affects not only the ability to transfer but the prices of goods internationally exchanged and the terms of trade.

But the system of multilateral trade which has developed has recently proved to be vulnerable. Each link in it through which a transfer, not possible in bilateral trade, is effected, may be broken. The transfer of liquid assets in the form of gold or currency reserves may postpone for some time the repercussions of such a break, but unless a more permanent basis for the working of the system is found, the trade of all the countries involved must in the end be adversely affected.

When considering the recent disturbances in triangular business transactions, special attention was paid to the withdrawal by certain creditor nations of their short-term assets abroad. The countries from which the capital was withdrawn had as result to meet these withdrawals largely by their normal exports of goods to the creditor country which was withdrawing its capital and were thus deprived of the power to purchase goods in the third market which constituted one party to the previous triangular trade. In consequence, trade was curtailed and prices fell. But even where the capital withdrawals were financed by gold transfers, they have

depressed the prices of goods entering into trade by the exhaustion of the liquid assets of debtor countries.

The above reasoning is subject to certain qualifications. The capital withdrawals as well as the reduction in capital exports which had preceded them naturally tended to affect the price levels in the countries concerned, and thus also the quantum of their imports and exports, in a way which, had trade been comparatively free, would have offset the change in the capital balance without disorganising multilateral trade. An apparent break of a link in the chain of transfer in which the countries were involved might well have occurred, but the chain would normally have been restored, for example by the establishment of new trade, incorporating one or more countries in the transfer.

The absence in recent years of swift quantitative adjustments of trade of this kind to the variations in capital movements must be attributed largely to increased trade barriers, aiming at protecting domestic production, or certain branches thereof, from disturbances accompanying a rise in imports. The result has been an increase in the initial price discrepancies — met, in its turn, by a further sharpening of import restrictions. With the introduction in many countries of prohibitive tariffs or quotas for important categories of goods, the forces working for restoring equilibrium in international trade have become largely paralysed.

When considering the effect of recent trends in commercial policy upon the system of multilateral trade, attention should be paid to the discriminative nature of the restrictions. In order to avoid retaliatory measures each country has taken care to impose new restrictions mainly upon the products of countries in relation to which its bargaining power is strongest — that is, in general, the countries in trade with which it has an excess of import on account of goods and services. The restrictions have thus tended to reduce trade balances between individual countries and, accordingly, the proportion of multilateral to total trade. The clearest expression of this tendency is the conclusion of barter and clearing agreements which aim directly at balancing trade between individual countries and thus at the elimination of triangular or multilateral transactions.

The disorganisation of the system of multilateral trade goes far to explain the contradiction apparent in the existence of financial distress side by side with a plentiful supply of goods which characterises the present depression. The world's productive forces are intact or improved, but with the partial destruction of the system which once mobilised these forces in the transfer of amounts due to creditor countries or in the triangular exchange of certain products against others or services, numerous countries have difficulties in finding the means of acquiring the foreign products they need and markets in which their own products may be sold at remunerative prices. Faced by these difficulties, economically younger countries have hastened their industrialisation and industrial countries have increased their agricultural production, although this growth in self-sufficiency has to be acquired by measures which keep domestic prices above those of goods entering into foreign trade. As long as, for the world as a whole, the scope of triangular transactions is contracting as a result of the trend in trade policy (1), the difficulties involved in the disposal of goods produced are likely to prevail. It is these difficulties which continue to depress the prices of goods (in terms of gold, which is the only commodity by which monetary transfers can be made in all directions) entering into trade, in spite of the reflationary measures taken by several important countries.

(1) An attempt to gauge the contraction in triangular merchandise trade during the period 1929 to 1933 is made in *Review of World Trade, 1933*, pages 65 to 67.

The price of capital.

In normal times, capital is generally attracted by countries where its yield is relatively high. During the earlier part of the economic depression, however, the safety of investments became the decisive factor, and capital has shown a tendency to move from countries where interest is high to countries where it is low. As a result, the discrepancy between the rates in creditor and debtor countries increased during the early part of the depression. Since 1931 or 1932, however, interest rates in different countries have again converged, and, although the credit of numerous debtor countries has by no means been restored, interest rates have fallen in others to levels which are as low as, or even lower than, before the depression.

The special rates which best indicate the variations in the prices at which capital transactions take place vary appreciably from country to country, and the rates in any particular area which in fact exercise the greatest influence on capital movements to or from that area, are necessarily determined by the general economic and financial organisation there. Any comprehensive study of the problem would therefore necessitate a careful and detailed analysis of a number of widely different markets. No such analysis can be attempted here but it may be of some interest to give a quite rough indication of the major movements of recent years. For this purpose, the yield of bonds and the market discount rates on three-months' bank bills will be taken as representing the variations in the price of capital for long- and short-term investment respectively.

The fall in bond yields.

The broad movement of the yield of bonds of certain countries is illustrated by the following table (1). The first part of the table shows the yield of certain Government and similar bonds payable in sterling, the prices of which are determined mainly by quotations on the London market. The second part shows the yield of bonds the prices of which are mainly dependent on the national demand.

The movement of bond prices which the yield figures reflect is naturally influenced, not only by the economic and financial position of the countries concerned, but also by the nature of the collateral behind the individual loans, and by other circumstances. The figures therefore cannot be taken as exactly representing the real price of long-term capital in the countries concerned. The essential difference between the figures for yields according to London and home quotations lies in the fact that the first refer to a market common to all the bonds, with common estimates of the varying risks, while, in the case of the second, there are as many markets as there are countries. But it must not be presumed from this that the differences in the yields according to London quotations represent simply the differences in the estimated risk covered by each bond, still less in the credit of the countries which the bonds concern. In fact, loan conditions vary widely and help to determine the price at which the bonds are quoted.

It should be distinctly understood that the figures are not to be used for comparing the level of bond yields in different countries, but only for studying fluctuations in the course of the period considered.

ACTUAL PERCENTAGE YIELD OF BONDS.

Country	Bonds	Dec. 1920	Dec. 1931	Dec. 1932	Dec. 1933	Sept. 1934
<i>According to London quotations.</i>						
Argentina	4% Rescission Bonds	5.35	6.73	9.00	5.08	4.21
Australia	5% Registered	5.60	6.55	4.49	4.10	3.91
Brazil	5% Funding Loan 1914	7.09	8.85	7.80	6.80	5.68
China	5% Reorg. Loan 1913	8.34	8.75	7.10	5.84	5.20
Egypt	4% Unified	5.06	4.94	4.05	3.85	3.75
Germany	7% Dawes Loan 1924	6.65	12.75	8.14	7.95	
India	3½% Gov. Stock	5.69	7.00	3.98	3.98	3.65
Japan	6% Loan 1924	6.23	8.13	9.30	7.10	6.84
Un. of S. Africa	5% Inscribed	5.00	5.45	4.15	3.81	3.50

(1) For monthly figures of bond yields (including various series not shown in the table, above see *Statistical Year-Book of the League of Nations, 1933-34*, pages 222 to 225.

ACTUAL PERCENTAGE YIELD OF BONDS,¹(continued).

Country	Bonds	Dec. 1929	Dec. 1931	Dec. 1932	Dec. 1933	Sept. 1934
<i>According to domestic quotations.</i>						
Belgium	3% Rente	4.49	4.23	4.53	4.48	4.01
Canada	Province of Ontario Loans	4.90	5.20	4.92	4.72	3.93
Czechoslovakia	Gov. Bonds (average)	5.76	6.35	6.40	6.28	5.99
France	3% Rente	3.61	3.33	3.94	4.51	(¹) 4.14
Germany	Misc. Bonds 8% and less (av.)	8.42	11.90	7.42	6.61	6.51
Hungary	5% Forced Loan 1924	8.66		24.41	15.23	(¹)12.28
Italy	3½% Rente	5.26	4.87	4.56	3.88	4.05
Japan	Public Bonds (average)	5.04	6.00	4.92	4.56	(¹) 4.59
Netherlands	Gov. Bonds (average)	5.16	5.33	4.56	4.78	(²) 4.48
Poland	Gov. Bonds (average)	10.59	16.42	16.27	14.58	(²)11.83
Roumania	Four Gov. Bonds (average)	9.41	13.26	18.24	14.69	(¹)12.02
Sweden	Seven Gov. Bonds (average)	4.46	4.80	4.01	3.71	3.45
Switzerland	3½% Fed. Railways	4.29	3.84	3.58	3.77	4.01
United Kingdom	2½% Consols	4.75	4.55	3.38	3.37	3.05
United States	Three Treasury Bonds	3.46	3.92	3.31	3.53	(¹) 2.99

The figures given in the first part of the table for Brazil and Germany represent bonds exempted from the foreign debt moratoria in force in those countries during part of the period under review, and are therefore by no means indicative of the credit of the countries in question. The yields of internal bonds in these and certain other debtor countries in Central and Eastern Europe and Latin America have, as a rule, fallen during the last two years, but are still very high, and, in many cases, remain above the level which prevailed before the depression.

In other debtor countries, as well as in certain creditor countries, notably the United Kingdom and the United States, bond yields have fallen since the middle of 1932, and were, in the autumn of 1934, as a rule, well below the level of 1929.

The improvement of the credit of debtor countries is remarkable because, in the majority of cases, it is the result, not of an influx of fresh capital from creditor countries, but of domestic adjustments in production and consumption, which are reflected in the balances on account of goods and services exchanged with other countries, but which have involved a certain discontinuance of normal investment activities.

In certain creditor countries which still adhere to the gold standard, the movement of bond yields has recently been somewhat irregular. Thus, the yield of French bonds rose in 1933 and was above the 1929 level in the autumn of 1934. The yield of Swiss bonds rose slightly in 1933 and the early part of 1934. In the case of Czechoslovakia, which is normally an exporter of capital, though a debtor country, yields have fallen, but are still comparatively high.

Conversion operations.

The fall in long-term rates of interest has enabled the countries concerned to achieve a considerable reduction in the amounts due for the service of their outstanding debts through conversion of loans (domestic or foreign) which have matured or were redeemable at the option of the debtor, into new ones bearing interest at lower rates. It has further relieved their financial position by giving them an opportunity to consolidate their floating Government debts on favourable terms.

In the preceding issue of this publication, details were given of the most important operations of this kind during 1932 and the first nine or ten months of 1933. The following data bring this account up to the autumn of 1934, but do not claim to give a complete record of the conversions made.

(1) August.

(2) July.

SUMMARY STATEMENT

By a large conversion issue in November 1933, the *Argentine* Government effected a reduction of the rate of interest on its internal long-term debt to 5 %. Of the 1,600 million pesos of outstanding 6 % and 5½ % bonds, for which new 5 % stock was offered in exchange, 80 million pesos had to be repaid in cash. This operation was immediately followed by the conversion of the outstanding 6 % mortgage bonds of the National Mortgage Bank, amounting to 1,350 million pesos, into 5 % bonds. In September 1934, the Argentine Government issued a 4½ % sterling loan in London, into which about £4.5 million of various Argentine municipal and Government loans, bearing interest at 5 %, were converted. This issue, together with some previous sterling conversion loans of the Argentine Government, reduced the country's external debt service by approximately £1.5 million per annum.

As was mentioned in last year's volume, *Australia*, having already reduced the interest charge on her internal Commonwealth loans in 1931, converted four sterling loans in London in the first nine months of 1933. In December 1933, a further conversion loan, amounting to £16.6 million and carrying interest at 3¾ %, was issued in London at 99. Since 1932, Australia has converted, altogether, £110 million of bonds in London at a total interest saving of £1.8 million. (1) The low rates of interest prevailing in Australia during 1934 permitted the flotation, in June of that year, of a domestic Commonwealth loan of £12 million, bearing interest at 3¼ % and issued at 98½, of which £3.5 million was employed in the redemption of Treasury bonds.

In July 1934, *New Zealand* converted her outstanding 4 % Government stock (repayable between 1933 and 1943) by an issue in London of nearly £4 million of 3½ % bonds at par, redeemable in 1955-1960.

In *India*, an internal Government loan of 106 million rupees, bearing interest at 3 %, issued in September 1934 at 99 and repayable in 1941, was used chiefly for the conversion and redemption of maturing 4½ % bonds.

In October 1933, the Dominion Government of *Canada* raised an internal loan of \$225 million, offered partly in 3½ % 2-year bonds sold at 99 and partly in 4 % 12-year bonds at 96½; \$50 million of the proceeds were applied to general purposes (including the liquidation of short-term obligations), the rest being used for the conversion of maturing 5½ % Victory bonds. In August 1934, the provincial Government of Ontario secured an annual saving of \$500,000 by converting Treasury notes of 3.8 and 4.5 % into \$47.5 million 1- to 5-year bonds at an interest rate of 2½ %, with an effective cost to the province of 2.97 % per annum. In October 1934, the Dominion Government issued a refunding loan of \$250 million in the form of 2- to 15-year bonds yielding from 2.57 to 3.81 % interest, of which \$220 million is required to redeem 5½ % bonds of the Victory Loan falling due in November.

In the autumn of 1933, the *United States* Government initiated the conversion of its Fourth 4¼ % Liberty Loan, due in 1938 (but redeemable after six months' notice by the Treasury) and totalling over \$6,000 million. The first conversion offer of 10- to 12-year bonds, carrying 4¼ % interest in the first year and 3¼ % thereafter, in exchange for \$1,800 million of this loan was, in addition to cash subscriptions totalling \$500 million, only accepted to an amount of \$867.5 million, and the offer was suspended by the Treasury in November 1933. A second conversion operation was undertaken in April 1934, when 10- to 12-year bonds at 3¼ % were offered in exchange for \$1,000 million of Liberty bonds called for redemption on April 15th; conversion applications totalled \$800 million, no cash subscriptions being accepted. At the same time, a further \$1,250 million of Liberty Loan was called for redemption on October 15th, 1934, for which subscription was opened in September. On this occasion, the bond-holders were offered conversion either into 10- to 12-year bonds at 3¼ %, or into 4-year Treasury notes bearing 2½ % interest. As, however, the proportion of conversion applications for the latter (totalling about \$600 million) was considered excessive, the books for the 4-year stock were closed at the end of September. Of the \$1,250 million of redeemable Liberty bonds, a total of \$1,020 million was presented for conversion. Of the remaining Fourth Liberty bonds, \$1,870 million have been called for repayment in April 1935.

After the vast conversion operation of the *United Kingdom* Government in 1932, the prevailing ease of the London capital market has made possible a considerable volume of conversion issues on the part of other borrowers. The following table, published in the *Economist*, (2) may be reproduced to show the interest reductions involved:

Borrower	Total stock converted		Average yield per cent			
			Original issue		New issue	
	1932	1933	1932	1933	1932	1933
	£(000,000's)					
U.K. Government	2,363	51	4.9	4.5	3.4	3.0
Dominion and Colonial Governments	18	111	5.8	5.5	4.8	3.85
Industrial enterprises	11	61	6.0	5.45	4.7	4.5

(1) *Cf. Economist*, September 8th, 1934, page 451.
 (2) February 3rd, 1934, page 224.

It has been estimated that about 60 % of the British industrial debentures convertible before 1942 had already been converted to lower interest levels at the end of 1933. (1) During 1933, the average rate of interest at which industrial borrowers raised new capital on the London market by the issue of bonds, debentures and notes was 4.58 %, as compared with 5.44 % in 1932 and 5.5 % in 1931. The easy state of the London capital market continued in 1934, and during the first nine months of that year a total capital of £187 million was converted to lower rates of interest, of which British and overseas Government conversions amounted to £150 million, the remainder being on account of industrial concerns and local government authorities. (2)

In *Sweden*, the long-term rate of interest has declined steadily during 1933 and 1934 ; in the autumn of 1934, the yield of State bonds was less than 3½ %. In November 1933, the Government replaced about one-half of its 5½ % Dollar Loan of 1924, amounting to \$30 million (of which about 70 % was held abroad), by 3½ % bonds, issued at par and expressed in Swedish currency, at a dollar rate of 4.6 kronor. The remainder of the outstanding dollar bonds was redeemed in the autumn of 1934 by funds raised on the domestic capital market.

Through a Swedish banking consortium, *Finland* took up a 10-year loan in Stockholm in October 1934, amounting to 15 million Swedish kronor, issued at 99½, and bearing interest at 4½ %, to be used for the repayment of the 20-year 7 % Dollar Loan issued by the Finnish Government in 1925.

Denmark, in November 1933, converted 65.5 million Kroner of 5 % Government stock into 4 % bonds ; in September 1934 a further 60 million Kroner of State debt was placed on a 3½ % basis through the issue of a 20-year loan at par.

In *Norway*, the autumn months of 1934 saw the conversion of two Government loans, bearing 5 % interest and totalling 44 million kroner, into a 4½ % loan issued at 97½. At the same time, the Union of Mortgage Credit Societies offered about 16 million kroner of 5 % mortgage bonds at par in exchange for outstanding 6 and 5½ % bonds redeemable after 1935. An interesting instance of debt conversion through the London capital market occurred in August 1934, when an important Norwegian industrial company placed £1,150,000 of mortgage debentures in London, carrying 5½ % interest and issued at 98. The proceeds of the issue were taken over by the Bank of Norway — to strengthen its foreign reserves — in exchange for 21.5 million kroner of the company's 6½ % debenture stock held by the Bank.

In April 1934, the outstanding 5 % and 4½ % loans of the *Netherlands* Government were converted through the issue of a 4 % loan of 900 million gulden, sold at 99½. Conversion applications amounted to 749 million gulden ; the remainder was met by cash subscriptions. This was the largest conversion operation ever effected in the Netherlands. In addition to a substantial volume of conversions for the account of municipalities and private enterprises, the Dutch capital market has also absorbed large conversion issues for the Netherlands Indies. In March 1934, the 5½ % and 6 % dollar loans of that country, amounting to \$122.5 million, were thus turned into a 4 % loan in gulden (on the basis of a dollar rate of 2.5 gulden), guaranteed by the Dutch Government. The issue of another 4 % conversion loan, totalling 485 million gulden and sold at par, was successfully carried out in September 1934, to meet various loans of the Netherlands Indies falling due for redemption on October 1st, 1934.

In *Germany*, a 4 % Government loan, issued at 95 and redeemable over a period of 10 years, was floated in June 1934 for the conversion and redemption of the 6 % loan of 1929 and the non-interest-bearing 1925 loan of the State. Subscriptions to the new 4 % stock totalled 300 million marks, of which 70 million was in the form of conversion applications in respect of the 1929 bonds (out of an outstanding total of 160 million marks in those bonds), and 160 million marks in conversion of the 1925 loan (representing 80 % of the total outstanding), the remainder being subscribed in cash. The annual interest saving on the 1929 loan is calculated at 3 million marks. Nevertheless, this conversion operation covers only a relatively small amount. The Reichsbank (after the alteration of its statutes so as to enable it to carry out open market operations) having acquired over 400 million marks of securities between November 1933 and September 1934, bond yields in Germany have receded somewhat during the same period ; but they have still maintained a comparatively high level and consequently the total volume of conversions has been insignificant.

Although, in the first half of 1934, long-term interest rates in *France* showed on the whole a declining tendency, they still moved on an appreciably higher level than in 1932, when the vast Government conversion of 5 % to 7 % war and post-war loans to a 4½ % basis was successfully carried out, and midway through 1934 bond yields again took an upward turn. In July 1934, about 2,000 million francs of the 5 % 1924 Treasury ("Clémentel") bonds, totalling 6,000 million francs at par, and repayable at 150 % at the end of October 1934, were converted by the issue, at 95, of 4 % bonds repayable at 140 in 50 years, thus carrying a redemption yield of 5.1%. The remainder of the "Clémentel" Loan was converted in the autumn of 1934 by the issue of 4½ % Treasury bonds sold at 97.6, repayable in 3, 6 and 10 years at 100, 103 and 108 respectively, in exchange for which "Clémentel" bonds were accepted at their redemption value. The total amount of the issue was not fixed in advance ; when the books were closed on October 15th, 1934, about 8,750 million francs had been subscribed, leaving an appreciable margin to the Treasury for the reduction of the short-term debt.

(1) Cf. *Economist*, December 23rd, 1933, page 1236.

(2) Cf. *Economist*, October 6th, 1934, page 625.

Bond yields in *Belgium* have shown a falling tendency, particularly in the first nine months of 1934. It is only the fact that the great bulk of the Belgian Government loans were not redeemable at the option of the Government that has prevented the conversion of the State debt.

In January 1934, the Government of *Italy* issued 9-year Treasury bonds bearing interest at 4 %, at an issuing price of 99. Subscriptions amounted to 9 milliard lire, of which 4 milliards were used for redeeming 5 % bonds falling due in 1934. But the outstanding event on the Italian capital market during 1934 was the issue, in February, of a 3½ % loan in conversion of the 5 % Consolidated Loan repayable in part after January 1st, 1937, amounting to 61 milliards of lire, or about two-thirds of the total Government debt. Conversion applicants received a cash payment of 4½ %, representing the difference of 1½ % per annum in interest for the years 1934-1936, in addition to a 1 % premium distributed by lot. Apart from this immediate outlay of 5½ %, the annual saving to the Treasury is estimated at 975 million lire. Only 0.2 % of the outstanding bonds were presented for repayment on January 1st, 1937. Bond yields in Italy showed a rising tendency for some months after the Government's conversion issue, but have since fallen again. At the end of September 1934, the Land Credit Institute was able to alleviate the burden of land and property debts by converting all loans bearing interest of over 4 % into new bonds at 4 %. Bonds to the amount of about 4.3 milliards of lire were converted in this way, only 1½ % of the total being presented for repayment.

Late in 1933 the Government of *Portugal* converted the outstanding bonds of its domestic 6½ % gold loan, amounting to 880 million escudos, into new stock bearing interest at 4¾ %.

In *Spain*, 5½ % Treasury bonds totalling 500 million pesetas were converted into 5 % bonds in April 1934.

The prominence given in the above survey to Government conversion operations derives some justification from the fact that, in many countries, Government securities form the bulk of the securities on the domestic capital market. By offering bondholders the alternative of conversion to a lower interest rate or repayment in cash, Governments are often in a position to force down long-term interest-rates generally, since the reinvestment of funds received by investors who do not accept the conversion often tends to drive up the prices of other securities. Where the State controls only a small proportion of the total supply of securities on the market, this consideration is, of course, of minor importance.

By recent conversion operations, long-term bonds (with redemption periods of, say, 10 to 30 years) have in several cases been replaced by comparatively short-dated bonds (with a currency of, for example, 3 to 15 years). This tendency is illustrated by two of the largest conversion operations carried out in the autumn of 1934. In the United States, subscribers to the conversion issue in respect of the Fourth Liberty Loan inclined heavily in favour of the 4-year stock which was offered to them as an alternative to the new 10/12-year bonds, and, in France, the 10-year Clémentel bonds were in part replaced by 3-year bonds at lower yields with the express object of attracting short-term funds.

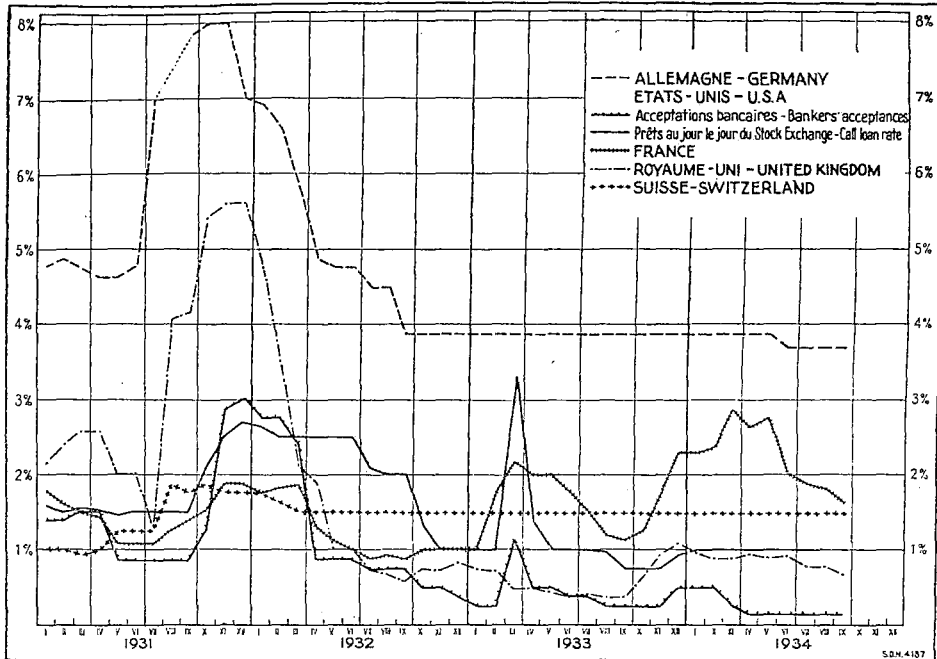
London is almost the only capital market open for the conversion of bonds other than domestic. The abundance of capital on the London market, and the ease with which the conversion of sterling bonds has been carried out, were doubtless due in part to the restriction imposed upon issues of fresh capital for oversea account. The relief gained from debt conversions has, however, been of small importance in countries outside the British Empire.

Money rates.

The price of short-term capital may be studied from the available data for market rates of discount. (1) The figures summarised for a few countries in the graph on page 37 illustrate the relaxation of the strain on the chief money markets during the financial crisis in the latter part of 1931 and the early months of 1932. Though short-term rates in France and the United Kingdom were, on the average, higher during the first nine months of 1934 than in the preceding year, cheap money continues

(1) Cf. the League of Nations *Monthly Bulletin of Statistics*.

MARKET DISCOUNT RATES (minimum rates,
prime commercial bills) ⁽¹⁾ AND U.S.A. STOCK EXCHANGE CALL LOAN RATE
(average for renewals).



to characterise the main short-term markets. Germany forms an exception in this respect, although even there a reduction took place in the middle of 1934.

In certain countries, attempts have been made in recent years, in some cases on the initiative of the governments, to encourage investment in securities by reducing the interest rates allowed by banks on their deposit liabilities. Thus, in Denmark, the reduction in May 1933 of the deposit rates payable by commercial and savings banks from 4-4½ % to legal maxima of 3-3½ % (according to the period of notice) was intended to lower rates of long-term interest and thus alleviate the burden of fixed indebtedness — especially in agriculture — by facilitating conversion operations. There is reason to believe that, as a result of this measure, the savings of the public thenceforth increasingly found their way direct to the security market, though apparently it was the prices of shares rather than of bonds that were affected by these investments. In the case of certain other countries, such as the United Kingdom and Sweden, there is reason to believe that the fall in bond yields during certain periods of 1932 and 1933 was at least partly caused by the previous or simultaneous reduction in deposit rates. Such action, to be effective, requires to be applied generally to

(1) For the United States the rate of bankers' acceptances is given, as this rate — though not so characteristic of the American market as the somewhat higher rate of commercial paper — is the most comparable with European market discount rates.

all forms of deposits. In several countries the failure to reduce rates allowed by savings banks has greatly limited the efficacy of commercial bank or central bank policy.

Interest and dividends.

Decline in recent years.

International payments of interest and dividends may be estimated to have risen from approximately \$2,200 million in 1923 to some \$3,700 million in 1929. In that year, they corresponded to about 11 % of the value of international merchandise trade.

The fall in the gold value of the payments from 1929 to 1933 probably exceeds 60 %, if account is taken only of amounts actually transferred to the creditor countries. The fall in the total yield has been somewhat less, since, in numerous cases; transfer moratoria and exchange stipulations have forced creditors to accept funding bonds or scrip instead of cash payments or to make frequently disadvantageous reinvestments of amounts earned in the debtor countries.

The main causes of the decline in the gold value of interest and dividend payments may be given as follows, in their probable order of importance: (1) the depreciation of currencies, in particular the pound and the dollar, in which the bulk of outstanding debts are due; (2) the liquidation of a portion of outstanding long- and short-term debts; (3) defaults; (4) the reduction of dividend rates and the returns from direct investments up to 1932; (5) the lowering of money rates and the rate of interest on bonded loans through conversions or arrangements with the creditors.

The table on the following page, which summarises available information concerning inward and outward payments of interest and dividends during the years 1928-1933, suggests that the decline in the gold value of the payments which took place during 1933 was due largely to the depreciation of the dollar and the default on German obligations. While the fall from 1932 to 1933 in the average exchange value of the dollar was 20 %, the United States interest receipts were reduced by 30 %. In fact only a little more than half the interest due on German bonds was received during 1933 (the scrip, marketable at 50 % of its par value, to be distributed to bondholders instead of cash for half of the interest due during the second half of 1933 was not received until 1934). The net receipts of the United Kingdom on account of private long-term investments is officially estimated to have risen slightly in 1933, but this may be due to a fall in outward, rather than an increase in inward, payments. According to estimates of Sir Robert Kindersley, ⁽¹⁾ the gold value of the gross income of the United Kingdom from her overseas investments has been as follows:

1929	\$1,124 million	1932	\$548 million
1930	\$1,017 million	1933	\$613 million gold
1931	\$ 765 million		

Interest payments and defaults.

The suspension or deferment of payments for the service of foreign debts is in the main confined to certain countries in Latin America and Central and Eastern Europe. The following summary of information given elsewhere in this volume ⁽²⁾ shows to what extent United States "portfolio" investments (as distinct from "direct" investments) were affected by complete and partial defaults at the end

(1) Cf. page 173.

(2) Cf. page 187.

RECEIPTS AND PAYMENTS OF INTEREST AND DIVIDENDS.

U.S. \$ (000,000's) gold

The countries are given in the order of the positive and the inverse order of the negative balances for 1929.

Country	Net receipts (+) or payments (-) in 1929	Receipts						Payments						
		1928	1929	1930	1931	1932	1933	1928	1929	1930	1931	1932	1933	
United Kingdom ⁽¹⁾	+ 1,216.6	1,216.6	1,216.6	1,070.5	771.0	508.4	513.7							
United States of America	+ 699.0	1,042.0	1,118.0	1,069.0	747.0	523.0	372.0	362.0	419.0	300.0	126.0	68.0	51.0	
France (includ. the French oversea territories except Indo-China) ⁽²⁾	+ 219.6	201.4	247.0	219.5	168.6	80.8	78.4	(46.9)	(27.4)	(19.6)	(11.8)	35.2	9.8	
Netherlands	+ ⁽³⁾ 129.0	.	.	146.7	.	.	.	.	.	24.5	.	.	.	.
Switzerland ⁽⁴⁾	+ 67.1	.	86.4-96.0	.	.	.	.	.	11.5-19.3	.	.	.	.	.
Belgium, Luxembourg and Congo	+ 53.0	.	100.1	.	.	.	.	.	47.1	.	.	.	.	.
Irish Free State	+ 28.8	57.4	57.4	55.0	47.6	35.4	.	27.9	28.6	28.9	27.2	20.1	.	.
Sweden	+ 8.1	16.1	29.5	33.6	27.3	31.1	19.9	9.4	21.4	28.2	28.8	7.4	6.4	.
Spain	+ ⁽⁵⁾ 3.4	.	.	.	14.5	9.9	.	.	.	.	11.1	14.7	.	.
Iraq	- 0.3	0.7	0.7	0.5	0.3	0.2	.	0.6	1.0	1.4	1.1	1.7	.	.
Lithuania	- 0.5	0.2	0.3	0.3	0.3	0.2	0.2	0.4	0.8	1.3	1.3	1.0	0.6	.
Latvia	- 1.1	0.9	1.2	0.8	0.5	0.4	0.1	1.5	2.3	2.0	1.7	1.4	0.9	.
Estonia	- 1.6	.	0.4	0.3	0.3	0.1	0.1	2.1	2.0	2.1	1.6	1.5	1.1	.
Turkey	- 2.2	0.5	0.7	0.7	0.5	0.4	.	3.6	2.9	3.6	0.9	0.4	.	.
Bulgaria	- 7.8	0.5	0.7	0.7	0.3	.	.	6.0	8.5	8.9	8.4	.	.	.
Japan, includ. Korea and Formosa	- 9.1	39.0	47.2	44.8	37.2	24.5	.	50.1	56.3	57.3	48.7	35.1	33.1	.
Finland	- 10.3	1.3	1.0	1.0	0.7	0.5	0.3	10.1	11.3	11.4	11.1	9.5	8.0	.
Czechoslovakia	- 10.7	13.3	20.7	17.4	17.5	14.3	10.8	30.2	31.4	34.3	28.1	22.6	20.6	.
Uruguay	- 15.0	.	0.3	.	.	.	.	.	15.3	20.5	12.8	.	.	.
Denmark	- 16.9	10.7	11.2	9.9	8.0	6.0	4.9	24.1	28.1	23.6	25.5	20.0	15.7	.
Norway	- 18.5	4.0	4.3	4.8	4.3	2.9	2.4	22.8	22.8	24.1	21.8	18.4	16.5	.
Yugoslavia	- 22.3	.	.	.	.	.	.	20.5	22.3	.	.	.	.	.
Hungary	- 28.3	3.7	2.8	2.5	3.0	0.1	.	29.6	31.1	35.2	39.3	3.4	.	.
Roumania	- 34.0	2.7	0.8	0.8	.	.	.	26.9	34.8	41.1	.	.	.	.
Poland	- 42.6	3.5	3.5	3.4	1.9	1.7	.	35.4	46.1	54.0	49.5	33.7	.	.
New Zealand ⁽⁶⁾	- 42.7	1.6	2.5	1.2	1.0	0.6	.	43.9	45.2	45.6	36.5	27.5	.	.
Union of South Africa	- 76.4	0.7	0.9	0.8	0.9	0.9	.	77.7	77.3	74.4	68.5	62.2	.	.
India ⁽⁶⁾	- 115.3	8.1	15.7	8.5	3.9	2.3	1.4	126.7	131.0	131.1	112.6	92.3	83.8	.
China ⁽⁷⁾	- 118.5	0.5	0.6	0.6	.	.	1.1	115.2	119.1	95.6	.	.	24.0	.
Netherlands Indies	- 127.0	4.8	5.2	4.4	2.4	2.8	2.4	147.5	132.2	108.5	61.5	48.6	49.0	.
Canada	- 169.7	81.0	87.2	88.1	68.1	49.3	36.6	246.9	256.9	272.2	242.8	218.5	201.3	.
Australia ⁽⁸⁾	- 176.4	17.2	15.1	10.7	13.2	7.2	.	184.3	191.5	176.7	124.5	106.1	.	.
Argentina ⁽⁹⁾	- 188.4	0.7	0.4	0.4	0.4	.	.	182.5	188.8	158.2	117.6	.	.	.
Germany ⁽¹⁰⁾	- 190.6	91.0	95.3	95.3	71.5	47.6	35.7	225.1	285.9	333.5	357.4	262.0	202.4	.

SUMMARY STATEMENT

(1) United Kingdom: The figures refer to net receipts of interest and dividends on account of private long-term investments. The net receipts on account of short interest and commissions are estimated at \$316 million in 1928 and 1929, \$268 million in 1930, \$136 million in 1931, \$88 million in 1932 and \$99 million gold in 1933.

(2) France: The figures for payments up to 1931 inclusive exclude interest paid on account of Government debt.

(3) 1930.

(4) Switzerland: Estimates by Professor G. Bachmann (President of the Board of Directors of the Swiss National Bank).

(5) 1931.

(6) New Zealand and India: Economic years beginning April 1st.

(7) China: The figures for outward payments include amortisation of foreign debts.

(8) Australia: Economic years beginning July 1st.

(9) Argentina: Economic years ending September 30th. The figures for payments include amortisation of the public debt and certain mortgage loans.

(10) Germany: The figures for payments exclude interest on the Dawes and Young Loans and on the debt regulated by the so-called Mark Agreement with Belgium.

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of 1933. As "partial" defaults have been counted bonds the service of which is only partially paid, or which is paid in currencies other than dollars, or in dollars and scrip or in funding bonds.

	\$(000,000's)				Percentage of total affected by defaults
	Total portfolio investments	Amounts affected by default			
		Complete defaults	Partial defaults	Total	
Europe	(¹) 2,647	132	945	1,077	41
Latin America	1,548	726	312	1,038	67
Rest of world	2,692	94	—	94	3
Total	6,887	952	1,257	2,209	32

Of the American portfolio investments in Europe, over \$800 million are in creditor countries. The percentage of investments in European debtor countries affected by defaults is, in fact, not much less than the corresponding figure for investments in Latin America. But while the European defaults at the end of 1933 were, with few exceptions, only partial, those of Latin-American countries were to a great extent complete. Of the amount of United States investments in Latin America, not far from half was affected by complete, and one-fifth by partial, default.

Information of the kind now given for the United States is not available for the United Kingdom. The aggregate reduction during the period 1931-1933 in the receipts of that country due to the defaults in the interest on loans to governments is, however, stated to have amounted to £11.1 million; of this sum, some £5 million would appear to have fallen on each of the years 1932 and 1933. (²) Though the total foreign investments of the United Kingdom are estimated at a somewhat higher figure than those of the United States, her losses on account of defaults would appear to have been smaller, owing largely to the fact that her investments in Latin America and Europe amount only to 22 and 8 % respectively of her total overseas investments, while the corresponding figures for the United States investments are 34 and 29 %.

Certain new defaults of importance have occurred in 1934 in Latin America and Europe. Thus, in the plan announced by Brazil in February for the settlement of obligations during the period from 1934 to 1938, the interest on a considerable share of her foreign debt is much less than the reduced rates which had been paid earlier. In April, Cuba declared a moratorium which affected, however, only amortisation payments of British and American loans totalling about \$50 million. In June, Germany announced a complete transfer moratorium on all her external debt service during the second half of 1934. The main European creditor countries have since concluded clearing agreements with Germany in order to provide for the payment of a portion of the amounts due to them out of their excess of imports in trade with Germany — an excess which is, however, decreasing, partly as a result of the redistribution of German imports caused by the agreements. Part of the interest due to American holders of Dawes Loan bonds has also been transferred.

Dividend payments.

Payments of dividends and profits would appear to have reached their lowest level in 1932. According to the official statement for the United Kingdom, the dividend

(1) Of which, Germany '977.

(2) Cf. page 171.

receipts of that country rose in 1933 (in terms of sterling) owing to slightly larger returns for oil, tea and similar investments and a substantial increase in the income from gold mines. (1) Similarly, the United States earnings on account of direct investments, in terms of dollars, are estimated to have risen from 1932 to 1933 by 25-35% or more than what corresponds to the depreciation in the average exchange rate of the dollar. (2) For the debtor countries, little information is so far available in confirmation of this increase in payments; the outward payments by the Netherlands Indies on account of dividends and profits fell, in fact, in 1933 and were less than one-tenth of what they had been during each of the years 1925-1928. But the increase, however slight, in the dividends and profits accruing to the two principal creditor nations is worth stressing, as their income on this account had fallen rapidly during the years 1930-1932. A substantial and lasting improvement in their income in the form of dividends and profits would appear to depend, however, upon the revival of multilateral trade by means of which the bulk of the income has to be transferred.

Emigrants' remittances.

During the period 1924-1929, the remittances from emigrants — including remittances by workers, seasonal and other, employed outside their own countries — involved international money transfers of about \$600 million annually. The amount represents less than 2% of the payments on account of international trade in goods in 1929. Since then, they have fallen off considerably, though, up to 1932, not as rapidly as the value of international trade. In 1931, their gold value was some 75%, in 1932, 60% and, in 1933, perhaps 40% of what it had been in 1929. The heavy fall in 1933 has to be attributed largely to the rapid contraction of the remittances from the United States, estimated at \$138 million in 1932 but at only \$110 million (\$89 million gold) in 1933.

The outward remittances from certain countries by immigrants and foreign workers, as estimated in the balance of payments statements of these countries, are summarised below. The figures for the United States and Uruguay include funds taken out by returning emigrants. Those for France and Germany represent exclusively earnings of foreign workers.

IMMIGRANTS' REMITTANCES FROM CERTAIN COUNTRIES.

	\$ (000,000's) gold								
	1925	1926	1927	1928	1929	1930	1931	1932	1933
U.S.A.	275.0	253.0	241.0	250.0	240.0	199.0	173.0	138.0	88.6
France	95.7	107.3	98.0	86.0	98.0	98.0	70.6	47.0	31.3
Argentina (3)	28.5	27.8	35.3	32.9	31.5	26.3	14.4	.	.
Canada	18.7	20.5	22.4	23.2	23.2	23.0	12.6	6.3	5.2
Germany	11.9	11.9	11.9	11.9	11.9	5.7	1.9	—	—
Mexico . . . . .	.	8.4	.	.	.	.	.	.	.
Netherlands Indies . .	6.0	6.0	6.0	6.0	6.0	4.8	4.0	3.2	2.8
Australia (4) . . . .	.	.	.	3.9	4.1	3.4	1.3	1.1	.
Uruguay . . . . .	.	.	.	.	3.5	4.6	2.0	.	.
Turkey . . . . .	.	2.1	2.0	2.4	1.9	2.1	0.9	1.7	.

(1) Cf. page 166.

(2) Cf. page 178.

(3) Economic years ending September 30th.

(4) Economic years beginning July 1st.

EMIGRANTS' REMITTANCES RECEIVED BY CERTAIN COUNTRIES, AND REMITTANCES FROM THE UNITED STATES TO THE SAME COUNTRIES.

Country	\$ (000,000's) gold												
	Emigrants' remittances received									Remittances from U.S.A. (including funds of returning immigrants)			
	1925	1926	1927	1928	1929	1930	1931	1932	1933	1929	1931	1932	1933
Albania		1.7	1.7	1.9	1.9	1.4	1.4	1.2	.	—	—	—	—
Australia (1) . . . . .		.	.	2.7	2.8	2.7	1.7	1.3	.	.	.	.	.
Belgium . . . . .		.	.	.	30.6	.	.	.	.	0.2	0.1	0.1	—
Bulgaria (2)		0.6	0.8	1.7	1.1	0.9	0.6	.	.	0.8	0.4	.	.
Canada	(3) 15.2	25.5	26.4	28.1	27.5	17.7	11.3	6.1	4.2	13.0	3.0	2.0	1.6
China . . . . .		.	.	118.8	119.9	96.8	.	.	42.5	22.5	10.0	15.0	(4)24.2
Czechoslovakia	13.4	13.0	16.0	17.9	17.9	15.7	11.5	7.9	5.2	10.5	7.0	6.0	2.8
Denmark	0.4	0.5	0.5	2.7	2.7	4.0	2.5	1.9	1.5	1.0	0.2	0.3	.
Finland	4.8	5.0	5.0	5.0	4.8	4.0	2.9	3.4	2.2	1.5	0.9	1.0	.
Germany (5)	14.3	14.3	14.5	14.3	14.3	.	.	.	.	10.0	8.0	7.0	5.2
Greece	35.3	35.9	33.7	31.3	38.0	40.7	34.5	14.0	15.0	25.3	25.0	11.0	13.7
Hungary (6)	(4.5)	5.0	4.3	6.3	7.2	5.7	3.4	1.2	.	6.6	3.5	1.1	0.8
Irish Free State	14.5	14.6	11.7	12.0	12.0	11.0	(7) 18.1	14.2	.	11.7	8.8	.	.
Italy (8)	154.8	133.8	121.2	120.7	122.3	120.0	90.8	55.0	.	46.2	26.5	26.4	16.1
Japan(2)	26.8	24.8	26.0	28.2	28.1	24.2	20.9	27.7	.	6.9	12.2	11.0	12.1
Latvia	1.5	1.5	1.5	1.5	1.5	1.2	0.9	0.4	0.4	1.5	0.5	.	.
Lithuania	4.3	4.2	4.2	4.4	4.6	3.7	3.2	3.0	1.7	1.0	2.0	.	.
Mexico		13.7	.	.	.	.	.	.	.	8.7	4.0	3.5	2.0
Netherlands . . . . .		.	.	.	.	4.0	3.2	2.4	2.0	0.3	0.1	—	—
Norway (9)		3.1	3.6	4.0	4.8	3.5	3.3	2.5	1.2	4.6	4.0	.	.
Poland (2)	30.5	28.0	28.6	31.5	31.2	32.7	32.5	21.5	.	18.1	11.0	10.1	6.8
Roumania (10)	2.9	2.3	2.4	2.1	4.8	4.2	.	.	.	4.5	1.0	2.0	.
Spain . . . . .		.	.	.	.	.	30.9	38.1	.	5.0	1.0	2.0	1.6
Sweden (4)	8.9	9.4	9.4	9.4	9.4	8.0	6.6	6.5	3.5	9.4	8.5	.	.
Turkey . . . . .		.	1.5	1.0	1.0	0.5	0.4	0.4	.	1.0	0.7	0.4	—
U.S.S.R. (11)	17.1	16.7	17.0	15.4	15.5	15.5	.	.	.	10.0	15.0	.	.
Yugoslavia (2)		13.2	13.7	16.0	17.0	.	.	.	.	4.5	5.0	3.4	1.3
Other countries . . . . .		.	.	.	.	.	.	.	.	22.1	14.2	.	.
Total of countries given for the years 1925-1932	314.9	301.2	288.5	299.0	307.2	288.6	239.1	162.8	.	152.7	109.1	.	.
Total remittances from U.S.A.										246.9	172.6	(12)(138)	(12) (89)

SUMMARY STATEMENT

(1) The figures for total receipts refer to economic years beginning July 1st.

(2) The figures for total emigrants' remittances received by Japan, Bulgaria, Poland and Yugoslavia include funds brought in by returning emigrants. The amount of such funds brought into Yugoslavia in 1926 has been estimated at \$1.8 million.

(3) Excluding earnings by Canadians employed in the United States (\$10 million in 1926).

(4) "Tentative estimate pending further investigation. It appears probable that the figures for the preceding years are too low."

(5) The figures for total emigrants' remittances received include remittances to foreign students working in Germany.

(6) The figures for total emigrants' remittances received by Hungary and Sweden represent remittances from the United States only. The receipts by Hungary in 1925 have been interpolated.

(7) The figures for total receipts of the Irish Free State prior to 1931 are stated to be too low.

(8) The figures for total emigrants' remittances are estimated by Professor Gino Borgatta. They include the funds of returning emigrants.

(9) Total receipts include sailors' remittances, amounting to \$1 million in 1926.

(10) The figures for total receipts in 1928 and earlier years according to estimates by M. Loutru.

(11) Total receipts as estimated by the Russian Commissariat of Finance, quoted by the Birmingham Bureau of Research on Russian Economic Conditions in its enquiry "The Balance of Payments and the Foreign Debt of the Union of Soviet Socialist Republics". The figures refer to economic years ended September 30th.

(12) Rough estimates.

Certain of the figures in this table would appear to understate the amounts sent abroad. Thus, according to an enquiry carried out by Professor C. F. Remer, (1) remittances to China from the Netherlands Indies in 1930 amounted to about \$10.5 million, or more than double the total amount shown above as remittances from the Netherlands Indies.

Information is not available concerning total remittances from certain countries known to shelter a large number of immigrants. Remittances of Chinese immigrants in the Straits Settlements in 1930 are estimated at \$15 million, in Siam at \$7 million and in the Philippines at \$4.5 million.

In the table on the opposite page are shown the estimated receipts of remittances in different countries in the years 1925-1933. In the last columns have been added, for comparison, the official American estimates of sums remitted to the same countries from the United States in 1929, 1931, 1932 and 1933, including, however, the funds taken out of the United States by immigrants returning to their mother-country. It is not possible to separate these funds from the remittances proper from the United States; but, judging from information available for 1927, when remittances were estimated at \$221 million and funds of returning emigrants at \$20 million, they would be less than 10 % of the total.

The estimate of Belgian receipts in 1929 represents the earnings of Belgian workers and employees abroad spent in Belgium. Not far from 90 % of the total, or \$27 million, were earned by Belgian workers in France. The United States estimate of remittances to Canada is stated to represent earnings of Canadian workers in the United States. A considerable portion of the receipts by Italy and Poland undoubtedly represents earnings of Italian and Polish workers in France and Germany.

The amounts shown as remittances from the United States to "other countries" (countries not specified in the table) comprise the following sums :

Remittances to :	1929	\$ (000,000's) gold		1933
		1931	1932	
Austria	2.2	0.9	0.9	0.4
Egypt	0.1	0.1	.	.
Estonia	1.2	0.1	.	.
France	1.0	0.5	0.3	—
Palestine	2.0	1.5	(2)	(2)
Portugal	4.0	2.5	2.0	1.6
Switzerland	1.2	1.0	1.0	0.8
United Kingdom	7.8	6.5	.	.
Cuba	0.3	0.2	.	.
Other areas	2.4	1.0	.	.

Not all remittances are intended for the support of emigrants' relatives in the home country. A very considerable portion of the remittances to China, Japan, Italy and Greece, among other countries, would appear to represent investments in property or bank deposits. Recently, the movement of prices and exchange rates has in many cases encouraged remittances of this kind, though the fall in income — and accordingly in the savings — of the emigrants has had a restrictive influence.

Remittances to Greece fell in 1932 owing largely to the depreciation of the drachma. The increase from 1932 to 1933 is attributed to the re-establishment of more normal monetary conditions in Greece and the depreciation of the dollar. Remittances to Japan in 1932 were encouraged by the low exchange value of the yen; their gold value reached the same level as before 1930.

(1) Cf. *Balances of Payments, 1931 and 1932*, page 37.

(2) Figures for the remittances to Palestine in 1932 and 1933 are not available, but it is stated that these remittances were probably higher than in other recent years.

positive et l'ordre inverse de leur balance négative pour 1929.
 and the inverse order of negative balances for 1929.

Balance des recettes (+) ou des paiements (-) Balance of receipts (+) or payments (-)						Dépenses des touristes venant des Etats-Unis Expenditure by United States tourists			Country
1928	1929	1930	1931	1932	1933	1929	1932	1933	
+ 293.2	+ 333.3	+ 333.2	+ 235.2	+ 98.0	.	137.1	70.0	48.4	France.
+ 167.7	+ 186.4	+ 165.7	+ 167.9	+ 136.5	+ 43.9	289.0	183.0	81.4	Canada.
+ 119.4	+ 110.7	+ 90.2	+ 62.7	+ 50.3	.	30.4	13.5	4.4	Italy (2).
+ 61.8	+ 54.0	+ 47.3	.	.	.	10.4	3.8	1.8	Switzerland (2).
.	+ 29.2	.	.	.	.	1.7	0.5	0.3	Belgium.
+ 35.0	+ 27.4	.	.	.	.	2.9	2.0	1.7	Austria.
+ 11.4	+ 10.2	+ 9.8	.	.	+ 1.0	3.3	1.5	1.0	China.
.	+ 3.1	+ 1.3	.	.	.	0.9	0.7	.	Roumania.
+ 2.1	+ 3.0	+ 2.8	+ 5.3	± 0	+ 3.6	1.3	1.2	0.6	Czechoslovakia.
.	+ 2.1	- 0.1	+ 0.1	+ 1.9	+ 3.9	1.6	0.8	0.6	Greece.
+ 0.3	+ 1.2	- 2.3	- 3.3	+ 2.9	.	0.4	.	0.1	Yugoslavia.
+ 0.1	+ 1.2	- 2.3	- 3.3	+ 2.9	.	8.4	5.3	5.1	Japan.
- 8.0	+ 0.2	- 9.8	- 10.3	- 4.7	.	1.3	0.5	0.4	Poland.
+ 0.8	- 0.1	- 1.0	- 1.5	- 1.8	.	1.0	0.2	0.2	Turkey.
+ 0.5	+ 0.1	± 0	+ 0.1	+ 0.1	± 0	0.3	.	.	Estonia.
.	.	± 0	- 13.6	+ 7.0	- 9.9	40.6	22.0	14.5	United Kingdom (4) of which visitors to and from : (a) European continent. (b) other parts of the world.
.	.	- 101.5	- 91.8	- 50.5	- 59.1	.	.	.	Lithuania.
.	.	+ 101.5	+ 78.2	+ 57.5	+ 49.2	0.3	.	.	Latvia.
- 0.2	- 0.1	- 0.7	- 0.9	- 0.4	- 0.3	0.3	.	.	Finland.
- 1.3	- 0.3	+ 0.4	- 0.4	+ 0.4	+ 0.2	0.4	.	0.3	Iraq (5)
- 0.2	- 0.7	- 0.7	+ 0.7	+ 0.7	+ 0.2	.	.	.	Uruguay.
- 1.2	- 0.8	- 0.7	- 0.7	- 0.5	.	.	.	.	Bulgaria.
- 0.9	- 0.9	- 0.3	- 0.7	.	.	0.2	.	.	Spain.
.	- 1.4	- 1.2	- 1.1	.	.	1.6	1.1	0.9	Denmark (6).
- 1.3	- 2.7	- 2.7	- 2.5	- 1.9	- 1.5	1.1	0.4	.	Hungary.
- 3.3	- 5.9	- 5.7	- 5.5	- 1.9	.	1.1	0.2	0.2	Sweden.
- 7.5	- 8.0	- 6.7	+ 0.5	+ 0.8	+ 0.6	5.7	.	.	New Zealand (5).
- 8.0	- 8.1	- 7.8	- 4.8	- 2.8	.	.	.	.	Brazil
.	.	- 12.9	- 9.7	- 9.2	- 10.1	0.9	0.2	0.1	Netherlands.
- 15.0	- 13.9	- 5.5	- 3.3	- 3.8	.	.	.	.	Australia (7).
- 15.7	- 16.2	- 15.6	- 14.4	- 13.7	.	.	.	.	Union of South Africa.
- 19.4	- 17.2	- 11.4	- 7.2	.	.	.	.	.	Argentina (8).
- 28.6	- 28.6	- 5.9	- 2.1	- 11.2	- 6.6	15.0	5.1	2.5	Germany (9).
- 38.6	- 32.2	- 31.4	- 21.7	- 12.5	- 8.5	.	.	.	Netherlands Indies.
- 596.0	- 685.0	- 651.0	- 456.0	- 375.0	- 178.1	.	.	.	United States of America, of which visitors to and from : (a) Canada. (b) Mexico. (c) overseas.
- 179.0	- 202.0	- 191.0	- 181.0	- 148.0	- 53.2	21.0	8.0	5.6	Cuba (11).
- 417.0	- 31.0	- 43.0	- 35.0	- 31.0	- 19.4	10.1	16.0	9.7	British West Indies.
.	- 452.0	- 417.0	- 240.0	- 196.0	- 105.5	4.3	.	.	Irish Free State.
.	.	.	.	.	.	4.3	.	.	Egypt.
.	.	.	.	.	.	2.1	.	.	Palestine.
.	.	.	.	.	.	1.7	.	.	U.S.S.R.
.	.	.	.	.	.	1.5	0.8	.	Norway.
.	.	.	.	.	.	1.1	0.1	-	Portugal.
.	.	.	.	.	.	1.0	1.0	0.8	India.
.	.	.	.	.	.	0.6	0.9	0.3	Panama.

(1) Cf. the column for balance of receipts and payments.
 (2) Figures for total payments and receipts according to estimates by the "Ente nazionale industrie turistiche".
 (3) The figures of total payments and receipts are quoted from A. Cruchon, *Le franc suisse pendant et après la guerre* (Lausanne, 1932), page 72. The balances for 1929 and 1930 are in accordance with the estimates of Prof. Bachmann, President of the General Directorate of the Swiss National Bank.
 (4) The figures for the expenditure of British tourists exclude fares.
 (5) Economic years beginning April 1st.
 (6) The figures for the expenditure of Danish tourists exclude fares paid to foreign ships.
 (7) Economic years beginning July 1st.
 (8) Economic years ending September 30th.
 (9) The figures for total receipts exclude the expenditure in Germany of foreign students.
 (10) Excluding fares paid to national ships (estimated at \$49 million in 1930).
 (11) The figures for total receipts are derived from *Cuba Importadora e Industrial*, February 1932.
 (12) Cf. *The South American Journal*, August 6th, 1932, page 121.

Tourists' expenditure.

The figures for the expenditure of tourists abroad recorded in the statements generally include fares paid to national ships engaged in foreign traffic, while those for the receipts from foreign visitors exclude fares paid by them to national ships engaged in such traffic. The word "tourists" in this connection includes commercial travellers and students working outside their home country.

The unrecorded import and export of goods by tourists is, as a rule, not accounted for as a merchandise item (contraband) in the balance of payments statements, but is included with tourists' expenditure.

The total outward payments on account of tourists' expenditure for the world as a whole may have exceeded \$1,700 million in 1929 — a sum representing about 5 % of the value of goods entering into international trade. Between 1929 and 1932 the world total would appear to have fallen by 50%, compared with a reduction of over 60 % for international trade.

Full information is not yet available concerning the movement in 1933. There are reasons to believe that the expenditure of tourists from certain raw material producing countries rose in that year, and the expenditure of British tourists on the European continent is recorded to have been higher than in 1932. On the other hand, the expenditure of United States tourists is estimated to have fallen from \$446 million in 1932 to \$292 million (\$235 million gold) in 1933, or by almost half (in terms of gold), and large decreases are also recorded by certain other countries, such as Canada and Czechoslovakia. In view of the importance of the expenditure of American tourists, the world total may be estimated to have fallen to about one-third of the 1929 figure — a reduction slightly exceeding that of trade in goods.

Available figures for inward and outward payments and the net active or passive balances between such payments are shown in the table on the two preceding pages. Figures for the estimated expenditure of United States tourists in each country have been added in the last columns of the table. The latter data, which are compiled by the United States Department of Commerce with the aid of its foreign representatives, represent the expenditure of American tourists on the soil of these countries, and exclude fares paid to ships of United States or other nationality. Their expenditure on the soil of all countries totalled \$650.9 million in 1929 and \$529.1 million in 1931.

For certain countries, several estimates of the balance on account of tourists' expenditure are available, which differ considerably from each other. The balance of receipts of Switzerland as estimated by Professor Bachmann, President of the General Directorate of the Swiss National Bank, and shown in the table (\$54 million in 1929 and \$47 million in 1930) is less than indicated by other compilers. Thus, the Swiss Association of Hotel Owners estimates the expenditure of foreign tourists abroad in 1929 at 600 million Swiss francs and that of Swiss tourists abroad at 17.4 million Swiss francs; according to these figures the net income of Switzerland from this source in 1929 should have been not far from \$100 million. (1)

It is interesting to note that, in spite of the heavy reduction in the expenditure of United States tourists in 1933, the receipts from foreign tourists were maintained in France and rose in Italy and Greece. Figures concerning Austrian receipts from foreign tourists are not available, but, judging from available information concerning the number of tourists of different nationalities, these receipts fell heavily owing to the absence of German tourists during part of the year. The loss would appear to have been offset to some extent by increased expenditure by British, French and Dutch tourists.

(1) *L'Hôtellerie Suisse en Chiffres; Aperçus et tableaux statistiques pour l'année 1929*; published by the Bureau Central de la Société Suisse des Hôteliers, Basle (December 1932).

AUSTRALIA

A statement on the balance of payments of Australia in the year 1932-33 has been supplied by the Government of that country, and the figures for the four preceding years, which were given in the last issue of this publication, have been revised. The data for the last four years available are set out on the following pages in a form which differs slightly from that employed in the original statements⁽¹⁾. It is pointed out that, until further investigations have been carried out, the statements have to "be regarded as first approximations rather than as final results pretending to a substantial degree of accuracy".

The statements refer to fiscal years ending June 30th and are made out in pounds *sterling* (not in Australian pounds).

For purposes of comparison, the Summary Table shows, besides the balances of the main groups of items during the five years 1928-29 to 1932-33 according to the official statements, the balances of goods, services and gold during the ten years beginning 1920-21, according to private calculations by Dr. Roland Wilson.⁽²⁾

Goods, services and gold.

Items	£ (000's) sterling							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929-30	1930-31	1931-32	1932-33	1929-30	1930-31	1931-32	1932-33
<i>I. Merchandise.</i>								
1. Merchandise (as recorded)	98,255	76,628	75,467	78,814	130,787	60,586	44,059	56,847
2. Adjustment on account of :								
(a) undervaluation of imports on account of freight, insurance, etc. . .	—	—	—	—	5,832	3,229	3,387	4,299
(b) undervaluation of imported films	—	—	—	—	1,071	421	147	122
(c) outside packages of imports	—	—	—	—	1,315	—	—	—
(d) ships' stores exported	2,047	1,401	1,225	1,295	—	—	—	—
(e) deduct for overvaluation of wool exported	— 1,195	— 613	—	—	—	—	—	—
(f) deduct for household effects, etc.	— 102	— 92	— 75	— 62	— 181	— 120	— 111	— 140
Carried forward	99,005	77,324	76,617	80,047	138,824	64,116	47,482	61,128

(1) Cf. *The Official Year Book of the Commonwealth of Australia*, Vol. 1933 (No. 26), page 874.

(2) Cf. Roland Wilson : *Capital Imports and Terms of Trade, examined in the Light of Sixty Years of Australian Borrowing* (Melbourne, 1931). It is understood that Mr. Wilson is also the compiler of the statements supplied by the Australian Government.

Items	£ (000's) sterling							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929-30	1930-31	1931-32	1932-33	1929-30	1930-31	1931-32	1932-33
Brought forward . .	99,005	77,324	76,617	80,047	138,824	64,116	47,482	61,128
<i>II. Interest and dividends.</i>								
3. Interest on Government overseas debt and investments :								
(a) Commonwealth :								
long- and short-term securities	181	161	174	161	8,530	8,534	5,068	4,960
bank advances or balances (net)	—	—	—	2	171	189	5	—
(b) States :								
long-term securities	—	—	—	—	19,193	18,893	19,223	19,239
short-term securities	—	—	—	—	222	472	1,312	662
bank advances or balances (net)	—	—	6	7	592	140	—	—
4. Interest on sinking fund investments overseas	45	53	58	66	—	—	—	—
5. Interest on local bodies' debt overseas	—	—	—	—	1,485	1,503	1,641	1,681
6. Interest on the debt, domiciled in Australia, of :								
(a) New Zealand Government	293	307	216	223	—	—	—	—
(b) New Zealand local bodies	436	426	415	391	—	—	—	—
7. Interest on certain Austral. assets overseas	490	610	1,280	935	—	—	—	—
8. Interest and dividends on long-term private capital invested in Australia	—	—	—	—	8,750	5,932	4,122	4,191
9. Deduct contribution of British Government to interest on migration loans	—	—	—	—	— 126	— 131	— 112	— 110
10. Interest on bank balances held :								
(a) in London by Australian banks	1,578	488	1,086	246	—	—	—	—
(b) In New Zealand by Australian banks	82	149	146	85	—	—	—	—
(c) In Australia by oversea banks	—	—	—	—	527	445	305	285
11. Interest on trade money held temporarily in Australia on oversea account	—	—	—	—	—	332	337	285
<i>III. Other services.</i>								
12. Shipping income	663	537	523	538	—	—	—	—
13. Port expenditure	6,697	4,505	3,891	4,231	—	—	—	—
Carried forward	109,470	84,560	84,412	86,932	173,168	100,425	79,383	92,321

Items	£ (000's) sterling							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929-30	1930-31	1931-32	1932-33	1929-30	1930-31	1931-32	1932-33
Brought forward . .	109,470	84,560	84,412	86,932	178,168	100,425	79,383	92,321
14. Duties on ships' stores consumed in Australian waters	78	58	48	43	—	—	—	—
15. Insurances :								
(a) life	—	—	—	—	21	24	16	18
(b) fire, marine and general	30	25	20	20	944	459	805	800
16. Loan flotation and management expendi- ture and stamp duties on transfers .	—	—	—	—	174	35	31	510
17. Immigrants' and emi- grants' funds	705	360	208	226	1,523	1,401	782	695
18. Immigrants' and emi- grants' remittances .	578	546	426	376	847	702	329	321
19. Tourists' expenditure.	1,202	827	717	750	4,044	1,956	1,553	1,880
20. Diplomatic expenditure	120	110	100	100	177	158	134	112
21. War pensions	451	446	436	297	367	374	325	264
22. Upkeep of soldiers' graves	—	—	—	—	95	95	—	—
23. Reparation receipts (in cash)	878	1,265	—	—	—	—	—	—
24. Oversea mail subsidy.	—	—	—	—	130	130	110	110
25. Commonwealth contri- bution to assisted passages	—	—	—	—	58	10	—	—
26. Expenditure overseas by Department of Defence	—	—	—	—	357	137	81	84
27. Government receipts and payments n.e.i.	12	12	12	11	108	85	79	90
IV. Gold.								
28. Gold coin and bullion, as recorded :								
(a) imports	—	—	—	—	294	374	654	1,141
(b) exports divided into :								
domestic production.	1,873	2,156	3,609	4,660	—	—	—	—
exports in excess of production	24,999	10,120	5,927	13,381	—	—	—	—
Total	140,396	100,485	95,915	106,796	187,307	106,365	84,282	98,346
Surplus (+) or deficit (—) on account of :								
(a) goods and services.	— 73,489	— 17,782	+ 2,751	— 8,450				
(b) gold	+ 26,578	+ 11,902	+ 8,882	+ 16,900				
(c) goods, services and gold	— 46,911	— 5,880	+ 11,633	+ 8,450				

Capital items.

Items	£ (000's) sterling							
	Inward or credit capital movements				Outward or debit capital movements			
	1929-30	1930-31	1931-32	1932-33	1929-30	1930-31	1931-32	1932-33
1. Change in Government debt domiciled overseas:								
(a) Commonwealth:								
long-term securities	7,941	—	—	—	—	1,952	103	360
short-term securities	175	8,645	1,400	—	—	—	—	—
bank advances or balances (net) . .	10,618	—	—	8	—	7,817	2,590	—
(b) States:								
long-term securities	—	—	—	—	11,595	616	1,675	1,087
short-term securities	4,825	19,430	2,850	—	—	—	—	3,200
bank advances or balances (net) . .	12,433	—	—	—	—	14,686	3,743	711
2. Change in local bodies' debt domiciled overseas	—	952	—	—	40	—	100	205
3. Change in other public debt held overseas . .	—	—	—	1,000	—	—	—	—
4. Change in Commonwealth Government investments overseas	172	155	29	699	—	—	—	—
5. Change in sinking fund investments overseas	33	—	84	—	—	247	—	2,028
6. Change in debt, domiciled in Australia, of:								
(a) New Zealand Government	—	86	204	—	109	—	—	—
(b) New Zealand local bodies	—	—	—	—	814	318	—	—
7. Change in bank balances held:								
(a) in London by Australian banks . .	28,272	3,726	—	9,007	—	—	17,599	—
(b) in New Zealand by Australian banks.	—	429	—	2,565	3,547	—	484	—
(c) in Australia by overseas banks	1,754	—	—	349	—	1,538	112	—
8. Change in trade moneys held temporarily in Australia on overseas account	4,031	6,390	558	—	—	—	—	1,673
9. Change in "other" Australian assets overseas	—	—	—	—	14,065	8,819	3,484	16,461
10. Change in net assets in Australia of overseas life insurance companies .	4	9	2	—	—	—	—	—
Total	70,258	39,822	5,127	13,628	30,170	35,993	29,890	25,725
Net inward (+) or outward (—) movement of capital	+ 40,088	+ 3,829	— 24,763	— 12,097				

SUMMARY TABLE.

	£ (000's) sterling						
	Goods, services and gold					Capital items	All items
	Merchandise	Interest and dividends	Other services	Gold	Total		
(a) Private calculations by Dr. Roland Wilson. (1)							
1920-21	— 22,657	— 23,930	+ 4,644	+ 5,297	— 36,646		
1921-22	+ 30,375	— 26,143	+ 3,476	+ 3,475	+ 11,183		
1922-23	— 7,460	— 25,819	+ 4,695	+ 2,222	— 26,362		
1923-24	— 15,670	— 28,378	+ 4,169	+ 2,792	— 37,087		
1924-25	+ 19,384	— 28,593	+ 4,133	— 9,564	— 14,640		
1925-26	— 7,816	— 31,266	+ 4,174	+ 3,993	— 30,915		
1926-27	— 31,732	— 32,756	+ 5,766	+ 10,803	— 47,919		
1927-28	— 8,831	— 35,752	+ 4,166	+ 1,836	— 38,591		
1928-29	— 5,430	— 35,807	+ 3,171	+ 2,637	— 35,429		
1929-30	— 34,788	— 35,490	+ 2,858	+ 27,394	— 40,026		
(b) Official figures (summary of the detailed tables given above, including revised figures for 1928-29).							
1928-29 Credit . .	139,133	3,541	11,372	2,987	157,033	28,834	185,867
Debit	149,653	37,873	10,052	348	197,926	7,403	205,329
Balance	— 10,520	— 34,332	+ 1,320	+ 2,639	— 40,893	+ 21,431	(2) — 19,462
1929-30 Credit . .	99,005	3,105	11,414	26,872	140,396	70,258	210,654
Debit	138,824	39,344	8,845	294	187,307	30,170	217,477
Balance	— 39,819	— 36,239	+ 2,569	+ 26,578	— 46,911	+ 40,088	(2) — 6,823
1930-31 Credit . .	77,324	2,194	8,691	12,276	100,485	39,822	140,307
Debit	64,116	36,309	5,566	374	106,365	35,993	142,358
Balance	+ 13,208	— 34,115	+ 3,125	+ 11,902	— 5,880	+ 3,829	(2) — 2,051
1931-32 Credit . .	76,617	3,381	6,381	9,536	95,915	5,127	101,042
Debit	47,482	31,901	4,245	654	84,282	29,890	114,172
Balance	+ 29,135	— 28,520	+ 2,136	+ 8,882	+ 11,633	— 24,763	(2) — 13,130
1932-33 Credit . .	80,047	2,116	6,592	18,041	106,796	13,628	120,424
Debit	61,128	31,193	4,884	1,141	98,346	25,725	124,071
Balance	+ 18,919	— 29,077	+ 1,708	+ 16,900	+ 8,450	— 12,097	(2) — 3,647

It will be noted that a perfect balance is not obtained for any of the five years shown in the official statement. The discrepancies given (see the last column of Summary Table) are attributed to "errors of estimation, omissions and time lags". No figures are available concerning the changes in private long-term investments of oversea capital, which are believed to have increased during the period. It is pointed out also that the inward movement of short-term funds may have been greater than the table suggests. Some part of the large discrepancy for 1928-29 may be due, it is pointed out, "to the actual receipt in 1928-29 of part of the oversea public borrowings of 1927-28, which amounted, for the States and the Commonwealth as a whole, to the huge sum of £54,254,627". Attention is further drawn to the fact that the estimates of the changes in the banks' oversea balances are based on data for average liabilities and assets for the June quarter of each year. The use of quarterly averages, the only figures which were available at the time of the compilation, is stated to involve possibilities of error, particularly when large transactions take place near the end of the financial year.

(1) Cf. page 47. These figures represent thousands of Australian pounds.

(2) Balance due to errors and omissions.

For details concerning the compilation of the figures, reference should be made to the preceding issue of this publication. Supplementary information concerning certain of the revised figures is supplied below.

Goods, services and gold.

Merchandise. The estimates of freight charges, from which the amounts entered against item 2a were calculated, have been partly revised and are as follows, as percentages of the f.o.b. values of merchandise imports : in 1928-29, 11.3 ; in 1929-30, 13.7 ; in 1930-31, 14.6 ; in 1931-32, 17.2 ; and in 1932-33, 17.1.

Interest and dividends. In calculating the interest received and paid on account of outstanding bank balances (item 10), the following rates have been applied to the averages of the amounts outstanding at the beginning and end of each year, namely, in the case of item 10a, the average rate for three-months bankers' acceptances, in the case of item 10b, 5 %, and in the case of item 10c, 6 % for the first three years, 5 % for 1931-32 and 4 ½ % for 1932-33.

Other services. The estimate of the expenditure of foreign ships in Australia (item 13) has been raised from 20 to 22 ½ % of the total freight earnings of foreign shipping.

The amounts entered in last year's edition on the credit side against life insurance (item 15a) have been excluded, as it was not considered that they represented a net credit to Australia.

Capital items.

In calculating the figures entered against item 1b under "long-term securities" in 1932-33, account has been taken of the debit of £309,000 arising from the discount and bonus on conversion of the £12,360,000 loan in October 1932.

International indebtedness.

The following approximate balance of outstanding foreign liabilities and assets of Australia is given. Amounts in dollars have been turned into pounds at the rate of \$4.866 = £1.

Items	Cur- rency	£ (000's) at June 30th					
		1928	1929	1930	1931	1932	1933
<i>Liabilities.</i>							
1. Government debt domiciled overseas :							
(a) Commonwealth :							
long-term securities	\$ 4.866	17,291	17,156	17,156	17,156	17,116	16,890
short-term securities	£ stg.	136,216	142,630	150,571	148,619	148,556	148,422
bank advances or balances (net)	£ stg.	—	—	175	8,820	10,220	10,220
(b) States :							
long-term securities	\$ 4.866	30,990	30,779	30,687	30,436	29,964	29,581
short-term securities	£ stg.	385,671	381,718	370,215	369,850	368,647	368,252
bank advances or balances (net)	£ stg.	—	—	4,825	24,255	27,105	23,905
Carried forward . .	\$ 4.866	(¹)- 3,957	5,623	18,056	3,370	(¹)- 373	(¹)-1,084
	£ stg.	(²) 566,361	(²) 576,391	(²) 600,788	556,200	47,080	46,471
						552,851	548,419

(1) Net asset.

(2) The amounts are included with the totals shown against £ stg.

Items	Cur- rency	£ (000's) at June 30th					
		1928	1929	1930	1931	1932	1933
Brought forward . . .	\$ 4,866 £ stg.	(1) 566,361	(1) 576,391	(1) 600,788	47,592 556,200	47,080 552,851	46,471 548,419
2. Local bodies' debt domiciled overseas	Mainly £ stg.	26,713	27,783	27,743	28,695	28,595	28,390
3. " Other public debt held overseas "	£ stg.	—	—	—	—	—	1,000
4. Net assets in Australia of overseas banks	£ A.	6,135	7,907	9,661	7,846	7,703	8,140
5. Net assets in Australia of overseas life insurance companies	£ A.	42	42	46	57	59	59
6. Long-term private capital invested in Australia (approximately)	£ A.	175,000	175,000	175,000	175,000	175,000	175,000
7. Trade moneys held temporarily in Australia on overseas account	£ A.	—	—	4,031	11,571	12,281	10,186
Total liabilities	{ £ stg. £ A. \$ 4,866	774,251 (1) (1)	787,123 (1) (1)	817,269 (1) (1)	584,895 194,474 47,592	581,446 195,043 47,080	577,809 193,385 46,471
<i>Assets.</i>							
8. Commonwealth Government investments overseas	£ stg.	3,320	3,234	3,062	2,907	2,878	2,179
9. Sinking fund investments in securities domiciled overseas, or in bank accounts	£ stg.	8,899	1,131	1,098	1,345	1,261	3,289
10. " Other assets overseas "	£ stg.	5,721	6,981	21,046	29,865	33,349	49,810
11. Net assets overseas of Australian banks :							
(a) in London	£ stg.	52,704	51,272	23,000	19,274	36,873	27,866
(b) In New Zealand	£ N.Z.	707	(2) — 139	3,408	2,949	3,481	488
12. New Zealand Government debt domiciled in Australia	£ A.	4,169	4,168	4,277	4,175	3,915	3,915
13. New Zealand Local Bodies' debt domiciled in Australia	£ A.	7,072	7,386	8,200	8,575	8,575	8,575
Total assets	{ £ stg. £ N.Z. £ A.	82,592 (1) (1)	74,033 (1) (1)	64,091 (1) (1)	53,391 2,949 12,750	74,361 3,481 12,490	83,144 488 12,490

The information is not complete; thus, for example, no entry is made on the assets side on account of Australian Government securities repurchased from abroad (partly offsetting the amounts entered against item 1), or on account of certain other investments of Australian capital abroad.

The amount of £175 million as long-term private investments in Australia (item 4) was " chosen after consideration of a number of estimates, none of which is very firmly based ".

The figures entered against item 10 (" Other assets overseas ") are stated to be " based on confidential information received ".

(1) The amounts are included with the totals shown against £ stg.
(2) Net liability.

BELGIUM AND LUXEMBURG

An estimate of the balance of payments of Belgium, Luxemburg and the Belgian Congo in 1929, compiled by Professor F. Baudhuin, was reproduced in the 1927-1929 issue of this publication. (1) Since then, certain data have become available involving a revision of the figures of that estimate and giving information concerning the outstanding foreign assets and liabilities of Belgium and Luxemburg; further, the Belgian Government, though not able to supply a complete balance of payments statement for any recent year, has communicated information concerning certain items in the balance of payments of Belgium. The data in question are summarised below.

Revision of estimate for 1929.

The estimate of the balance of payments of Belgium, Luxemburg and the Belgian Congo mentioned above was derived from a study published in the *Bulletin d'information et de documentation* of the Banque nationale de Belgique for August 25th, 1930. Certain of the items, as given therein, have since been revised in M. Baudhuin's book *La Belgique après le centenaire* (2), and a slight change in the data for merchandise trade results from the substitution of final for the provisional figures. The following items are affected by the revision :

	Belgian francs (000,000's)	
	Inward or credit movements	Outward or debit movements
	(Revised figures)	
Merchandise trade of Belgium-Luxemburg with countries other than the Congo	31,041	34,218
Trade of the Congo with countries other than Belgium-Luxemburg (3)	1,175	1,015
Increase in the foreign assets of the Banque nationale de Belgique : the amount entered against this item (1,350 million francs, now corrected to 1,447 million) represents in fact the increase in the gold and foreign currency reserve of the bank. The item should be divided into two, namely :		
Increase in the foreign exchange assets of the Banque nationale	—	89
Increase in the gold stock of the Banque nationale	—	1,358

The only reason for the inclusion of the last-mentioned item in the account would be that it was purchased from abroad. It may be assumed that the gold in question was imported to Belgium in 1929, but not recorded in the trade returns. Applying the same principle as in the case of other countries in this volume, the item should be given as an adjustment of the recorded figures for trade in gold.

After these adjustments, the table summarising the transactions in goods, services and gold works out as follows :

	Belgian francs (000,000's)				
	Merchandise	Interest and dividends	Other services	Gold	Total
Credit	32,216	3,600	5,200	7	41,023
Debit	35,233	1,696	375	1,364	38,668
Balance	— 3,017	+ 1,904	+ 4,825	— 1,357	+ 2,355

(1) Series of publications of the League of Nations : 1930.II.54^u.

(2) *Editions de la Société d'études morales, sociales et juridiques* (Louvain, 1931).

(3) The total trade of the Congo, as recorded, is given at 1,444 million francs for exports and 1,943 million francs for imports. To the export figure has been added 956 million francs on account of undervaluation. The trade with Belgium, deducted from the figures now given, has been calculated from Belgian trade statistics by increasing the figure for Belgian exports to the Congo by 12.5 % and reducing the figure for Belgian imports from the Congo by 12.5 % on account of freight and insurance.

Government transactions 1930-1933.

The following information is supplied with reference to the international transactions of the Belgian Government :

Items	Belgian francs (000,000's)							
	Inward or credit movements				Outward or debit movements			
	1930	1931	1932	1933	1930	1931	1932	1933
Interest on intergovernmental debts	—	—	—	—	206.1	115.9	16.0	13.5
Interest on other long-term Government debts	—	—	—	—	703.9	622.0	608.4	414.4
Interest on short-term Government debts	—	—	—	—	—	—	14.5	67.9
Miscellaneous Government receipts and expenditure (excluding diplomatic expenditure)	0.2	0.2	0.1	0.1	10.5	8.9	8.3	14.8
Amortisation of intergovernmental debts	—	—	—	—	167.5	191.6	48.8	50.9
Amortisation of other Government debts	—	—	—	—	2,245.6	329.3	294.9	287.5
New Government loan raised abroad	—	—	1,006.6	—	—	—	—	—
Changes in the Government floating debt	—	—	498.0	656.8	—	—	—	498.6

Various capital items 1929-1934.

The following figures concerning certain items (the service of the public debt, certain capital items and the change in the gold reserve of the Banque nationale) in the balance of payments of Belgium have been compiled by the Banque nationale de Belgique.

Items	Belgian francs (000,000's)					
	1929	1930	1931	1932	1933	1934 January-May
<i>Credit.</i>						
New loans raised abroad :						
(a) Government	—	650	—	1,842	845	—
(b) private	482	2,212	369	40	(¹) 12	—
Decrease in the gold reserve of the Banque nationale.	—	—	—	—	—	(²) 396
<i>Debit.</i>						
Service of public debts (interest and dividends)	1,149	1,135	958	862	924	(³)
Capital issued in Belgium of Belgian companies working abroad	1,654	348	40	19	17	—
Increase in the foreign exchange assets of the Banque nationale	89	1,589	—	—	—	—
Increase in the gold reserve of the Banque nationale.	1,358	897	1,594	225	684	—

It is pointed out that the figures given for capital issued in Belgium of Belgian companies working abroad do not necessarily represent capital exports of equal magnitude, as the issues may have been employed for purchases in Belgium of material for the account of the domestic head-offices of the companies.

(1) Excluding a loan of 100 million francs, issued with option for change into Dutch florins, French francs or Swiss francs.

(2) January-June.

(3) The figure for the whole year 1934 is given at 836 million francs.

International liabilities and assets of Belgium and Luxemburg.

In his book referred to above, M. Baudhuin makes an estimate of the outstanding debts and assets of Belgium at the beginning of 1930. The statement is summarised below in a slightly changed form :

<i>Liabilities.</i>	Belgian francs (000,000,000's)
Intergovernmental debts (excluding war debts) :	
(a) due to U. K.	11½
(b) due to U. S. A. (" post-war debts ")	8½
Government loans issued in foreign markets	11½
Foreign participation in Belgian and Congo companies	22
Belgian securities (Government and private) held abroad (rough estimate)	3
Total	46½
 <i>Assets (excluding assets in the Congo).</i>	
Foreign assets (securities and others) of Belgian companies	50
Short-term assets of the Government, the Banque nationale and other official institutions	13
Deposits and liquid assets of individuals (rough estimate)	3
Total	66

This statement does not include the assets in the Congo, which when the above figures were first published (in 1931) were valued at 25 milliard francs. The war debts to the United States Government and the asset on account of reparations due by Germany are likewise excluded. The " present value " in 1930 of the reparation annuities due by Germany according to the Young Plan amounted to 19 milliard francs, and the " present value " in the same year of the annuities due to the United States on account of war debts to 2 milliard francs.

According to information supplied by the Belgian Government, the total outstanding Government foreign debt was as follows at the end of the years 1930 to 1933 :

	1930	Belgian francs (000,000's)		1933
		1931	1932	
Interalled debts	16,506.1	16,314.4	16,265.8	16,214.8
Other Government foreign debt	10,734.7	9,790.8	10,607.5	10,269.8
Floating foreign debt	—	—	497.8	704.4

The following information concerning the foreign liabilities and assets of Luxemburg are derived from an estimate of the national wealth of that country compiled by M. Bastiat and published in the *Bulletin d'information et de documentation* of the Banque nationale de Belgique for July 25th, 1934 : (1)

<i>Liabilities.</i>	Belgian francs (000,000's)
Public debts	160
Mortgage bonds	40
Bonds of industrial enterprises	840
Shares of industrial enterprises	1,505
Total	2,545
 <i>Assets.</i>	
Foreign securities :	
(a) deposited with Luxemburg banks	950
(b) held by individuals in Luxemburg	500
(c) held by individuals living abroad	100
(d) held by industrial, banking and insurance companies in Luxemburg	(2) 360
(e) held by the Savings Bank	245
(f) held by the Social Insurance	75
Short-term assets with Belgian and French banks of :	
(a) commercial banks about	150
(b) the Savings Bank about	100
Total	2,480

(1) It is stated that the estimate was originally published in the *Echo du Luxemburg*, the organ of the Federation of Luxemburg Industrialists.

(2) The total amount of the foreign securities held by such companies is estimated at 1,000 million francs, but of this amount 800 million represent holdings of companies in which Luxemburg interests do not exceed 20 % (the amount entered in the table is thus $200 + 0.20 \times 800 = 360$).

BRAZIL

A statement of the balance of payments of Brazil in 1932, published in *Brazil; Resources, Possibilities, Development, Statistics and Diagrams* (Rio de Janeiro, 1933; issued by the Brazilian Ministry of Foreign Affairs) is reproduced below after a slight change in the classification of the items.

<i>Goods, services and gold.</i>	£ (000's) sterling	
	Credit movements	Debit movements
I. Merchandise.		
Merchandise (as recorded)	51,281	30,442
15 % addition to export value (" Bank of Brazil monopoly- bills of exchange ")	7,692	—
15 % deduction from imports (" increase of emoluments on consular invoices — Bank of Brazil monopoly ")	—	4,566
Contraband and parcel post	—	2,000
II. Interest and dividends.		
Interest on State debt	—	4,554
Interest on municipal debt	—	1,546
Dividends and profits of foreign capital	—	10,000
III. Other services.		
Freight earnings by Brazilian vessels	300	—
Commissions paid in connection with the service of Government and municipal debt	—	(1) 69
Tourists' expenditure	150	(2) 2,750
Diplomatic and consular representation	315	500
"Administration exigencies in foreign countries"	—	1,500
IV. Gold.		
Gold coin and bullion	1,121	14
Total	60,859	48,809
Surplus on account of goods, services and gold	12,050	
<i>Capital items.</i>		
Amortisation of State debt	—	3,057
Amortisation of municipal debt	—	603
Inflow of new foreign capital	500	—
Payment of three Federal fundings	—	2,585
Loan of the São Paulo Coffee Institute (repayment)	—	5,170
Mortgage bills of the Bank of São Paulo	—	323
Consolidation of credit	—	2,710
Total	500	14,448
Net outward capital movement	13,948	

(1) Of which 48 on account of State and 21 on account of municipal debt.

(2) Of which "trips of immigrants", 2,500, and expenditure of tourists and Brazilians living abroad, 250.

SUMMARY TABLE.

	£ (000's) sterling						
	Goods, services and gold					Capital items	All items
	Merchandise	Interest and dividends	Other services	Gold	Total		
Credit	58,973	—	765	1,121	60,859	500	61,359
Debit	27,876	16,100	4,819	14	48,809	14,448	(1) 63,257
Balance	+ 31,097	— 16,100	— 4,054	+ 1,107	+ 12,050	— 13,948	— 1,898

No information is available concerning the manner in which the figures of the above statement have been compiled.

The foreign debts of the Brazilian States, municipalities and Federal Government are given as follows (conversion to pounds sterling of bonds in other currencies has been made at par rates of exchange) :

	£ (000's) at the end of		
	1911	1921	1931
States	40,595	35,500	69,816
Municipalities	8,456	20,628	24,644
Federal Government	96,282	120,306	135,319
Total	145,333	176,434	229,779

(1) Balance due to errors and omissions. — In the original statement, the total outward payments are given at a figure which is less than the sum of the individual items by £429,000. In the present publication, the figures for individual items have been taken as correct and the total for outward payments as well as the balance of all items have been changed accordingly.

CANADA

A statement on the balance of payments of Canada for 1933 has been published by the Dominion Bureau of Statistics⁽¹⁾ and is reproduced below, together with those for 1930-1932 which appeared in the preceding issue of this publication. The grouping of the items, as given in the original statements, has been slightly changed so as to agree with that employed for the majority of the statements in this volume. It should be noted, however, that the debit side of the merchandise group (items 1-6) does not represent the full c. i. f. value of imported goods, as it does not include freight paid to domestic ships. This freight (which, in fact, does not represent a foreign transaction) is also excluded from the freight income as shown on the credit side against items 11 and 12, and the exclusion accordingly does not affect the balance of the whole account.

Goods, services and gold.

Items	Canadian \$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Merchandise.</i>								
1. Merchandise, as recorded ⁽²⁾ . . .	905.4	617.2	502.8	537.7	1,008.5	628.1	452.6	401.2
2. Adjustment on account of over-valuation of imports due to exchange depreciation . . .	—	—	—	—	—	— 5.0	— 22.0	—
3. Import freights paid to foreign carriers :								
(a) ocean freights	—	—	—	—	33.5			
(b) railway freights paid to U.S.A.	—	—	—	—	67.4	76.5	58.9	55.0
4. Export freights (earned in carrying exports to Canadian ports or boundary)	36.0	⁽²⁾ 26.0	⁽²⁾ 20.4	⁽²⁾ 20.9	—	—	—	—
5. Unrecorded imports of ships	—	—	—	—	7.5	0.5	—	—
6. Deductions for settlers' effects and miscellaneous items	— 10.9	— 9.3	— 6.5	— 2.7	— 23.8	— 16.7	— 14.0	— 11.9
Carried forward	930.5	633.9	516.7	555.9	1,093.1	683.4	475.5	444.3

(1) *Estimated Balance of International Payments for Canada, Preliminary Statement for 1933* (Department of Trade and Commerce, Dominion Bureau of Statistics, Internal Trade Branch; Ottawa, 1934).

(2) The recorded export value represents the value at the point of origin, and the recorded import value the value at the point of original shipment.

(3) In the original statement, only the total freight income in 1931, 1932 and 1933 (\$49.7, \$38.9 and \$40 million respectively) is given. In the above table, this total has been distributed between items 4 and 11-12 on the basis of the proportion between the respective earnings in 1930.

Items	Canadian \$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
Brought forward . . .	930.5	633.9	516.7	555.9	1,093.1	683.4	475.5	444.3
II. Interest and dividends.								
7. Interest on intergovernmental debts	1.3							
8. Interest on other public debts	—				51.9			
9. Other interest and dividends on long-term capital	84.0	70.7	56.0	50.0	220.7	252.1	248.0	275.0
10. Interest on short-term capital	2.9				—			
III. Other services.								
11. Shipping earnings on account of Canadian exports by sea	7.0				—	—	—	—
12. Other transport earnings	25.8	(1) 23.7	(1) 18.5	(1) 19.1	—	—	—	—
13. Insurance	29.5	27.0	24.0	15.0	22.1	20.0	17.0	11.0
14. Immigrants' and emigrants' funds	11.1	5.2	4.4	4.0	9.4	3.8	3.8	3.2
15. Earnings of Canadians employed in U.S.A. (net).	3.7	1.8	0.8	0.7	—	—	—	—
16. Immigrants' and emigrants' remittances	14.0	10.0	6.1	5.0	23.0	13.1	7.1	6.0
17. Charitable and missionary contributions	0.9	0.9	0.5	1.0	1.8	1.8	1.0	1.0
18. Tourists' expenditure	279.2	250.8	212.4	110.0	113.3	76.5	57.4	50.0
19. Reparation receipts	4.0	1.3	—	—	—	—	—	—
20. Diplomatic and similar expenditure	11.8	11.7	8.9	6.5	3.7	—	—	—
21. Other Government expenditure	—	—	—	—	(2) 6.7	11.0	10.4	9.5
22. Advertising	4.0	3.0	2.0	1.5	6.0	5.0	3.5	3.0
23. Cinematograph film royalties	—	—	—	—	3.7	3.7	3.2	4.0
24. Miscellaneous services (3)	—	—	—	—	—	5.0	4.0	4.0
25. Allowance for exchange discrepancies, London and New York, on interest and maturity payments and receipts.	—	—	10.0	3.0	—	5.0	23.8	12.0
IV. Gold.								
26. Gold coin and bullion (4)	20.4	70.1	60.8	66.0	39.1	2.0	2.2	0.8
27. Unrecorded gold exports	4.9	—	—	—	—	—	—	—
28. Correction for exchange discrepancy	—	—	7.9	27.0	—	—	—	0.4
Total	1,435.0	1,110.1	929.0	864.7	1,594.5	1,082.4	856.9	824.2
Surplus (+) or deficit (—) on account of:								
(a) goods and services	— 145.7	— 40.4	+ 5.6	— 51.3				
(b) gold	— 13.8	+ 68.1	+ 66.5	+ 91.8				
(c) goods, services and gold	— 159.5	+ 27.7	+ 72.1	+ 40.5				

(1) See note (3) on the preceding page.

(2) Pensions paid to persons not resident in Canada.

(3) "Known omissions such as direct magazine subscriptions, artists' and entertainers' receipts, radio programmes, etc."

(4) Including, in exports, all subsidiary coin and, in imports, British and Canadian subsidiary coin. The figures for certain years differ somewhat from those given in trade returns.

Capital items (long-term operations 1931-1933 only).

Items	Canadian \$ (000,000's)					
	Inward or credit capital movement			Outward or debit capital movement		
	1931	1932	1933	1931	1932	1933
1. Maturities	—	—	—	(1) 256	75	40
2. New capital issues	207	150	350	10	100	250
3. Purchase and sale of existing securities	—	—	—	15	—	—
4. Direct investments	(2) 11	(2) 2	1.5	—	—	—
Total	218	152	351.5	281	175	290
Net inward (+) or outward (—) capital movement	— 63	— 23	+ 61.5			

SUMMARY TABLE.

	Canadian \$ (000,000's)								
	Goods, services and gold					Capital items			All items
	Merchandise	Interest and dividends	Other services	Gold (4)	Total	Long-term	Short-term	Total	
1920 Balance . . .	— 161.9	— 207.3	+ 73.6	+ 27.7	— 267.9				
1921 Balance . . .	— 83.1	— 211.8	+ 122.2	+ 35.6	— 137.1				
1922 Balance . . .	+ 55.7	— 206.8	+ 131.8	— 48.7	68.0				
1923 Balance . . .	+ 16.3	— 214.9	+ 176.2	+ 67.4	+ 45.0				
1924 Balance . . .	+ 175.8	— 213.9	+ 166.4	— 20.4	+ 107.9				
1925 Balance . . .	+ 299.5	— 207.8	+ 195.8	— 10.3	+ 277.2	— 166.7	— 10.0	— 176.7	(5) + 100.5
1926 Balance . . .	+ 228.3	— 168.2	+ 135.3	+ 33.0	+ 228.4	— 14.1	— 71.2	— 85.3	(5) + 143.1
1927 Balance . . .	+ 100.9	— 170.2	+ 173.3	+ 33.0	+ 137.0	— 11.7	— 7.0	— 18.7	(5) + 118.3
1928 Balance . . .	+ 75.6	— 165.9	+ 223.7	+ 68.0	+ 201.4				
1929 Balance . . .	— 182.3	— 171.0	+ 240.9	+ 46.9	— 65.5				
1930 Credit . . .	930.5	88.2	391.0	25.3	1,435.0				
Debit . . .	1,093.1	272.6	189.7	39.1	1,594.5				
Balance . . .	— 162.6	— 184.4	+ 201.3	— 13.8	— 159.5				
1931 Credit . . .	633.9	70.7	335.4	70.1	1,110.1	218.0			
Debit . . .	683.4	252.1	144.9	2.0	1,082.4	281.0			
Balance . . .	— 49.5	— 181.4	+ 190.5	+ 68.1	+ 27.7	— 63.0			
1932 Credit . . .	516.7	56.0	287.6	68.7	929.0	152.0			
Debit . . .	475.5	248.0	131.2	2.2	856.9	175.0			
Balance . . .	+ 41.2	— 192.0	+ 156.4	+ 66.5	+ 72.1	— 23.0			
1933 Credit . . .	555.9	50.0	165.8	93.0	864.7	351.5			
Debit . . .	444.3	275.0	103.7	1.2	824.2	290.0			
Balance . . .	+ 111.6	— 225.0	+ 62.1	+ 91.8	+ 40.5	+ 61.5			

(1) Including redemption and sinking fund payments, etc. (for 1932 and 1933 such payments are included in the amounts entered against items 2-3).

(2) "Resale to foreigners of securities previously held and of direct investments; decreases in other investments abroad."

(3) Direct investments by other countries in Canada.

(4) See footnote (4) on the preceding page.

(5) Balance due to errors and omissions.

The balances obtained on account of goods, services and gold, although naturally affected by errors and omissions, are believed to reflect correctly the broad changes which have taken place in the direction of capital movements during the period covered by the Summary Table (1920-1933). The direct information concerning the movement of capital is rather incomplete and has been entered (in the Summary Table) for the years 1925-1927 and 1931-1933 only (for the last-mentioned years, this information is confined to long-term operations). In 1929, when the account for goods, services and gold showed a deficit of \$65 million, the short-term funds employed by the chartered banks, largely in New York, fell from \$188 million to \$98 million, and there was also a considerable repatriation of private short-term capital. In 1930, the deficit on account of goods, services and gold (\$159 million) was, unlike that in 1929, met largely by an inflow of foreign capital and only to a small extent by the repatriation of Canadian funds.

The increase in outward payments of interest and dividends from 1932 to 1933 is attributed to more complete information and back remittances made by branch and subsidiary plants after the disappearance of the discount on the Canadian dollar.

The methods employed in the compilation of the statements are explained in *Estimated Balance of International Payments for Canada, 1926-1930, together with Description of Methods used* (roneoed document issued by the Dominion Bureau of Statistics in 1932).

The gold exports (partly consisting of home-produced gold) have in recent years encroached somewhat upon the reserves held by the Canadian Government and chartered banks, which fell from \$231 million at the end of 1926 to \$127 million at the end of 1933.

International indebtedness.

An estimate of Canada's outstanding foreign debts and assets at the end of 1929 and 1930, divided according to the nature of the investments, was given in the 1930 issue of this publication. The following data derived from the *Canada Year Book* and, in the case of 1931 and 1932, from other sources, show foreign investments in Canada and Canadian investments abroad, by countries.

Foreign investments in Canada :	Canadian \$(000,000's) at the end of					
	1925	1928	1929	1930	1931	1932
by U.K.	2,128.6	2,158.0	2,228.0	2,204.9	.	.
by U.S.A.	3,015.4	3,571.8	3,726.8	4,107.8	.	.
by other countries	160.4	162.6	171.2	165.2	.	.
Total	5,304.4	5,892.4	6,126.0	6,477.9	6,335	6,284
Canadian investments abroad :						
in U.K.	124.2	94.4	80.9	84.8	.	75.5
in U.S.A.	626.3	987.2	1,021.8	1,047.3	.	1,014
in other countries	388.0	657.6	678.6	699.2	.	727.5
Total	1,138.4	1,739.2	1,781.3	1,831.3	1,836	1,817

The *Canada Year Book* contains a division of the investments according to debtors and industries in which the investments were made.

CHINA

The preceding issue of this publication contained an estimate of the balance of payments of China in the years 1928, 1929 and 1930, compiled by Professor C. F. Remer. A statement for the year 1933 has now been supplied by the Chinese Government and is reproduced below in a slightly modified form. It is stated that the statement is based on an estimate made by the Research Department of the Bank of China, published in the annual report for 1933 of that bank. (1)

It is pointed out in this report that "no claim is made that any greater degree of accuracy has been found possible than in past estimates".

The statement refers to China exclusive of Manchuria and Jehol.

<i>Goods, services and gold (including amortisation payments).</i>	<i>Standard dollars (000,000's) (2)</i>	
	<i>Credit movements</i>	<i>Debit movements</i>
I. Merchandise.		
According to trade returns : merchandise	611.8	1,345.6
silver	94.3	80.1
Adjustment for undervaluation of merchandise exports (10 %)	61.2	—
Contraband imports (10 %)	—	134.6
II. Interest and dividends (including amortisation).		
Service of Government foreign loans :		
Customs	—	75.6
Salt	—	11.4
Railways	—	6.0
Foreign business profits	—	20.0
Receipts from Chinese holdings of foreign securities	5.0	—
III. Other services.		
Foreign shipping expenditure	25.0	—
Insurance profits of foreign companies	—	4.0
Emigrants' remittances (3)	200.0	1.0
Mission and philanthropic remittances	50.0	—
Tourists and students	10.0	5.0
Foreign military and naval expenditure	100.0	—
Diplomatic expenditure	30.0	4.0
Cinematograph film royalties	—	5.0
IV. Gold.		
According to trade returns	69.7	0.3
Contraband	(4) 120.0	—
Total	1,377.0	1,692.6
Deficit	315.6	—
 <i>Capital items (excluding amortisation payments).</i>		
Foreign investments and credit extended to China	30.0	—
Deficit on account of the items specified above	285.6	—

(1) Bank of China, Report of the General Manager to the Annual Meeting of Shareholders, April 14th, 1934, and Balance Sheet, December 31st, 1933. — The two statements differ only in that the expenditure of Chinese diplomatic and consular offices abroad is given at 4 million standard dollars in the statement received from the Chinese Government as against 1 million in that published by the Bank of China.

(2) The average exchange value of the standard dollar in 1933 was U.S. \$0.26347 (paper) or about U.S. \$0.21 gold according to the old dollar parity.

(3) The debit figure represents "remittances by foreigners in China".

(4) Of which from Hong-Kong, 96.

The report of the Bank of China comments upon the deficit shown on the last line of the above table as follows : " It is difficult to make any satisfactory adjustment of this unexplained difference, though various suggestions have been put forward in a tentative way. It is said, for instance, that Chinese made very large profits last year in Stock Exchange business in New York. Another suggestion is that on balance considerable Chinese holdings of Government foreign bonds, such as the Reorganisation Loan, were acquired abroad last year. A third suggestion is based upon the increase in December by over 80 million standard dollars in the silver stocks held by the foreign banks in Shanghai, the explanation offered being that this amount represented delayed payments abroad in the expectation of more favourable remittance rates."

It is pointed out that during the last twenty years there has normally been a net import of silver, that in recent years large amounts of gold have been exported, but that not until 1933 was there a net export of silver.

Attention should be paid to the incompleteness of the information derived from the Chinese trade returns. The figures for trade in merchandise and precious metals refer to Chinese maritime ports only ; further, exports to and imports from Manchuria are excluded. Judging from Manchurian statistics, the trade with Manchuria resulted in an export surplus in 1933 of about 10 million standard dollars. In earlier years, imports from Manchuria exceeded exports to that province.

CURAÇAO

Figures for a number of items in the balance of payments of Curaçao in 1933 have been supplied by the Netherlands Government and are set out below together with those for 1930-1932 published last year.

Goods, services and gold.

Items	Gulden (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Merchandise.</i>								
1. Merchandise	417,000	343,000	183,000	194,000	407,000	248,000	141,000	150,000
2. Contraband	10	8	6	4	4	3	2	3
<i>II. Interest and dividends.</i>								
3. Interest on intergovernmental debts	—	—	—	—	84	160	124	86
4. Other interest and dividends on long-term capital.	400	265	186	135	—	—	—	—
<i>III. Other services.</i>								
5. Shipping freights	—	—	—	—	114	151	(¹) 135	(¹) 146
6. Port fees	770	632	617	791	26	22	23	30
7. Post, telegraph and telephone	657	602	477	475	199	202	262	460
8. Immigrants' and emigrants' funds	150	80	45	25	200	—	—	—
9. Immigrants' and emigrants' remittances	100	53	32	16	280	130	100	100
10. Tourists' expenditure	405	350	320	380	200	100	30	50
11. Government receipts and expenditure	4,017	1,144	.	.	137	140	143	154
12. " Films "	—	—	—	—	—	—	211	300
13. Other items	185	145	80	65	—	—	—	—
<i>IV. Gold.</i>								
14. Gold coin and bullion	—	6,759	75	2,546	—	6,400	300	2,598

As the statement is not complete, no totals are given. Salaries paid to foreign workers (12 million gulden in 1930 and 9 million in 1931), mainly by petroleum concerns, are not included above, as it is not known what portion of these amounts was spent in Curaçao.

(1) Of which in 1932: ordinary freights, 23, charter money, 72, and passage money, 40; in 1933: ordinary freights, 26, charter money, 78, and passage money, 42.

CZECHOSLOVAKIA

A statement of the balance of payments of Czechoslovakia in 1933 has been supplied by the Government of that country and has since been published in the *Rapports de l'Office de statistique de la République tchécoslovaque* (1). The statement is set out below together with those for 1929-1932 which appeared in last year's edition of this publication.

Goods, services and gold.

Items	Kč (000,000's)									
	Inward or credit movements (Exports)					Outward or debit movements (Imports)				
	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933
<i>I. Merchandise.</i>										
1. Merchandise	20,489	17,463	13,109	7,343	5,853	19,969	15,684	11,736	7,487	5,832
<i>II. Interest and dividends.</i>										
2. Interest on intergovernmental debts	41	39	38	35	33					
3. Interest on other Government debts	—	—	—	—	—	292	431	281	232	188
4. Interest on municipal debts	—	—	—	—	—	38	38	36	31	27
5. Yield of securities	417	341	383	336	250	215	180	177	100	100
6. Interest on the current accounts of banks	174	150	113	64	41	90	61	43	32	23
7. Yield of foreign-owned real estate	—	—	—	—	—	330	330	300	280	280
8. Other interest and dividends	65	56	57	47	41	93	118	110	88	77
<i>III. Other services.</i>										
9. Shipping freights (river traffic)	53	48	38	32	41	13	15	18	9	7
10. Port fees	2	1	2	1	1	7	6	5	4	4
11. Railway receipts and expenditure :										
(a) freight for goods in transit	569	435	348	216	140	5	21	17	—	—
(b) wagon hire, etc.	8	—	—	—	—	—	—	—	—	—
12. Agency commissions	310	248	199	108	105	606	514	437	230	190
13. Insurance	—	—	—	—	5	34	10	58	40	—
14. Post, telegraph and teleph.	1	—	—	—	—	30	28	21	14	15
15. Emigrants' funds, etc. :										
(a) travelling costs of emigrants	—	—	—	—	—	40	24	5	2	2
(b) personal cash of emigrants leaving or returning	—	—	—	—	—	25	16	5	3	2
16. Emigrants' remittances	606	532	384	264	177	—	—	—	—	—
17. Donations	2	3	3	2	2	21	22	16	15	16
Carried forward	22,737	19,316	14,674	8,448	6,689	21,808	17,498	13,265	8,567	6,763

(1) Vol. 1934, No. 105 (Series B, No. 11).

Items	Kč (000,000's)									
	Inward or credit movements (Exports)					Outward or debit movements (Imports)				
	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933
Brought forward . .	22,737	19,316	14,674	8,448	6,689	21,808	17,498	13,265	8,567	6,763
18. Tourists' expenditure . .	810	795	580	420	288	710	700	760	420	167
19. Diplomatic and consular representation	35	36	36	37	38	75	88	81	79	64
20. Fees collected by legations and consulates	16	14	11	7	6	7	8	8	7	7
21. Contribution to interna- tional institutions	—	—	—	—	—	6	6	7	6	9
22. Import of electric power .	—	—	—	—	—	17	20	18	16	7
23. Cinematogr. film royalties	6	5	4	3	7	65	90	110	52	40
24. Patent royalties and taxes	20	22	25	25	30	55	60	65	60	60
IV. Gold.										
25. Gold coin and bullion . .	10	11	40	58	78	19	31	65	671	317
26. Changes in earmarked gold	—	—	—	554	241	115	283	104	—	—
Total	23,634	20,199	15,370	9,552	7,377	22,877	18,784	14,483	9,878	7,434
Surplus (+) or deficit (—) on account of :										
(a) goods and services . .	+ 881	+1,718	+1,016	— 267	— 59					
(b) gold	— 124	— 303	— 129	— 59	+ 2					
(c) goods, services and gold	+ 757	+1,415	+ 887	— 326	— 57					

Capital items.

Items	Kč (000,000's)									
	Inward or credit capital movement					Outward or debit capital movement				
	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933
I. Long-term operations.										
1. Amortisation receipts and payments :										
(a) by the Government . .	33	15	30	33	37	58	62	48	27	23
(b) by municipalities . . .	—	—	—	—	—	9	10	11	9	11
(c) by industries and banks	261	720	235	230	108	182	510	147	97	206
2. Payments through the Cze- choslovak clearing-house	8	9	4	2	2	2	7	1	1	1
3. Purchases and sales :										
(a) of real estate in the country	—	—	—	—	—	110	120	100	80	80
(b) of securities	1,728	1,307	906	155	276	2,167	1,632	1,154	104	78
4. New loans raised and granted :										
(a) by the Government . .	—	—	—	798	—	—	—	—	—	—
(b) by industries and banks	85	939	68	184	84	713	84	309	46	9
5. Change in participation in foreign enterprises	23	—	4	103	84	73	319	2	22	—
Carried forward . .	2,138	2,990	1,247	1,505	591	3,314	2,744	1,772	386	408

Items	Kč (000,000's)									
	Inward or credit capital movement					Outward or debit capital movement				
	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933
Brought forward .	2,138	2,990	1,247	1,505	591	3,314	2,744	1,772	386	408
II. Short-term operations.										
6. Change in current accounts of banks with foreign cor- respondents :										
(a) debts	—	—	—	—	—	304	469	826	420	33
(b) claims	314	—	(1)2,500	14	83	—	383	—	—	—
7. Change in other short-term debts and claims of in- dustries and banks :										
(a) debts	573	877	273	57	53	242	563	580	403	71
(b) claims	2	3	42	20	86	11	27	32	93	12
Total	3,027	3,870	4,062	1,596	813	3,871	4,186	3,210	1,302	524
Net inward (+) or outward (—) movement of capital	— 844	— 316	+ 852	+ 294	+ 289					

SUMMARY TABLE.

	Kč (000,000's)								
	Goods, services and gold					Capital items			All items (²)
	Merchan- dise	Interest and divi- dends	Other services	Gold	Total	Long- term	Short- term	Total	
1925 Balance .	+ 1,212	— 739	+ 95	— 51	+ 517	+ 597	— 970	— 373	+ 144
1926 Balance .	+ 2,575	— 814	+ 100	+ 64	+ 1,925	— 298	— 1,006	— 1,304	+ 621
1927 Balance .	+ 2,172	— 697	+ 591	— 94	+ 1,972	— 2,058	— 258	— 2,316	— 344
1928 Balance .	+ 2,023	— 571	+ 612	— 159	+ 1,905	— 1,718	— 185	— 1,903	+ 2
1929 Balance .	+ 520	— 361	+ 722	— 124	+ 757	— 1,176	+ 332	— 844	— 87
1930 Balance .	+ 1,779	— 572	+ 511	— 303	+ 1,415	+ 246	— 562	— 316	+ 1,099
1931 Credit . .	13,109	591	1,630	40	15,370	1,247	2,815	4,062	19,432
Debit	11,736	947	1,631	169	14,483	1,772	1,438	3,210	17,693
Balance . . .	+ 1,373	— 356	— 1	— 129	+ 887	— 525	+ 1,377	+ 852	+ 1,739
1932 Credit . .	7,343	482	1,115	612	9,552	1,505	91	1,596	11,148
Debit	7,487	763	957	671	9,878	386	916	1,302	11,180
Balance . . .	— 144	— 281	+ 158	— 59	— 326	+ 1,119	— 825	+ 294	— 32
1933 Credit . .	5,853	365	840	319	7,377	591	222	813	8,190
Debit	5,832	695	590	317	7,434	408	116	524	7,958
Balance . . .	+ 21	— 330	+ 250	+ 2	— 57	+ 183	+ 106	+ 289	+ 232

(1) Including foreign securities, cheques, etc., valued at 350 million Kč.

(2) The balances shown in this column are due to errors and omissions.

Changes in outstanding merchandise credits are not recorded in the capital account, a fact which may explain part of the discrepancy shown in the last column of the Summary Table. Were the information available complete, the account for each year would, of course, balance exactly.

The methods employed in compiling the figures were summarised in the 1927 issue of this volume (1), and details of the calculation of emigrants' remittances and tourists' expenditure for the years 1928 to 1930 were given in the three subsequent issues.

The following supplementary figures may be given concerning the tourists' expenditure since 1930 :

	Foreign visitors to Czechoslovakia			Czechoslovak tourists and travellers abroad		
	Number (000's)	Expenditure in Kč		Number (000's)	Expenditure in Kč	
		Per head	Total (000,000's)		Per head	Total (000,000's)
1930	460	1,728	795	350	2,000	700
1931	350	1,657	580	400	1,900	760
1932	270	1,555	420	250	1,680	420
1933	200	1,440	288	100	1,670	167

From 1932, the original statements published in the *Rapports de l'Office de statistique* do not show the gold movement as recorded in trade returns, but only purchases and sales of gold by the National Bank, because, it is explained, in 1932 the bank began to import large quantities of gold which it had acquired during the preceding years but deposited abroad. In the above table, the gold movement recorded in trade returns is entered as a special item (No. 25 of the account for goods, services and gold) and the difference between the net gold movement and the balance of the purchases and sales of gold by the National Bank is shown as "changes in earmarked gold" (item 26).

International indebtedness.

The Czechoslovak balance of international indebtedness at the end of the years 1929 to 1933 is estimated as follows :

<i>Liabilities.</i>	Kč (000,000's)				
	1929	1930	1931	1932	1933
Government debt	7,120	8,406	8,344	8,838	7,452
Municipal debt	497	486	412	397	297
Private debts :					
(a) long-term debts of industries and banks . .	971	1,498	1,193	1,275	1,153
(b) foreign participation in national enterprises and other foreign direct investments . . .	1,253	1,156	1,277	1,239	1,277
(c) short-term : credits received by industries and banks	656	973	665	323	302
banks' foreign correspondents	2,472	2,003	1,178	757	724
merchandise credits	1,063	.	.	.	.
Total	14,032	14,522	13,069	12,829	11,205

(1) *Memorandum on International Trade and Balances of Payments 1913-1927*, Volume I (Series of publications : 1928.II.53/1), page 82.

CZECHOSLOVAKIA

<i>Assets.</i>	Kč (000,000's)				
	1929	1930	1931	1932	1933
Assets of the Czechoslovak Government abroad . . .	584	569	536	503	465
Private assets :					
(a) long-term loans	1,477	811	913	732	636
(b) participation in foreign enterprises and other direct investments abroad	644	842	855	749	688
(c) short-term : credits granted by industries and banks	20	44	34	107	31
banks' foreign correspondents	4,331	4,626	1,974	1,960	1,877
merchandise credits	3,262	.	.	.	.
Total	10,318	6,922	4,312	4,051	3,697
<i>Net indebtedness</i>	3,714	7,600	8,757	8,778	7,508

Comparison between the 1929 and 1930 totals is affected by the exclusion of merchandise credits in the latter year (the foreign assets on account of such credits granted increased during 1930) and the inclusion in the figures for the Government debt in the same year of all the liabilities resulting from the Peace Treaties, the amount of which was not finally fixed until 1930.

DENMARK

The Danish Government has supplied a statement of the international balance of payments of Denmark in 1933, which is set out below together with the estimates for 1930 to 1932 which were published in last year's edition.

Goods, services and gold.

Items	Kroner (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Merchandise.</i>								
1. Merchandise	1,610	1,330	1,137	1,213	1,727	1,465	1,142	1,266
<i>II. Interest and dividends.</i>								
2. Interest on intergovernmental debts	—	—	—	—	—	—	—	—
3. Interest on other public debts	—	—	—	—	50	60	70	70
4. Other interest and dividends on long-term capital	12	12	12	13	18	20	18	16
5. Interest on short-term capital	25	20	20	20	20	22	18	19
<i>III. Other services.</i>								
6. Shipping ⁽¹⁾ :								
(a) ordinary freights	150	130	133	164				
(b) charter money ⁽²⁾	25	13	9	9	15	10	1	
(c) passenger money (approximately)	10	10	10	10				
7. Ships' stores and bunkers, and port fees	40	42	50	57	70	53	53	64
8. Commissions, insurance, brokerage	20	15	10	15	10	10	10	10
9. Post, telegraph and telephone	3	3	3	3	5	5	5	5
10. Immigrants' and emigrants' funds and remittances	15	10	10	10	5	5	5	5
11. Tourists' expenditure ⁽³⁾	15	10	10	15	25	20	20	25
12. Diplomatic and similar expenditure	5	5	5	5	4	4	4	5
<i>IV. Gold.</i>								
13. Gold coin and bullion	—	28	20	—	—	—	—	—
Total	1,930	1,628	1,429	1,534	1,949	1,674	1,346	1,486
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 19	— 74	+ 63	+ 48				
(b) gold	—	+ 28	+ 20	—				
(c) goods, services and gold	— 19	— 46	+ 83	+ 48				

(1) Maritime freight on goods imported in national ships, which is included in the freight income (items 6a and b, credit) as well as in the import figure for merchandise (item 1, debit), amounted to approximately 45 million Kroner in 1930, 40 million in 1931, 35 million in 1932 and 40 million in 1933. Maritime freight on goods imported in foreign ships, which is excluded from the outward freight payments but is included in the import figure for merchandise, amounted to approximately 55 million Kroner in 1930, 60 million in 1931, 65 million in 1932 and 60 million in 1933.

(2) The actual income of ship-owners on account of charter money has been increased so as to correspond to gross freight earnings. This addition is offset by an addition to the expenditure of Danish ships abroad (item 7, debit).

(3) Passenger fares paid by national tourists to foreign ships are excluded (included with item 6).

Capital items.

Items	Kroner (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
I. Long-term operations.								
1. Amortisation :								
(a) of intergovernmental debts	—	—	—	—	—	—	—	—
(b) of other public debts	—	—	—	—	30	35	40	45
(c) of other debts	—	—	—	—	—	5	5	5
2. Purchases and sales of :								
(a) domestic securities	70	75	49	46	80	75	42	52
(b) foreign securities	5	20	6	10	15	12	5	10
3. New capital issues :								
(a) Government and municipal	40	—	—	—	—	—	—	—
(b) other	—	8	—	—	—	—	—	—
II. Short-term operations.								
4. Change in short-term debts	—	(1) 140	—	4	12	—	62	—
5. Change in short-term assets	30	—	5	—	—	—	—	21
Total	145	243	60	60	137	127	154	133
Net inward (+) or outward (—) movement of capital	+ 8	+ 116	— 95	— 73				

SUMMARY TABLE.

	Kroner (000,000's)								
	Goods, services and gold					Capital items			All items
	Merchandise	Interest and dividends	Other services	Gold	Total	Long-term	Short-term	Total	
1923 Balance	— 406	— 57	+ 281	+ 28	— 154	+ 80	(2)	+ 80	— 74
1924 Balance	— 293	— 45	+ 285	—	— 53	+ 14	(2)	+ 14	— 39
1925 Balance	— 141	— 70	+ 241	—	+ 30	— 13	(2)	— 13	+ 17
1926 Balance	— 174	— 55	+ 183	—	— 46	+ 35	+ 10	+ 45	(3) — 1
1927 Balance	— 194	— 50	+ 203	+ 27	— 14	+ 145	— 103	+ 42	(3) + 28
1928 Balance	— 79	— 50	+ 124	+ 9	+ 4	+ 155	— 155	—	(3) + 4
1929 Balance	— 82	— 63	+ 179	—	+ 34	— 25	— 10	— 35	(3) — 1
1930 Balance	— 117	— 51	+ 149	—	— 19	— 10	+ 18	+ 8	(3) — 11
1931 Credit	1,330	32	238	28	1,628	103	140	243	1,871
Debit	1,465	102	107	—	1,674	127	—	127	1,801
Balance	— 135	— 70	+ 131	+ 28	— 46	— 24	+ 140	+ 116	(3) + 70
1932 Credit	1,137	32	240	20	1,429	55	5	60	1,489
Debit	1,142	106	98	—	1,346	92	62	154	1,500
Balance	— 5	— 74	+ 142	+ 20	+ 83	— 37	— 57	— 94	(3) — 11
1933 Credit	1,213	33	288	—	1,534	56	4	60	1,594
Debit	1,266	105	115	—	1,486	112	21	133	1,619
Balance	— 53	— 72	+ 173	—	+ 48	— 56	— 17	— 73	(3) — 25

(1) Short-term debts rose by 48 million Kroner and short-term assets fell by 113 million Kroner in 1931. The net short-term assets thus fell by 160 million Kroner; but, as of this reduction 20 million was due to the fall in the exchange value of the Krone, only 140 million has been entered in the table.

(2) Figures concerning the movement of short-term capital in 1923-1925 are not available; the balance of this movement is therefore included with the balance of all items shown in the last column.

(3) Balance due to errors and omissions.

It will be noted that, even in the statements for 1926-1933, which include short-term capital operations, a perfect balance is not obtained. From the available information, it is not possible to state whether this is due to the inadequacy of the data relative to the credit or the debit items of the account, or whether both totals require some adjustment. Were the information available complete, the account for each year would, of course, balance exactly.

Balance of international indebtedness.

Information for this purpose is collected annually by the Danish Statistical Department from public authorities, financial institutions, commercial companies and private business men. The number of companies and private individuals questioned in 1928, 1929 and 1930 was about 5,000; in later years, about 6,000.

The following table gives a summary of debits and credits. In the last column, the net debit amounts are converted into gold Kroner:

At the end of year	Value in Kroner (000,000's)					
	Liabilities		Assets		Balance	
	Danish bonds, etc., held abroad	Floating	Foreign bonds, etc., in Danish hands	Floating	Nominal	Gold Kroner
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1907	608	100	69	52	— 587	— 587
1912	941	70	70	64	— 877	— 877
1925	1,075	565	160	480	— 1,000	— 921
1927	1,188	437	215	445	— 965	— 965
1928	1,360	415	225	555	— 995	— 995
1929	1,335	395	225	545	— 960	— 960
1930	1,335	380	235	520	— 960	— 960
1931	1,682	429	255	405	— 1,451	— 1,008
1932	1,800	367	255	400	— 1,512	— 969
1933	1,672	371	275	421	— 1,347	— 720

The bulk of the reduction in the bonded debt in 1933 is due to the fall in the exchange value of the dollar (about two-thirds of the Danish Government bonds held abroad are dollar bonds).

A specification of the totals shown in the above table for the last six years is given below:

	Kroner (000,000's) at the end of:					
	1928	1929	1930	1931	1932	1933
<i>Liabilities.</i>						
1. Danish bonds, etc., held abroad:						
(a) Danish State bonds	648	623	610	835	904	778
(b) Municipal debt	325	319	319	406	435	430
(c) State Housing Fund bonds	97	93	94	111	141	144
(d) Mortgage-Bank bonds	290	300	310	330	320	320
(e) other Danish securities (!)						
Carried forward	1,360	1,335	1,333	1,682	1,800	1,672

For footnotes, see following page.

	Kroner (000,000's) at the end of :					
	1928	1929	1930	1931	1932	1933
Brought forward	1,360	1,335	1,333	1,682	1,800	1,672
2. Floating debt ⁽²⁾ of :						
(a) banks	145	125	142	107	140	142
(b) other private enterprises and individuals	270	270	240	322	227	229
Total liabilities	1,775	1,730	1,715	2,111	2,167	2,043
<i>Assets.</i>						
3. Foreign bonds, etc., held in Denmark ⁽¹⁾ .	225	225	235	255	255	275
4. Floating assets ⁽²⁾ of :						
(a) banks	260	250	240	105	111	142
(b) other private enterprises and individuals	295	295	280	300	239	279
Total assets	780	770	755	660	655	696

A distribution of the floating debts and assets between different foreign currencies at the end of 1931, 1932 and 1933 is given below.

At the end of the year	Amounts converted into Danish Kroner (000,000's)									
	£	\$	RM	French francs	Swedish kronor	Gulden	Swiss francs	Other foreign currencies	Danish Kroner	Total
<i>Debts</i> 1931	91.6	114.3	25.9	13.0	12.5	28.0	8.6	13.4	121.6	428.9
1932	109.0	63.4	9.8	10.0	8.9	21.1	27.5	6.7	98.2	⁽³⁾ 354.6
1933	137.6	36.8	14.1	17.2	14.2	20.1	33.8	10.1	87.2	371.1
<i>Assets</i> 1931	127.5	62.6	19.1	19.7	13.7	5.3	3.3	32.9	120.5	404.6
1932	143.8	47.1	27.0	18.4	14.4	13.5	5.5	30.8	88.7	⁽⁴⁾ 389.2
1933	182.7	24.5	30.1	18.5	26.3	9.1	4.2	35.0	90.5	420.9

(1) The figures entered against items 1e and 3 include small amounts of other debts and assets, *inter alia*, on account of national real estate owned by foreigners and foreign real estate owned by nationals of Denmark.

(2) Government floating debts and assets are entered against items 1a and 3.

(3) The revised total is 367 million Kroner.

(4) The revised total is 400 million Kroner.

ESTONIA

A statement of the balance of international payments of Estonia in the year 1933, prepared by M. A. Tooms, of the Estonian Central Statistical Bureau ⁽¹⁾, has been supplied by the Government of that country and is set out below in a slightly modified form, together with those for 1930-1932 which appeared in the preceding edition of this publication.

The Summary Table covers the period 1925-1933.

Goods, services and gold.

Items	Kr. (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Merchandise.</i>								
1. Merchandise	96.4	71.0	42.6	45.6	98.3	61.2	36.8	39.0
2. Adjustment on account of ships sold and bought	0.1	—	—	2.4	1.7	0.6	0.5	0.6
<i>II. Interest and dividends.</i>								
3. Interest on intergov. debts	—	—	—	—	1.8	1.0	1.8	2.0
4. Interest on other public debts	—	—	—	—	2.7	2.4	1.5	0.5
5. Other interest and dividends on long- and short-term capital	1.3	0.9	0.5	0.5	3.3	2.5	2.4	2.7
<i>III. Other current items.</i>								
6. Shipping freights	8.3	8.8	7.7	9.1	—	—	—	—
7. Port fees and shipping expenditure	0.6	0.6	0.4	0.5	5.0	5.6	5.2	6.2
8. Railway earnings and expenditure ⁽²⁾ :								
(a) transit	0.2	0.8	0.4	0.1	—	—	—	—
(b) other	0.4	1.0	0.5	0.3	0.2	0.2	0.2	0.1
9. Insurance	2.9	1.7	1.8	1.6	2.3	2.1	2.1	1.8
10. Post, telegraph and telephone ⁽³⁾	0.8	0.7	0.3	0.3	0.5	0.4	0.6	0.3
11. Immigrants' and emigrants' funds	0.6	0.6	0.6	0.1	0.7	0.5	0.2	0.2
12. Tourists' and students' expenditure	3.7	3.7	2.5	2.5	3.7	3.3	2.9	2.7
13. Diplomatic and similar expenditure	1.2	1.1	1.0	1.0	0.6	0.6	0.4	0.4
14. Contributions to international institutions	—	—	—	—	0.1	0.1	0.1	0.1
15. Other Government receipts and expen- diture	0.1	0.1	0.1	0.1	1.3	0.7	0.6	0.4
16. Miscellaneous personal services	—	—	—	—	—	—	—	0.1
17. Shipping repairs	0.1	0.1	0.1	—	—	—	—	—
18. Cinematograph film royalties	—	—	—	—	0.1	0.1	0.1	0.1
<i>IV. Gold.</i>								
19. Gold coin and bullion	—	0.1	0.5	—	—	—	0.1	—
Total	116.7	91.2	59.0	64.1	122.3	81.3	55.5	57.2
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 5.6	+ 9.8	+ 3.1	+ 6.9				
(b) gold	—	+ 0.1	+ 0.4	—				
(c) goods, services and gold	— 5.6	+ 9.9	+ 3.5	+ 6.9				

(1) Published in the *Estl Statistika* for June 1934 (No. 151 (6)).

(2) Including certain payments to Estonia, other than for railway freight, by the Russian Government.

(3) The credit figures include remittances received from emigrants abroad.

Known capital items.

Items	Kr. (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
I. Long-term operations.								
1. Amortisation :								
(a) of intergov. debts	—	—	—	—	0.5	0.1	0.1	—
(b) of other public debts	—	—	—	—	0.4	0.5	0.2	0.4
2. Repurchase of bonds of the League of Nations Loan	—	—	—	—	0.2	0.2	0.2	—
3. Government loan raised with the Match Trust	7.5	—	—	—	—	—	—	—
II. Short-term operations.								
4. Change in the foreign assets and debts of :								
(a) the Bank of Estonia	0.1	7.8	2.1	—	—	—	—	3.6
(b) other banks	1.7	—	0.1	—	—	5.5	—	4.3
5. Adjustment of item 4: change due to the depreciation of sterling ⁽¹⁾	—	—	—	—	—	7.1	—	—
6. Increase in Government assets abroad	—	—	—	—	—	—	—	2.2
Total	9.3	7.8	2.2	—	1.1	13.4	0.5	10.5
Net inward (+) or outward (—) movement of capital	+ 8.2	— 5.6	+ 1.7	— 10.5				

SUMMARY TABLE.

	Kr. (000,000's)								
	Goods, services and gold					Known capital items			All items
	Mer- candise	Interest and divi- dends	Other services	Gold	Total	Long- term	Short- term	Total	
1925 Balance . . .	+ 0.2	— 3.1	+ 3.5	—	+ 0.6	— 1.8	.	— 1.8	⁽²⁾ — 1.2
1926 Balance . . .	+ 1.0	— 4.4	+ 4.7	—	+ 1.3	+ 2.8	.	+ 2.8	⁽²⁾ + 4.1
1927 Balance . . .	+ 8.7	— 6.6	+ 4.2	—	+ 6.3	⁽³⁾ + 3.0	.	+ 3.0	⁽²⁾ + 9.3
1928 Balance . . .	— 5.3	— 7.7	+ 5.9	+ 0.1	— 7.0	+ 2.5	+ 9.2	+ 11.7	⁽⁴⁾ + 4.7
1929 Balance . . .	— 6.7	— 5.9	+ 3.5	+ 0.1	— 9.0	+ 0.7	+ 6.2	+ 5.5	⁽⁴⁾ — 3.5
1930 Balance . . .	— 3.5	— 6.5	+ 4.4	—	— 5.6	+ 6.4	+ 1.8	+ 8.2	⁽⁴⁾ + 2.6
1931 Credit . . .	71.0	0.9	19.2	0.1	91.2	—	7.8	7.8	99.0
Debit . . .	61.8	5.9	13.6	—	81.3	0.8	12.6	13.4	94.7
Balance . . .	+ 9.2	— 5.0	+ 5.6	+ 0.1	+ 9.9	— 0.8	— 4.8	— 5.6	⁽⁴⁾ + 4.3
1932 Credit . . .	42.6	0.5	15.4	0.5	59.0	—	2.2	2.2	61.2
Debit . . .	37.3	5.7	12.4	0.1	55.5	0.5	—	0.5	56.0
Balance . . .	+ 5.3	— 5.2	+ 3.0	+ 0.4	+ 3.5	— 0.5	+ 2.2	+ 1.7	⁽⁴⁾ + 5.2
1933 Credit . . .	48.0	0.5	15.6	—	64.1	—	—	—	64.1
Debit . . .	39.6	5.2	12.4	—	57.2	0.4	10.1	10.5	67.7
Balance . . .	+ 8.4	— 4.7	+ 3.2	—	+ 6.9	— 0.4	— 10.1	— 10.5	⁽⁴⁾ — 3.6

(1) Allowance has to be made for the change in the book value of foreign assets and debts due to the depreciation of sterling, as this change is not offset by other items in the account.

(2) Balance representing the movement of short-term capital and errors and omissions in the whole account.

(3) Excluding the League of Nations Loan of 27.7 million kroon providing for the banking and currency reform. The loan was raised in 1927, but was not placed at the disposal of the Government until 1928. The inflow of short-term capital in 1928 and subsequent years represents largely a reduction in the foreign assets established by means of this loan.

(4) Balance due to errors and omissions.

It will be noted that a perfect balance is not obtained, a fact which must be attributed largely to the omission in the years 1925-1927 of short-term capital movements and in the following years of private long-term capital transactions, as well as certain short-term operations, such as the hoarding of foreign currency notes. Thus, the bulk of the deficit on account of all the items recorded in 1933 (3.2 million kr.) is believed to be due mainly to the increase in merchandise credits granted abroad to importers or to the payment of a portion of the goods imported by means of currency reserves previously held by importers or bought by them in the illegal market. It is pointed out that there is reason to believe that the amounts due abroad on account of merchandise credits rose in 1933, and that the foreign currency which had earlier been hoarded in Estonia for fear of a fall in the exchange value of the kroon was released in 1933.

Goods, services and gold.

Merchandise. Of the amount entered on the credit side against item 2 in 1933, 2.2 million kr. represent the value, at the exchange rate of December 29th, 1933, of 606 kg. of gold received in payment for the Estonian warships *Lennuk* and *Vambola* sold to Peru in that year. In the original statement, this transaction is not included in the table, as the amount in question was not employed for purchases at the end of 1933; in the above tables, however, the amount has been included and offset on the debit side of the account by the increase in Government assets abroad shown against capital item 6.

Interest and dividends. Details of the figures for interest paid on account of Government debts (items 3 and 4) are given below.

Payments on account of :

(i) League of Nations Loan :	Kr. (000's)
British <i>tranche</i>	1,000
United States <i>tranche</i>	997
(ii) Vickers Loan	9
(iii) Commercial credit granted by Sweden	36
(iv) Debt of the Match Monopoly (Sweden)	459
Total	<u>2,501</u>

Freights. Information concerning the gross freight earnings in foreign trade in 1933 (item 6) was collected for steamships measuring together 60,000 registered tons. The receipts of the ships engaged in charter traffic was multiplied by 2 in order to arrive at the figure comparable with the freight earned by others. On this basis, the average earning per registered ton was calculated at 110 kr., which figure was applied to the total effective tonnage of ships in foreign trade, reduced by 15% on account of laid-up ships. Sailing vessels were reckoned at a reduced tonnage (the coefficient employed was 0.3 for ordinary sailing vessels and 0.6 for auxiliary sailing vessels). Special information was collected with reference to the income of salvage ships (60,000 kr.).

The expenses of Estonian ships in foreign ports (item 7, debit) were reckoned at 69% of the gross earnings in the same year.

Tourists' expenditure. The amounts entered against item 12 for 1933 are calculated by the Estonian Tourist Association. The expenditure of each visitor from neighbouring countries (Finland, Latvia) is taken at 50 kr. and that of each visitor from other countries at 100 kr. Estonian tourists visiting Latvia are estimated to have spent 10 kr. each and those visiting other countries 200 kr. each.

International indebtedness.

The following official estimate of the outstanding international liabilities and assets of Estonia is available.

	Kr. (000,000's) at the end of			
	1930	1931	1932	1933
<i>Liabilities.</i>				
Intergovernmental debts	82.1	75.4	78.4	85.3
League of Nations Loan	27.1	22.9	22.3	25.0
Other Government debts ⁽¹⁾	10.1	9.1	8.8	8.5
Foreign long-term investments in enterprises and banks	33	28	27	32
Real estate owned by foreigners . . . . .	.	.	2	2
Net foreign short-term debts of private banks	—	—	—	1.9
Total			138.5	154.7
<i>Assets.</i>				
Bonds of the League of Nations Loan held in Estonia . . . . .	.	.	3	4.5
Foreign assets of :				
(a) the Bank of Estonia	30.3	22.4	20.3	23.9
(b) other banks	10.1	5.9	4.0	—
Long-term investments and deposits abroad . . . . .	.	.	15	20
Real estate abroad . . . . .	.	.	5	7
Amount received on account of war-ships sold . . . . .	.	.	.	2.2
Total			47.3	57.6
Net indebtedness on account of the above items			91.2	97.1

(1) This item includes: (1) the loan raised in the United Kingdom by the municipality of Tallinn for the construction of the aqueduct in Tallinn (the charge of this loan has been taken over by the Government); (2) the commercial credit granted by Sweden, and (3) the loan raised in Sweden in connection with the establishment of the Match Monopoly.

FINLAND

Estimates of the items relating to goods, services and gold in the balance of payments of Finland in 1933 have been supplied by the Finnish Government and are set out below, together with the statements for 1930-1932 which were published in the last issue of this publication.

Certain of the figures given in the Summary Table for the years 1922-1926 have been revised.

Goods, services and gold.

Items	Markka (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Merchandise.</i>								
1. Merchandise	5,405	4,458	4,630	5,300	5,227	3,457	3,500	3,930
2. Addition to exports (loading costs) . . .	55	20	30	30	—	—	—	—
3. Contraband	—	—	—	—	50	40	30	30
<i>II. Interest and dividends.</i>								
4. Interest on intergovernmental debts . . .	—	—	—	—	—	—	—	—
5. Interest on other public debts	—	—	—	—	222	254	362	335
6. Other interest and dividends on long-term capital	—	—	—	—	110	142	170	180
7. Interest on short-term capital	40	30	30	20	120	70	81	35
<i>III. Other services.</i>								
8. Shipping freights (net receipts)	240	260	300	310	—	—	—	—
9. Port fees	60	50	50	60	—	—	—	—
10. Other transport fees: included with item 12.	—	—	—	—	—	—	—	—
11. Insurance	160	145	145	130	150	130	120	120
12. Post, telegraph and telephone	35	35	30	25	25	25	20	20
13. Emigrants' and sailors' remittances . . .	160	120	220	150	—	30	10	15
14. Tourists' expenditure	190	190	190	170	220	160	140	160
15. Diplomatic and similar expenditure . . .	20	20	20	15	27	24	31	31
16. Other Government expenditure	—	—	—	—	2	3	4	4
<i>IV. Gold. ⁽¹⁾</i>								
17. Gold bullion	—	⁽²⁾	⁽²⁾	⁽²⁾	21	8	⁽²⁾	⁽²⁾
Total	6,365	5,328	5,645	6,210	6,174	4,343	4,468	4,860
Surplus (+) or deficit (—) on account of:								
(a) goods and services	+ 212	+ 993	+1,177	+1,350				
(b) gold ⁽¹⁾	— 21	— 8	—	—				
(c) goods, services and gold	+ 191	+ 985	+1,177	+1,350				

(1) Gold bullion only (gold coin is included with merchandise).
(2) Included with merchandise.

SUMMARY TABLE.

		Markka (000,000's)				
		Goods, services and gold				
		Mer- chandise	Interest and divi- dends	Other services	Gold	Total
1922	Balance	+ 479	— 238	+ 268	—	+ 509
1923	Balance	— 261	— 234	+ 269	— 1	— 227
1924	Balance	+ 268	— 258	+ 362	— 60	+ 312
1925	Balance	+ 35	— 325	+ 431	— 1	+ 140
1926	Balance	— 65	— 284	+ 420	— 1	+ 70
1927	Balance	— 72	— 318	+ 466	—	+ 76
1928	Balance	— 1,778	— 350	+ 525	—	— 1,603
1929	Balance	— 576	— 410	+ 508	—	— 478
1930	Balance	+ 183	— 412	+ 441	— 21	+ 191
1931						
	Credit	4,478	30	820	(1)	5,328
	Debit	3,497	466	372	8	4,343
	Balance	+ 981	— 436	+ 448	— 8	+ 985
1932						
	Credit	4,660	30	955	(1)	5,645
	Debit	3,530	613	325	(1)	4,468
	Balance	+ 1,130	— 583	+ 630		+ 1,177
1933						
	Credit	5,330	20	860	(1)	6,210
	Debit	3,960	550	350	(1)	4,860
	Balance	+ 1,370	— 530	+ 510		+ 1,350

An explanation of the methods of compilation used is given in the 1929 edition of this publication. (2)

Complete information concerning the capital movement in 1933 is not available, but, as in previous years, it is possible to trace certain important items in this movement. (3)

Thus, the funded foreign debt, calculated at par rates of exchange, was reduced by 260 million markka, and the net short-term debt, which, at the end of 1932, was 690 million markka, had one year later been substituted by a net asset of 50 millions. The net indebtedness of Finland, calculated at par rates of exchange, thus decreased in the year by one milliard markka; if the calculation is made according to market rates, the amount is raised to 1,200 millions. The difference between this figure and the surplus recorded on account of goods, services and gold (1,350 millions) is attributed to the incompleteness of the information available.

(1) Included with merchandise.

(2) Series of publications: 1930.II.5411.

(3) Cf. Bank of Finland, *Monthly Bulletin*, No. 8 (August), 1934.

Foreign indebtedness.

The following data concerning the balance of international indebtedness of Finland are available. ⁽¹⁾

<i>Liabilities.</i>	Markka (000,000's) at par rates of exchange at the end of						
	1928	1929	1930	1931	1932	1933	June 1934
1. Finnish bonds owned by foreigners	5,260	5,350	6,140	(²)5,900	.	.	.
2. Medium-term debts (³), foreign investments in Finnish stocks and shares, real estate owned by foreigners (rough estimate)				500			
3. Short-term debts	4,140	4,280	3,560	2,200	1,568	1,833	1,862
Total				8,600			
<i>Assets.</i>							
4. Long-term assets (rough estimate)				200			
5. Short-term assets	1,250	1,180	1,400	1,100	878	1,884	1,757
Total				1,300			
Net indebtedness				7,300			

As the above figures refer to markka at par rates of exchange, the outstanding amounts at the end of 1931 and later dates, calculated in current markka, exceeded the figures given above.

The distribution of short-term debts and assets at the end of December 1933 and of June 1934 was as follows :

Short-term debts	Dec.	June	Short-term assets	Dec.	June
	1933	1934		1933	1934
State	310	195	State	14	15
Municipalities	6	5	Bank of Finland :		
Joint-stock banks	184	231	correspondents	954	934
Bank guarantees	815	825	foreign bills	371	317
Importers : reimbursement and other credits	250	400	Joint-stock banks :		
Export associations	176	152	correspondents	247	217
Central co-operative concerns	12	19	foreign bills	80	108
Other debts	80	35	Export associations	218	166
	1,833	1,862		1,884	1,757

(1) Sources : Bank of Finland, *Monthly Bulletin*, No. 10 (October), 1932, and *AB. Nordiska Föreningsbanken "Unitas"*, *Quarterly Review*, No. 3 (August), 1934.

(2) The total amount raised abroad was 6,500 million gold markka, but 700 million were originally subscribed or subsequently repurchased by Finland. To the remaining amount of 5,800 million have been added 100 million on account of bonds issued in Finland but sold to foreigners.

(3) Debts for a term of 3 to 5 years.

FRANCE

In the absence of official estimates of the balance of payments of France, the private estimate for 1933 by M. Pierre Meynial, published in the *Revue d'économie politique* (1), is set out below together with the estimates for 1930 to 1932 by the same author which appeared in last year's volume.

The statements are compiled in such a manner as to refer, not to the Customs territory of France, but to *France and her overseas territories*, with the exception of Indo-China. Thus the merchandise trade between France and the territories mentioned and the capital issues in France for the account of these territories have been excluded.

The various items have been arranged, as far as possible, in accordance with the scheme set out in the introduction to this volume. The trade figures have been revised on the basis of information which was not available when the original statements were compiled, and a few adjustments of other items have been introduced. For these reasons the figures differ somewhat from those given in the *Revue d'économie politique*.

Goods, services and gold (2).

Items	Francs (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
I. Merchandise.								
1. Merchandise trade of France with countries other than French overseas territories (3)	35,135	23,880	14,009	12,916	46,548	36,468	24,039	22,329
2. Trade balance of French overseas territories (3) in trade with countries other than each other and France (4)	—	—	—	413	1,500	500	—	—
II. Interest, dividends and other services (2).								
3. Service of Government loans floated in the U. S. A., and interest on other commercial debt.	—	—	—	—	426	650	500	250
4. Service of inter-allied debts:								
(a) payments to U.S.A.	—	—	—	—	(5) 1,387	510	—	—
(b) payments to U.K.	—	—	—	—	1,397	770	—	—
Carried forward .	35,135	23,880	14,009	13,329	51,258	38,898	24,539	22,579

(1) Vol. 1934, page 525.

(2) Including amortisation of certain public debts.

(3) Excluding Indo-China.

(4) Estimates by M. Meynial.

(5) Of which amount 894 million francs represent amortisation and 493 million interest.

Items	Francs (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
Brought forward	35,135	23,880	14,009	13,329	51,258	38,898	24,539	22,579
5. Interest and dividends received on account of:								
(a) investments abroad by French nationals.	4,100	3,200	1,550	1,550	—	—	—	—
(b) investments abroad by foreigners living permanently in France	500	400	(¹) 250		—	—	—	—
(c) foreign short-term assets of the Bank of France and the Treasury	1,000	700	263	450	—	—	—	—
6. Interest and dividends paid (excl. Government payments)	—	—	—	—	500	300	400	(²)
7. Shipping income	3,240	(³) 2,400	(³) 2,000	(³) 1,600	—	—	—	—
8. Deduct earnings in traffic between France and French oversea territories (⁴)	— 540	(³) —	(³) —	(³) —	—	—	—	—
9. Railway transit and insurance	400	300	200	500	—	—	—	—
10. Foreign workers	—	—	—	—	2,500	1,800	1,200	800
11. Tourists' expenditure	8,500	6,000	3,000	3,000	(⁵)	(⁶)	(⁶)	(⁶)
12. Reparations in cash and in kind (⁷)	(⁸) 7,244	2,600	—	—	—	—	—	—
13. Occupation costs	—	—	—	—	160	—	—	—
III. Gold.								
14. Trade of France in gold coin and bullion with countries other than French oversea territories (⁴)	577	3,213	2,424	11,300	12,306	21,765	23,504	17,488
15. Adjustment of item 14 on account of imports for foreign account, etc.	—	—	—	8,188	—	—	—	—
Total	60,156	42,693	23,696	39,917	66,724	62,763	49,643	40,867
Surplus (+) or deficit (—) on account of:								
(a) goods and services	+ 5,161	— 1,518	— 4,917	— 2,950				
(b) gold	— 11,729	— 18,552	— 21,080	+ 2,000				
(c) goods, services and gold.	— 6,568	— 20,070	— 25,947	— 950				

(1) This figure is admittedly too low.

(2) The amount entered on the credit side against items 5b-6 represents the *net* receipt on account of the items concerned.

(3) The figures for the shipping income shown against item 7 for 1931, 1932 and 1933 represent the net figure (after deduction of earnings which, for earlier years, were shown against item 8).

(4) Excluding Indo-China.

(5) The net income is shown on the credit side.

(6) The expenditure of French tourists abroad in 1932 and 1933 is estimated to have been offset by interest and dividends received directly abroad by French capitalists and not included in the amounts entered against item 5a. The amount in question is given at 500 million francs in 1932.

(7) Reparations in kind are included also in merchandise imports (item 1, debit).

(8) Including 890 million francs representing receipts out of the proceeds of the blocks of the Young Loan floated in countries other than France. The proceeds of the French block (2,515 million francs sold at a rate of 98½%) remained entirely in the hands of the French Government and have not been considered either in the above item or in capital item 4.

Known capital items ⁽¹⁾.

Items	Francs (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
1. Amortisation of Gov. debts in so far as not incl. in items 3 and 4 of the account for goods, services and gold	—	—	—	—	2,107	—	—	—
2. Other known amortisation payments	—	—	—	—	—	770	2,125	—
3. Amortisation receipts :								
(a) from the Bank of England	—	—	1,863	—	—	—	—	—
(b) from the British Treasury	—	—	5,000	—	—	—	—	—
4. Repurchases of domestic bonds	—	—	—	—	1,000	1,500	—	—
5. New capital issues :								
(a) Government and municipal	—	—	—	—	—	3,375	1,645	400
(b) other bond issues	—	—	—	—	1,400	350	—	—
(c) shares issued	—	—	—	—	—	—	—	—
6. Miscellaneous credits received	—	—	—	200	—	—	—	—
7. Miscellaneous credits granted :								
(a) by the French Government to foreign governments	—	—	—	—	—	1,083	—	—
(b) by the Bank of France to foreign issuing banks	—	—	—	—	—	3,766	—	—
(c) by a bank syndicate to the Treasury of the United Kingdom	—	—	—	—	—	2,500	—	—
(d) by banks to the Belgian Government	—	—	—	—	—	—	—	900
8. Change in the floating assets in foreign currency of :								
(a) the Bank of France	—	(²)3,250	16,378	3,395	268	—	—	—
(b) the Government	4,408	3,100	1,466	237	—	—	—	—
9. Reduction in the amount of gold held by the Bank of France under earmark in the Federal Reserve Banks	—	—	2,550	—	—	—	—	—

SUMMARY TABLE (Goods, services and gold ⁽³⁾).

	Francs (000,000's)				
	Merchandise	Interest and dividends	Other services ⁽²⁾	Gold	Total
1927 Balance	+ 108	+ 12,222	—	+ 525	+ 12,855
1928 Balance	— 3,299	+ 15,804	—	— 6,473	+ 6,032
1929 Balance	— 11,107	+ 19,193	—	— 8,589	— 503
1930 Balance	— 12,913	+ 18,074	—	— 11,729	— 6,568
1931 Credit	23,880	15,000	—	3,213	42,693
Debit	36,968	4,030	—	21,765	62,763
Balance	— 13,088	+ 11,570	—	— 18,552	— 20,070
1932 Credit	14,009	2,063	5,200	2,424	23,696
Debit	24,039	900	1,200	23,504	49,643
Balance	— 10,030	+ 1,163	+ 4,000	— 21,080	— 25,947
1933 Credit	13,329	2,000	5,100	19,488	39,917
Debit	22,329	250	800	17,488	40,867
Balance	— 9,000	+ 1,750	+ 4,300	+ 2,000	— 950

(1) Excluding amortisation of inter-allied debts, which is included in the account for goods, services and gold.

(2) Excluding decrease due to losses on depreciated currencies.

(3) Including reparation receipts and amortisation of war debts to the United States and the United Kingdom.

As the capital movement is only incompletely known, no totals have been given for the capital items specified in the detailed table. The surplus (or deficit) calculated on account of goods, services and gold does not correspond closely to the export (or import) of capital during each year, for the Government payments on account of the service of foreign debt have not been strictly divided into interest and amortisation. Thus the amounts entered against item 3 of the account for goods, services and gold include amortisation of the loans considered, and item 4 shows the total service of war debts to the United States and the United Kingdom. In 1932 and 1933, no payments on account of war debts were made.

According to the above tables, the transactions in goods and services resulted in a debit balance in 1933 of 2,950 million francs, and those in gold in a credit balance of 2,000 million francs. There should thus have been a net capital import of 950 million francs. The few capital items specified above account for a capital import of 2,532 million francs. If the figures are accepted as correct, a non-specified capital export of some 1,700 million francs took place during the year.

The 1929 issue of this publication ⁽¹⁾ contained a detailed explanation of the manner in which the statements are compiled. Certain additional information concerning the figures for 1933 is given below.

Goods, services and gold.

Interest and dividends. The service of the public debt (item 3) is estimated to have fallen by half from 1932 to 1933 owing to the repurchases by French individuals or institutions of a heavy portion of the bonds issued in the United States, the United Kingdom, the Netherlands and Switzerland by the French Government, French railways, the " Département de la Seine " and certain cities. It is pointed out that a considerable portion of the bonds which have not been repatriated is held abroad for the account of French nationals.

The figure for interest and dividends receipts by French nationals on account of investments abroad (*cf.* item 5 *a*) in 1932 has been increased from 1,500 to 1,550 million francs on the basis of information concerning the relevant taxes paid. The same amount has been entered for 1933. The figures in question do not include amounts received directly abroad and escaping the control of the fisc (*cf.* *Tourists' expenditure* below).

It is stated that, in the light of new information received, the figure of 250 million francs given last year as the income in 1932 of foreigners living in France from their investments elsewhere (item 5 *b*) has been found to be " much too low ". As no revised estimate is given, it has not been possible, however, to change the figure in the above table. For 1933, no separate estimate of this item has been made ; the amount entered against item 5 *b* — 6 represents the net balance of the respective credit items and the interest and dividends paid abroad on account of foreign investments in France (other than in Government loans).

Shipping, etc. As the weight of the goods imported and exported rose somewhat in 1933, the reduction in the freight income (item 7) is attributed to the fall in freight rates.

The increase in transit and insurance earnings (item 9) is due to the large payments to two French insurance companies in connection with the loss of two big naval units.

Foreign workers (item 10). According to available statistics, the number of foreign workers in France fell only slightly (by 2,500) in 1933. Their remittances abroad

(1) Series of publications : 1930.II.54^u.

are, however, believed to have fallen off by a-third, owing largely to the heavy reduction in the number of the workers in the course of 1932 and their growing preference for investing their savings in French francs rather than in their national currencies.

Tourists' expenditure (item 11). The number of foreign tourists visiting France has fallen from 1,911,000 in 1929 to 944,000 in 1932 and 931,500 in 1933. Their expenditure in 1932 and 1933 is given at 3 milliard francs.

The expenditure of French tourists abroad in 1932 was estimated at 500 million francs, which amount was entered into the account in the preceding issue of this publication. In the present issue, this figure has been omitted, since it is pointed out that the expenditure in question in 1932 and 1933 was more than offset by interest and dividends received directly abroad by French capitalists and escaping the control of the taxation authorities.

Gold. The recorded gold movement in 1933 resulted in an excess of imports of 6,188 million francs. It is pointed out, however, that, after the United States had abandoned the gold standard, the British Exchange Equalization Fund transferred part of its gold holdings from New York to Paris and that several countries still adhering to the gold standard centralised gold deposits in Paris for the regulation of the exchange value of their currencies. It is believed that the gold transactions for French account in reality left an excess of inward payments of some 2,000 million francs. In the above table, an adjustment to the recorded gold movement has accordingly been entered against item 15, whereby the balance on account of transactions in gold is changed to a credit of 2,000 million francs.

Known capital items.

The capital transactions registered for 1933 in the table comprise two credit items — namely, the credit of 200 million francs (20 million florins) raised in December in the Netherlands by the Chemins de fer d'Orléans and the Chemins de fer d'Alsace-Lorraine (item 6) and the sale during the year of foreign currency assets by the Bank of France and the Treasury totalling 3,632 million francs (item 8), and two debit items — namely, the issue of the French *tranche* of the 5½ % Austrian loan, amounting to 400 million francs (item 5a), and short-term credits totalling 900 million francs (600 million granted in January for a period of one year and 300 million in June for a period of nine months) to the Belgian Government (item 7d).

A short-term credit of £30 million granted to the French Treasury in April by British banks and a credit of 60 million florins raised in the Netherlands by the French State Railways are not shown in the table as they were repaid in the course of the year. A conversion loan of 39 million Swiss francs raised by the Chemins de fer d'Alsace-Lorraine (for the repayment of their 6 % loan) is likewise omitted.

GERMANY

An official statement of the balance of payments of Germany in 1933 has been compiled by the Statistisches Reichsamt ⁽¹⁾ and the statements previously published for the years 1928-1932 have been revised. The data for the last four years available are set out below in a form which differs slightly from that employed in the original statements. The Summary Table covers the whole period 1924-1933.

Goods, services and gold.

Items	Reichsmarks (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Merchandise.</i>								
1. Merchandise	11,349	9,220	5,757	4,908	10,420	6,775	4,717	4,245
2. Adjustment of item 1:								
(a) sales and purchases of ships	6	18	18	—	—	—	—	1
(b) high-seas fishing	8	6	3	2	—	—	—	—
(c) improvement trade	—	—	—	—	6	4	7	3
3. Reparations in kind	707	393	—	—	—	—	—	—
<i>II. Interest and dividends. (2)</i>								
4. Interest on German long-term investments abroad	200	—	—	—	—	—	—	—
5. Interest on German long-term debts:								
(a) foreign-owned real estate in Germany	—	300	200	150	50	—	—	—
(b) foreign-owned German securities	—	—	—	—	250	760	575	—
(c) loans and credits	—	—	—	—	450	—	—	850
6. Interest on short-term capital	200	—	—	—	650	740	525	—
<i>III. Other services.</i>								
7. Shipping income:								
(a) ocean freights	624	494	350	321	—	—	—	—
(b) charter money, salvage money, etc.	39	31	14	11	—	—	—	—
(c) passage money	210	155	113	75	—	—	—	—
Carried forward	13,343	10,617	6,455	5,467	11,826	8,279	5,824	5,099

(1) Cf. *Die deutsche Zahlungsbilanz der Jahre 1924-1933 (Sonderheft 14 to Wirtschaft und Statistik, Verlag der Reimar Hobbing, G.m.b.H.; Berlin, 1934)*. This publication also contains information with reference to the distribution between individual countries of the balances on account of international transactions.

(2) Service of the Dawes Loan and two-thirds of the service of the Young Loan are included in reparation payments under item 15b.

Items	Reichsmarks (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
Brought forward . . .	13,343	10,617	6,455	5,467	11,826	8,279	5,824	5,099
8. Port expenditure :								
(a) fees	13	12	11	20	391	305	237	214
(b) other	15	10	9	—	—	—	—	—
9. Railway transit and inland water freight	145	140	104	94	33	30	27	24
10. Insurance	27	17	22	—	49	55	46	(1) 20
11. Post, telegraph and telephone	3	4	4	3	32	25	19	16
12. Wages of seasonal and other workers	—	—	—	—	24	8	—	—
13. Tourists' expenditure (2)	185	130	80	70	210	139	127	98
14. Diplomatic and similar expendi- ture	27	25	20	20	48	38	36	34
15. Reparations (in cash and in kind) :								
(a) direct	—	—	—	—	1,620	873	26	31
(b) service of the Dawes Loan and two-thirds of the ser- vice of the Young Loan .	—	—	—	—	86	115	134	118
16. Other items :								
(a) trade in electric power . .	3	3	2	2	8	8	9	9
(b) cinematograph film royalti- ties	15	15	18	15	3	3	4	5
(c) other items (2)	25	20	16	14	—	—	—	—
IV. Gold.								
17. Gold coin and bullion	523	1,410	432	797	464	369	318	365
18. Movement of the gold deposits of the Reichsbank abroad	—	110	68	1	72	—	—	—
Total	14,324	12,513	7,241	6,503	14,866	10,247	6,807	6,033
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 529	+ 1,115	+ 252	+ 37				
(b) gold	— 13	+ 1,151	+ 182	+ 433				
(c) goods, services and gold . .	— 542	+ 2,266	+ 434	+ 470				

(1) Net.

(2) Of the outward payments in the years 1930, 1931 and 1932, 170, 120 and 90 million marks were spent by Germans visiting the European continent, and the remainder in oversea countries and on foreign ships.

(3) Emigrants' remittances, commissions, etc.

Capital items.

Items	Reichsmarks (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Long-term operations.</i>								
1. Amortisation payments, including repurchases of domestic bonds	—	—	—	—	130	227	136	250
2. Purchases and sales of outstanding securities	1,013	512	—	—	1,175	723	150	—
3. Exchange profit on repurchased bonds	—	—	200	200	—	—	—	—
4. New capital issues	1,058	322	—	—	(¹) 63	—	—	—
5. Release of German property in United States of America	377	80	—	—	—	—	—	—
6. Other long-term investments	39	(²) 221	100	—	—	5	—	—
<i>II. Short-term operations.</i>								
7. Increase or decrease :								
(a) in foreign deposits in German banks	—	—	—	—	428	1,900	437	(⁴)
(b) in the foreign exchange holdings of the banks of issue	52	427	79	106	—	—	—	—
(c) in foreign assets of other German banks	56	1,700	250	100	—	—	—	—
8. Short-term loans and credits raised and repaid	1,135	791	—	(³) 103	572	305	239	(⁴)
9. Increase in cash balances of the Reparation Agent	—	—	—	—	74	—	—	—
10. Other known movements of short-term capital	—	191	—	(⁵) 600	—	—	337	1,250
<i>III. Undefinable capital movement.</i>								
11. Undefinable net import or export of capital (⁶)	—	—	236	—	746	3,350	—	79
Total	3,730	4,244	865	1,109	3,188	6,510	1,299	1,579
Net inward (+) or outward (—) movement of capital	+ 542	— 2,266	— 434	— 470				

(1) Participation in the Bank for International Settlements.

(2) Of which 185 sales of shares (not through banks) and other increase in foreign participation in German enterprises.

(3) Payment to the Conversion Fund.

(4) Included with item 10.

(5) Including transfer of private exchange assets to the Reichsbank.

(6) The figures entered against this item are not based on direct evidence (*cf.* page 90).

SUMMARY TABLE.

	Reichsmarks (000,000's)									
	Goods, services and gold					Capital items				All items
	Mer- chandise	Interest and div- idends	Other services	Gold	Total	Long- term	Short- term	Undefin- able	Total	
1924 Balance	- 1,848	+ 159	- 12	- 253	- 1,954	+ 1,000	+ 541	+ 413	+ 1,954	—
1925 Balance	- 2,362	- 6	- 636	- 519	- 3,523	+ 1,214	+ 605	+ 1,704	+ 3,523	—
1926 Balance	+ 817	- 173	- 742	- 641	- 739	+ 1,454	+ 201	- 916	+ 739	—
1927 Balance	- 2,890	- 345	- 1,018	- 99	- 4,352	+ 1,778	+ 2,264	+ 310	+ 4,352	—
1928 Balance	- 1,250	- 563	- 1,323	- 922	- 4,058	+ 1,788	+ 1,270	+ 1,000	+ 4,058	—
1929 Balance	+ 31	- 800	- 1,630	+ 376	- 2,023	+ 660	+ 484	+ 879	+ 2,023	—
1930 Balance	+ 1,644	- 1,000	- 1,173	- 13	- 542	+ 1,119	+ 169	- 746	+ 542	—
1931 Credit	9,637	300	1,056	1,520	12,513	1,135	3,109	—	4,244	16,757
Debit	6,779	1,500	1,599	369	10,247	955	2,205	3,350	6,510	16,757
Balance	+ 2,858	- 1,200	- 543	+ 1,151	+ 2,266	+ 180	+ 904	- 3,350	- 2,266	—
1932 Credit	2,778	200	763	500	7,241	300	329	236	865	8,106
Debit	4,724	1,100	665	318	6,807	286	1,013	—	1,299	8,106
Balance	+ 1,054	- 900	+ 98	+ 182	+ 434	+ 14	- 684	+ 236	- 434	—
1933 Credit	4,910	150	645	798	6,503	200	909	—	1,109	7,612
Debit	4,249	850	569	365	6,033	250	1,250	79	1,579	7,612
Balance	+ 661	- 700	+ 76	+ 433	+ 470	- 50	- 341	- 79	- 470	—

In the above tables, as in previous editions of this publication, the differences which are due to unavoidable errors and omissions have been included with the capital items under the heading "Undefinable capital movement" (1). The amounts shown against the heading mentioned are, therefore, simply book-keeping entries, by means of which the balances of the capital items have been adjusted to those on account of goods, services and gold. They include allowances for errors and omissions in the whole account. Certain of these omissions relate in fact to the account for goods, services and gold — such, for instance, as emigrants' funds and profits of middlemen. Of the capital items, those relating to the sale of existing securities and to the changes in the short-term indebtedness are believed to be incomplete.

The service of the Dawes Loan and two-thirds of the service of the Young Loan are not shown as interest and capital movements, but are entered, together with reparations proper, in the group "Other services" (item 15). The "direct" reparation payments in 1932 and 1933 (item 15a) are stated to represent the service of the debt regulated by the Mark Agreement with Belgium and small payments in accounts with the United States and Yugoslavia.

A detailed explanation of the manner in which the items in the above statement were estimated was given in the 1929 issue of this publication (2). Supplementary information concerning a few items is given below.

International indebtedness.

The two preceding issues of this publication contained summaries of the censuses taken at various dates between July 1931 and February 1933 regarding foreign investments in Germany in the form of foreign loans and credits. The results of a similar census relating to September 30th, 1933, are now available.

(1) In the original statement, the amounts in question are shown as "Nicht aufgliederbare Kapitalbewegung (als Saldo errechnet)".

(2) Series of publications : 1930.II.54.II.

The following figures show the movement of these debts, excluding debtors whose foreign debt did not reach 5,000 marks (estimated at some 100 million marks), together with the estimated amount of other foreign investments in Germany — i.e., in the form of shares in German enterprises, in real estate, in German branches of foreign enterprises, etc., and in German bonds issued in Germany, but in the hands of foreigners (1) :

Date	Reichsmarks (000,000,000's)					Other foreign investments (estimate)
	Loans and credits				Total	
	Long-term	Short-term		Total		
Total		Of which standstill credits (2)				
July 31st, 1931	10.7	13.1	6.3	23.8	5.9	
November 30th, 1931	10.7	10.6	5.4	21.3	5.3	
February 29th, 1932	10.5	10.1	5.0	20.6	5.3	
September 30th, 1932	10.2	9.3	4.3	19.5	4.3-5.3	
February 28th, 1933	10.3	8.7	4.1	19.0	(3) 4.2	
September 30th, 1933	7.4	7.4	3.0	14.8	(3) 4.2	

As short-term credits have been reckoned those which fall due within a year from the date of the census (disregarding the original period of credit).

It is pointed out that the data are too high by the amount of German bonds issued abroad, which without the knowledge of the debtors are in the hands of Germans.

The figures are calculated at the official rates of exchange on the dates given. If the total indebtedness on September 30th, 1933, is calculated according to the exchange rates prevailing at the time of the preceding census (February 28th, 1933), it works out at 18.0 instead of 14.8 million marks, which suggests that the decrease in foreign indebtedness was mainly due to the depreciation of some of the currencies in which the debts were expressed. The amount of actual debt repayment between the two dates considered was approximately one million marks (4). As may be seen from the following table, the reduction in the amount of outstanding debt between February 28th and September 30th, 1933, was chiefly due to the repayment of the foreign credits of the Reichsbank and the Golddiskontbank, and to the depreciation of the dollar.

CHANGE IN FOREIGN INDEBTEDNESS BETWEEN FEBRUARY 28TH AND SEPTEMBER 30TH, 1933.
Increase (+) or decrease (—) in million Reichsmarks.

Debtor	Excluding	Including	Country of creditor	Excluding	Including
	exchange	exchange		exchange	exchange
	depreciation	depreciation		depreciation	depreciation
Reichsbank and Golddiskontbank	— 554	— 554	U.S.A.	— 612	— 3,012
Konversionskasse	+ 133	+ 99	U.K.	— 29	— 373
Other banks	— 417	— 1,264	Netherlands	— 107	— 370
Commercial and industrial firms	— 192	— 1,453	Switzerland	— 103	— 153
State	— 133	— 811	France	— 60	— 68
Local governments	— 43	— 357	Sweden	+ 9	— 44
Other debtors	+ 253	+ 214	Belgium	— 9	— 19
			Italy	— 1	— 3
			Czechoslovakia	+ 56	+ 52
			Denmark	— 1	— 2
			Other countries	+ 268	+ 230
			Bank for International Settlements	— 364	— 364
Total	— 953	— 4,126	Total	— 953	— 4,126

(1) For further details, see *Wirtschaft und Statistik*, No. 16 (2. August-Heft), 1932, p. 490, No. 9 (1. Mai-Heft), 1933, page 273, No. 16 (2. August-Heft), 1933, page 486, and No. 5 (1. März-Heft), 1934, page 134.

(2) Credits which, according to their nature, fall under the Standstill Agreements. In practice, the amount to which the Agreements have applied has been somewhat smaller (on September 30th, 1932, it was 4,028 million marks).

(3) Of which direct investments, 4, and domestic bonds in the hands of foreigners, 0.2.

(4) Owing to exchange depreciations after February 28th, 1933, the actual cost, in marks, of the repayments effected was somewhat below that amount. On the other hand, it is stated that the census of September 1933 comprises certain debts amounting to about 250 million marks (included chiefly under "Other debtors" in the table below) which were not taken into account on previous occasions.

The following table shows the composition of the foreign loans and credits outstanding on September 30th, 1933 (14,841 million marks, as against 18,967 million on February 28th, 1933). The figures refer to million marks.

Long-term debts					Short-term debts					
	Debtors					Debtors				
	Central and local governments	Banks	Other debtors ⁽¹⁾	Total		Central and local governments	Reichsbank and Konversionskasse	Other banks	Other debtors ⁽¹⁾	Total
By creditor countries :					By creditor countries :					
U.S.A.	839	596	1,565	3,000	U.S.A.	311	63	794	553	1,721
U.K.	376	90	345	811	U.K.	50	8	502	380	940
France	414	34	29	477	France	11	1	162	123	297
Netherlands	539	158	832	1,529	Netherlands	48	8	248	1,131	1,435
Switzerland	228	105	719	1,052	Switzerland	54	11	494	929	1,488
Belgium	34	3	17	54	Belgium	1	7	33	71	112
Italy	41	—	42	83	Italy	2	—	13	40	55
Sweden	81	14	7	102	Czechoslovakia	5	—	51	103	159
Other countries	2	70	256	328	Sweden	7	—	33	73	113
					Other countries	3	1	241	594	839
					Bank for International Settlements	—	246	—	—	246
Total	2,554	1,070	3,812	7,436	Total	492	345	2,571	3,997	7,405
By nature of debt :					By nature of debt :					
Loans	2,471	767	2,211	5,449	Reimbursement and other acceptance credits	—	—	1,247	308	1,555
Mortgages	9	24	430	463	Booked debts on merchandise	—	—	—	793	793
Other debts :					Acceptances and sola bills	16	—	11	85	112
to banks	44	174	523	741	Loans	65	—	13	127	205
other	30	105	648	783	Mortgages	7	—	10	314	331
					Other debts	404	345	1,290	2,370	4,409
Total	2,554	1,070	3,812	7,436	Total	492	345	2,571	3,997	7,405

(1) Mainly industry, commerce, transport and agriculture.

GREECE

Estimates of the balance of payments of Greece in recent years have been published by the Bank of Greece (1). The estimate for 1933 is reproduced below after slight rearrangement of the items, together with the figures for 1930-1932 which appeared in the preceding issue of this publication. As amortisation of the foreign public debt is not given separately from interest payments in the original statements, the total service of such debts is grouped with interest below. The gold movement would appear to be included with capital item 3 ("Change in the gold and foreign currency reserve of the Bank of Greece").

The figures are, it is stated, "of only very approximate accuracy".

Goods and services (including amortisation of the Government debt).

	Gold £ (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>Merchandise.</i>								
1. Merchandise	15,782	11,118	7,173	6,384	28,935	23,348	13,400	9,895
<i>Interest, dividends and other services.</i>								
2. Service of public debt (2)	1,450	833	729	184	4,776	4,960	1,213	798
3. Interest and dividends on foreign investments in Greece	—	—	—	—	650	758	399	1,704
4. Interest received on account of the short-term foreign assets of:								
(a) the Bank of Greece	230	137	35	13	—	—	—	—
(b) the "Greek market"	63	—	29	9	—	—	—	—
5. "Incomes of Greeks residing abroad" (3)	3,795	1,523	1,439	1,438	—	—	—	—
6. Shipping income (net)	872	1,205	904	759	—	—	—	—
7. Insurance premiums	—	—	—	—	194	238	34	34
8. Emigrants' remittances	8,359	7,084	2,877	3,076	—	—	—	—
9. Tourists' expenditure (4)	1,000	998	854	2,061	1,033	981	308	222
10. Reparations, etc.	1,084	962	—	80	—	—	—	—
11. Government expenditure	—	—	—	—	4,089	1,144	1,061	728
Total	32,635	23,860	14,040	14,004	39,677	31,429	16,415	13,381
Surplus (+) or deficit (—) on account of goods and services	—7,042	—7,569	—2,375	+ 623				

(1) *The Economic Situation in Greece and the Bank of Greece in 1931*; ditto, in 1932; ditto in 1933: Reports read by M. E. J. Tsouderos, Governor of the Bank of Greece, before the general meetings of shareholders held on April 20th, 1932, February 15th, 1933, and February 14th, 1934.

(2) The figures include amortisation. — The credit figures represent the portion of the debt service which was paid in Greece on account of Government bonds issued abroad but subsequently repatriated.

(3) In one of the tables given by the Bank of Greece, the amount entered against this item for 1933 is stated to represent "interest on Greek funds abroad" (i.e., other than those considered in item 4).

(4) The debit figures include subsistence and sickness allowances, etc.

Capital items (excluding amortisation of the Government debt) and gold.

Items	Gold £ (000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
1. Repurchase of national securities.	—	—	—	—	2,840	914	—	—
2. "Foreign assistance":								
(a) through the Bank of Greece .	6,184	2,653	49	—	—	—	—	—
(b) through market	2,049	4,700	—	—	—	—	—	—
(c) "unascertained"	—	—	677	—	—	—	—	—
3. Change in the gold and foreign currency reserve of the Bank of Greece	279	2,018	2,318	—	—	—	—	2,637
4. "Banking credits"	2,470	685	—	—	1,100	1,573	669	32
5. Decrease in the foreign currency holdings of the banks	—	—	—	316	—	—	—	—
6. Repayment of old commercial debts	—	—	—	—	—	—	—	634
7. "Repatriation of Greek capital" . .	—	—	—	2,364	—	—	—	—
Total	10,982	10,056	3,044	2,680	3,940	2,487	669	3,303
Net inward (+) or outward (—) movement of capital	+ 7,042	+ 7,569	+ 2,375	— 623				

SUMMARY TABLE.

	Gold £ (000's)					
	Goods and services			Capital items and gold (2)	All items	
	Merchandise	Services, including interest and dividends (1)	Total			
1929 Balance	— 16,683	+ 7,508	— 9,175	+ 9,175	—	
1930 Balance	— 13,153	+ 6,111	— 7,042	+ 7,042	—	
1931 Credit	11,118	12,742	23,860	10,056	33,916	
Debit	23,348	8,081	31,429	2,487	33,916	
Balance	— 12,230	+ 4,661	— 7,569	+ 7,569	—	
1932 Credit	7,173	6,867	14,040	3,044	17,084	
Debit	13,400	3,015	16,415	669	17,084	
Balance	— 6,227	+ 3,852	— 2,375	+ 2,375	—	
1933 Credit	6,384	7,620	14,004	2,680	16,684	
Debit	9,895	3,486	13,381	3,303	16,684	
Balance	— 3,511	+ 4,134	+ 623	— 623	—	

(1) Including amortisation of the Government debt.
(2) Excluding amortisation of the Government debt.

The fact that a perfect balance is struck in the above table should not be taken as a proof that the figures are rigidly correct, for in each year one of the items in the table is interpolated as a balancing account and includes, therefore, allowances for possible errors in the other items. The balancing item would appear to be, in the years 1929-1931, item 5 of the account for goods and services (incomes of Greeks residing abroad), in 1932, capital item 2c. (unascertained foreign assistance) and in 1933, either the former of the two items now mentioned or capital item 7 (repatriation of Greek capital).

Goods and services.

Service of the public debt. The amount entered on the debit side against item 2 for 1933 represents the 30 % instalment paid on the interest due on account of the public debt for the financial year 1932-33.

Shipping income. The gross and net earnings on account of shipping in foreign traffic in 1932 and 1933 are estimated to have been as follows :

	£(000's) sterling	
	1932	1933
Gross earnings	4,204	5,361
Of this amount, remained within Greece in the form of wages, taxes, net profits, etc.	1,260	1,115

The gold equivalents of the last-mentioned amounts have been entered against item 6.

The maritime freight on imported goods earned by Greek ships and included also in the figure for imported merchandise (item 1, debit) is believed to have amounted to £350,000 sterling in 1933.

Emigrants' remittances (item 8). The increase in the remittances to Greece in 1933 are attributed to " the re-establishment of more normal monetary conditions in Greece and to the monetary instability prevailing abroad, especially in regard to the United States currency ".

Capital items and gold.

In commenting upon the increase in the gold and currency reserve of the Bank of Greece in 1933 (capital item 3), the Bank points out that this increase is partly derived from stocks of free foreign exchange created within the country in the preceding year and suggests that these stocks — whose amount cannot, however, be ascertained — should have been deducted both from the sum just mentioned, on the debit side of the account, and from that entered against capital item 7 on the credit side. It is stated, however, that the bulk of the increase in the reserve of the Bank of Greece " represents a real and abundant influx of Greek capital from abroad, due to the international monetary instability and especially to the depreciation of the dollar ".

International indebtedness.

According to calculations of the Greek Supreme Economic Council, the total amount of the external debt of Greece was as follows in May 1933 ⁽¹⁾ :

	Swiss francs (000,000's)
State loans	1,827
" Loans of legal persons at public law "	11.3
Private loans	604.7
Total	2,443

(1) A more detailed account referring to the end of March 1932 was reproduced in the preceding issue of this publication.

It is stated that 12.11 % of the debt consists of short-term loans.

The gold and foreign exchange reserve of the Bank of Greece amounted to 4,018 million drachmæ (127 million Swiss francs) at the end of 1933. The foreign exchange position of Greek commercial banks, as it presented itself after the enactment of the law relating to the compulsory conversion in drachmæ of debts in foreign currency, was as follows at the end of November 1933 (on the basis of statements submitted by the banks) :

<i>Assets</i> <i>in foreign exchange</i>	Drachmæ (000,000's)	<i>Liabilities</i> <i>in foreign exchange</i>	Drachmæ (000,000's)
Funds in hand	675	Deposits at sight and in	
Bank loan bonds	32	Savings Bank	1,020
Bills discounted	50	Time deposits	1,960
Short-term credits	722		
Long-term credits	699		
Participations	240		
Total	2,418	Total	2,980

ICELAND

Through the courtesy of M. Oddur Gudjonsson, it has been possible to reproduce the following statement, prepared by him, of the balance of payments of Iceland in 1930. For the methods employed in the calculation and the special factors affecting the international account of Iceland during the year in question, reference should be made to a work which will shortly be published under the auspices of the Christian Albrechts-Universität in Kiel. (1)

<i>Goods, services and gold.</i>	Icelandic kroner (000's)	
	Credit movements	Debit movements
I. Merchandise	60,096	71,968
II. Interest and dividends :		
Interest on Government debt	—	1,579
Interest on municipal debt	—	296
Other interest	145	1,050
III. Other services :		
Shipping :		
freights	2,538	100
passenger fares	67	171
Expenditure of ships :		
port fees, etc.	850	280
repairs	100	414
bunker coal	—	755
Fines paid by foreign fishing steamers	353	—
Insurance	285	1,592
Post, telegraph and telephone	280	7
Tourists' expenditure	800	1,510
Diplomatic expenditure	265	328
Other items	—	245
IV. Gold	—	—
Total	65,779	80,295
Deficit on account of goods, services and gold	14,516	
<i>Capital items.</i>		
Change in Government debt	15,155	3,594
Change in municipal debt	—	390
Capital operations of banks :		
increase in long-term debts	4,352	—
change in short-term debts and assets	8,188	1,755
Private capital operations	5,100	—
Total	32,795	5,793
Net inward capital movement	27,056	

(1) Oddur Gudjonsson : *Die isländische Zahlungsbilanz im Jahre 1930*. Inaugural-Dissertation zum Erlangen der Würde eines Doktors der Staatswissenschaften der Hohen Rechts- und Staatswissenschaftlichen Fakultät der Christian Albrechts-Universität zu Kiel.

SUMMARY TABLE.

	Icelandic kroner (000's)						
	Goods, services and gold					Capital items	All items
	Merchandise	Interest and dividends	Other services	Gold	Total		
Credit	60,096	145	5,538	—	65,779	32,795	98,574
Debit	71,968	2,925	5,402	—	80,295	5,739	86,034
Balance	-11,872	- 2,780	+ 136	—	-14,516	+ 27,056	(1) +12,540

The recorded items leave an excess of inward payments of 12.5 million kroner, in explaining which the author draws attention to the facts that contraband imports, amounting to several hundred thousand kroner, were not taken into account, that in view of the price fall which occurred in 1930 the trade returns probably overstate the value of exports in that year, that the balance on account of "Other services" may in fact not have been active (this balance is believed generally to be passive), and, finally, that the loans and credits received in 1930, which were exceptionally great, may not have been drawn upon to the extent assumed when recording the capital operations.

International indebtedness.

The following information is supplied with reference to the outstanding foreign debts and assets of Iceland.

<i>Liabilities.</i>	Icelandic kroner (000's) at the end of	
	1929	1930
1. Government foreign debt	(2) 24,937	(3) 36,498
2. Municipal foreign debt	(2) 5,630	5,240
3. Long-term debts of banks	3,322	7,674
4. Foreign debt of companies and individuals	(2) 7,900	13,000
5. Icelandic bills held abroad	276	532
6. Short-term foreign debt of banks (mainly the Fishing Bank)	5,707	3,952
Total	47,772	66,896
<i>Assets.</i>		
7. Assets held with foreign banks by :		
(a) the National Bank	9,584	2,243
(b) other banks	264	172
8. Foreign bills held in Iceland	2,354	1,855
Total	12,202	4,270

(1) Balance due to errors and omissions.

(2) Corresponding figures for the end of 1928 were : Government debt, 23,053 ; municipal debt, 5,011 ; debt of companies and individuals, 5,186.

(3) After deduction of 310,000 kroner of the loans raised in 1930, left on deposit with foreign banks.

INDIA

The following statement of the estimated balance of payments of British India for the commercial year 1933-34 has been received from the Government of that country. The figures for the three preceding years published last year are reproduced for purposes of comparison.

The statements refer to commercial years ending March 31st.

Goods, services and gold.

Items	Rupees (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930-31	1931-32	1932-33	1933-34	1930-31	1931-32	1932-33	1933-34
<i>I. Merchandise.</i>								
1. Merchandise	2,282.8	1,630.4	1,370.1	1,535.1	1,865.5	1,350.3	1,366.5	1,223.2
2. Adjustments on account of:								
(a) land-frontier trade . . .	160.0	110.0	90.0	100.0	150.0	100.0	80.0	80.0
(b) wrong valuation	—	—	—	—	56.0	67.5	68.3	61.0
<i>II. Interest and dividends.</i>								
3. Interest and dividends on long-term capital	21.6	9.7	6.3	4.5	(¹) 359.0	(¹) 360.1	(¹) 353.0	(¹) 345.0
4. Interest on short-term capital	1.6	2.8	2.6	1.3				
<i>III. Other services.</i>								
5. Port fees	25.0	24.0	22.5	23.0	—	—	—	—
6. Commissions, insurance, brokerage	—	—	—	—	12.0	10.0	10.0	10.0
7. Post, telegraph and telephone	1.2	—	—	—	0.9	1.0	1.2	0.9
8. Tourists, diplomatic expenditure, etc. (net) (²)	—	—	—	—	45.0	40.0	40.0	40.0
9. Reparations in cash	3.2	0.8	—	—	—	—	—	—
10. Other Government receipts and expenditure	85.0	90.8	88.3	131.9	215.6	244.0	221.2	225.9
<i>IV. Gold.</i>								
11. Gold coin and bullion	4.9	607.7	668.4	581.5	132.5	28.0	13.2	11.0
Total	2,585.3	2,476.2	2,248.2	2,377.3	2,836.5	2,200.9	2,153.4	1,997.0
Surplus (+) or deficit (—) on account of:								
(a) goods and services	—123.6	—304.4	—560.4	—190.2				
(b) gold	—127.6	+ 579.7	+ 655.2	+ 570.5				
(c) goods, services and gold	—251.2	+ 275.3	+ 94.8	+ 380.3				

(1) Of which on Government account, 203.6, 204.7, 199.1 and 191.4 during the four respective years.

(2) Including funds and remittances of emigrants and immigrants and certain other items.

Capital items.

Items	Rupees (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930-31	1931-32	1932-33	1933-34	1930-31	1931-32	1932-33	1933-34
<i>I. Long-term operations.</i>								
1. Amortisation of Government debts	—	—	—	—	20.8	21.4	22.0	22.8
2. Purchases and sales :								
(a) of real estate abroad . . .	—	—	—	—	—	—	—	—
(b) of domestic securities . . .	—	0.6	—	—	31.1	219.1	124.6	228.6
(c) of foreign securities	114.9	181.3	—	—	—	—	46.3	218.0
3. New Government and municipal issues	369.2	174.4	126.2	252.3	—	—	—	—
4. Other long-term investments . . .	—	1.8	1.7	1.6	—	—	—	—
<i>II. Short-term operations.</i>								
5. Net change in Government short-term debt abroad	—	—	—	—	26.4	54.2	—	—
6. Net change in Government short-term assets abroad	—	—	—	—	26.9	32.6	81.5	96.2
7. Change in other short-term debts and assets (*)	—	—	51.7	—	127.7	306.1	—	68.6
Total	484.1	358.1	179.6	253.9	232.9	633.4	274.4	634.2
Net inward (+) or outward (—) movement of capital . .	+ 251.2	— 275.3	— 94.8	— 380.3				

SUMMARY TABLE.

	Rupees (000,000's)								
	Goods, services and gold					Capital items			All items
	Merchandise	Interest and dividends	Other services	Gold	Total	Long-term	Short-term (*)	Total	
1923-24 Balance	+ 1,105.3	— 323.7	— 433.0	— 292.1	+ 56.5	+ 221.0	— 277.5	— 56.5	—
1924-25 Balance	+ 1,176.6	— 317.8	— 333.7	— 738.8	— 213.7	— 122.5	+ 336.2	+ 213.7	—
1925-26 Balance	+ 1,190.5	— 289.9	— 364.8	— 348.6	+ 187.2	— 165.3	— 21.9	— 187.2	—
1926-27 Balance	+ 351.0	— 297.8	— 347.2	— 194.0	— 488.0	+ 383.8	+ 104.2	+ 488.0	—
1927-28 Balance	+ 513.4	— 314.4	— 347.0	— 181.0	— 329.0	+ 146.8	+ 182.2	+ 329.0	—
1928-29 Balance	+ 665.0	— 324.7	— 312.2	— 212.0	— 183.9	+ 5.2	+ 178.7	+ 183.9	—
1929-30 Balance	+ 538.1	— 316.0	— 180.1	— 142.2	— 100.2	+ 133.2	— 33.0	+ 100.2	—
1930-31 Balance	+ 371.3	— 335.8	— 159.1	— 127.6	— 251.2	+ 432.2	— 181.0	+ 251.2	—
1931-32 Credit .	1,740.4	12.5	115.6	607.7	2,476.2	358.1	—	358.1	2,834.3
Debit .	1,517.8	360.1	295.0	28.0	2,200.9	240.5	392.9	633.4	2,834.3
Balance	+ 222.6	— 347.6	— 179.4	+ 579.7	+ 275.3	+ 117.6	— 392.9	— 275.3	—

(1) Interpolated as balancing accounts (in the original statement, capital item 7 is not given).

SUMMARY TABLE (continued).

		Rupees (000,000's)								
		Goods, services and gold					Capital items			All items
		Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term (1)	Total	
1932-33	Credit .	1,460.1	8.9	110.8	668.4	2,248.2	127.9	51.7	179.6	2,427.8
	Debit .	1,514.8	353.0	272.4	13.2	2,153.4	192.9	81.5	274.4	2,427.8
	Balance	— 54.7	— 344.1	— 161.6	+ 655.2	+ 94.8	— 65.0	— 29.8	— 94.8	—
1933-34	Credit .	1,635.1	5.8	154.9	581.5	2,377.3	253.9	—	253.9	2,631.2
	Debit .	1,364.2	345.0	276.8	11.0	1,997.0	469.4	164.8	634.2	2,631.2
	Balance	+ 270.9	— 339.2	— 121.9	+ 570.5	+ 380.3	— 215.5	— 164.8	— 380.3	—

The fact that a perfect balance is struck in the above table should not be taken as a proof that the figures are rigidly exact, for the amounts entered against the last item in the capital account are not based on direct evidence but are interpolated as balancing accounts and include, therefore, allowances for possible errors and omissions in the other items of the account.

The transactions in England have been converted into rupees at the rates of 1s. 5²⁵/₃₂d. in 1930-31, 1s. 5²⁹/₃₂d. in 1931-32, 1s. 6¹/₁₆d. in 1932-33 and 1s. 6d. in 1933-34 — the averages for the years in question.

Goods, services and gold.

Merchandise. As the Indian trade returns give only the sea-borne trade, the estimated volume of the trade across the land frontiers has been added under item 2a. An allowance has also been made for undervaluation of imported merchandise.

Interest and dividends. The credit figures shown against item 3 represent interest on investment of the gold standard reserve balance in long-term securities in London. Item 4 represents the interest on investments of Government treasury and reserve balances in British treasury bills.

The reduction in the interest payments abroad in 1933-34 on account of Government loans is mainly due to the lower yields at which loans have been floated in recent years. Dividends, etc., on private accounts are also assumed to have fallen in 1933-34.

Other services. The figures entered on account of port receipts (item 5) are stated to be very rough estimates. The manner in which they are obtained was explained in the 1927-1929 issue of this publication.

A small debit sum should have been entered as outward payment for shipping services in each year on account of coasting trade in the hands of non-Indian shipping companies, but, as it proved impossible to frame an accurate estimate, an allowance has been made on this account in the sums entered against item 8.

The payments on account of post, telegraph and telephone services (item 7), and of Government expenditure abroad not elsewhere indicated (item 10) represent expenditure in England after excluding interest charges (items 3 and 4). Item 9 shows India's share of German reparation payments.

(1) Interpolated as balancing accounts (in the original statement, capital item 7 is not given).

Capital items.

Long-term operations. The debit figures given against item 1 represent payments on account of the capital portion of annuities created for the purchase of railways. The debit figures against item 2b are made up as follows :

	Rupees (000,000's)			
	1930-31	1931-32	1932-33	1933-34
1. Value of Government rupee securities retransferred from London to India	0.8	(1) 215.2	1.3	1.1
2. Sinking Fund purchases on account of Government of India sterling loans	3.9	3.9	2.6	2.7
3. Repayment of railway companies' stocks, the liability for which was taken over by the Government on purchase of the railways . .	26.4	—	—	—
4. Repayment of 6 % India Bonds 1932-33, 1933-34 and 1933-35	—	—	120.7	167.7
5. Cost price of India stocks and bonds purchased but not cancelled	—	—	—	57.1

Item 2c shows the difference between the amount invested by the Government of India in securities of the British Government at the beginning and at the end of the year, on account of the reserve balance in London.

Item 3 shows the net proceeds from loans floated in England and from the issue of India bills abroad (in 1933-34 two new sterling loans were floated).

The figures under item 4 represent reduction in the deposits in provident funds in England.

Short-term capital operations. The figure entered against item 5 for 1930-31 represents the net discharge of short-term loans obtained in England by the Government. The sums entered against item 6 represent the difference between the balances of British treasury bills held by the Government as part of the treasury and reserve balances in London at the beginning and at the end of the year.

The amounts under item 7 are interpolated as balancing accounts.

International indebtedness.

The foreign liabilities of the Government of India (including sterling loans, railway annuities, liability assumed by the Government of India in respect of British Government 5 % War Loan, 1929-47, etc., but excluding rupee securities held by foreigners) fell from £387.8 million on March 31st, 1931, to £379.6 million on March 31st, 1932, and £379.0 million on March 31st, 1933, and rose to £383.7 million on March 31st, 1934.

The assets of the Government on account of treasury and reserve balances held in London on these dates amounted to £39.7, £28.7, £38.3 and £66.1 million respectively. No information is available concerning private assets and liabilities abroad.

(1) Repayment of £14.8 million, being the balance of 5 ½ % India Stock, 1932, and repurchase of 6 % India Bonds, 1932-33 (for cancellation), to the value of £1.3 million.

IRAQ

Statements of the balance of payments of Iraq in the seven financial years 1926-27 to 1932-33 (years April 1st - March 31st) have been supplied by the Government of that country and are set out in the tables on the following pages.

As the last column of the Summary Table indicates, the recorded items show in each year, except 1931-32, an excess of outward payments — a fact suggesting that the inward movements were, in fact, somewhat greater than recorded.

The information concerning short-term capital movements is admitted to be incomplete. The amounts included in this group during the first six years given represent only the imports and exports of currency notes and coin other than gold (capital item 4). In the case of other countries, silver coin is grouped with merchandise; in Iraq, however, where the bulk of the coins imported and exported have been in Indian currency, which was in circulation up to March 31st, 1932, the coin question has had a position similar to that of currency notes, and the movement of both coin and currency notes has been included in the capital account (1).

No figures are available with reference to other short-term capital operations, except in 1932-33, when the Iraq Currency Board operations resulted in a net increase in short-term assets held abroad of 200,000 dinars (capital item 5).

It is stated that the omission of figures of this kind for other years must not be over-estimated, since "short-term credit operations play only a small part in the financial life of Iraq and it is believed that the short-term debts and assets of Iraq had been fairly constant in amount".

The amount entered against capital item 3*a* represents the value of capital goods imported by the foreign oil companies which are working concessions in Iraq. The value of those goods is also included in the figures for merchandise imports (Goods, services and gold, item 1, debit).

Capital item 3*b* shows the local expenditure of the same companies out of funds originating abroad.

(1) In the original statement received, the movement of coin and currency notes was included in the account for goods, services and gold.

Goods, services and gold.

Items	Dinars (000's) (1)						
	Inward or credit movements (Exports)						
	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
<i>I. Merchandise.</i>							
1. Merchandise, including silver bullion (2), as recorded	3,320	4,523	4,070	4,068	2,731	2,766	2,050
2. Adjustment for undervaluation of imports	—	—	—	—	—	—	—
3. Contraband	33	45	41	41	27	28	20
<i>II. Interest and dividends.</i>							
4. Interest on Government debts :							
(a) Dredging Loan	—	—	—	—	—	—	—
(b) Port of Basrah and Railway Loans	—	—	—	—	—	—	—
5. Interest on domestic capital invested abroad	150	150	150	150	100	80	65
6. Profits of foreign firms working in Iraq	—	—	—	—	—	—	—
7. Interest on short-term capital invested in Iraq	—	—	—	—	—	—	—
<i>III. Other services.</i>							
8. Port dues	135	141	137	159	156	140	142
9. Dredging dues	50	137	168	187	218	274	265
10. Transport fees	214	220	219	154	122	115	96
11. Commissions, brokerage :							
(a) profits on account of transit trade	322	331	329	231	122	116	97
(b) profits on account of export trade	166	226	203	203	137	138	103
12. Post and telegraph	6	2	3	21	26	31	22
13. Emigrants' remittances, etc. :							
(a) remittances from Iraqis abroad	10	10	10	10	10	10	10
(b) charitable and educational funds	25	25	25	25	25	25	25
(c) private remittances for or by foreign officials	—	—	—	—	—	—	—
14. Pension contributions to foreign officials	—	—	—	—	—	—	—
15. Tourists' expenditure	235	175	143	187	188	100	103
16. Expenditure of Iraqi students and missions abroad	—	—	—	—	—	—	—
17. Disbursement by British forces in Iraq	1,566	1,016	819	746	720	690	612
18. Expenditure of foreign archaeological expeditions in Iraq	23	26	34	41	47	50	50
19. Expenditure in Iraq by the Persian Gulf Lighting Service	10	10	10	10	10	10	12
20. Diplomatic expenditure	28	29	40	37	62	63	64
Carried forward	6,293	7,066	6,401	6,270	4,701	4,636	3,736

(1) One Iraq dinar equals one pound sterling.

(2) Silver coin, which in the case of other countries is grouped with merchandise, has been entered in the capital account, for reasons given in the explanatory notes.

Goods, services and gold.

Dinars (000's) (1)							Items
Outward or debit movements (Imports)							
1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	
7,309	7,759	7,125	7,367	5,354	4,798	6,240	<i>I. Merchandise.</i>
117	144	139	155	121	107	130	1. Merchandise, including silver bul- lion (2), as recorded.
169	189	173	250	174	165	177	2. Adjustment for undervaluation of imports.
							3. Contraband.
							<i>II. Interest and dividends.</i>
							4. Interest on Government debts :
	26	28	28	26	25	12	(a) Dredging Loan.
24	23	23	22	21	20	19	(b) Port of Basrah and Railway Loans.
							5. Interest on domestic capital invested abroad.
40	40	65	140	244	214	456	6. Profits of foreign firms working in Iraq.
10	10	10	10	7	7	8	7. Interest on short-term capital in- vested in Iraq.
							<i>III. Other services.</i>
							8. Port dues.
							9. Dredging dues.
							10. Transport fees.
							11. Commissions, brokerage :
							(a) profits on account of transit trade.
							(b) profits on account of export trade.
26	28	26	36	39	49	24	12. Post and telegraph.
							13. Emigrants' remittances, etc. :
							(a) remittances from Iraqis abroad
							(b) charitable and educational funds
122	115	111	111	106	105	79	(c) private remittances for or by foreign officials.
15	153	80	44	70	100	93	14. Pension contributions to foreign offi- cials.
245	284	360	328	299	229	231	15. Tourists' expenditure.
18	22	36	20	30	35	20	16. Expenditure of Iraqi students and missions abroad.
							17. Disbursement by British forces in Iraq.
							18. Expenditure of foreign archaeological expeditions in Iraq.
							19. Expenditure in Iraq by the Persian Gulf Lighting Service.
3	3	8	9	14	22	40	20. Diplomatic expenditure.
7,804	8,508	7,906	8,210	6,263	5,662	7,269	Carried forward.

Items	Dinars (000's)						
	Inward or credit movements (Exports)						
	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
Brought forward	6,293	7,066	6,401	6,270	4,701	4,636	3,736
21. Government receipts from abroad :							
(a) British Government contribution to Iraq army	131	135	73	50	60	60	31
(b) oil royalties	—	—	—	—	—	863	655
22. Other items	—	—	—	—	—	—	—
IV. Gold.							
23. Gold coin and bullion, as recorded	544	242	557	607	562	1,044	810
Total	6,968	7,443	7,031	6,927	5,323	6,603	5,232
Surplus (+) or deficit (—) on account of :							
(a) goods and services	— 1,465	— 1,332	— 1,457	— 1,915	— 1,527	— 128	— 2,882
(b) gold	+ 542	+ 242	+ 554	+ 598	+ 557	+ 1,042	+ 808
(c) goods, services and gold	— 923	— 1,090	— 903	— 1,317	— 970	+ 914	— 2,074

Capital items.

Items	Dinars (000's)						
	Inward or credit capital movement						
	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
I. Long-term operations.							
1. Amortisation of Government foreign debits :							
(a) Ottoman Public Debt	—	—	—	—	—	—	—
(b) Dredging Loan	—	—	—	—	—	—	—
(c) Port of Basrah and Railway loans	—	—	—	—	—	—	—
2. New Government loan (Dredging Loan)	56	6	—	—	—	—	—
3. Direct long-term capital investments in Iraq :							
(a) value of fixed capital imported	548	507	227	234	405	78	1,199
(b) local expenditure of investors	206	390	244	353	300	200	332
II. Known short-term operations.							
4. Currency notes and coin other than gold, imported and exported	767	967	884	968	502	359	—
5. Known increase in short-term assets abroad	—	—	—	—	—	—	—
Total	1,577	1,870	1,355	1,555	1,207	637	1,531
Net inward (+) or outward (—) move- ment of capital	+ 683	+ 45	+ 761	+ 596	+ 738	— 725	+ 1,079

SUMMARY TABLE.

	Dinars (000's)									
	Goods, services and gold					Capital items			All items	
	Merchandise	Interest and dividends	Other services	Gold	Total	Long-term	Short-term (1)	Total		
1926-27	Credit . . .	3,353	150	2,921	544	6,968	810	767	1,577	8,545
	Debit . . .	7,361	74	454	2	7,891	338	556	894	8,785
	Balance . . .	-4,008	+ 76	+ 2,467	+ 542	- 923	+ 472	+ 211	+ 683	(2) - 240
1927-28	Credit . . .	4,568	150	2,483	242	7,443	903	967	1,870	9,313
	Debit . . .	7,804	99	630	-	8,533	976	849	1,825	10,358
	Balance . . .	-3,236	+ 51	+ 1,853	+ 242	-1,090	- 73	+ 118	+ 45	(2) -1,045
1928-29	Credit . . .	4,111	150	2,213	557	7,031	471	884	1,355	8,386
	Debit . . .	7,159	126	646	3	7,934	54	540	594	8,523
	Balance . . .	-3,048	+ 24	+ 1,567	+ 554	- 903	+ 417	+ 344	+ 761	(2) - 142
1929-30	Credit . . .	4,109	150	2,061	607	6,927	587	968	1,555	8,482
	Debit . . .	7,462	200	573	9	8,244	301	658	959	9,203
	Balance . . .	-3,353	- 50	+ 1,488	+ 598	-1,317	+ 286	+ 310	+ 596	(2) - 721
1930-31	Credit . . .	2,758	100	1,903	562	5,323	705	502	1,207	6,530
	Debit . . .	5,407	298	583	5	6,293	125	344	469	6,762
	Balance . . .	-2,649	- 198	+ 1,320	+ 557	- 970	+ 580	+ 158	+ 738	(2) - 232
1931-32	Credit . . .	2,794	80	2,685	1,044	6,603	278	359	637	7,240
	Debit . . .	4,856	266	565	2	5,689	209	1,153	1,362	7,051
	Balance . . .	-2,062	- 186	+ 2,120	+ 1,042	+ 914	+ 69	- 794	- 725	(2) + 189
1932-33	Credit . . .	2,070	65	2,287	810	5,232	1,531	-	1,531	6,763
	Debit . . .	6,287	495	522	2	7,306	252	200	452	7,758
	Balance . . .	-4,217	- 430	+ 1,765	+ 808	-2,074	+ 1,279	- 200	+ 1,079	(2) - 995

(1) The information concerning short-term capital movements is incomplete.

(2) Balance due to errors and omissions.

IRISH FREE STATE

The Government of the Irish Free State has supplied an official statement for 1932 which is reproduced below together with the estimates for the years 1929 to 1931 published last year.

Goods, services and gold.

Items	£ (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929	1930	1931	1932	1929	1930	1931	1932
<i>I. Merchandise.</i>								
1. Merchandise	48,058	45,856	37,179	25,920	61,479	56,791	50,527	41,496
2. Contraband	—	—	—	—	2	1	1	1
<i>II. Interest and dividends.</i>								
3. Interest on long-term capital, and dividends	11,800	11,300	10,500	10,100	5,871	5,944	6,000	5,740
<i>III. Other services.</i>								
4. Port fees	191	202	190	191	—	—	—	—
5. Post	—	40	—	91	—	—	133	190
6. Emigrants' funds	—	—	—	—	624	700	60	36
7. Emigrants' remittances (1)	2,465	2,261	4,000	4,000	9	—	—	—
8. Foreign tourists' expenditure	881	800	400	450	—	—	—	(2) 8
9. Diplomatic and similar expenditure	80	85	90	90	49	55	56	58
10. Other Government receipts and expenditure	92	42	19	50	—	—	—	—
11. Payments abroad in respect of pensions	—	—	—	—	129	156	137	394
12. Receipts from the United Kingdom	3,299	3,170	5,800	6,592	—	—	—	—
13. Repayments of British expenditure on Free State services (Royal Irish Constabulary pensions, etc.)	—	—	—	—	1,347	1,338	—	—
<i>IV. Gold.</i>								
14. Gold coin and bullion	165	67	39	59	—	—	—	—

(1) It is stated that the credit figures up to 1930 inclusive may be too low.

(2) This figure represents only the expenditure of University students abroad and fees paid to external University professors for services as examiners.

Capital items.

Items	£ (000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1929	1930	1931	1932	1929	1930	1931	1932
<i>I. Long-term operations.</i>								
1. Amortisation :								
(a) of intergovernmental debts	—	—	—	—	—	—	10	250
(b) of other public debts . . .	—	—	—	—	4,057	4,001	3,990	551
2. Repurchase of national securities	—	—	—	—	729	312	—	—
3. New capital issues (Government and municipal)	—	—	—	—	—	—	—	—
4. Receipts from the United Kingdom in respect of British Savings Bank withdrawal warrants cashed in the Free State	629	456			—	—	—	—

No totals are shown in the tables, as information is lacking concerning a number of the "invisible" items of the balance, such as the expenditure by Irish tourists abroad and the expenditure in the Irish Free State by visitors from countries other than the United States, the amount paid out as film royalties, expenditure in the Irish Free State by commercial agents and revenue from abroad on account of advertisements.

Goods, services and gold.

Interest and dividends (item 3). The figures for interest and dividends are calculated by the Revenue Commissioners. It is pointed out that an enquiry which is being conducted into the method of compilation may result in a substantial modification of the figures; it is not believed, however, that the net receipts will be considerably changed.

Tourists' expenditure (item 8). The figure entered on the credit side for 1932 is stated to represent only expenditure by United States tourists (£400,000) and by foreign University students (£50,000).

Government receipts and expenditure, etc. The amount entered on the credit side against item 10 for 1932 is stated to represent receipts on account of patents (£25,800) and of National Health Insurance work for the British Government (£20,600). That entered against item 12 comprises pensions paid by the British Government to Irish Free State residents, an estimate of the net foreign proceeds of the Irish Hospitals Sweepstakes and the amount expended on the upkeep of lighthouses and buoys, etc., by an external body. The Government expenditure abroad (item 10-11, debit) in the same year includes pensions paid to persons resident outside the country and recoupment by the British Government of pensions granted to former police officials (£359,000), and subscriptions to international organisations (£22,000).

Capital items.

Item 1*a* shows, for 1932, the instalment payable to the United Kingdom under the Damage to Property Act of 1926, and item 1*b* payment on account of Land Annuities (£241,000) and local loans (£300,000), both to the United Kingdom, and redemption of stock of the Second National Loan held in the United States (£10,000).

Outstanding debts and assets.

Information concerning certain items in the balance of outstanding foreign debts and assets is reproduced below.

	£(000,000's) at the end of	
	1932	1933
<i>Liabilities.</i>		
Foreign deposits with national banks (current and deposit accounts)	45.4	46.1
<i>Assets.</i>		
Loans, investments and money at call	125.1	122.9
Cash and bank balances of national banks with their foreign correspondents.	10.6	10.0

ITALY

A previous edition of this publication ⁽¹⁾ contained estimates of the balance of payments of Italy in the years 1925-1927, prepared by Professor Gino Borgatta. In a recent treatise on the balance of payments ⁽²⁾, Professor Borgatta has supplemented this information with data for more recent years. The following information, referring to the trade in goods, services and gold during the years 1928-1930, is available in table form. The figures are stated to be provisional. For certain information concerning the years 1931-1933, reference should be made to Professor Borgatta's book.

Items	Lire (000,000's)					
	Inward or credit movements (Exports)			Outward or debit movements (Imports)		
	1928	1929	1930	1928	1929	1930
I. Merchandise ⁽³⁾ . . .	14,909	15,236	12,119	22,316	21,668	17,350
II. Interest and dividends (net) ⁽⁴⁾	—	—	—	950-1,000	950-1,050	950-1,000
III. Other services :						
maritime transports .	1,500-1,540	1,660-1,690	1,420-1,475	440-510	480-555	420-480
emigrants' funds and remittances	2,250-2,340	2,300-2,350	1,970-2,020	250	200-230	200
tourists' expenditure .	2,600	2,418	2,100-2,200	336	316	270
reparations in cash .	226	231	525	—	—	—
Government expen- diture	—	—	—	210	200	180
other items	450	420	400	—	—	—
IV. Gold (coin and bullion)	7	10	8	64	239	104
Total	22,032-22,162	22,275-22,355	18,542-18,747	24,566-24,686	24,053-24,258	19,474-19,584

The following table shows the balances of various groups of items for the whole period 1925-1930, substituting averages for range estimates and employing the figures for 1925-1927 given in Professor Borgatta's new book, which differ slightly from those reproduced in the 1926-1928 issue of this publication.

Year	Lire (000,000's)				
	Merchandise	Interest and dividends ⁽⁴⁾	Other services	Gold	Total
1925	— 5,186	— 225	+ 7,543	— 80	+ 2,052
1926	— 4,704	— 875	+ 6,933	— 70	+ 1,284
1927	— 4,745	— 940	+ 5,303	— 147	— 529
1928	— 7,317	— 975	+ 5,820	— 57	— 2,529
1929	— 6,432	— 1,000	+ 5,820	— 229	— 1,841
1930	— 5,231	— 975	+ 5,418	— 96	— 884

(1) *Memorandum on International Trade and Balances of Payments, 1926-1928*, Vol. II (Series No. 1929.II.514).
(2) Professore Gino Borgatta, *Bilancio dei Pagamenti — Cambio* (Trattato Elementare di Statistica, pubblicato sotto gli auspici dell'Istituto Centrale di Statistica del Regno d'Italia, Vol. IV-V), Milano, 1933.
(3) Silver has been grouped with Merchandise (in the original statement, silver had been included under Gold).
(4) It would appear that certain amortisation payments have been included in the amounts entered against this item.

JAPAN

Statements of the balance of payments of Japan — including Chosen (Korea) and Taiwan (Formosa) — in 1931 and 1932, arranged according to the League of Nations scheme, have been supplied by the Japanese Government and are set out below, together with those for 1929 and 1930 published in the preceding issue.

Goods, services and gold.

Items	Yen (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929	1930	1931	1932	1929	1930	1931	1932
<i>I. Merchandise.</i>								
1. Merchandise :								
(a) Japan proper	2,152.1	1,472.3	1,148.6	1,418.7	2,216.4	1,546.7	1,237.8	1,431.5
(b) Chosen	35.8	25.9	12.8	29.2	107.7	89.1	53.0	61.8
(c) Taiwan	33.2	22.8	19.4	18.0	64.5	45.1	30.9	31.0
2. Adjustment of item 1 :								
(a) ships' stores purchased by foreign ships	12.1	9.0	6.7	8.0	—	—	—	—
(b) other items	17.0	17.8	11.2	17.8	25.3	21.6	19.1	24.2
<i>II. Interest and dividends.</i>								
3. Interest on public debts	12.2	11.0	9.9	9.9	65.7	64.3	55.0	58.0
4. Yield of other long-term capital :								
(a) interest	84.8	73.2	62.4	3.6	47.4	42.7	38.1	39.7
(b) dividends, profits				68.6				20.8
5. Interest on short-term capital	5.4	6.5	3.9	5.1	9.1	8.9	6.7	6.5
<i>III. Other services.</i>								
6. Shipping freights ⁽¹⁾ :								
(a) ordinary freights	205.3	161.0	140.2	154.5	—	—	—	—
(b) charter money	1.8	4.0	2.2	1.6	0.9	0.3	0.6	1.7
(c) passage money	15.0	16.8	13.9	12.7	—	—	—	—
7. Port fees	3.8	3.2	3.9	5.0	47.9	40.9	40.5	49.3
8. Other transport fees	(²)	(²)	(²)	(²)	—	—	—	—
9. Commissions, insurance, brokerage	125.7	116.2	108.8	117.3	117.4	115.9	105.9	108.4
10. Post, telegraph, telephone	1.1	0.8	1.5	1.2	7.0	5.6	4.6	5.3
Carried forward	2,705.3	1,940.5	1,545.4	1,871.2	2,709.3	1,981.1	1,592.2	1,838.2

(1) Maritime freight on goods imported in national ships, which is included on the credit side against this item and also in Group I of imports (debit), amounted to approximately 103 million yen in 1929, 69.5 million yen in 1930 and 58.7 million yen in 1931.

(2) Included in item 6.

Items	Yen (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929	1930	1931	1932	1929	1930	1931	1932
Brought forward	2,705.3	1,940.5	1,545.4	1,871.2	2,709.3	1,981.1	1,592.2	1,838.2
11. Immigrants' and emigrants' funds	60.9	49.0	42.7	98.4	4.6	3.5	3.0	3.9
12. Immigrants' and emigrants' remittances	44.6	35.1	27.7	39.9	42.1	39.7	34.4	29.6
13. Tourists' expenditure	5.1	4.6	4.5	6.6	11.9	9.8	9.9	9.6
14. Diplomatic and similar expenditure	3.5	6.7	2.0	—	—	—	—	—
15. Reparation receipts in cash	4.3	2.5	1.2	—	—	—	—	—
16. Counter-value of reparations in kind included in merchandise imports above	4.4	5.9	2.9	3.7	29.8	24.4	33.3	83.9
17. Other Government receipts and expenditure	1.8	1.5	1.0	23.6	13.2	14.6	12.1	21.8
18. Other services								
IV. Gold.								
19. Gold coin and bullion :								
(a) Japan proper	—	308.6	419.9	112.7	0.5	9.0	9.0	—
(b) Chosen	—	—	—	—	0.1	11.4	21.6	0.7
(c) Taiwan	—	—	—	—	—	1.5	1.1	—
Total	2,829.9	2,354.4	2,047.3	2,156.1	2,811.5	2,095.0	1,716.6	1,987.7
Surplus (+) or deficit (—) on account of :								
(a) goods and services	+ 18.9	— 27.3	— 57.5	+ 56.4				
(b) gold	— 0.5	+ 286.7	+ 388.2	+ 112.0				
(c) goods, services and gold	+ 18.4	+ 259.4	+ 330.7	+ 168.4				

Capital items.

Items	Yen (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1929	1930	1931	1932	1929	1930	1931	1932
I. Long-term operations.								
1. Amortisation :								
(a) of public debts	56.4	5.6	23.8	—	9.4	6.1	97.9	57.1
(b) of other debts	42.0	35.1	44.3	31.1	28.3	9.8	12.4	52.8
2. Purchases and sales :								
(a) of real estate	—	—	—	—	—	—	—	—
(b) of domestic securities	65.7	109.8	74.5	8.0	87.9	168.7	231.5	70.9
(c) of foreign securities	110.8	108.9	218.8	74.9	152.5	193.2	225.1	4.8
3. New capital issues :								
(a) Government and municipal	23.0	102.5	—	—	—	—	—	—
(b) other	—	—	49.7	—	—	—	—	—
4. Other long-term investments	—	—	—	—	72.6	76.1	78.1	96.2
II. Short-term operations.								
5. Change in short-term debts	129.3	—	1.3	67.7	133.4	221.4	—	—
6. Change in short-term assets	—	18.0	—	—	—	—	81.3	229.3
Total	427.2	379.9	412.4	181.7	484.1	675.3	726.3	511.1
Net outward (—) movement of capital	— 56.9	— 295.4	— 313.9	— 329.4				

SUMMARY TABLE.

		Yen (000,000's)								
		Goods, services and gold					Capital items			All items
		Merchan- dise	Interest and divi- dends	Other services	Gold	Total	Long- term	Short- term	Total	
1924	Balance	- 729.2	- 7.5	+188.9	—	-547.8	+238.0 ⁽¹⁾	+309.8	+547.8	—
1925	Balance	- 361.6	- 10.5	+170.6	+ 21.9	-179.6	+ 63.9 ⁽¹⁾	+115.7	+179.6	—
1926	Balance	- 439.0	- 17.5	+164.1	+ 31.7	-270.7	+ 36.9 ⁽¹⁾	+233.8	+270.7	—
1927	Balance	- 283.0	- 3.2	+145.0	+ 36.0	-105.2	-126.2	+172.7	+ 46.5 ⁽²⁾	-58.7
1928	Balance	- 323.4	- 24.0	+174.8	— 0.4	-173.0	+ 53.4	+ 63.1	+116.5 ⁽²⁾	-56.5
1929	Balance	- 163.7	- 19.8	+202.5	- 0.6	+ 18.4	- 52.8	— 4.1	- 56.9 ⁽²⁾	-38.5
1930	Credit	1,547.8	90.7	407.3	308.6	2,354.4	361.9	18.0	379.9	2,734.3
	Debit	1,702.5	115.9	254.7	21.9	2,095.0	453.9	221.4	675.3	2,770.3
	Balance	- 154.7	- 25.2	+152.6	+286.7	+259.4	- 92.0	-203.4	-295.4 ⁽²⁾	-36.0
1931	Credit	1,198.7	76.2	352.5	419.9	2,047.3	411.1	1.3	412.4	2,459.7
	Debit	1,340.8	99.8	244.3	31.7	1,716.6	645.0	81.3	726.3	2,442.9
	Balance	- 142.1	- 23.6	+108.2	+388.2	+330.7	-233.9	- 80.0	-313.9 ⁽²⁾	+16.8
1932	Credit	1,491.7	87.2	464.5	112.7	2,156.1	114.0	67.7	181.7	2,337.8
	Debit	1,548.5	125.0	313.5	0.7	1,987.7	281.8	229.3	511.1	2,498.8
	Balance	- 56.8	- 37.8	+151.0	+112.0	+168.4	-167.8	- 161.6	-329.4 ⁽²⁾	-161.0

The fact that for the years 1924-1926 a perfect balance is struck in the above table should not be taken as proof of a rigid exactitude of the figures, for the amounts entered as short-term capital operations in these years are not based on direct evidence, but represent the balance of all the other items of the account and include, therefore, allowances for possible errors and omissions in the other items of the account.

Item 1a in the account for goods, services and gold represents the trade of Japan proper with countries other than Chosen and Taiwan, and items 1b and c the trade of Chosen and Taiwan with countries other than Japan proper. The exports shown against item 2b represent mainly unrecorded exports of aquatic products; the import figures against the same item include articles for the use of the Imperial family, books and periodicals not imported as parcels post, ships' stores purchased abroad by Japanese ships, etc.

Balance of payments in 1933 (provisional figures).

At the moment of sending this volume to be printed, a preliminary official estimate of the "invisible" items in the balance of payments of Japan in 1933 became available. By combining the figures in question with those for the recorded trade in merchandise and gold, and assuming that the amounts to be added in adjustment of merchandise trade remained the same as in 1932, the following statement of the balance of payments in 1933 may be established.

(1) The figures entered in this column for 1924-1926 are not based on direct evidence but are interpolated as balancing the account.

(2) Balance due to errors and omissions.

	Yen (000,000's)		
	Credit	Debit	Balance
<i>Goods, services and gold.</i>			
I. Merchandise	1,965	2,041	— 76
II. Interest and dividends	676	165	+ 73
III. Other services		438	
IV. Gold	21	—	+ 21
Total	<u>2,662</u>	<u>2,644</u>	+ 18
<i>Capital items</i> ("extraordinary receipts and payments")	309	363	— 54
<i>All items</i>	2,971	3,007	— 36

The figures for the capital items in this estimate would appear not to be comparable with those given for earlier years in the statement on the preceding pages.

LATVIA

A previous issue of this publication contained estimates of the balance of payments of Latvia in the years 1926-1929 ⁽¹⁾. Estimates for the years 1930-1933 have now been supplied by the Latvian Government ⁽²⁾ and are reproduced below. Figures concerning the capital movement in 1933 are not available.

Goods, services and gold.

Items	Lats (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
I. Merchandise.								
1. Merchandise	247.9	163.8	96.5	81.5	296.3	176.6	84.5	91.1
2. Adjustment for :								
(a) ships sold and purchased	—	—	0.3	0.3	3.7	0.1	0.6	0.5
(b) various items	29.6	5.8	2.8	2.9	—	0.5	0.2	0.2
(c) ships' stores exported .	7.1	4.3	2.5	2.7	—	—	—	—
II. Interest and dividends.								
3. Interest on public debts ⁽³⁾ . .	—	—	—	—	1.9	1.9	—	—
4. Other interest and dividends .	4.2	2.6	2.0	0.7	8.3	6.6	7.3	4.8
III. Other services.								
5. Shipping freights	⁽⁴⁾ 8.9	⁽⁴⁾ 5.4	13.9	14.4	—	—	—	—
6. Port fees, etc.	—	0.5	0.5	0.5	⁽⁴⁾	⁽⁴⁾	10.7	10.3
7. Other transport fees :								
(a) for goods in transit ⁽⁵⁾ .	—	—	4.8	2.7	—	—	—	—
(b) for passengers, repairs, wagon hire, etc.	11.2	8.3	0.2	0.2	—	—	0.9	0.8
8. Insurance, commissions	5.8	3.9	3.5	2.7	4.8	4.1	4.2	4.2
9. Post, telegraph and telephone	0.7	1.3	0.9	0.3	0.6	1.1	1.0	0.5
10. Funds of foreign seasonal workers	—	—	—	—	3.2	3.3	2.5	1.6
11. Emigrants' remittances	6.0	4.5	2.2	2.0	—	—	—	—
12. Latvian students abroad	—	—	—	—	4.0	4.0	2.0	1.5
13. Tourists' expenditure, etc. :								
(a) Russian emigrants pass- ing through Latvia	0.3	0.1	0.1	0.1	—	—	—	—
(b) tourists and travellers . .	24.0	16.0	3.0	6.5	18.4	14.2	4.0	4.0
Carried forward	345.7	216.5	138.2	117.5	341.2	212.4	117.9	119.5

(1) *Balances of Payments*, 1930 (Series No. 1931.II.A.28 II).

(2) The figures concerning trade in goods, services and gold in the years 1929-1933 are published in the *Bulletin mensuel* of the Latvian Bureau of Statistics, Vol. 1934, No. 7 a/8.

(3) Interest on the loan granted by the Swedish Match Company. Interest on interallied debts is included with amortisation, capital item 1.

(4) The shipping income is shown net against item 5 for 1930 and 1931.

(5) Including earnings on account of sawing of Russian and Polish wood in transit.

Items	Lats (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
Brought forward	345.7	216.5	138.2	117.5	341.2	212.4	117.9	119.5
14. Diplomatic and similar expenditure	4.8	4.8	4.0	4.0	1.7	1.7	1.4	1.3
15. Other Government receipts	0.7	0.6	0.5	0.5	—	—	—	—
16. Cinematograph film licences	—	—	0.2	0.3	—	—	0.3	0.3
17. Other items	—	—	—	—	1.0	—	0.5	0.7
IV. Gold.								
18. Gold coin and bullion	—	—	—	—	0.1	0.5	0.1	0.1
Total	351.2	221.9	142.9	122.3	344.0	214.6	120.2	121.9
Surplus (+) or deficit (—) on account of:								
(a) goods and services	+ 7.3	+ 7.8	- 22.6	+ 0.5				
(b) gold	- 0.1	- 0.5	- 0.1	- 0.1				
(c) goods, services and gold	+ 7.2	+ 7.3	+ 22.7	+ 0.4				

Capital items.

Items	Lats (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
I. Long-term operations.								
1. Amortisation of intergovernmental debts (1)	—	—	—	—	2.4	0.5	0.5	—
II. Short-term operations.								
2. Change in short-term debts of joint-stock companies and banks	6.0	—	—	—	—	19.7	15.1	—
3. Change in foreign short-term assets:								
(a) assets of the Bank of Latvia and the Govt.	24.4	26.6	1.0	—	—	—	—	—
(b) assets of Latvian commercial banks	5.0	5.7	1.7	—	—	—	—	—
(c) assets of Latvian joint-stock companies	—	—	—	—	11.2	—	—	—
4. Less by the Bank of Latvia due to depreciation of sterling	—	—	—	—	—	2.3	—	—
Total	35.4	32.3	2.7	—	13.6	22.5	15.6	—
Net inward (+) or outward (—) movement of capital	+ 21.8	+ 9.8	- 12.9	—	—	—	—	—

(1) Interest included.

SUMMARY TABLE.

	Lats (000,000's)								
	Goods, services and gold					Capital items			All items (¹)
	Mer- chandise	Interest and divi- dends	Other services	Gold	Total	Long- term	Short- term	Total	
1920 Balance . . .	-25.6	—	+ 19.4	(²)	- 6.2	.	.	.	.
1921 Balance . . .	-32.5	- 0.5	+ 32.2	(²)	- 0.8	.	.	.	.
1922 Balance . . .	+ 17.9	- 1.2	+ 27.3	(²)	+ 44.0	.	.	.	.
1923 Balance . . .	-18.3	+ 0.7	+ 34.7	(²)	+ 17.1	.	.	.	.
1924 Balance . . .	-59.4	- 0.7	+ 31.2	-1.8	-30.7	+ 12.8	+ 21.8	+ 34.6	+ 3.9
1925 Balance . . .	-71.5	- 3.6	+ 44.2	-0.1	-31.0	+ 14.4	+ 20.2	+ 34.6	+ 3.6
1926 Balance . . .	-57.2	- 4.5	+ 36.6	-0.1	-25.2	+ 11.8	+ 0.3	+ 12.1	- 13.1
1927 Balance . . .	- 5.2	- 6.2	+ 33.4	—	+ 22.0	+ 6.8	-16.4	- 9.6	+ 12.4
1928 Balance . . .	-15.0	- 3.4	+ 26.3	-0.6	+ 7.3	- 4.4	-26.0	-31.3	- 24.0
1929 Balance . . .	-50.0	- 5.9	+ 30.7	-0.1	-25.3	+ 36.5	- 4.3	+ 32.2	+ 6.9
1930 Balance . . .	-15.4	- 6.0	+ 28.7	-0.1	+ 7.2	- 2.4	+ 24.2	+ 21.8	+ 29.0
1931 Credit . . .	173.9	2.6	45.4	—	221.0	—	32.3	32.3	254.8
Debit . . .	177.2	8.5	28.4	0.5	214.6	0.5	22.0	22.5	237.1
Balance . . .	- 3.3	- 5.9	+ 17.0	-0.5	+ 7.3	- 0.5	+ 10.3	+ 9.8	+ 17.1
1932 Credit . . .	102.1	2.0	38.8	—	142.9	—	2.7	2.7	145.6
Debit . . .	85.3	7.3	27.5	0.1	120.2	0.5	15.1	15.6	135.8
Balance . . .	+ 16.8	- 5.3	+ 11.3	-0.1	+ 22.7	- 0.5	-12.4	-12.9	+ 9.8
1933 Credit . . .	87.4	0.7	34.2	—	122.3				
Debit . . .	91.8	4.8	25.2	0.1	121.9				
Balance . . .	- 4.4	- 4.1	+ 9.0	-0.1	+ 0.4				

The Summary Table comprises the years 1920-1933. Information concerning the capital movement is only given for 1924-1932. In none of these years, however, is there perfect agreement between the balance of the account of goods, services and gold and the recorded net movement of capital. This must be attributed largely to the incomplete record of the short-term capital operations. The only short-term capital items entered for the years 1924-1927 are the changes in the foreign balances of banks (in 1925 and 1926, of the Bank of Latvia alone). The long-term capital items also are stated to be incompletely recorded (they include only transactions of the Government, banks and joint-stock companies).

International indebtedness.

Available information concerning the balance of Latvia's international indebtedness at the end of the years 1930 to 1933 is shown in the following table. The figures refer only to the assets and liabilities of the Government, banks and joint-stock companies in Latvia.

(1) The balances in this column are due to errors and omissions.
(2) Included in merchandise.

	Lats (000,000's) at the end of :			
	1930	1931	1932	1933
<i>Liabilities.</i>				
1. Liabilities on account of intergovernmental debts :				
(a) to the United Kingdom	(¹) 85.1	(¹) 72.6	(¹) 70.6	(¹) 57.1
(b) to the United States of America				
2. Government loan raised through the Swedish Match Company	(²) 31.1	(²) 31.1	(²) 31.1	(²) 19.8
3. Foreign participation in the capital of Latvian joint-stock companies	104.8	97.8	.	.
4. Floating debts of :				
(a) banks	29.4	15.9	8.4	.
(b) joint-stock companies	107.9	101.7	.	.
Total	358.3	319.1	.	.
<i>Assets.</i>				
5. Real estate owned by Latvian legations abroad	1.2	1.2	.	.
6. Floating assets abroad of :				
(a) central and local authorities and the Bank of Latvia	70.7	44.1	43.1	.
(b) commercial banks	11.3	5.6	3.9	.
(c) joint-stock companies	29.7	22.9	.	.
Total	112.9	73.8	.	.
Net liabilities	245.4	245.3	.	.

The following distribution by creditor countries of the foreign participation in the capital of Latvian joint-stock companies (cf. item 3 of the above table) is available :

	Lats (000,000's) at the end of		Lats (000,000's) at the end of	
	1930	1931	1930	1931
Germany	25.7	27.1		
United Kingdom	16.1	17.9		
Sweden	11.8	12.2		
Estonia	6.6	7.3		
Old Russia	7.1	6.5		
United States	5.3	4.7		
Czechoslovakia	4.6	4.4		
U. S. S. R.	3.7	4.2		
			Netherlands	8.4
			Poland	2.0
			Switzerland	1.0
			France	1.7
			Belgium	7.3
			Denmark	1.5
			Other countries	2.0
			Total	104.8
				97.8

(1) The liabilities on account of intergovernmental debts at the end of the years 1930-1933 comprise \$7.1 million, £1.9 million and F.fr. 4.5 million. The reduction in the amount in lats is due to the depreciation of the dollar and the pound.

(2) \$6 million.

LITHUANIA

A statement of the balance of payments of Lithuania for the year 1933 has been supplied by the Lithuanian Government and is set out below, together with the figures for 1930-1932 published last year.

Goods, services and gold.

Items	Litae (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Merchandise.</i>								
1. Merchandise (special trade)	333.7	273.1	189.1	160.2	312.4	278.0	166.8	142.1
2. Adjustments :								
(a) goods excluded from trade re- turns ⁽¹⁾	—	—	—	—	6.2	11.1	—	—
(b) export freights included in trade returns	—11.8	—14.2	—7.0	—5.0	—	—	—	—
(c) other forms of inexact valuation	—10.0	—13.6	—	—	—	—	—	—
3. Contraband ⁽²⁾	0.1	0.1	1.1	1.7	4.3	4.3	5.3	5.5
<i>II. Interest and dividends.</i>								
4. Interest on intergov. debts paid to :								
(a) U. S. A.	—	—	—	—	1.9	1.3	0.9	0.1
(b) France and U. K.	—	—	—	—	0.2	0.2	—	—
5. Interest on other public debts	—	—	—	—	2.5	4.5	2.6	2.0
6. Other int. and div. on long-term capital	0.2	1.0	1.2	1.0 ⁽³⁾	6.5	5.7 ⁽³⁾	5.2 ⁽³⁾	3.1 ⁽³⁾
7. Interest on short-term capital	3.2	1.8	0.6	1.0	2.0	1.2	0.9	0.9 ⁽⁴⁾
<i>III. Other services.</i>								
8. Shipping freights	—	—	—	0.6	0.1	0.1	0.1	0.1
9. Port fees	0.3	0.3	0.3	0.4	0.1	0.1	0.1	0.5
10. Other transport fees	11.5	11.6	4.0	1.0	0.6	0.6	0.6	1.1
11. Insurance	4.3	6.7	5.2	4.7	6.3	6.9	6.6	5.9
12. Commissions	0.4	0.3	—	0.5	0.1	0.1	—	0.5
13. Post, telegraph and telephone	1.4	1.5	1.1	1.2	0.1	0.3	0.1	0.3
14. Emigrants' funds	0.9	0.9	1.6	1.5	14.8	7.0	4.6	5.4
15. Emigrants' remittances	37.3	32.1	29.6	17.2	3.5	2.5	2.5	3.1
Carried forward	371.5	301.6	226.8	186.0	361.6	323.9	196.3	170.6

(1) Russian wood entered for improvement and Government imports not recorded in import returns.

(2) The credit figures include fish sold directly from fishing-grounds.

(3) Of which dividends, 3.3, 2.7, 2.4 and 1.6 million litae and interest, 2.2, 2.0, 2.8 and 1.5 million in 1930, 1931, 1932 and 1933 respectively; yield of foreign direct investments, 1 million in 1930 and 1931.

(4) Of which 0.1 million paid by the Treasury.

Items	Litas (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
Brought forward	371.5	301.6	226.8	186.0	361.6	323.9	196.3	170.6
16. Tourists' expenditure	13.6	11.1	10.8	8.3	21.0	19.6	14.9	10.9
17. Diplomatic and similar expenditure	2.5	2.7	2.2	2.2	3.3	3.9	3.1	3.1
18. Receipts of Lithuanian legations and consulates abroad	1.2	0.9	0.8	0.8	—	—	—	—
19. Contributions to international institu- tions	—	—	—	—	0.2	0.2	0.2	0.3
20. Pensions and annuities received from abroad	0.9	0.7	0.7	0.0	—	—	—	—
21. Printing of bank notes abroad	—	—	—	—	0.4	0.3	0.4	—
22. Subscription to foreign Press, etc.	—	—	—	—	0.6	0.4	0.3	0.2
IV. Gold.								
23. Gold coin and bullion	—	—	—	—	—	—	0.1	0.1
24. Change in amounts of gold deposited abroad	—	—	—	—	4.1	10.6	—	2.5
Total	389.7	317.0	241.3	197.9	391.2	358.9	215.3	187.7
Surplus (+) or deficit (—) on account of:								
(a) goods and services	+ 2.6	—31.3	+26.1	+12.8				
(b) gold	— 4.1	—10.6	— 0.1	— 2.6				
(c) goods, services and gold	— 1.5	—41.9	+26.0	+10.2				

Capital items.

Items	Litas (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
I. Long-term operations.								
1. Amortisation:								
(a) of intergov. debts	—	—	—	—	6.1	4.5	—	—
(b) of other gov. debts	—	—	—	—	—	4.1	6.3	4.6
(c) of municipal debts	—	—	—	—	0.4	0.4	0.5	0.3
(d) of other debts	—	—	—	—	4.2	1.4	3.8	5.1
2. Purchases and sales:								
(a) of real estate abroad	—	—	—	—	—	0.1	—	—
(b) of real estate in the country	—	—	0.1	0.1	—	—	—	—
(c) of securities	0.1	(¹)0.7	(¹)0.5	(¹)0.1	0.8	(²)0.8	(²)0.7	(²)0.7
3. New capital issues (Government)	18.9	29.6	13.1	1.0	—	—	—	—
4. Participation in new capital issues	11.4	—	—	0.8	—	—	—	—
5. Other long-term investments	0.8	5.1	4.3	3.0	—	—	—	6.0
II. Short-term operations.								
6. Change in short-term debts	4.2	—	—	0.5	—	45.5	44.1	—
7. Change in Lithuanian holdings of foreign bills (³)	1.9	1.0	—	1.4	—	—	—	—
8. Change in other short-term assets	—	55.3	15.6	—	7.0	—	—	—
Total	37.3	91.7	33.6	6.0	18.5	56.8	55.4	16.7
Net inward (+) or outward (—) movement of capital	+18.8	+34.9	—21.8	— 9.8				

(1) Of which national securities, 0.1 in 1931, 0.3 in 1932 and 0 in 1933.

(2) Of which national securities, 0.2 in 1931, 0.2 in 1932 and 0.6 in 1933.

(3) Held by the Bank of Lithuania.

SUMMARY TABLE.

		Litas (000,000's)								
		Goods, services and gold					Capital items			All items (¹)
		Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total	
1924	Balance .	+ 50.6	- 2.0	+ 37.5	—	+ 86.1	- 1.2	- 24.9	- 26.1	+ 60.0
1925	Balance .	- 23.1	- 3.3	+ 37.1	—	+ 10.7	- 2.5	+ 27.7	+ 25.2	+ 35.9
1926	Balance .	- 0.8	- 3.3	+ 30.0	+ 0.2	+ 26.1	- 2.0	- 16.3	- 18.3	+ 7.8
1927	Balance .	- 26.5	- 1.8	+ 38.5	- 1.8	+ 8.4	+ 12.0	- 19.2	- 7.2	+ 1.2
1928	Balance .	- 42.1	- 2.2	+ 41.6	- 2.2	- 4.9	+ 2.5	+ 15.0	+ 17.5	+ 12.6
1929	Balance .	+ 13.5	- 5.0	+ 40.8	- 0.9	+ 48.4	+ 6.9	- 43.5	- 36.6	+ 11.8
1930	Balance .	- 10.9	- 9.7	+ 23.2	- 4.1	- 1.5	+ 19.7	- 0.9	+ 18.8	+ 17.3
1931	Credit . .	245.4	2.8	68.8	—	317.0	35.4	56.3	91.7	408.7
	Debit . .	293.4	12.9	42.0	10.6	358.9	11.3	45.5	56.8	415.7
	Balance .	- 48.0	- 10.1	+ 26.8	- 10.6	- 41.9	+ 24.1	+ 10.8	+ 34.9	- 7.0
1932	Credit . .	183.2	1.8	56.3	—	241.3	18.0	15.6	33.6	274.9
	Debit . .	172.1	9.6	33.5	0.1	215.3	11.3	44.1	55.4	270.7
	Balance .	+ 11.1	- 7.8	+ 22.8	- 0.1	+ 26.0	+ 6.7	- 28.5	- 21.8	+ 4.2
1933	Credit . .	156.9	2.0	39.0	—	197.9	5.0	1.9	6.9	204.8
	Debit . .	147.6	6.1	31.4	2.6	187.7	16.7	—	16.7	204.4
	Balance .	+ 9.3	- 4.1	+ 7.6	- 2.6	+ 10.2	- 11.7	+ 1.9	- 9.8	+ 0.4

It will be noted that a perfect balance is not obtained. As the total of all the credit items included exceeds that of all the debit items in nine of the ten years shown in the Summary Table, it would appear that either the former are somewhat over-estimated or the latter underestimated or incomplete.

Goods, services and gold.

Merchandise. The value of goods sold c.i.f. foreign destination is sometimes declared by the exporters at the invoice value instead of f.o.b. Lithuanian port. A deduction has accordingly been made from the recorded export value (item 2 b).

The estimates of contraband (item 3, debit) are based on the assumption that the goods seized represented 3 % of the total smuggled.

Interest and dividends. Of the amount entered for 1933 against item 5, debit, 0.7 million litas represent interest on the Lithuanian Liberty Loan (*Emprunt de liberte*) issued in the United States, 0.7 million litas interest on the loans raised abroad for the construction of Government buildings and 0.6 million litas interest on municipal loans.

Emigrants funds (item 15). The amounts shown on the credit side represent exclusively funds brought in by returning emigrants.

The debit figure for 1932 comprises 2.6 million litas taken out by national emigrants and 2.8 million litas taken out by foreign immigrants leaving the country.

Tourists' expenditure (item 16). The amounts entered against this item are calculated on the basis of the known number of tourists of different categories, as

(1) The balances shown in this column are due to errors and omissions.

shown in the following table, and estimated average rates of expenditure per head within each category. The number of Lithuanian tourists abroad is assumed to have equalled the number of passport visas issued to Lithuanian subjects.

Category	Number of visitors				Total expenditure in litas (000,000's)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>Foreign tourists in Lithuania :</i>								
Persons taking a cure	14,053	14,413	14,837	11,200	5.6	5.8	4.4	3.9
Lithuanians living in U. S. A. on visit	1,352	972	1,272	650	4.1	2.9	3.8	2.0
Other visitors	39,263	24,613	26,053	16,000	3.9	2.4	2.6	2.4
Total	54,673	39,998	42,162	27,850	13.6	11.1	10.8	8.3
<i>Lithuanian tourists abroad :</i>								
Persons reposing or taking a cure	2,386	2,636	2,082	1,793	3.6	3.9	2.4	2.2
Excursionists	(¹)	4,265	5,701	3,310	(²)	2.6	3.4	1.2
Students	1,799	1,580	1,467	1,161	7.2	6.3	3.7	2.9
Officials		1,180	864	980		0.9	0.7	0.8
Workmen	(¹)25,494		109	106	(¹)10.2		0.1	—
Others		14,672	11,668	8,588		5.9	4.6	3.8
Total	29,679	24,333	21,891	15,938	21.0	19.6	14.9	10.9

Capital items.

The amortisation of Government debts in 1933 refers to loans raised for certain constructions.

The amounts entered against item 3 in the years 1930-1933 are composed as follows :

	Litass (000,000's)			
	1930	1931	1932	1933
Payments received out of the loan raised with the Swedish Match Co.	18.9	18.6	—	—
Loans raised abroad by the Government for certain constructions	—	11.0	13.1	(²)1.0

The amount entered on the debit side against item 5 refers to funds invested in Palestine (5.5 million litas) and long-term deposits with foreign banks.

Short-term operations. The data supplied for the years 1924-1927 refer entirely to transactions of the Bank of Lithuania. For the years 1928-1933, however, the fluctuations in short-term debts and assets of other important domestic banks and undertakings have been included in the amounts shown against items 6 and 9. The amounts entered against these two items for 1931, 1932 and 1933 are composed as follows :

Item 6 (Change in short-term debts) :	Increase (+) or decrease (-)		
	Litass (000,000's)		
	1931	1932	1933
Treasury	—	— 0.8	— 1.4
Bank of Lithuania : due to foreign correspondents . . .	+ 1.2	— 1.8	+ 0.4
Other banks :			
amounts due to foreign correspondents and liabilities			
on account of foreign bills of exchange.	— 7.9		} + 2.6
debts for the account of private enterprises	+ 1.2	— 2.4	
foreign deposits	— 10.0		
Enterprises	— 30.0	(³)— 39.1	— 1.0
Total	— 45.5	— 44.1	+ 0.5

(1) The figures for " officials, workmen and others " in 1930 include excursionists.

(2) Payment out of loan raised in the United Kingdom for the installation of automatic telephones.

(3) Of which repayment of merchandise credits, 30 million litas in 1931 (second half) and 35 million in 1932.

Item 8 (Change in other short-term assets):	Increase (+) or decrease (—) Litas (000,000's)		
	1931	1932	1933
Bank of Lithuania:			
holdings of foreign means of payment ("devises")	— 1.5	— 18.3	{ — 0.9 + 1.7
due from foreign correspondents	— 56.1		
Other banks:			
holdings of foreign means of payment ("devises")	— 0.3	+ 1.4	{ — 0.5 — 0.1
due from foreign correspondents	— 1.5		
Enterprises: deposits with foreign banks	+ 0.2	+ 1.3	— 0.2
Total	— 59.2	— 15.6	+ 0
Of this total, however, losses on foreign exchange were covered by sums amounting to	3.9	—	—
Remainder	— 55.3	— 15.6	+ 0

International indebtedness.

The following details have been supplied with regard to the international indebtedness of Lithuania in recent years.

	Litas (000,000's) at the end of			
	1930	1931	1932	1933
<i>Liabilities.</i>				
1. Intergovernmental debts	69.9	65.2	67.2	46.7
2. Lithuanian Government bonds held abroad	62.8	81.0	89.4	75.7
3. Lithuanian municipal bonds held abroad	10.0			
4. Foreign-owned real estate	0.2	0.2	0.2	0.2
5. Private long-term debts	44.1	} ⁽¹⁾ 72.9	} ⁽¹⁾ 75.8	} ⁽¹⁾ 73.8
6. Foreign participation in Lithuanian enterprises	20.5			
7. Floating foreign debt:				
(a) of the central Government and local authorities . . .	—	4.1	2.9	1.1
(b) of banks: on account of current account deposits of foreign correspondents	18.5	13.1	6.3	9.0
(c) of banks: other	—	—	⁽²⁾ 3.7	⁽²⁾ 3.9
(d) of other private enterprises	12.2	7.1	8.0	7.0
Total liabilities	238.2	243.6	253.5	217.4
<i>Assets.</i>				
8. Foreign securities held in Lithuania	0.7	0.8	—	—
9. Foreign real estate owned by Lithuanians	4.3	4.3	4.1	3.8
10. Other long-term assets (participation in foreign enterprises and other direct investments abroad)	4.0	4.0	2.8	2.8
11. Floating foreign assets:				
(a) of the central Government and local authorities . . .	—	—	—	—
(b) of banks:				
deposits on current account with foreign correspondents	32.8	29.0	17.4	18.1
bills of exchange payable abroad	6.6	5.4	3.5	2.1
gold deposited abroad by the Bank of Lithuania . . .	39.0	49.6	48.4	50.9
cash holdings of foreign currency (all banks)	—	—	3.1	1.7
(c) of other enterprises	1.8	4.3	5.6	5.4
Total assets	139.2	97.4	84.9	84.8
Net liabilities	— 99.0	— 146.2	— 168.6	— 132.6

(1) According to the *Annuaire statistique de la Lithuanie, Année 1933*, the foreign participation in the share capital of Lithuanian enterprises was 38.8, 40.5 and 39.3 million litas respectively at the end of 1931, 1932 and 1933.

(2) Of which on account of foreign bills of exchange, 0.3 at the end of 1932 and 0.6 at the end of 1933.

NETHERLANDS

Data concerning a number of items in the balance of payments of the Netherlands for 1933 have been supplied by the Government of that country and are reproduced below, together with the figures for 1930-1932 published last year (certain of these figures have, however, been revised).

Goods, services and gold.

Items	Gulden (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
I. Merchandise.								
1. Merchandise	1,728	1,316	850	726	2,426	1,896	1,306	1,215
2. Adjustment for :								
(a) goods sent by post (excl. diamonds)	.	.	.	12	.	.	.	29
(b) diamonds . . . . .	.	.	.	16	.	.	.	12
(c) fishery products sold from fishing grounds and bought from foreign vessels	—	—	—	—	1	1	1	1
II. Interest and dividends.								
3. Interest received on intergovernmental debts	11	10	11	11	—	—	—	—
4. Interest paid on Government debts . .	—	—	—	—	1	1	—	—
5. Yield of securities (interest and divi- dends): recorded receipts and payments through certain banks (1) . . . . .	.	183	148	107	.	72	63	45
6. Yield of direct investments in property	.	.	.	.	36	29	23	20
7. Interest on short-term capital (2) . . .	.	44	26	20	.	19	11	7
III. Other services.								
8. Shipping freights (net income) (3) . . .	155	125	86	66	—	—	—	—
9. Receipts on account of transshipment, port fees received, repair of ships, Rhine traffic	92	62	41	47	—	—	—	—
10. Bank commissions (incomplete data) .	10	10	8	3	2	1	1	.
11. Post, telegraph and telephone	8	7	7	7	8	7	6	6
12. Tourists' expenditure (net)	—	—	—	—	32	24	23	25
13. Pensions, salaries, etc. :								
(a) paid by the Governments of the Netherlands Indies, Surinam and Curaçao	27	27	27	30	—	—	—	—
(b) paid by private concerns (4) . . .	30	27	23	21	—	—	—	—

(1) Figures for 23 banks in 1931 and 1932, and 22 banks in 1933.
 (2) Figures for 23 banks in 1931 and 1932, and 22 banks in 1933; the receipts include discounts on all foreign acceptances eligible for discount at the Netherlands Bank.
 (3) The earnings of the Dutch Rhine fleet are included with item 9.
 (4) Including administration costs and *tantîèmes*.

Items	Gulden (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
14. Emigrants' remittances (from the Netherlands Indies)	10	8	6	5	—	—	—	—
15. Net expenditure in the Netherlands by the Government of the Netherlands Indies on account of items not mentioned elsewhere . . . . .	.	.	70	24	.	.	—	—
16. Government assistance to Dutch nationals abroad	—	—	—	—	1	1	3	4
17. Government receipts and expenditure	1	2	1	—	8	9	8	7
IV. Gold.								
18. Gold coin and bullion	53	111	352	697	34	605	641	530
19. Gold sent by post . . . . .	.	.	.	11	.	.	.	87
20. Earmarking transactions by the Netherlands Bank	10	166	190	34	15	238	82	37

Capital items.

Items	Gulden (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
1. Amortisation of intergovernmental debts	7	8	6	6	—	—	—	—
2. Amortisation of other Government debts	—	—	—	—	—	—	9	—
3. Private amortisation receipts and payments . . . . .	.	(¹) 53	(¹) 39	(²) 63	.	(¹) 22	(¹) 12	(²) 11
4. Purchases and sales of securities through certain banks . . . . .	.	(³) 444	(³) 303	(¹) 310	.	(³) 483	(³) 344	(¹) 293
5. New capital issues raised abroad	81	12	—	—	—	—	—	—
6. New capital issues in the Netherlands for the account of :								
(a) the Government of the Netherlands Indies	—	—	—	—	109	95	102	—
(b) other borrowers in the Netherlands Indies	—	—	—	—	2	2	—	—
(c) "foreign" governments	—	—	—	—	70	17	8	—
(d) other borrowers in "foreign" countries	—	—	—	—	126	10	15	—
7. Payments to pension funds in the Netherlands by :								
(a) colonial governments, etc.	25	12	10	8	—	—	—	—
(b) private concerns	9	9	9	9	—	—	—	—
8. Government expenditure on account of long-term loans to the Government of the Netherlands Indies	—	—	—	—	—	—	—	115
9. Net increase in advances to the Governments of the Netherlands Indies, Surinam and Curaçao	—	—	—	—	85	60	86	9
10. Known movement of :								
(a) short-term foreign debts	(¹) 95	(³) 11	(³) 41	(¹) 37	(¹) 92	(³) 240	(³) 55	(¹) 79
(b) short-term assets abroad	(¹) 89	(³) 661	(³) 110	(¹) 170	(¹) 199	(³) 7	(³) 19	(¹) 35

(1) Figures for 23 banks.

(2) Figures for 22 banks.

(3) Figures for 24 banks.

Owing to the incompleteness of the information available, no totals are shown. For details concerning the compilation of the various estimates, reference should be made to the *Maandschrift* of the Dutch Central Bureau of Statistics. ⁽¹⁾

International indebtedness.

The following details are available concerning certain items in the balance of outstanding indebtedness of the Netherlands. Private long-term investments are not included. As the figures for the floating debts and assets refer to 23 banks at the end of 1930 and 1933, and to 24 banks at the end of 1931 and 1932, they are not wholly comparable.

	Gulden (000,000's)			
	at the end of			
	1930	1931	1932	1933
<i>Liabilities.</i>				
1. Liabilities on account of intergovernmental debts	—	—	—	—
2. Floating foreign debt of 23 Dutch banks in 1930, 24 in 1931 and 1932 and 23 in 1933 : ⁽²⁾				
(a) current account deposits of foreign correspondents . . .	77	80	107	68
(b) liabilities on account of bills of exchange	633	{ 30	{ 13	{ 12
(c) other liabilities		{ 301	{ 307	{ 265
<i>Assets.</i>				
3. Claims on account of long-term intergovernmental debts . . .	145	137	⁽³⁾ 152	⁽³⁾ 260
4. Claims on the Netherlands Indies, Surinam and Curaçao, on account of short-term intergovernmental debts			⁽⁴⁾ 250	⁽⁴⁾ 259
5. Floating assets abroad of 23 Dutch banks in 1930, 24 in 1931 and 1932 and 23 in 1933 : ⁽²⁾				
(a) deposits on current account with foreign correspondents	428	188	190	118
(b) assets on account of foreign bills of exchange	425	159	120	44
(c) other assets	629	396	341	316

(1) Vol. 1934, No. 10.

(2) Including the Netherlands Bank.

(3) Of which due by the Netherlands Indies: 29 million gulden in 1932 and 141 million in 1933.

(4) Of which due by the Netherlands Indies: 230 million gulden in 1932 and 241 million in 1933.

NETHERLANDS INDIES

An official statement of the balance of payments of the Netherlands Indies for 1933 is shown below together with the statements for 1929-1932 given in the previous edition of this volume. Certain of the figures for 1932 have been revised; those for 1933 are provisional.

Goods, services and gold.

Items	Gulden (000,000's)									
	Inward or credit movements (Exports)					Outward or debit movements (Imports)				
	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933
I. Merchandise.										
1. Merchandise, as recorded	1,483	1,186	774	567	(1)475	1,152	919	607	401	(1)318
2. Adjustments of item 1 on account of:										
(a) export duty	13	9	4	2	2	—	—	—	—	—
(b) statistical duty	4	3	2	2	2	—	—	—	—	—
(c) purchases of ships	—	—	—	—	—	13	13	7	—	—
(d) deduction on account of silver coin (2)	-34	-24	-24	-22	(1)	-42	-30	-14	-16	(1)
II. Interest and dividends. (3)										
3. Int. and div. received by the Govt.	13	11	6	7	6	—	—	—	—	—
4. Interest paid abroad on:										
(a) Government debt	—	—	—	—	—	53	—	—	—	—
(b) debt of municipalities, private companies, etc.	—	—	—	—	—	26	81	89	90	96
5. Dividends paid abroad by:										
(a) planting companies (including profits of private estates)	—	—	—	—	—	132	97	17	—	—
(b) other companies	—	—	—	—	—	116	90	45	31	26
6. Trade profits of individuals	—	—	—	—	—	2	2	2	—	—
III. Other services.										
7. Tourists' expenditure:										
(a) passenger fares	—	—	—	—	—	29	29	25	16	12
(b) other	6	5	5	3	3	57	54	34	16	12
8. Remittances to relatives abroad	—	—	—	—	—	15	12	10	8	7
9. Government expenditure n.e.i.	—	—	—	—	—	18	16	15	10	9
10. Administration expenditure abroad:										
(a) <i>tantièmes</i>	—	—	—	—	—	16	—	—	—	—
(b) other	—	—	—	—	—	20	24	20	16	14
11. Pensions paid abroad	—	—	—	—	—	26	28	31	34	36
IV. Gold.										
12. Gold coin and bullion	5	5	44	46	35	14	3	3	9	—
Total	1,490	1,195	811	605	523	1,647	1,338	891	615	530
Surplus (+) or deficit (-) on account of:										
(a) goods and services	-148	-145	-121	-47	-42	—	—	—	—	—
(b) gold	-9	+2	+41	+37	+35	—	—	—	—	—
(c) goods, services and gold	-157	-143	-80	-10	-7	—	—	—	—	—

(1) The figures entered against item 1 for 1933 exclude silver coin.

(2) Silver coin withdrawn from circulation, and new coin substituted therefor. — In the tables, this adjustment, introduced in the revised statement for 1932, has been taken to apply also to the years 1925-1931.

(3) Non-distributed profits earned by foreign-owned enterprises in the country and reinvested there are excluded from the outward payments of interest and dividends as well as from the inward capital movement as recorded.

Capital items. ⁽¹⁾

Items	Gulden (000,000's)									
	Inward or credit capital movement					Outward or debit capital movement				
	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933
<i>I. Long-term operations.</i>										
1. Amortisation :										
(a) of Government debt	—	—	—	—	—	45	43	33	47	60
(b) of other debts	—	—	—	—	—	10				
2. Purchases of dom. securities abroad	—	—	—	—	—	33	25	15	10	6
3. Remittances on account of pension funds :										
(a) of the Government	—	—	—	—	—	24	24	21	19	18
(b) of private companies	—	—	—	—	—	3	9			
4. Life insur. premia remitted abroad.	—	—	—	—	—	6				
5. New foreign long-term investments	59	180	103	104	115	—	—	—	—	—
<i>II. Short-term operations.</i>										
6. Recorded changes in short-term assets and debts :										
(a) of the Government	141		46	86	13	—		—	—	—
(b) of banks, companies, etc.				37						
Total	200	180	149	227	128	121	101	69	76	84
Net inward (+) movement of capital	+79	+79	+80	+151	+44					

SUMMARY TABLE.

	Gulden (000,000's)									All items
	Goods, services and gold					Capital items				
	Merchandise	Interest and dividends	Other services	Gold	Total	Long-term	Short-term	Total		
1925 Balance	+ 973	— 359	— 136	— 14	+ 464	— 13	— 198	— 216	(²) + 248	
1926 Balance	+ 697	— 408	— 160	— 21	+ 108	— 56	+ 79	+ 23	(²) + 131	
1927 Balance	+ 726	— 372	— 216	— 16	+ 122	— 67	+ 5	— 62	(²) + 60	
1928 Balance	+ 576	— 355	— 201	— 15	+ 5	— 13	— 6	— 19	(²) — 14	
1929 Balance	+ 343	— 316	— 175	— 9	— 157	— 62	+ 141	+ 79	(²) — 78	
1930 Balance	+ 272	— 259	— 158	+ 2	— 143	+ 79		+ 79	(²) — 64	
1931 Credit	756	6	5	44	811	103		149	960	
Debit	600	153	135	3	891	69	46	69	960	
Balance	+ 156	— 147	— 130	+ 41	— 80	+ 34	+ 46	+ 80	—	
1932 Credit	549	7	3	46	605	104	123	227	832	
Debit	385	121	100	9	615	76	—	76	691	
Balance	+ 164	— 114	— 97	+ 37	— 10	+ 28	+ 123	+ 151	(²) + 141	
1933 Credit	479	6	3	35	523	115	13	128	651	
Debit	318	122	90	—	530	84	—	84	614	
Balance	+ 161	— 116	— 87	+ 35	— 7	+ 31	+ 13	+ 44	(²) + 37	

(1) Non-distributed profits earned by foreign-owned enterprises in the country and reinvested there are excluded from the outward payments of interest and dividends as well as from the inward capital movement as recorded.

(2) Balance due to errors and omissions.

(3) Figures concerning the movement of short-term capital are not available; the balance of this movement is therefore included with the balance of all the items shown in the last column.

It will be noted that a perfect balance is not obtained, a fact which is due partly to the incomplete record of capital movements. For 1930, no information is available with regard to the changes in short-term assets and debts ; that for 1931 and 1933 refers only to the Government debt on balance with the Dutch Colonial Department. In the case of 1933, it is pointed out, however, that the final balance of all the items recorded is due partly to the incompleteness of the information concerning the Government receipts and expenditure in the Netherlands.

Reinvestments in the country of non-distributed profits earned by foreign-owned enterprises are excluded from the inward capital movement as well as from the outward payments of interest and dividends, as there were no data on which reliable estimates of the amounts in question could be based. The capital account therefore understates the extent to which the Netherlands Indies has recourse to foreign capital, and the recorded interest and dividend payments do not give a true idea of the foreign indebtedness of the country. The reinvestments out of profits earned were considerable during prosperous years ; in 1925, for example, they are believed to have reached some 30 % of the amounts entered as dividends paid abroad in the account for goods, services and gold.

Capital items 2-4 largely represent savings effected by Europeans living in the Netherlands Indies who intend eventually to return to their home country. It follows that the outward capital movement shown by these items does not imply a corresponding reduction of the foreign indebtedness of the Netherlands Indies.

Details concerning the methods employed in the calculations are given in the 1927-1929 edition of this volume (1).

(1) Series of publications : 1930. II. 54¹¹.

NEW ZEALAND

The official estimates of the balance of payment of New Zealand for a number of years up to 1931-32 (fiscal years ending March 31st) inclusive, published in the preceding issues of this publication, have been revised and a new statement for the year 1932-33 has been supplied. The following table shows the detailed accounts for the years 1929-30 to 1932-33. The figures for the whole period are given in pounds sterling.

Goods, services and gold.

Items	£ (000's) sterling							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929-30	1930-31	1931-32	1932-33	1929-30	1930-31	1931-32	1932-33
<i>I. Merchandise.</i>								
1. Merchandise	47,474	36,676	30,469	31,683	49,147	37,771	22,565	22,171
2. Adjustment for wrong valuation	—	—	—	—	1,117	342	204	500
<i>II. Interest and dividends.</i>								
3. Interest on intergovernmental debts	8	8	8	7	—	—	—	—
4. Interest on :								
(a) Govt. debt	—	—	—	—	6,925	7,065	6,670	5,935
(b) local bodies' debt	—	—	—	—	1,355	1,305	1,235	1,165
5. Other interest and dividends on long-term capital	497	234	239	162	1,000	1,000	800	800
<i>III. Other services.</i>								
6. Shipping income :								
(a) freights	300	220	(1) 150	170	—	—	—	—
(b) passage money	560	450	250	200	—	—	—	—
7. Port fees	819	823	620	610	—	—	—	—
8. Immigrants' and emigrants' funds	360	390	170	80	360	270	280	290
9. Tourists' expenditure	1,140	940	590	550	2,830	2,620	1,740	1,440
10. Diplomatic and similar expenditure	30	30	30	30	60	60	60	60
11. Reparations in cash	371	508	167	—	—	—	—	—
12. Other Government receipts and expenditure	163	134	143	276	663	849	922	711
<i>IV. Gold.</i>								
13. Gold coin and bullion	1,093	523	1,108	2,770	6	252	3	1
Total	52,815	40,936	33,944	36,538	63,463	51,534	34,479	33,073
Surplus (+) or deficit (—) on account of :								
(a) goods and services	—11,735	—10,869	—1,648	+ 696				
(b) gold	+ 1,087	+ 271	+ 1,105	+ 2,769				
(c) goods, services and gold	—10,648	—10,598	— 543	+ 3,465				

(1) Maritime freight on imported goods, which is included in group I of imports, amounted to approximately £2,300,000 in 1931-32 and £2,000,000 in 1932-33. Of the latter amount, about £110,000 were paid to national ships and included in the figure entered on the credit side against item 6 a.

Capital items (Government operations only).

Items	£ (000's) sterling							
	Inward or credit capital movement				Outward or debit capital movement			
	1929-30	1930-31	1931-32	1932-33	1929-30	1930-31	1931-32	1932-33
1. Net change in Government and local bodies' debt domiciled abroad	—	8,058	3,371	—	2,445	—	—	1,199
2. Net change in Government holdings of foreign government bonds	—	—	1,500	7	—	—	—	—
3. Net change in Government floating assets in London	6,290	—	—	2,135	—	7	3,098	—
Total	6,290	8,058	4,871	2,142	2,445	7	3,098	1,199
Net inward (+) movement of capital on account of the above items	+ 3,845	+ 8,051	+ 1,773	+ 943				

SUMMARY TABLE.

	£ (000's) sterling						
	Goods, services and gold					Government capital operations	All known items
	Merchandise	Interest and dividends	Other services	Gold	Total		
1928-29 Balance	+ 9,921	— 3,687	— 391	+ 1,102	+ 1,945	+ 6,518	+ 8,463
1929-30 Balance	— 2,790	— 8,775	— 170	+ 1,087	— 10,648	+ 3,845	— 6,803
1930-31 Credit	36,676	242	3,495	523	40,936	8,058	48,994
Debit	38,113	9,370	3,799	252	51,534	7	51,541
Balance	— 1,437	— 9,128	— 304	+ 271	— 10,598	+ 8,051	— 2,547
1931-32 Credit	30,469	247	2,120	1,108	33,944	4,871	38,815
Debit	22,769	8,705	3,002	3	34,479	3,098	37,577
Balance	+ 7,700	— 8,458	— 882	+ 1,105	— 535	+ 1,773	+ 1,238
1932-33 Credit	31,683	169	1,916	2,770	36,538	2,142	38,680
Debit	22,671	7,900	2,501	1	33,073	1,199	34,272
Balance	+ 9,012	— 7,731	— 585	+ 2,769	+ 3,465	+ 943	+ 4,408

The only figures available concerning capital movements refer to changes in the Government and local bodies' debts abroad and in the floating foreign assets of the Government. The balance of the whole account as shown in the last column of the Summary Table will be seen to be largely due to the omission of other capital items, particularly short-term operations. In this connection, it is interesting to compare the balances shown with the indications given by the New Zealand banking

statistics concerning the balance of short-term capital movements from and to other countries (1) :

	£(000,000's) sterling			
	1930	1931	1932	1933
Inward (+) or outward (-) capital movement necessary to offset balances shown in the above table (years ending March 31st)	+ 6.8	+ 2.5	- 1.2	- 4.4
Inward (+) or outward (-) short-term capital movement according to banking statistics (including specie shipments by the Government. — Calendar years)	+ 7.7	+ 2.4	+ 1.5	- 2.0

Both these series indicate that the short-term capital movement has changed from inward to outward during the last few years.

The above Summary Table covers five years for which detailed accounts are available. A summary statement covering the whole period from 1913-14 to 1932-33 has, however, been published, showing inward or outward balances by groups of items differing from those employed above (2). In the following table, column 1 excludes the adjustment of merchandise imports on account of undervaluation, but includes gold bullion exported. The adjustment just mentioned, as well as interest receipts and payments other than on account of the public debt, are included in column 4. Column 5, however, corresponds to the total balance on account of goods, services and gold in the League classification, and thus gives an indirect estimate of the capital movement (after reversal of the sign).

Column 6 represents only the change in the Government and local bodies' foreign debt domiciled abroad (capital item 1 in the table on page 133).

INWARD (+) OR OUTWARD (-) BALANCES ON ACCOUNT OF VARIOUS GROUPS OF ITEMS ACCORDING TO NATIONAL CLASSIFICATION.

	£(000,000's) sterling					
	Merchandise and bullion, as recorded (1)	Specie (2)	Interest on public debt (3)	Other non-capital items (4)	Total goods, services and gold (5)	Change in public debt (6)
1913-14	+ 1.7	- 0.5	- 3.3	- 0.1	- 2.2	+ 6.2
1914-15	+ 7.6	- 0.5	- 3.5	- 4.2	- 0.6	+ 2.1
1915-16	+ 12.2	- 1.3	- 3.7	- 10.2	- 3.0	+ 4.1
1916-17	+ 5.1	- 0.7	- 3.9	- 9.2	- 8.7	+ 2.5
1917-18	+ 10.4	- 0.1	- 4.1	- 9.0	- 2.8	+ 4.7
1918-19	+ 6.3	- 0.1	- 4.5	- 10.5	- 8.8	+ 6.7
1919-20	+ 19.2	- 0.3	- 4.6	- 3.4	+ 10.9	- 0.2
1920-21	- 19.2	- 0.1	- 4.8	- 5.5	- 29.6	+ 3.1
1921-22	+ 8.0	- 0.3	- 5.2	- 2.3	+ 0.2	+ 9.4
1922-23	+ 8.7	- 0.1	- 5.6	- 2.2	+ 0.8	+ 5.5
1923-24	+ 7.2	+ 0.1	- 5.9	- 2.7	- 1.3	+ 6.9
1924-25	+ 4.8	+ 0.1	- 6.2	- 2.9	- 4.2	+ 10.8
1925-26	- 4.3	-	- 6.8	- 2.1	- 13.2	+ 8.9
1926-27	- 2.4	- 0.1	- 7.1	- 0.9	- 10.5	+ 7.4
1927-28	+ 10.6	- 0.1	- 7.5	- 1.3	+ 1.7	+ 7.6
1928-29	+ 11.4	+ 0.6	- 8.0	- 2.1	+ 1.9	+ 11.0
1929-30	- 1.1	+ 0.5	- 8.3	- 1.7	- 10.6	- 2.4
1930-31	- 0.5	- 0.3	- 8.4	- 1.4	- 10.6	+ 8.1
1931-32	+ 8.3	+ 0.7	- 7.9	- 1.6	- 0.5	+ 3.4
1932-33	+ 10.6	+ 1.7	- 7.1	- 1.7	+ 3.5	- 1.2

(1) For details concerning the calculation of this balance, see *Commercial Banks 1925-1933* (Series of publications 1934. H.A.5), page 330.

(2) Cf. *New Zealand Monthly Abstract of Statistics* for April 1934, page X.

Certain of the indications which were given in the 1927-1929 issue of this volume concerning the methods used in compiling the statement contained therein would appear also to be applicable to the revised estimates.

International indebtedness.

The following information is available concerning the balance of international indebtedness of New Zealand at March 31st of recent years. It excludes private floating assets and debts. The figures represent the nominal value in the case of securities, and original outlay in the case of private investments.

Items	£(000's) sterling			
	1930	1931	1932	1933
<i>Liabilities.</i>				
1. Intergovernmental debts	24,747	24,321	24,100	24,100
2. National securities domiciled abroad	152,031	160,509	162,097	162,902
3. Other long-term debt (national real estate owned by foreigners, foreign participation in national enterprises, and other foreign direct investments)	20,000	20,000	20,000	20,000
Total liabilities (excluding floating debt).	196,778	204,830	206,197	207,002
<i>Assets.</i>				
4. Claims on account of intergovernmental debts	165	165	165	139
5. Foreign securities held by the Government of New Zealand (on account of other foreign government and municipal debt)	2,786	2,786	1,286	1,279
6. New Zealand Government securities held in London by New Zealand public bodies (offsetting item 2 above)	3,517	3,517	3,517	3,517
7. Estimated private holdings of foreign securities	1,500	1,500	1,500	1,500
8. Floating assets in London of the New Zealand Government	(1) — 40	(1) — 33	3,065	930
Total assets (excluding private floating assets)	7,928	7,935	9,533	7,365
Net liabilities	188,850	196,895	196,664	199,637

The liabilities shown under item 1 represent New Zealand's share of the British Funded Debt and the corresponding assets (item 4) the New Zealand loan to the Samoan Government. The debt of the central Government abroad (less the amounts shown under item 1), plus foreign debt of local authorities, is shown against item 2. The figures shown against item 3 are based on an estimate made in 1910 by Sir George Paish.

(1) Debt.

NORWAY

A statement of the Norwegian balance of payments for the year 1933, compiled by the Central Statistical Office, has been supplied by the Norwegian Government and is set out below together with the estimates for 1930-1932 which were published in the last edition of this volume.

Goods, services and gold.

Items	Kroner (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Merchandise.</i>								
1. Merchandise	684	466	569	558	1,065	861	690	665
2. Whale oil sold from herding grounds	108	99	6	36	—	—	—	—
<i>II. Interest and dividends.</i>								
3. Interest on intergovernmental debts	—	—	—	—	—	—	—	—
4. Interest on other public debts	7	6	4	3	54	52	65	62
5. Other interest and dividends on long-term capital	5	5	5	5	21	20	21	20
6. Interest on short-term capital	6	6	7	6	15	15	16	16
<i>III. Other services.</i>								
7. Shipping income :								
(a) ordinary freights and passage money	275	235	262	390	—	—	—	—
(b) charter money	137	129	116	—	—	—	—	—
8. Port fees	5	5	5	4	(¹) 206	(¹) 184	(¹) 190	(¹) 195
9. Expenses of whaling companies abroad	—	—	—	—	32	19	8	8
10. Other transport fees (²)	20	19	17	13	—	—	—	—
11. Post, telegraph and telephone	2	1	2	1	2	2	3	3
12. Immigrants' and emigrants' remittances	13	13	14	7	—	—	—	—
13. Tourists' expenditure	33	30	30	30	(³)	(³)	(³)	(³)
14. Diplomatic and similar expenditure	—	—	—	—	3	3	3	3
15. Other items	5	5	5	14	10	8	8	10
<i>IV. Gold.</i>								
16. Gold coin and bullion	—	(⁴) 39	—	20	—	—	—	19
Total	1,300	1,058	1,042	1,087	1,408	1,164	1,004	1,001
Surplus (+) or deficit (—) on account of :								
(a) goods and services	— 108	— 145	+ 38	+ 85				
(b) gold	—	+ 39	—	+ 1				
(c) goods, services and gold	— 108	— 106	+ 38	+ 86				

(1) Including expenses abroad for bunker fuel, provisions, commissions, wages, insurance, repairs, etc., i.e., all foreign expenses of national ships.
 (2) Mainly earnings on account of iron ore and paper pulp coming from Sweden.
 (3) Included in item 15.
 (4) The gold exported in 1931 was held earmarked for the Bank of Norway at the end of the year and was thus offset by a corresponding increase in foreign assets (included in capital item 5).

Capital items.

Items	Kroner (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Long-term operations.</i>								
1. Purchases and sales:								
(a) of domestic securities . . .	69	42	31	26	(¹) 91	(¹) 104	(¹) 34	(¹) 60
(b) of foreign securities . . .	(²) 33	(²) 119	(²) 34	(²) 37	82	40	27	46
2. New capital issues:								
(a) Government and municipal	57	10	—	—	—	—	—	—
(b) other	—	—	—	—	—	—	—	—
3. Other long-term investments . .	—	—	—	—	—	—	—	—
<i>II. Short-term operations.</i>								
4. Change in short-term debts . .	69	96	—	—	—	—	76	84
5. Change in short-term assets . .	84	—	4	33	—	22	—	—
Total	312	267	69	96	173	166	137	190
Net inward (+) or outward (-) movement of capital	+139	+101	- 68	- 94				

SUMMARY TABLE.

	Kroner (000,000's)								
	Goods, services and gold					Capital items			All items
	Mor- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total	
1923 Balance	- 478	- 52	+ 339	—	- 191	+ 208	.	+ 208	(³) + 17
1924 Balance	- 433	- 62	+ 293	—	- 202	+ 167	.	+ 167	(³) - 35
1925 Balance	- 268	- 62	+ 249	—	- 81	+ 152	.	+ 152	(³) + 71
1926 Balance	- 223	- 51	+ 261	—	- 13	- 35	+ 65	+ 30	(⁴) + 17
1927 Balance	- 244	- 60	+ 235	—	- 69	+ 141	- 54	+ 87	(⁴) + 18
1928 Balance	- 280	- 70	+ 227	—	- 123	+ 172	- 47	+ 125	(⁴) + 2
1929 Balance	- 236	- 69	+ 267	—	- 38	- 14	+ 66	+ 52	(⁴) + 14
1930 Balance	- 273	- 72	+ 237	—	- 108	- 14	+ 153	+ 139	(⁴) + 31
1931 Credit	565	17	437	39	1,058	171	96	267	1,325
Debit	861	87	216	—	1,164	144	22	166	1,330
Balance	- 296	- 70	+ 221	+39	- 106	+ 27	+ 74	+ 101	(⁴) - 5
1932 Credit	575	16	451	—	1,042	65	4	69	1,111
Debit	690	102	212	—	1,004	61	76	137	1,141
Balance	- 115	- 86	+ 239	—	+ 38	+ 4	- 72	- 68	(⁴) - 30
1933 Credit	594	14	459	20	1,087	63	33	96	1,183
Debit	665	93	219	19	1,001	106	84	190	1,191
Balance	- 71	- 84	+ 240	+ 1	+ 86	- 43	- 51	- 94	(⁴) - 8

(1) Including amortisation payments.

(2) Including amortisation receipts and foreign participation in national capital issues.

(3) Balance including (a) the movement of short-term capital, (b) errors and omissions.

(4) Balance due to errors and omissions.

The balance shown in the last column of the above table for the years prior to 1926 may be attributed largely to the exclusion of short-term capital operations. But even in the statements for 1926-1933, which include such operations, owing to omissions and possible errors a perfect balance is not obtained. The Central Statistical Office emphasises the fact that many of the figures given are necessarily of the character of estimates of varying accuracy. The most important items omitted are considered to be outgoings and receipts on account of commissions and insurance undertakings, etc., which, it is thought, probably roughly balance. Receipts from emigrants are omitted before 1926 and expenditure abroad by Norwegian tourists before 1927. Further, when calculating the movement of short-term capital, it has not been possible to eliminate certain changes in the floating assets and liabilities which do not result from international payments, e.g., losses and amounts written off.

Capital items.

The estimates of the long-term capital operations are based on information received from the larger banks, brokers, insurance and shipping companies, industrial concerns and certain municipalities.

Figures concerning the annual movement of short-term capital are available from 1926. The balances of long-term capital operations shown in the summary table for the years 1923-1925 include, however, allowances for changes in the floating assets arising from long-term loans abroad, the proceeds of loans brought home in each year being taken into account and not the total amounts raised.

Balance of international indebtedness.

Information concerning outstanding debts and liabilities abroad is collected annually from State Departments, the larger municipalities, commercial banks and a number of private firms. The main results of the enquiries are given below (1) :

	Liabilities			Assets			Balance	
	Bonds and shares	Real estate	Floating indebtedness	Bonds and shares	Real estate	Floating assets	Kroner (000,000's)	Gold kroner (000,000's)
	Market value in kroner (000,000's)							
April 30th, 1919 . . .	750	?	300	410	?	2,000	+ 1,360	+ 1,310
Sept. 30th, 1924 . . .	1,575	65	1,025	245	30	730	- 1,660	- 880
Dec. 31st, 1925 . . .	1,400	60	780	230	25	580	- 1,405	- 1,065
Dec. 31st, 1926 . . .	1,165	55	777	260	20	492	- 1,225	- 1,150
Dec. 31st, 1927 . . .	1,247	55	594	213	20	361	- 1,302	- 1,290
Dec. 31st, 1928 . . .	1,457	55	608	180	20	420	- 1,498	- 1,490
Dec. 31st, 1929 . . .	1,461	65	660	183	18	408	- 1,577	- 1,577
Dec. 31st, 1930 . . .	1,485	67	729	242	20	324	- 1,695	- 1,695
Dec. 31st, 1931 . . .	1,359	71	838	168	18	346	- 1,736	- 1,201
Dec. 31st, 1932 . . .	1,531	71	762	168	18	342	- 1,836	- 1,215
Dec. 31st, 1933 . . .	1,344	71	678	172	18	309	- 1,594	- 975

(1) For further details, see *Statistiske Meddelelser* (issued by the Norwegian Central Statistical Office), No. 5, 1934.

A specification of the figures for the last five years shown in this table is given below :

	Market value in kroner (000,000's) at the end of				
	1929	1930	1931	1932	1933
<i>Liabilities.</i>					
1. Norwegian bonds and shares, held abroad :					
(a) State bonds	675	679	623	772	641
(b) municipal debt	193	213	218	212	198
(c) debt of certain banks (1)	119	160	149	158	166
(d) private bonds	144	143	144	142	105
(e) shares	330	290	225	247	244
2. National real estate owned by foreigners	65	67	71	71	71
3. Floating debt :					
(a) official institutions (including the Bank of Norway)	14	8	25	24	14
(b) banks and brokers	182	167	131	115	108
(c) other private enterprises	464	554	682	623	556
Total liabilities	2,186	2,281	2,268	2,364	2,093
<i>Assets.</i>					
4. Foreign bonds and shares, held in Norway by :					
(a) official institutions (including the Bank of Norway)	11	33	10	8	7
(b) banks and brokers	33	73	25	25	25
(c) other private enterprises	139	136	133	135	140
5. Foreign real estate owned by Norwegians	18	20	18	18	18
6. Floating assets of :					
(a) official institutions (including the Bank of Norway)	87	74	96	106	70
(b) banks and brokers	155	94	59	54	51
(c) other private enterprises	166	156	191	182	188
Total assets	609	586	532	528	499

Norwegian participation in foreign enterprises and direct investments abroad, included under items 4b and c in this table, amounted at the end of each of the years 1929 to 1933 to 102, 103, 106, 111 and 109 million kroner respectively.

A division by countries of the Norwegian shares held abroad (item 1e in the above table) at the end of 1931, 1932 and 1933 is given below :

Shares held in	Kr. (000,000's)			Shares held in	Kr. (000,000's)		
	1931	1932	1933		1931	1932	1933
France	62.3	80.9	78.3	Switzerland	24.3	33.5	28.5
U.K.	35.0	32.4	34.5	Netherlands	6.8	7.0	6.3
Germany	5.4	4.9	4.8	Belgium	0.4	0.6	0.2
Sweden	30.8	29.2	33.2	Canada	17.5	16.0	15.5
U.S.A.	20.8	24.0	36.9	Other countries	5.9	3.7	2.9
Denmark	15.3	15.2	3.2	Total	224.5	247.4	244.3

These amounts are calculated according to Stock Exchange quotations. The face value of the shares was 369.4 million kroner at the end of 1931, 355 million at the end of 1932 and 347 million at the end of 1933.

A similar division of the amounts of foreign bonds and shares held in Norway (items 4a-c) is given below.

(1) The Mortgage Bank, the Small Farm and Housing Bank and the Municipal Bank. Other banks are included with "other private enterprises".

Country of issue	Kr. (000,000's)					
	End of 1932			End of 1933		
	Bonds	Shares	Total	Bonds	Shares	Total
United Kingdom	9.7	35.4	45.1	24.2	37.7	61.9
United States	17.5	11.3	28.8	10.2	5.7	15.9
Sweden	7.8	27.8	35.6	10.6	27.5	38.1
Switzerland	0.4	15.1	15.5	—	15.7	15.7
Germany	4.4	3.3	7.7	4.8	2.7	7.5
France	2.3	4.9	7.2	1.3	5.1	6.4
Finland	4.1	1.2	5.3	0.9	1.4	2.3
Denmark	5.2	0.5	5.7	4.8	1.2	6.0
Other countries	5.3	11.8	17.1	6.1	11.8	17.9
Total	56.7	111.3	168.0	62.9	108.8	171.7

The floating debts and assets were distributed among different currencies as follows :

At the end of year	Amounts converted into Norwegian kroner (000,000's)								
	£ sterling	\$ U.S.A.	Swedish kronor	Danish Kroner	French francs	Gulden	Other foreign currencies	Norwegian kroner	Total
<i>Debts</i>									
1930	342.4	57.2	72.5	6.3	4.0	12.5	11.1	241.5	747.5 ⁽¹⁾
1931	340.2	80.5	103.3	13.4	21.1	62.4	19.9	184.1	824.9 ⁽¹⁾
1932	318.1	77.9	98.3	8.5	18.0	24.9	21.6	184.0	751.3 ⁽¹⁾
1933	301.3	52.6	89.8	6.3	17.1	20.8	19.2	171.2	678.3
<i>Assets</i>									
1930	135.7	44.8	44.6	7.0	5.0	3.6	20.3	62.5	323.5
1931	104.4	56.1	16.8	4.2	8.0	20.2	20.0	116.7	346.4
1932	118.7	63.9	16.4	3.0	7.2	5.9	29.1	97.6	341.8
1933	137.8	30.8	18.4	3.1	5.8	1.5	14.0	97.3	308.7

The information concerning the changes in the floating assets and liabilities has been utilised for determining the short-term capital items in the balance of payments statements for 1926-1933. In 1926 and 1927, the book value of amounts due in foreign currency fell owing to the rise in the Norwegian krone. The fluctuations due to this fact have been eliminated, in a manner which was described in the 1913-1927 issue of this volume, as they obviously do not affect the balance of payments. The changes in the floating assets and debts during the years 1931 to 1933 have, however, been entered unaltered in the balance of payments account for these years.

It is interesting to compare the changes in the indebtedness on account of bonds, shares and real estate with the movement of long-term capital as recorded independently from these changes :

	Kroner (000,000's)				
	1929	1930	1931	1932	1933
Net increase (+) or decrease (-) in foreign long-term indebtedness	+ 13	- 35	- 46	+ 172	- 191
Net inward (+) or outward (-) movement of long-term capital	- 14	- 14	+ 27	+ 4	- 43

The difference between the two sets of figures is largely due to variations in the book value of securities.

(1) The revised totals for 1930, 1931 and 1932, as given in a preceding table, are 729, 838 and 762.

POLAND

A statement of the balance of payments of Poland in 1932 has been supplied by the Government of that country and is set out below, together with those for the years 1929-1931, published last year.

Goods, services and gold.

Items	Zloty (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929	1930	1931	1932	1929	1930	1931	1932
<i>I. Merchandise.</i>								
1. Merchandise (Poland and Danzig)	2,814.2	2,435.6	1,879.6	1,095	3,122.0	2,270.5	1,476.2	864
2. Adjustments of item 1 : (a) foreign trade of Danzig	-140.7	-134.5	-115.1	- 58	-136.9	- 70.1	- 42.1	+ 26
(b) omissions in trade returns, etc.	+ 70.0	.	.		+ 214.1	.	.	
3. Contraband	28.8	37.9	25.9	17	35.0	48.8	42.0	40
<i>II. Interest and dividends.</i>								
4. Interest on intergovernmental debts	—	—	—	—	—	—	—	7
5. Interest on other public debts: (a) on Government debts	—	—	—	—	111.2	165.7	173.3	114
(b) on municipal debts	—	—	—	—	37.1	14.7	15.4	
6. Other interest and dividends on long-term capital	—	.	1.7	15	108.1	103.7	114.0	57
7. Interest on short-term capital (1)	30.8	30.4	15.0	—	154.4	197.2	138.0	122
<i>III. Other services.</i>								
8. Shipping income : (a) freights	12.6	15.0	15.9	14	—	—	—	—
(b) passenger fares	2.6	13.3	6.5	6	—	—	—	—
9. Port fees	1.0	1.0	1.0	2	7.4	12.8	9.4	11
10. Transport fees	255.6	232.4	229.7	137	64.4	62.6	98.0	49
11. Reinsurance	(2) 119.8	(2) 127.4	13.7	13	(2) 131.2	130.0	17.9	16
12. Post, telegraph and telephone	9.6	4.5	7.2	5	7.2	2.5	4.7	4
13. Immigrants' and emigrants' funds	53.4	—	—	14	68.7	—	—	9
14. Immigrants' and emigrants' remittances, etc.	224.4	291.5	289.8	192	—	52.2	21.1	—
Carried forward	3,482.1	3,054.5	2,370.9	1,452	3,923.9	2,990.6	2,067.9	1,319

(1) Including commissions.
(2) Gross figure.

Items	Zloty (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929	1930	1931	1932	1929	1930	1931	1932
Brought forward	3,482.1	3,054.5	2,370.9	1,452	3,923.9	2,990.6	2,067.9	1,319
15. Tourists' expenditure	167.1	157.8	94.3	47	164.9	245.3	186.3	89
16. Diplomatic and similar expenditure	9.0	9.0	9.0	.	44.7	22.6	28.0	.
17. Other Government receipts and expenditure	105.1	95.3	59.6	43	—	39.3	51.4	53
18. Customs duties paid in Danzig	—	—	—	—	120.8	122.7	66.4	87
19. Other items	0.1	—	17.2	49	28.0	43.9	46.2	.
IV. Gold.								
20. Gold coin and bullion	0.1	40.3	0.1	223	9.3	7.2	24.2	145
21. Adjustment of item 20 (4)	—	140.2	—	—	72.2	32.3	36.5	92
Total	3,763.5	3,497.1	2,551.1	1,814	4,363.8	3,503.9	2,506.9	1,785
Surplus (+) or deficit (—) on account of :								
(a) goods and services	—518.9	—147.8	—16.4	+ 43				
(b) gold	—81.4	+141.0	+60.6	—14				
(c) goods, services and gold	—600.3	—6.8	+44.2	+29				

Capital items.

Items	Zloty (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1929	1930	1931	1932	1929	1930	1931	1932
I. Long-term operations.								
1. Amortisation :								
(a) of intergovernmental debts	—	—	—	—	68.5	96.9	69.5	
(b) of other Government debts	—	—	—	—	50.2	—	—	66
(c) of municipal debts	—	—	—	—	5.3	2.6	3.8	
(d) of other debts	—	—	—	—	4.7	11.6	22.2	21
2. Purchases and sales :								
(a) of real estate in the country	—	—	—	—	—	—	—	
(b) of domestic securities	34.2	19.0	11.7	—	15.1	34.5	86.0	60
(c) of foreign securities	2.1	3.2	7.0	—	4.6	10.6	54.3	
3. New capital issues :								
(a) Government	7.1	—	227.9	9	—	—	—	—
(b) municipal	—	3.7	8.4	—	—	—	—	—
(c) other	58.5	12.8	—	35	—	—	—	—
4. Other long-term investments	178.3	150.7	134.6	138	73.3	4.2	3.6	—
II. Short-term operations.								
5. Change in short-term debts :								
(a) of the Government	—	—	—	—	(2)	—	—	—
(b) of the Bank of Poland	—	—	—	—	—	—	—	—
(c) of other banks	138.1	713.1	815.0	558	—	1,377.9	1,330.0	951
(d) merchandise credits	55.5	—	—	—	—	—	—	—
(e) other private debts	914.3	—	—	—	—	—	—	—
Carried forward	1,388.1	902.5	1,204.6	770	822.5	1,538.3	1,569.4	1,098

(1) Including changes in the amount of gold earmarked abroad for the account of the Bank of Poland.

(2) Included in item 1b.

Items	Zloty (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1929	1930	1931	1932	1929	1930	1931	1932
Brought forward	1,388.1	902.5	1,204.6	770	822.5	1,538.3	1,569.4	1,098
6. Change in short-term assets :								
(a) of the Bank of Poland	222.8				—			
(b) of other banks	12.5	413.2	350.6	391	—	193.2	22.5	124
(c) merchandise credits	—				168.1			
(d) other private assets	19.3				58.6			
Total	1,642.7	1,315.7	1,555.2	1,161	1,049.2	1,731.5	1,591.9	1,222
Not inward (+) or outward (—) movement of capital	+ 593.5	— 415.8	— 36.7	— 61				

SUMMARY TABLE.

	Zloty (000,000's) (1)								All items (2)
	Goods, services and gold					Capital items			
	Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total	
1923 Balance	+ 132.0	— 37.1	+ 119.9	— 39.8	+ 175.0	+ 33.9	+ 177.9	+ 211.8	+ 386.8
1924 Balance	— 376.6	— 111.1	+ 82.6	— 23.6	— 428.7	+ 166.7	+ 265.8	+ 432.5	+ 3.8
1925 Balance	— 642.1	— 117.6	+ 177.7	— 35.2	— 617.2	+ 429.3	+ 119.1	+ 548.4	— 68.8
1926 Balance	+ 643.4	— 172.9	+ 176.9	— 6.8	+ 640.6	— 14.2	+ 3.5	— 10.7	+ 629.9
1927 Balance	— 450.4	— 229.5	+ 198.7	— 252.7	— 733.9	+ 555.1	— 49.8	+ 505.3	— 228.6
1928 Balance	— 989.6	— 284.5	+ 275.3	— 105.1	— 1,103.9	+ 260.3	+ 850.3	+ 1,110.6	+ 6.7
1929 Balance	— 461.9	— 380.0	+ 323.0	— 81.4	— 600.3	+ 58.5	+ 535.0	+ 593.5	— 6.8
1930 Credit	2,339.0	30.4	947.2	180.5	3,497.1	189.4	1,123.3	1,315.7	4,812.8
Debit	2,249.2	481.3	733.9	39.5	3,503.9	160.4	1,571.1	1,731.5	5,235.4
Balance	+ 89.8	— 450.9	+ 213.3	+ 141.0	— 6.8	+ 29.0	— 444.8	— 415.8	— 422.6
1931 Credit	1,790.4	16.7	743.9	0.1	2,551.1	389.6	1,165.6	1,555.2	4,106.3
Debit	1,476.1	440.7	529.4	60.7	2,506.9	239.4	1,352.5	1,591.9	4,098.8
Balance	+ 314.3	— 424.0	+ 214.5	— 60.6	+ 44.2	+ 150.2	— 186.9	— 36.7	+ 7.5
1932 Credit	1,054	15	522	223	1,814	182	979	1,161	2,975
Debit	930	300	318	237	1,785	147	1,075	1,222	3,007
Balance	+ 124	— 285	+ 204	— 14	+ 29	+ 35	— 96	— 61	— 32

It will be noted that a perfect balance is not obtained. From the information available, it is not possible to state whether this is due to the inadequacy of the data relative to the credit or the debit items of the account. Were the information available complete, the accounts for each year would, of course, balance exactly.

(1) Throughout gold zloty of the new parity (introduced in October 1926).

(2) The balances in this column are due to errors and omissions.

International indebtedness.

The following details with regard to the international indebtedness of Poland are available.

	Zloty (000,000's) at the end of			
	1929	1930	1931	1932
<i>Liabilities.</i>				
1. Liabilities on account of intergovernmental debts			3,202	3,198
2. National securities held abroad on account of :	3,690.9	3,992.6		
(a) other Government debt			1,635	1,577
(b) municipal debt	228.7	221.7		
(c) private bonded debt	328.1	327.1	449	428
3. Other long-term debt :				
(a) foreign participation in Polish enterprises	1,799.5	1,977.7	2,360	2,410
(b) capital of foreign enterprises in Poland	557.9	549.3		
4. Floating foreign debt :				
(a) of banks :				
current account deposits of foreign correspondents	676.9	642.9	401	292
other debts			298	198
(b) of other private enterprises and individuals	(1)3,034.0	(1)2,403.8	2,126	1,931
Total liabilities	10,315.2	10,115.1	10,471	10,034
<i>Assets.</i>				
5. Long-term assets :				
Foreign government bonds held in Poland			71	81
Participation in foreign enterprises and other direct investments abroad	63.0	63.9	105	105
6. Floating assets abroad :				
(a) of banks :				
assets on account of foreign bills of exchange	713.7	595.8	142	127
other assets			534	245
(b) of other private enterprises and individuals (2)	669.8	572.4	14	12
Total assets	1,446.5	1,232.1	866	570
<i>Net liabilities</i>	8,868.7	8,883.0	9,605	9,464

(1) Of which merchandise credits, 1,152 at the end of 1929 and 517 at the end of 1930.

(2) Of which merchandise credits, 375 at the end of 1929 and 324 at the end of 1930. It would appear that such credits are not included in the figures given for 1931 and 1932.

SIAM

A statement for the fiscal year ending March 31st, 1933, has been supplied by the Government of Siam and is given below together with those for the calendar years 1926 and 1927 and the fiscal year 1926-27 published in the 1927-1929 issue of this publication (1). The figures refer only to the foreign trade in merchandise and gold and to Government transactions.

Goods, services and gold.

Items	Baht (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1926	1927	1926-27	1932-33	1926	1927	1926-27	1932-33
<i>I. Merchandise.</i>								
1. Merchandise	237.9	281.9	240.0	127.6	189.7	196.6	176.0	89.5
<i>II. Interest and dividends.</i>								
2. Interest on public debts . . .	—	—	—	—	7.6	7.1	7.5	6.2
3. Other interest and dividends .	—	—	—	—				
<i>III. Other services.</i>								
4. Post, telegraph and telephone .	—	—	—	—	0.4	0.3	—	—
5. Diplomatic and similar expenditure	—	—	—	—	1.1	1.0	1.2	0.5
6. Other Government expenditure .	—	—	—	—	12.6	14.0	13.4	4.3
<i>IV. Gold coin and bullion.</i>								
7. Gold coin and bullion	—	—	—	24.9	2.6	3.2	9.8	—
Total	237.9	281.9	240.0	152.5	214.0	222.2	207.9	100.6
Surplus (+)	+ 23.9	+ 59.7	+ 32.1	+ 51.9				

Known capital item (long-term operations).

	Baht (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1926	1927	1926-27	1932-33	1926	1927	1926-27	1932-33
Amortisation of public debts . . .	—	—	—	—	2.4	2.5		24.4

(1) Series No. 1930. II. 54 ff.

The credit balances on account of goods, services and gold, as given above, cannot be taken as representing the export of capital, as no private transactions other than trade in goods and gold are included in the table. The *Report of the Financial Adviser on the Budget of the Kingdom of Siam* for the year 1933-34 states that the "invisible" imports for which figures are lacking consist of "remittances of profits earned by foreign companies or individuals carrying on business in Siam, payments for freight and insurance so far as they are not included in the Customs declarations and private remittances which, in the main, consist of remittances of Chinese emigrants to their families in China".

The following condensed statements contained in the *Report of the Financial Adviser*, show the recorded trade and Government remittances abroad in 1932-33 and the preceding five years, omitted in the above table.

	Baht (000,000's)					
	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
Exports and re-exports of private merchandise, coin and bullion	276.3	252.5	219.8	161.5	124.0	152.5
Imports of private merchandise, coin and bullion	193.4	180.1	195.3	147.8	92.9	87.8
Excess of exports over imports.	82.9	72.4	24.5	13.7	31.1	64.7
Payments abroad on Government account (imports, interest and amortisation of debts, pensions, diplomatic expenditure, etc.)	48.9	22.4	24.6	20.2	17.9	13.4
Balance in favour of Siam	34.0	50.0	-0.1	6.5	13.2	51.3

It is pointed out that, until 1930-31, Siam was a gold-importing country. During the twenty years ending 1929-30, the imports of gold leaf totalled 124.4 million ticals (baht). The movement in recent years of bullion, coin, leaf and ornaments of gold has been as follows :

	Baht (000,000's)				
	1928-29	1929-30	1930-31	1931-32	1932-33
Exports	—	—	1.5	9.2	24.9
Imports	7.9	4.9	1.3	0.3	—
Excess of imports (—) or exports (+)	-7.9	-4.9	+0.2	+8.9	+24.9

SPAIN

A statement on the balance of payments of Spain in 1932 has been supplied by the Government of that country and is set out below together with that for 1931 prepared by the Research Department of the Bank of Spain (1), which was reproduced in the preceding issue of this publication.

Goods, services and gold.

Items	Gold pesetas (000,000's)			
	Inward or credit movements (Exports)		Outward or debit movements (Imports)	
	1931	1932	1931	1932
<i>I. Merchandise.</i>				
1. Merchandise	965.0	742.1	1,175.8	975.6
2. Adjustment of item 1	77.0	69.8	125.6	104.5
<i>II. Interest and dividends.</i>				
3. Interest on intergovernmental debts	7.0	5.7	2.9	2.2
4. Interest on other public debt		5.3		
5. Yield of other long-term capital:				
(a) interest	39.8	20.9	30.3	50.5
(b) dividends	25.8	18.3		
6. Interest on short-term capital	2.4	1.1	24.4	23.3
<i>III. Other services.</i>				
7. Shipping:				
(a) freights and charter money	91.5	57.6	—	—
(b) passage money	15.5	14.8	—	—
8. Port expenditure	17.1	17.8	83.1	65.0
9. Insurance, commissions	—	1.9	1.7	3.4
10. Post, telegraph and telephone	0.1	1.4	4.0	5.3
11. Emigrants' funds	—	197.6	3.2	5.3
12. Emigrants' remittances	160.0		—	—
13. Tourists' expenditure	64.4	66.8	73.2	53.0
14. Diplomatic and similar expenditure	10.0	8.0	8.0	9.3
15. Government receipts and expenditure n.e.i.	4.3	5.1	34.1	27.1
16. Other items:				
(a) cinematograph film royalties	—	—	7.7	
(b) lottery tickets sold abroad	0.9	1.0	—	29.8
(c) miscellaneous	4.5		9.0	
<i>IV. Gold.</i>				
17. Gold coin and bullion	25.3	0.2	0.1	0.1
18. Adjustment of item 17	— 25.2	—	—	—
Total	1,485.4	1,235.4	1,583.1	1,354.4
Surplus (+) or deficit (—) on account of:				
(a) goods and services	— 97.7	—119.1		
(b) gold	—	+ 0.1		
(c) goods, services and gold	— 97.7	—119.0		

(1) Servicio de Estudios del Banco de España: *Balanc de pagos internacionales, Año 1931* (Madrid, 1932)

Capital items.

Items	Gold pesetas (000,000's)			
	Inward or credit capital movement		Outward or debit capital movement	
	1931	1932	1931	1932
<i>I. Long-term operations.</i>				
1. Amortisation :				
(a) of intergovernmental debts	1.6	1.4	—	—
(b) of foreign bonds held in Spain	2.0	3.8	—	—
(c) of Spanish bonds held abroad	—	—	2.5	1.8
2. Purchases and sales :				
(a) of domestic securities	8.8	17.2	27.0	32.8
(b) of foreign securities	23.9	10.8	9.2	1.2
3. New capital issues	1.3	—	—	15.2
4. Foreign participation in domestic capital issues	—	8.9	—	—
<i>II. Short-term operations.</i>				
5. Change in short-term debts and assets	283.2	85.3	182.2	158.9
Total	320.8	127.4	220.9	209.9
Net inward (+) or outward (—) movement of capital	+ 99.9	— 82.5		

SUMMARY TABLE.

	Gold pesetas (000,000's)								
	Goods, services and gold					Capital items			All items
	Merchandise	Interest and dividends	Other services	Gold	Total	Long-term	Short-term	Total	
1931 Credit . . .	1,042.0	75.0	368.3	0.1	1,485.4	37.6	283.2	320.8	1,806.2
Debit . . .	1,301.4	57.6	224.0	0.1	1,583.1	38.7	182.2	220.9	1,804.0
Balance . . .	— 259.4	+ 17.4	+ 144.3	—	— 97.7	— 1.1	+ 101.0	+ 99.9	(1) + 2.2
1932 Credit . . .	811.9	51.3	372.0	0.2	1,235.4	42.1	85.3	127.4	1,354.4
Debit . . .	1,080.1	76.0	198.2	0.1	1,354.4	51.0	158.9	209.9	1,564.3
Balance . . .	— 268.2	— 24.7	+ 173.8	+ 0.1	— 119.0	— 8.9	— 73.6	— 82.5	(1) — 201.5

The negative balance shown for 1932 in the last column of the Summary Table is very considerable. Though the recorded items for goods, services and gold in that year work out at a deficit, the recorded capital items indicate a net outflow of capital. Were the information available complete, the balance on account of goods, services and gold would be offset by a capital balance of equal magnitude but with the opposite sign.

(1) Balance due to errors and omissions. In the original statement for 1931, the balance was entered as a capital item ("Indefinable export of capital").

International indebtedness.

An estimate of the outstanding debts and assets of Spain at the end of 1931 was reproduced in last year's issue of this publication. A similar estimate, referring to the end of 1932 and somewhat differently arranged, has been supplied by the Spanish Government and is shown below. Foreign bonds held in Spain are reckoned at their market value, but other securities at their nominal value.

<i>Liabilities.</i>	Gold pesetas (000,000's)
National securities held abroad on account of :	
(a) Government and municipal debt	50.0
(b) private long-term loans	450.0
National real estate owned by foreigners	12.8
Other long-term debts (foreign participation in national enterprises and other foreign direct investments)	688.8
Floating foreign debt of :	
(a) banks :	
current account deposits of foreign correspondents	99.0
liabilities on account of foreign bills of exchange	24.0
(b) other enterprises and individuals (excluding bills of exchange shown under (a))	311.0
Total	1,635.6
<i>Assets.</i>	
Foreign securities held in Spain on account of :	
(a) foreign government and municipal debt	104.8
(b) foreign private long-term loans	76.6
Other long-term assets (participation in foreign enterprises, and other direct investments abroad)	673.5
Floating assets abroad of :	
(a) banks :	
deposits on current account with foreign correspondents	74.6
assets on account of foreign bills of exchange	10.2
(b) other enterprises and individuals	195.0
Total	1,134.7

Capital items.

Items	Gulden (000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Long-term operations.</i>								
1. Amortisation of public debts	—	—	—	—	102	104	106	108
2. Other long-term investments	100	—	—	—	1,000	—	—	—
<i>II. Known short-term operations.</i>								
3. Change in short-term debts								
(a) public	213	666	239	—	—	—	—	318
(b) of banks	—	—	—	—	—	—	—	—

As the information is incomplete ⁽¹⁾, no totals have been struck. For details concerning the figures entered against certain items, reference should be made to last year's issue of this publication.

International indebtedness.

The following items in the balance of the international indebtedness of Surinam relate to the public debt only.

	Gulden (000's) (nominal value) at the end of				
	1929	1930	1931	1932	1933
Bonded public debt	2,112	2,010	1,906	1,800	1,692
Floating public debt	12,167	12,380	13,046	13,285	12,967
Total	14,279	14,390	14,952	15,085	14,659

(1) Thus, information concerning interest and dividends paid on account of foreign capital invested in Surinam, other than in Government loans, is only available for 1931 (*c/f* item 4, debit, of the account for Goods, services and gold).

SWEDEN

A statement on the balance of payments of Sweden in 1933 has been supplied by the Government of that country and is reproduced below, together with the data for 1930 to 1932 published last year. The 1932 figures for certain items have been revised.

Goods, services and gold.

Items	Kronor (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
<i>I. Merchandise.</i>								
1. Merchandise (special trade)	1,551	1,123	947	1,079	1,667	1,430	1,156	1,097
2. Adjustments of item 1:								
(a) warehouse trade		4	9	9		1	5	5
(b) re-exports and reimports		5	5	5		7	7	7
(c) miscellaneous imports	—	—	—	—		1	1	—
(d) fish exported direct from fishing grounds		3	3	3	—	—	—	—
<i>II. Interest and dividends.</i>								
3. Interest paid abroad on Swedish public debts	—	—	—	—		18	20	21
4. Other interest and dividends on long-term capital		85	149	(1) 102	90	76	10	4
5. Interest on short-term capital	125	23	19	13	15	20	10	12
<i>III. Other services.</i>								
6. Shipping:								
(a) ordinary freights	232	207	207	205	—	—	—	—
(b) charter money	21	16	17	16	—	—	—	—
(c) passage money	17	16	15	11	—	—	—	—
7. Port expenditure:								
(a) fees		5	4	5				
(b) provisions, etc.		11	11	10	81	100	119	116
8. Other transport fees (net)		2	1	2		—	—	—
9. Commissions		13	12	11		13	12	10
10. Post, telegraph and telephone		1	1	—		—	—	—
11. Immigrants' and emigrants' funds		2	2	1		—	—	—
12. Emigrants' remittances	30	26	35	20		1	2	2
13. Tourists' expenditure	(2)	37	35	38	(2) 25	35	31	35
Carried forward	1,976	1,579	1,472	1,530	1,878	1,702	1,373	1,309

(1) Of which 13, dividends.

(2) For 1930, the net outward balance on account of tourists' expenditure is entered on the debit side against item 13.

Items	Kronor (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
Brought forward	1,976	1,579	1,472	1,530	1,878	1,702	1,373	1,309
14. Diplomatic and similar expenditure . . . . .	.	1	1	1	.	3	4	4
15. Cinematograph film royalties . . . . .	.				.	4	3	3
16. Lottery tickets, subscriptions to foreign Press, etc. . . . .	.	3	2	2	.	1	3	2
IV. <i>Gold.</i>								
17. Gold coin and bullion	1	39	9	5	1	1	2	48
Total	1,977	1,622	1,484	1,538	1,879	1,711	1,385	1,366
Surplus (+) or deficit (—) on account of:								
(a) goods and services	+ 98	— 127	+ 92	+ 215				
(b) gold	—	+ 38	+ 7	— 43				
(c) goods, services and gold	+ 98	— 89	+ 99	+ 172				

Capital items.

Items	Kronor (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
I. <i>Long-term operations.</i>								
1. Amortisation receipts ⁽¹⁾	—	—	5	3				
2. Purchases and sales:								
(a) of real estate	—	—	—	—	—	—	2	—
(b) of domestic securities	124	149	65	49	130	128	49	72
(c) of foreign securities	74	194	154	123	455	120	66	62
3. New capital issues:								
(a) Government and municipal		—	—	—		360	—	—
(b) other	20	—	—	—	25	—	—	—
4. Participation in new capital issues		132	—	—		—	—	—
5. Other long-term investments		—	—	—		5	3	1
II. <i>Short-term operations.</i>								
6. Change in short-term debts of enterprises other than banks . . . . .	.	120	40	⁽²⁾ 116	.	117	93	32
7. Change in short-term assets:								
(a) of banks (net) ⁽³⁾	79	153	—	—	—	—	167	374
(b) of other enterprises . . . . .	.	43	86	67	.	9	93	26
Total	297	791	350	358	610	739	473	567
Net inward (+) or outward (—) movement of capital	—313	+ 52	—123	—209				

(1) Amortisation payments, effected by means of the repurchase of Swedish bonds from abroad through Swedish banks, are included with item 2b, debit.

(2) Including an estimated sum of 80 million kronor, representing amounts raised abroad by exporters as protection against currency risks.

(3) Including gold held abroad by the Bank of Sweden.

SUMMARY TABLE.

	Kronor (000,000's)								
	Goods, services and gold					Capital items			All items (¹)
	Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total	
1923 Balance . .	- 137	+ 3	+ 139	—	+ 5	- 34	+ 130	+ 96	+ 101
1924 Balance . .	- 148	+ 6	+ 144	+ 36	+ 38	+ 30	- 66	+ 14	+ 52
1925 Balance . .	- 88	+ 3	+ 162	- 2	+ 75	- 28	- 92	- 120	- 45
1926 Balance . .	- 71	+ 7	+ 184	+ 2	+ 122	- 11	+ 39	+ 28	+ 150
1927 Balance . .	+ 29	+ 19	+ 194	+ 1	+ 243	+ 51	- 142	- 91	+ 152
1928 Balance . .	- 135	+ 25	+ 190	- 11	+ 69	- 179	+ 34	- 145	- 76
1929 Balance . .	+ 37	+ 30	+ 210	- 11	+ 266	- 2	- 95	- 97	+ 169
1930 Balance . .	- 116	+ 20	+ 194	—	+ 98	- 392	+ 79	- 313	- 215
1931 Credit . .	1,135	108	340	39	1,622	475	316	791	2,413
Debit . .	1,439	114	157	1	1,711	613	126	739	2,450
Balance . .	- 304	- 6	+ 183	+ 38	- 89	- 138	+ 190	+ 52	- 37
1932 Credit . .	964	168	343	9	1,484	224	126	350	1,834
Debit . .	1,169	40	174	2	1,385	120	353	473	1,858
Balance . .	- 205	+ 128	+ 169	+ 7	+ 99	+ 104	- 227	- 123	- 24
1933 Credit . .	1,096	115	322	5	1,538	175	183	358	1,896
Debit . .	1,109	37	172	48	1,366	135	432	567	1,933
Balance . .	- 13	+ 78	+ 150	- 43	+ 172	+ 40	- 249	- 209	- 37

It will be noted that a perfect balance is not obtained. Were the information available complete, the accounts for each year would, of course, balance exactly. The considerable balances shown for the years prior to 1930 would appear to be due largely to the incomplete record of the movement of short-term capital. In these years, only the changes in the floating assets and liabilities of the Bank of Sweden and the banking companies were taken into account, while in 1931 and 1932 the short-term capital transactions of other enterprises were also included.

The Swedish Board of Trade (*Kommerskollegium*), which compiles the statements, lays stress on the fact that the exactitude of the figures for 1931 is impaired by statistical difficulties connected with the depreciation of the exchange value of the krona and by special obstacles encountered in the collection of data concerning the capital transactions in that year.

Though the statements for the years 1931 to 1933 are based on the same principles, those for 1932 and 1933 are stated to be more complete, as information for those years was collected from a larger number of firms and as the questionnaires distributed were more detailed.

Goods, services and gold.

Merchandise. The trade figures up to 1930 inclusive refer to special trade. From 1931, they have been extended to comprise general trade, by adding imports into warehouse and exports therefrom, reimports and re-exports and certain other categories of trade recorded in the annual trade returns (item 2a to c). Figures have also been added for the export of fish direct from fishing grounds (item 2d). The 1932 figures for these items have been inserted, provisionally, for 1933, as final data for that year are not available.

(1) The balances in this column are due to errors and omissions.

Interest. The reduction in the amount of interest and dividends received on account of long-term investments (item 4, credit) in 1933 is stated to be due to the fall in the exchange value of the dollar, the reduction in the interest transferred from Germany and other countries, the postponement of the transfer from Germany of interest falling due in the second half of the year, the reduction in long-term investments abroad on account of the export of foreign bonds and the rejection of the gold clause in the case of loans in depreciated currency.

Freights. Item 6 shows the gross income from shipping according to official statistics. The offsetting expenditure of Swedish ships in foreign ports (item 7, debit) was earlier calculated at 42 % of the gross earnings. This percentage was based on information concerning conditions prevailing before the war. As the preliminary results of an enquiry for 1933 indicate that the expenditure now amounts to 50 % of the gross earnings, the figure for that year was calculated on the basis of this percentage and that for 1932 revised. The amounts for the preceding years were left unchanged, as it seems doubtful whether the figure of 50 % is applicable before the depreciation of the krona.

Item 7, credit, comprises the following amounts in 1932 and 1933 (in million kronor) :

	1932	1933		1932	1933
Port dues	1.4	1.6	Ships' stores	1.0	1.0
Light dues	1.4	1.6	Loading and unloading charges	5.6	5.6
Pilotage charges	1.0	1.2	Repairs	4.0	3.0
Tonnage dues	0.2	0.2	Consular fees, etc.	0.5	0.5
Canal and lock dues	0.1	0.1			

The loading and unloading charges are taken into account, as they are generally not included in the recorded values of goods imported and exported.

Commissions, etc. The amounts entered against item 9 do not include insurance premia and indemnities, as no enquiry concerning the insurance transactions with foreign countries has as yet been carried out.

Emigrants' remittances (item 12). Only receipts from North America are considered. Remittances proper are calculated at 22.4 million kronor in 1931, 29.8 million in 1932 and 15.8 million in 1933, on the assumption that they amount to three times the sums sent from the United States and Canada by means of postal orders. To these figures have been added donations, 0.5, 0.3 and 1.5 million kronor respectively, and inheritances, 3.7, 4.6 and 3.1 million kronor.

Tourists' expenditure (item 13). The receipts from foreign visitors to Sweden in 1931 and 1932 are calculated by the *Svenska Trafikförbundet*. No such calculation is made for 1933, but as experts estimate that the traffic was some 8 to 10 % higher than in 1932, the amount was increased from 35 to 38 million kronor. The outward payments entered for 1933 represent the total of the sums employed for travellers' letters of credit, travellers' cheques and the purchase of foreign currency notes, according to information collected from banks (about 24 million kronor), plus expenditure through travelling bureaux, shipping agencies, etc. (about 9 million kronor).

Capital items.

The amounts entered in the capital account are based partly upon the official bank statistics, partly upon information collected by the *Kommerskollegium* from important firms. Item 7a shows the changes in the net short-term assets of the Bank of Sweden and the commercial banks (see below), while items 6 and 7b show the changes in the short-term assets and debts of other enterprises.

International indebtedness.

Swedish Government bonds held abroad. According to the National Debt Office ⁽¹⁾, the amount of outstanding Swedish Government bonds held abroad, which was 251 million kronor at the end of 1929, rose to 268 million at the end of 1930, 307 million at the end of 1931 and 326 million at the end of 1932. As bonds payable in foreign currencies have, however, been converted at par rates, the actual foreign debt at the end of the last-mentioned years exceeded the figure indicated.

Foreign short-term assets. According to official banking statistics, the net foreign short-term assets (current account and bills) of the Swedish banks are as follows (in million kronor) :

	Bank of Sweden	Commercial banks
End of 1930	326.3	(²) — 9.7
„ 1931	49.1	114.0
„ 1932	213.6	116.2
„ 1933	446.2	43.2

For the years up to 1932 inclusive, the movement of these assets, as shown in banking statistics, was entered against capital item 7a. As, however, the currency holdings of the banks since 1931 have been booked at different rates (a portion of the recorded holdings would appear to represent gold kronor), a special calculation was made for 1933 concerning the outward payments, in paper kronor, corresponding to the increase in the foreign assets of the banks.

Assets in Germany.⁽³⁾ According to an enquiry carried out by the Swedish Board of Trade, the Swedish claims and other assets in Germany at the end of 1933 amounted to about 950 million kronor according to the rates of exchange of December 30th, 1933, and to about 870 million kronor according to the par rates of the various currencies. The corresponding figures for the claims and assets, exclusive of those falling under the so-called Standstill Agreements and certain claims of small importance or in default owing to the insolvency of the debtors, are 883 and 803.6 million kronor respectively. The latter amounts comprise \$143.3 million, RM.114.3 million, 139.9 million Swedish crowns and smaller amounts in ten other currencies. Their distribution according to the nature of the assets was as follows :

	Swedish kronor (000,000's)	
	According to rates of exchange, December 30th, 1933	According to par rates
Real estate	47.4	29.6
Bonds : Dawes Loan	41.5	40.8
Young Loan	113.1	109.6
Potash Loan	2.9	2.7
German Reich 6 % External Loan 1930	397.3	387.9
Others	128.2	113.5
Shares	53.6	33.4
Bills of exchange	25.9	25.5
Other claims : with banks	11.0	8.6
others	60.1	50.2
Other assets	2.0	1.6
Total	883.0	803.4

The assets falling under the German moratorium law which entered into force from July 1st, 1933, amounted to 658.4 million kronor according to the rates of exchange at the end of 1933 and to 590.9 million kronor according to par rates. The annual yield of the assets is estimated at 44.1 and 41.6 million kronor respectively, of which 35 and 32.5 million fall under the moratorium law.

(1) "Riksgäldskontoret, Årsbok, Budgetåret 1932-33".

(2) Net indebtedness.

(3) For further details, see *Kommersiella Meddelanden* of April 15th, 1934.

TURKEY

A statement of the balance of payments of Turkey in 1932, elaborated by the Turkish Supreme Economic Council, has been published by the Central Bank of the Republic of Turkey (1) and is set out below together with those for 1929-1931 reproduced in the preceding issue of this publication.

Goods, services and gold.

Items	£T (000,000's) (2)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929	1930	1931	1932	1929	1930	1931	1932
<i>I. Merchandise.</i>								
1. Merchandise	155.2	151.4	127.3	101.3	256.3	147.6	126.6	86.0
2. Adjustment for :								
(a) transport and loading of ex- port goods	18.7	16.0	12.3	7.0	—	—	—	—
(b) other wrong valuation	12.5	12.1	10.2	—	5.5	4.5	4.0	2.8
(c) ships' stores	1.1	1.0	0.9	0.5	—	—	—	—
(d) Government imports	—	—	—	—	12.0	10.0	12.0	5.4
3. Contraband	3.0	6.0	6.0	5.0	10.0	10.0	10.0	7.0
<i>II. Interest and dividends.</i>								
4. Interest paid on public debts	—	—	—	—	—	0.4	0.4	0.3
5. Other long-term interest and divi- dends	1.0	1.0	0.5	0.4	6.0	7.3	1.5	0.5
6. Short-term interest	0.5	0.5	0.5	0.4	—	—	—	—
<i>III. Other services.</i>								
7. Shipping freights	1.5	1.0	0.8	0.4	—	—	—	—
8. Port fees	2.0	1.9	1.6	2.4	0.2	0.3	0.2	0.2
9. Other transport fees	0.7	0.2	0.1	0.2	—	—	—	—
10. Commissions (in so far as not in- cluded in item 1) earned :								
(a) on exported and re-exported goods	4.0	4.8	3.2	2.5	—	—	—	—
(b) on imported goods	5.6	3.5	3.0	2.1	—	—	—	—
11. Gains and losses on exchange opera- tions	2.5	2.0	1.5	1.0	2.5	—	—	—
12. Insurance	1.9	1.6	2.4	1.9	3.9	2.2	4.1	0.8
Carried forward	210.2	203.0	170.3	125.1	296.4	182.3	158.8	103.0

(1) Bulletin No. 9 (Oct.-Dec. 1933) of the Central Bank of the Republic of Turkey.

(2) The average exchange value of the £T was \$0.484 in 1929, \$0.471 in 1930, \$0.472 in 1931 and \$0.474 in 1932.

Items	£T (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929	1930	1931	1932	1929	1930	1931	1932
Brought forward	210.2	203.0	170.3	125.1	296.4	182.3	158.8	103.0
13. Post, telegraph, telephone	—	0.1	0.1	0.1	0.2	0.3	0.1	0.1
14. Emigrants' and immigrants' funds	1.0	0.7	0.6	0.7	2.5	0.5	0.5	0.5
15. Emigrants' and immigrants' remittances	2.0	1.1	0.8	0.8	—	—	—	—
16. Remittances of foreigners in Turkey	—	—	—	—	3.9	4.5	2.0	3.5
17. Charitable gifts	0.4	0.7	0.5	0.5	—	—	—	—
18. Tourists' expenditure	4.6	4.5	2.1	3.0	4.8	6.5	5.2	6.8
19. Diplomatic and similar expenditure	5.0	5.0	3.5	2.0	2.7	2.7	2.7	1.6
20. Other Government expenditure	1.0	0.9	0.4	0.6	17.2	7.5	6.3	8.6
21. Other items	0.6	0.3	0.6	0.4	0.5	0.2	0.2	0.1
IV. Gold.								
22. Gold coin and bullion	—	—	—	—	—	—	8.4	2.1
Total	224.8	216.3	178.9	133.2	328.2	204.5	184.2	126.3
Surplus (+) or deficit (—) on account of:								
(a) goods and services	—103.4	+ 11.8	+ 3.1	+ 9.0				
(b) gold	—	—	— 8.4	— 2.1				
(c) goods, services and gold	—103.4	+ 11.8	— 5.3	+ 6.9				

Known capital items.

Items	£T (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1929	1930	1931	1932	1929	1930	1931	1932
I. Long-term operations.								
1. Amortisation of public debts	—	—	—	—	13.7	5.1	0.9	0.9
2. Other amortisation	—	—	—	—	—	0.2	0.1	—
3. Purchase and sale of:								
(a) real estate in the country	0.5	0.5	—	—	—	—	—	—
(b) real estate abroad	—	—	—	—	—	—	—	—
(c) securities	1.6	0.5	0.4	0.2	1.8	4.0	3.1	4.7
4. New capital issues floated abroad:								
(a) Government	6.2	9.7	9.7	1.2	—	—	—	—
(b) other	8.4	—	—	0.1	—	—	—	—
5. Other long-term investments	11.5	0.7	0.8	4.2	—	—	—	—
II. Short-term operations.								
6. Increase in foreign deposits with national banks	8.7	.	.	.	.	.	.	.
7. Increase in commercial debts . . . . .	.	.	.	.	.	.	.	.
Total	36.9	11.4	10.9	5.7	15.5	9.3	4.1	5.6
Known net inward movement of capital	+ 21.4	+ 2.1	+ 6.8	+ 0.1				

SUMMARY TABLE.

	£T (000,000's)								
	Goods, services and gold					Capital items			All items
	Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total	
1926 Balance	- 50.8	- 7.6	+ 4.1	+ 0.1	- 54.2	+ 9.3	+ 41.7	+ 51.0	(1) - 3.2
1927 Balance	- 40.7	- 7.5	+ 5.6	-	- 42.6	+ 5.3	(2) + 35.0	+ 40.3	(1) - 2.3
1928 Balance	- 27.3	- 6.1	+ 11.0	-	- 22.4	+ 6.6	-	+ 6.6	(1) - 15.8
1929 Balance	- 93.3	- 4.6	- 5.6	-	- 103.4	+ 12.7	+ 8.7	+ 21.4	(1) - 82.0
1930 Credit	186.5	1.5	28.3	-	216.3	11.4	.	11.4	227.7
Debit	172.1	7.7	24.7	-	204.5	9.3	.	9.3	213.8
Balance	+ 14.4	- 6.2	+ 3.6	-	+ 11.8	+ 2.1	.	+ 2.1	(1) + 13.9
1931 Credit	156.7	1.0	21.2	-	178.9	10.9	.	10.9	189.8
Debit	152.6	1.9	21.3	8.4	184.2	4.1	.	4.1	188.3
Balance	+ 4.1	- 0.9	- 0.1	- 8.4	- 5.3	+ 6.8	.	+ 6.8	(1) + 1.5
1932 Credit	113.8	0.8	18.6	-	133.2	5.7	.	5.7	138.9
Debit	101.2	0.8	22.2	2.1	126.3	5.6	.	5.6	131.9
Balance	+ 12.6	-	- 3.6	- 2.1	+ 6.9	+ 0.1	.	+ 0.1	(1) + 7.0

It will be noted that a perfect balance is not obtained, a fact which must be attributed to possible errors in the figures and the lack of information concerning a number of items.

(1) Balance due to errors and omissions.

(2) In the original statement as published, the inward movement of short-term credits is given as £T25 million only, after deduction of £T10 million of merchandise credits received which had to be written off as bad debts. It would appear, however, that the writing-off of bad debts, although affecting the balance of the country's international indebtedness, is not offset in the balance of its international payments and should thus be left out of account.

UNION OF SOUTH AFRICA

An estimate of the balance of payments of the Union of South Africa for the year 1932 has been prepared by the Government of that country on the lines suggested in the League of Nations schedule. This estimate is given below, together with statements for 1929-1931 published in last year's issue of this volume.

The figures refer not only to the Union of South Africa, but also to Basutoland, Swaziland and Bechuanaland. They exclude the trade of South West Africa.

Goods, services and gold.

Items	S.A. £ (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929	1930	1931	1932	1929	1930	1931	1932
<i>I. Merchandise.</i>								
1. Merchandise	51,474	35,926	25,720	20,520	82,099	63,372	52,002	32,688
2. Adjustment of item 1: (a) freight and insurance	—	—	—	—	+6,655	+5,317	+4,203	+3,757
(b) allowance for exchange rate	—	—	—	—	+ 403	+ 312	+ 195	—
<i>II. Interest and dividends.</i>								
3. Interest on public debts	176	165	186	187	5,624	5,806	5,711	4,320
4. Other interest and dividends	—	—	—	—	10,255	9,473	8,360	8,453
<i>III. Other services.</i>								
5. Shipping freights	—	—	—	—	—	—	—	—
6. Port fees	688	580	466	412	—	—	—	—
7. Other transport fees	379	396	263	145	371	321	345	337
8. Commissions, insurance, brokerage	—	—	—	—	1,610	1,246	1,019	637
9. Post, telegraph and telephone	—	—	—	—	103	95	113	102
10. Emigrants' funds	—	—	—	—	973	1,055	873	842
11. Pensions paid by non-Union governments.	240	240	208	146	—	—	—	—
12. Tourists' expenditure	1,125	1,042	890	748	4,461	4,253	3,844	3,637
13. Diplomatic and similar expenditure	398	409	412	301	161	226	199	271
Carried forward	54,480	38,758	28,145	22,459	112,715	91,476	76,864	55,044

Items	S.A. £ (000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1929	1930	1931	1932	1929	1930	1931	1932
Brought forward	54,480	38,758	28,145	22,459	112,715	91,478	76,864	55,044
14. Reparations in cash	123	186	29	—	—	—	—	—
15. Other Governmental receipts and expenditure	62	71	—	74	280	284	280	(¹) 294
<i>IV. Gold.</i>								
16. Gold coin and bullion	46,378	47,522	46,120	48,524	1,356	1,208	1,013	125
17. Adjustment for wrong valuation	— 51	— 53	— 56	— 70	—	—	—	—
Total	100,992	86,484	74,238	70,987	114,351	92,968	78,157	55,463
Surplus (+) or deficit (—) on account of :								
(a) goods and services	—58,330	—52,745	—48,970	—32,805				
(b) gold	+44,971	+46,261	+45,051	+48,329				
(c) goods, services and gold	—13,359	—6,484	—3,919	+15,524				

Capital items.

Items	S.A. £ (000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1929	1930	1931	1932	1929	1930	1931	1932
<i>I. Long-term operations.</i>								
1. Purchases and sales :								
(a) of domestic securities	—	—	—	—	2,347	—	437	—
(b) of foreign securities	—	—	—	—	303	181	605	181
2. New capital issues (Government and municipal)	—	8,639	—	4,542	—	—	—	—
3. Other long-term investments	893	1,447	1,439	191	—	—	—	—
<i>II. Short-term operations.</i>								
4. Change in short-term debts and assets (2)	15,116	—	3,522	—	—	3,421	—	20,076
Total	16,009	10,086	4,961	4,733	2,650	3,602	1,042	20,257
Net inward (+) or outward (—) movement of capital	+13,359	+6,484	+3,919	—15,524				

(1) Pensions paid to persons residing outside the Union.

(2) Interpolated as balancing accounts.

SUMMARY TABLE.

	S.A. £ (000's)								
	Goods, services and gold					Capital items			All items
	Merchan- dise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term (1)	Total	
1923 Balance . . .	-21,917	-15,576	-3,840	+40,354	- 979	+3,777	- 2,798	+ 979	—
1924 Balance . . .	-29,243	-16,977	-4,619	+43,053	- 7,786	+7,019	+ 767	+ 7,786	—
1925 Balance . . .	-25,501	-15,873	-4,210	+41,363	- 4,221	+3,064	+ 1,157	+ 4,221	—
1926 Balance . . .	-36,196	-17,134	-3,965	+42,457	-14,838	+4,062	+10,776	+14,838	—
1927 Balance . . .	-27,933	-16,498	-4,418	+43,588	- 5,261	+6,241	- 980	+ 5,261	—
1928 Balance . . .	-31,835	-15,821	-4,680	+42,796	- 9,540	+2,842	+ 6,698	+ 9,540	—
1929 Balance . . .	-37,683	-15,703	-4,944	+44,971	-13,359	-1,757	+15,116	+13,359	—
1930 Credit . . .	35,926	165	2,924	47,469	86,484	10,086	—	10,086	96,570
Debit . . .	69,001	15,279	7,480	1,208	92,968	181	3,421	3,602	96,570
Balance . . .	-33,075	-15,114	-4,556	+46,261	- 6,484	+9,905	-3,421	+ 6,484	—
1931 Credit . . .	25,720	186	2,268	46,064	74,238	1,439	3,522	4,961	79,199
Debit . . .	56,400	14,071	6,673	1,013	78,157	1,042	—	1,042	79,199
Balance . . .	-30,680	-13,885	-4,405	+45,051	- 3,919	+ 397	+ 3,522	+ 3,919	—
1932 Credit . . .	20,520	187	1,826	48,454	70,987	4,733	—	4,733	75,720
Debit . . .	36,445	12,773	6,120	125	55,463	181	20,076	20,257	75,720
Balance . . .	-15,925	-12,586	-4,294	+48,329	+15,524	+4,552	-20,076	-15,524	—

In the 1927-1929 edition of the present volume details were given concerning the manner in which the figures for individual items of the account are estimated.

The fact that a perfect balance is struck in the above table should not be taken as a proof that the figures are rigidly correct, for the amounts entered as short-term capital operations are not based on direct evidence but are interpolated as balancing accounts and include, therefore, allowances for possible omissions and errors in the other items.

There is reason to believe that the inflow of foreign capital is understated in the table, for the non-distributed profits of foreign firms working in South Africa, which are almost entirely reinvested in the business, have been omitted from both sides of the account instead of being shown on the debit side under interest and dividends and on the credit side as new foreign capital invested in the country. The assets of overseas firms such as insurance companies increased between 1919 and 1922 by £1½ million and between 1924 and 1931 by over £6 million.

No allowances have been made on account of the possible effects of the liquidation of ex-enemy property on the balance of payments. Assets controlled by the "Custodian of Enemy Property" belonging to (1) British, Allied or Neutral subjects, (2) "Enemy Missions", (3) Stateless persons and (4) "Enemies" who were resident or domiciled in the Union on the outbreak of war, have been released, and transferable certificates of credit were issued to those ex-enemies who were not resident or domiciled in the Union on the outbreak of the war. The certificates have now been funded in the form of a 4% Local Registered Stock, 1951, which amounted to £8,374,649 on March 31st, 1933. "It is impossible to say how much of this stock is now in the hands of Union nationals and how much in the hands of agents of foreign subjects."

(1) Interpolated as balancing accounts.

It is pointed out that from the abandonment of the gold standard by the United Kingdom part of the funds deriving from exports remained abroad, and that, in addition, there was a considerable transfer of money claims abroad. The major portion of this export of capital appears to have been repatriated during the first months of 1933 following the abandonment of the gold standard by South Africa on December 27th, 1932.

The Governor of the South African Reserve Bank made the following statement on April 29th, 1932, before the Select Committee of the Union Parliament on the gold standard: "From September to March last the commercial banks sold 43.5 million South African pounds and bought 10.7 million South African pounds. The oversold amount of 32.8 million South African pounds was provided by the export and sale of 23 million South African pounds gold and by the Reserve Bank selling 6 million South African pounds' worth of its London investments and the commercial banks drawing on their offices in London about 4 million South African pounds."

UNITED KINGDOM

Estimates of the transactions in goods, services and gold in the balance of payments of the United Kingdom are published regularly at the beginning of each year in the *Board of Trade Journal*. ⁽¹⁾

The following table, containing the figures for 1927-1933, differs from that given in the *Board of Trade Journal* mainly in that the gold movement has been included in the account.

BALANCES OF INCOME AND EXPENDITURE IN THE TRANSACTIONS (OTHER THAN LENDING AND REPAYMENT OF CAPITAL) BETWEEN THE UNITED KINGDOM AND ALL OTHER COUNTRIES.

Particulars	£ (000,000's)						
	1927	1928	1929	1930	1931	1932	1933
Excess of imports of merchandise, including silver coin and bullion	387	353	381	386	408	287	264
Estimated excess of Government receipts from overseas ⁽²⁾	1	15	24	19	14	(3)-24	—
Estimated net national shipping income ⁽⁴⁾	140	130	130	105	80	70	65
Estimated net income from overseas investments . . .	250	250	250	220	170	145	155
Estimated net receipts from short interest and commissions	63	65	65	55	30	25	30
Estimated net receipts from other sources	15	15	15	15	10	15	10
Total	469	475	484	414	304	231	260
Estimated credit (+) or debit (—) balance on account of goods, services and Government capital transactions	+ 82	+122	+103	+ 28	—104	— 56	— 4
Excess of exports (+) or imports (—) of gold ⁽⁵⁾ . . .	— 3	— 5	+ 15	— 5	+ 35	(—15)	(—196)
Estimated credit (+) or debit (—) balance on all items specified above	+ 79	+117	+118	+ 23	— 69	(—71)	(—200)
<i>New overseas issues on London market in year</i> ⁽⁶⁾	139	143	94	109	46	29	33

The Government transactions shown in the statement include certain amounts properly belonging to the capital account, such as amortisation receipts and payments on account of inter-allied debts. Otherwise the statement relates to goods, services and gold only; the aggregate of new overseas issues on the London market, according to statistics issued by the Midland Bank, have, however, been added on the last line of the table for reference.

- (1) See, for example, the number dated February 22nd, 1934.
 (2) These include some items on loan accounts.
 (3) Estimated excess of Government payments made overseas.
 (4) Including disbursements of foreign ships in British ports.
 (5) In recent years this item is not included in the account as shown by the *Board of Trade Journal* (cf. the explanatory notes).
 (6) This item, not being part of the balance as compiled, is not shown in the body of the table by the *Board of Trade Journal*. It is shown above for reference.

Merchandise. The figures for trade in merchandise and silver coin and bullion are :

	£ (000,000's)						
	1927	1928	1929	1930	1931	1932	1933
Imports	1,225.5	1,205.8	1,229.1	1,052.5	869.7	709.5	686.2
Exports and re-exports	839.2	853.0	848.1	666.0	461.3	422.0	421.8
Excess of imports over exports . . .	386.3	352.8	381.0	386.5	408.4	287.5	264.4

No account is taken of the imports of rough diamonds from South Africa (some years ago estimated at about £7-10 million), which are not included in trade returns because these diamonds are, for the most part, subsequently exported to the Continent for cutting. The re-imports of cut and polished gems are likewise excluded from the trade returns, but it is stated that the net charge against the country cannot be great.

Ships' stores and bunker fuel exported on foreign vessels are likewise excluded, but are taken into account when calculating the shipping income. Old vessels bought and sold are included under "Receipts from other services".

Government transactions. Receipts and payments in respect of loans between governments, reparations receipts, and receipts on account of Indian home charges form the chief elements under this heading. Receipts on account of Indian debt and interest on Indian railway capital are, however, not included here, but with income from foreign investments. Of less importance, but still of some magnitude, are receipts and payments on account of the overseas activities of the Admiralty, War Office, Air Ministry, Dominions Office, Colonial Office, Diplomatic and Consular Service, and other public departments. Only receipts originating overseas and payments made overseas are taken into account; for example, the value of stores sent from home and the cost of sea-transport paid in the United Kingdom are excluded.

The receipts in 1932 and 1933, it is stated, were affected by the failure of the Irish Free State to pay the sums due in respect of land annuities, etc., and by the non-receipt of reparations and of payments in respect of inter-governmental debts, while nearly £29 million were paid to the United States in December 1932 on account of the debt due to that country. In 1933, two token payments only were made to the United States on account of this debt, the aggregate amount being £3.3 million.

Net national shipping income. The figures entered against this heading represent the balance of the following credit and debit items :

Credit.

Gross earnings of British shipping on account of the transport of all goods and the forwarding of passengers not normally resident in the United Kingdom (1).

Compensation for services performed for shippers by shipowners, through their agencies in overseas ports.

Disbursements (wages, fuel, stores, port dues, commissions, etc.) of foreign ships in British ports.

Debit.

Disbursements of British shipping in overseas ports.

Fares paid to foreign shipowners by passengers normally resident in the United Kingdom (2).

A summary of the amounts of shipping earnings and port receipts and expenditure taken into account is given below. The amounts given as "gross earnings", it is stated, do not include passage money paid by residents of the United Kingdom

(1) The fares of passengers resident in the United Kingdom are excluded from the shipping income as well as from the debit figure for tourists' expenditure taken into account when calculating the "net receipts from other sources".

(2) These fares are thus not included in the debit figures for tourists' expenditure taken into account when calculating the "net receipts from other sources".

travelling to or from the country; further, as regards traffic between overseas ports, the net income only is included.

Year	Gross earnings	Port receipts (1)	Port expenditure	Net income including port receipts
			£ (000,000's)	
1924	155	10	25	140
1925	138	9	23	124
1926				120
1927		155	15	140
1928		144	14	130
1929				130
1930				105
1931				80
1932				70
1933				65

The estimated fall in the net income from 1932 to 1933 is due to a fall in freight rates and in the tonnage of British ships cleared with cargo, and to an estimated small reduction in the receipts from passenger traffic (fares of passengers not residing in the United Kingdom). The expenditure of British ships in overseas ports is estimated to have been somewhat lower in 1933 than in 1932, while that of foreign vessels in the United Kingdom is believed to have been about the same as in that year.

Net income from overseas investments. The "net income from overseas investments" includes all income from overseas long-term investments, whether of a joint-stock or private character, and allows for the deduction of income paid to overseas residents in respect of their investments in the United Kingdom. It does not take account of receipts and payments between governments in respect of war debt settlements.

Payments from reserves in the United Kingdom to maintain plantations, etc., abroad have been taken into account as a reduction from the receipts, while as a credit item are included remittances from overseas to pay for head office expenses in the United Kingdom.

The decline in the receipts from foreign investments was arrested in 1932. With reference to loans to central and local governments overseas, the additional defaults during the year were relatively small, while payments were resumed in respect of certain loans on which defaults had previously occurred. The aggregate receipts on account of loans to governments are estimated at £59 million, or slightly less than in 1932. Interest receipts on account of other loans are also believed to have fallen slightly, partly due to the reduction in the sterling income derived from dollar bonds. Dividend receipts rose owing to slightly larger return for oil, tea and similar investments and a substantial increase in the income from mines, owing to the large profits realised in respect of gold-mining operations.

Outward interest payments were reduced owing to the lowering of the interest payable on account of the British War Loan and, it is believed, on account of a decrease in the foreign holdings of this loan. Total outward interest and dividend payments are believed not to have been in excess of £10 million, as against £15 million in 1930.

The aggregate net receipts in 1933 are believed to have been "about midway between those of 1931 and 1932". The total was taken provisionally as £155 million.

Short interest and commissions. "Receipts from short interest and commissions" include earnings on account of acceptance credits, discount on foreign bills, bank interest (*i.e.*, short interest), commissions, etc., on new issues paid by overseas borrowers, merchanting commissions on overseas produce, brokers' commissions, insurance remittances from abroad, and earnings on exchange transactions. Payments are also made to foreigners for similar services.

In 1933, commissions and other charges paid by foreigners in connection with British imports are estimated to have fallen with the reduction in the import value,

(1) Expenditure of foreign ships in British ports.

receipts on account of acceptance credits and the discounting of foreign bills declined, and the margin between spot and forward dollars implied substantial outward payments. Otherwise, dealings in exchange are believed to have resulted in considerable profits to British operators, commissions on account of financial operations and price speculation rose, British short-term funds held abroad earned a higher rate of interest and the net receipts from marine insurance are believed to have been larger than in 1932.

The aggregate net receipts from the items under review are believed to have risen from £25 million (revised figure) in 1932 to £30 million in 1933.

Net receipts from other sources. This item includes receipts and outgoings on account of the sale and purchase of second-hand ships to and from other countries, emigrants' remittances, the savings of emigrants returning to the country, tourists' expenditure, diplomatic expenditure, etc.

Information is available concerning the estimated balance of tourists' expenditure included in this item. The number of tourists and other travellers in traffic with the European continent (including visitors from and to all Mediterranean countries) was as follows, not reckoning persons visiting the Continent recorded as diplomats, etc., as seamen, as holding Ministry of Labour permits or as in transit, and also excluding British visitors to the Continent and visitors from the Continent taking week-end tickets or going on day trips, whose expenditure is relatively small:

	1930	1931	1932	1933
	Number (000's)			
British visitors to the Continent	960	910	660	785
Visitors from the Continent to the United Kingdom	265	235	195	190

The average expenditure of these visitors was taken at £30 for each year.

The number of tourists and travellers in extra-European traffic was as follows:

	1930	1931	1932	1933
	Number (000's)			
Alien visitors to the United Kingdom from places outside Europe	125	90	75	80
British subjects travelling to countries outside Europe.		114	138	151

The latter group (British subjects) consists in part of residents of the United Kingdom (numbering 31,000 in 1933), whose expenditure abroad counts as a debit, and in part of residents of British and foreign countries overseas (numbering 54,000 and 16,000 respectively in 1933), whose expenditure in the United Kingdom counts as a credit. The expenditure per head of visitors to the United Kingdom from overseas is relatively heavy, but the number does not vary greatly from year to year. On the basis of the replies to a questionnaire issued to colonial officers on leave during 1933, the average expenditure per head in the United Kingdom during an average stay of about five months was between £175 and £200. The number of persons covered by this sample enquiry was 2,088 or about 4% of the total number of British visitors from overseas. The increase in both 1932 and 1933 in the number of British passengers travelling to non-European countries for business or pleasure is due entirely to the increase in the number of persons proceeding on pleasure cruises, from 10,000 in 1931 to about 35,000 in 1932 and 50,000 in 1933. The expenditure of such persons in countries overseas is believed to have been small compared with the average amount spent by other United Kingdom residents travelling to countries outside Europe.

The information available is taken to indicate that in 1930 the expenditure abroad of United Kingdom residents differed little from that of overseas visitors to the United Kingdom, that subsequently there was a decline in both classes of travellers,

but that there was a debit balance of approximately £3 million in 1931, a credit balance of £2 million (revised figure) in 1932 and a debit balance of £3 million in 1933. ⁽¹⁾

Payments of film royalties are also included in the present item. An estimate for the year 1932 places the net payment on this account at over £5 million when allowance is made for the annual payments made to the American owners of sound film apparatus and for their receipts from British films.

The tonnage of second-hand ships sold to foreigners in 1933 was about 50 % greater than in 1932, and the average values paid for such ships were also much larger. The increase in the receipts in respect of the sales of such ships is believed to have been about £1 million.

Gold. According to trade returns, gold imports and exports during the years 1927-1933 were as follows :

	£ (000,000's)						
	1927	1928	1929	1930	1931	1932	1933
Imports	32.4	47.8	62.4	86.7	98.3	152.2	251.6
Exports	29.0	(²) 42.2	77.6	81.8	132.9	134.3	60.3
Excess of imports (—) or exports (+)	— 3.4	— 5.6	+ 15.2	— 4.9	+ 34.6	— 17.9	— 191.3

The recorded excess of imports of gold in 1932 and 1933 represents neither the value in gold nor in sterling, since, while bullion is valued at the price of the day, sovereigns are taken at the face or currency value. Net imports of gold came to about £12½ million in 1932 and £133 million in 1933, if taken at parity, and to £15 million and £196 million respectively, if valued in sterling.

In the last two statements published by the *Board of Trade Journal*, the gold movement is not included in the table. The exceptionally heavy inward movement of gold in 1933 is stated to be due largely to gold being sent to the United Kingdom and held there for foreign account. It is stated that "the ownership of such gold being unchanged, it is unnecessary to take account of it in any way in connection with the balance of payments." A considerable proportion of the gold imported was not acquired for the account of overseas countries; thus, the gold reserve of the Bank of England increased by £71 million gold (about £105 million in paper). It is pointed out, however, that the enhanced value of gold in terms of sterling throughout 1933 led to a larger amount of gold coin and ornaments than in normal times being sold by private owners in the United Kingdom, and the sum realised from its sale, though not so large as in 1932, was more than sufficient to meet the requirements of industry and the arts.

New overseas issues. As explained in previous issues of this volume, there is no reason for expecting a close correspondence between the total of new overseas issues — which only represent one of the capital items — and the balance. It has been shown by the investigations made by Sir Robert Kindersley that a great portion of the new overseas issues on the London market is subscribed by foreigners and by means of amounts received in amortisation of former lendings. In recent years, repayments out of sinking funds have reached approximately the following amounts :

Year	£(000,000's)	Year	£(000,000's)
1927	34	1931	27
1928	30	1932	48
1929	49	1933	55 (provisional estimate)
1930	39		

(1) Fares paid to ships are not taken into account when calculating these figures (*cf. Net national shipping income above*).

(2) After deduction from the recorded exports of some £18 million representing gold repatriated to France.

In 1932 and 1933, these receipts exceeded the amount of new overseas issues on the London market. (1).

On the other hand, British investors may have taken part in flotations in foreign capital markets. Subscriptions to new issues may be provided for out of balances of realisations over purchases of securities previously existing. Short-term investments of foreign money in the London market have also helped indirectly in the financing of permanent loans to other countries. Account should also be taken of sums directly invested abroad in private business.

The geographical distribution of the capital issues on the London market for foreign investment in recent years is shown below. Issues for domestic account are shown at the foot of the table, for purposes of comparison.

	£ (000,000's)										
	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933
India and Ceylon . . .	25.4	2.6	3.4	2.1	1.4	7.7	10.1	28.7	22.5	6.4	5.0
Other British countries .	62.2	70.9	54.0	49.9	86.4	78.4	44.3	41.4	14.4	22.5	24.8
Of which :											
Australasia . . .		50.0	25.5	31.5	41.0	34.75	17.0	10.5	(5) 5.0	(5) 5.0	.
Canada and Newfoundland . . .		4.5	2.0	6.0	7.0	20.5	15.25	3.5	(6)	2.5	17
Africa		15.0	15.0	6.5	28.0	16.5	10.5	26.5	8.0	(9) 13.0	6
Asia		1.2	11.0	5.0	5.0	4.25	1.4	0.8	(9)	.	.
Foreign countries . . .	48.6	60.7	30.4	60.4	50.9	57.3	39.9	38.7	9.2	0.3	8.0
Of which :											
Germany				6.0	7.0	8.25			3.0	.	.
Belgium		36.0	(2) 11.0	7.0	(2) 14.5	(4) 25.5	21.5	11.0	.	.	.
Other European . . .				11.8					.	.	(10) 5.5
Netherlands Indies			3.5	2.8							
Japan		17.3	1.3	5.0	1.5	1.0					
Other Asiatic . . .				0.2							
Argentina			8.0	9.0	6.0	4.5	8.5	17.75	3.5	.	.
Brazil				12.3	13.0	9.25					
Chile		7.0	6.0	3.0	7.0	6.0	7.5	3.0	(7) 2.3	.	(11) 1.8
Other American . . .				2.2							
Total issues for foreign account	136.2	134.2	87.8	112.4	138.7	143.4	94.3	108.8	(8) 46.1	29.2	37.8
Issues for domestic account	67.6	89.3	132.1	140.9	176.0	219.1	159.4	127.4	42.6	83.8	95.1

(1) The figures for repayments, however, would appear to include amounts offset by issues for redemption, which are not included in the statistics of new overseas issues shown in the tables of this section. Sir Robert compares the figures for repayments with the following series of figures for new issues, which is stated to include issues for redemption : 1929, £96 million ; 1930, £98 million ; 1931, £41 million ; 1932, £37 million ; 1933, £50 million.

(2) Mainly Germany and Italy.

(3) Italy, Greece and Poland about £2 million each.

(4) Greece £7.5 million and Hungary £4.75 million.

(5) New Zealand only.

(6) The unspecified issues for the account of " Other British countries " were chiefly for British North America.

(7) South America, other than Argentine.

(8) Of this amount, only £3 million was offered during the second half of the year.

(9) Of which South Africa £7.75 million.

(10) Austria £4.5 million (for the funding of a short-term credit extended by the Bank of England in the summer of 1931), and Denmark £1 million (raised by the Danish Government to finance capital development in Denmark undertaken by a Danish firm).

(11) " Private placings " by companies operating in South America.

These statistics of new capital issues are based on issue prices and exclude all shares issued to vendors, bonus shares, issues for conversion or redemption of securities previously held in the United Kingdom, short-dated bills sold in anticipation of long-term borrowings, and loans by municipal and county authorities, except in cases where there is a specified limit to the total subscription. They do not include issues of capital by private companies except where particulars are publicly announced.

A classification of the objects of the issues, by main groups of countries, in the last nine years is given in the following table.

	£ (000,000's)								
	1925	1926	1927	1928	1929	1930	1931	1932	1933
India and Ceylon :									
Governments	—	—	—	6.9	9.1	27.8	21.6	3.5	} (1)4.7
Municipalities and Public Boards	—	—	—	—	—	—	—	1.0	
Railways	1.7	—	—	—	—	—	—	1.3	} (2)0.3
Industrial undertakings .	1.7	2.1	1.4	0.8	1.0	0.9	0.9	0.6	
Other British countries :									
Governments	29.5	32.4	51.8	37.9	17.7	25.5	8.9	21.1	} (1)20.2
Municipalities and Public Boards	2.0	1.2	5.1	7.3	3.8	2.7	—	—	
Railways	—	—	5.0	9.5	4.5	5.5	0.8	—	} (2)4.6
Industrial undertakings	22.5	16.3	24.5	23.7	18.3	7.7	4.7	1.3	
Foreign countries :									
Governments	1.0	14.3	11.8	12.9	3.6	12.5	0.2	—	} (1)5.3
Municipalities and Public Boards	1.4	8.1	8.1	6.8	0.5	—	—	—	
Railways	4.2	7.6	6.3	4.2	7.8	9.8	3.1	—	} (2)2.7
Industrial undertakings	23.8	30.4	24.7	33.4	28.0	16.4	5.9	0.4	
Total :									
Governments	30.5	46.7	63.6	57.7	30.4	65.8	30.7	24.6	} (1)30.2
Municipalities and Public Boards	3.4	9.3	13.2	14.1	4.3	2.7	—	1.0	
Railways	5.9	7.6	11.3	13.7	12.3	15.3	3.9	1.3	} (2)7.6
Industrial undertakings	48.0	48.8	50.6	57.9	47.3	25.0	11.5	2.3	
Grand total	87.8	112.4	138.7	143.4	94.3	108.8	46.1	29.2	37.8

Private estimate of British overseas long-term investments.

The four preceding issues of this publication contained summaries of enquiries by Sir Robert Kindersley and the *Economist* with reference to the nominal value of British long-term investments abroad in the years 1927 to 1931, and the income derived from such investments in these years.

New estimates relating to 1932, and in some cases to 1933, have now been carried out on similar lines by Sir Robert Kindersley (3). They are based on information supplied by banks, issuing houses and a great number of companies, and cover British investments in the bonds and stocks of foreign and colonial governments (central and local), interest payments on which are made in London, in the securities quoted on the London Stock Exchange of companies, both British and foreign, operating abroad and in a few groups of securities not quoted in London. The whole field of British foreign investments is therefore covered, with the exception of individual private investments, most of the companies operating abroad whose securities are not officially dealt in in London and, finally, the bonds and stocks of foreign governments not quoted in London. The securities of insurance companies and many

(1) "Public authorities".

(2) "Private undertakings".

(3) Published in the *Economic Journal* for September 1934.

financial trusts deriving a major portion of their income from abroad are also omitted, since the operations of these companies usually take the form of investments in the securities of British registered companies or in Government stocks already included in these investigations. Double counting is also to a large extent avoided by excluding the share capital of companies controlled by others.

The securities examined fall into the following three broad categories :

- (a) loans to central and local governments overseas ;
- (b) investments in British companies (*i.e.*, companies registered in the United Kingdom) operating abroad ;
- (c) investments in foreign and colonial companies (*i.e.*, companies both registered and operating abroad).

The figures refer to nominal values ; shares of no par value have been included at the values in the balance-sheets.

(a) Loans to central and local governments overseas.

The investments belonging to this group were examined in the manner described in the 1927-1929 edition of this publication (1). The main results of the enquiry are given below.

Type of security	Proportion of total interest paid in London subject to tax		£ (000,000's)					
			Capital owned by residents in the U.K. (2)		Repayment to residents in the U.K. (4)		Interest received in the U.K.	
	1931	1932	1931	1932	1931	1932	1931	1932
<i>Dominion and colonial securities :</i>	%	%						
Central governments	88.8	88.9	1,014.8	1,025.4	2.6	23.7	44.1	45.0
Local governments .	89.8	89.0	88.6	83.5	3.0	3.1	4.3	3.9
<i>Foreign securities :</i>								
Central governments	(2) 54.2	54.9	301.9	289.4	10.1	12.0	15.7	12.0
Local governments .	74.7	74.9	35.6	33.6	0.6	0.9	1.8	1.5
Total			1,440.9	1,431.9	16.3	39.7	65.9	62.4

Defaults on the service of the loans considered above, during the years 1931-1933, are shown as follows, in million pounds sterling :

	Interest	Sinking fund	Total
1931	1.5	1.1	2.6
1932	9.1	5.4	14.5
1933	9.4	7.8	17.2
Total since December 1930 . .	20.0	14.3	34.3

Of the total £34.3 million in default since 1930, the loss sustained by British investors amounted to £19.3 million, of which £8.2 million on account of sinking-fund payments.

(b) British companies operating abroad.

A number of large companies do extensive business both in the United Kingdom and abroad. Owing to the difficulty of segregating that part of the capital of these companies that should be considered as invested abroad, not all of them were included in the investigation. A difficulty of the same kind occurred with regard to some of the principal shipping companies whose vessels travel to and from Great Britain.

(1) Page 179.
 (2) The high foreign percentage in this group is due largely to payments made in London in respect of the foreign tranches of international issues.
 (3) The figures for capital include British subscriptions to issues floated in the year under consideration, but on which a full year's interest would not be due until the succeeding year.
 (4) The figures for repayment exclude stock converted during the years under consideration.

In this case again account was taken of those companies only whose vessels operate almost entirely in foreign waters.

The share and loan capital owned by, and the interest, dividend and amortisation payments made to, residents in the United Kingdom in the years 1929-1932 were as follows, in million pounds sterling ⁽¹⁾ :

	Nominal amount	Loan capital		Share capital	
		Repayment	Interest	Nominal amount	Dividends
1929	385.2	3.8	18.3	801.6	67.7
1930	389.6	9.6	17.5	815.1	59.0
1931	397.5	4.9	15.5	812.8	33.3
1932	388.6	4.8	13.5	816.2	29.0
1933 ⁽²⁾	13.5	.	27.1

The average dividend receipts fell from 8.4 % of the nominal amount of the share capital in 1929 to 7.1 % in 1930, 4.1 % in 1931, 3.4 % in 1932 and 3.3 % in 1933. Part of the decline in dividends remitted is due to exchange restrictions, especially in South America, where a substantial sum of service money has accumulated and would be transferred if exchange conditions permitted.

(c) *Investments in foreign and colonial companies* [(i.e., companies registered outside the United Kingdom)].

The type of enterprise considered in this group varies from the company which is virtually British owned and controlled to the company in which British interests are insignificant. For this and other reasons the analysis of British investments in this group was more difficult than in either of the two preceding groups.

The capital owned by, and interest, dividend and amortisation payments made to, residents in the United Kingdom are shown below, in million pounds sterling ⁽¹⁾ :

	Nominal amount	Loan capital		Share capital	
		Repayment	Interest	Nominal amount	Dividends
1929	402.8	4.0	19.7	436.0	42.0
1930	391.5	9.7	19.4	391.1	31.7
1931	383.8	5.6	18.2	375.5	22.7
1932	375.2	3.6	17.1	344.0	22.1
1933 ⁽²⁾	17.0	.	22.6

It is pointed out that the decline in the capital is not wholly due to the repatriation of capital (sales of securities), but partly to the winding up of insolvent enterprises, the writing down of capital accompanying financial reorganisation and the loss in market value of shares of no par value (these shares have been included at the values in the balance-sheets).

The dividends represented 9.6 % of the outstanding share capital in 1929, 8.1 % in 1930, 6 % in 1931, 6.4 % in 1932 and 6.6 % in 1933.

Summary.

If allowance be made for investments not covered by the enquiry (British holdings of foreign securities not dealt in in the United Kingdom and other forms of British investments not examined in detail), the total of British foreign investments and receipts in respect thereof may be summarised as follows ⁽³⁾ :

		£(000,000's)				
		1929	1930	1931	1932	1933
1. Loans to central and local governments	Capital	1,412.4	1,437.3	1,440.9	1,432	.
	Repayment	30.4	19.7	16.3	39.7	28
	Income	64.7	64.7	65.9	62.4	62.5
2. Investments in British companies operating abroad	Capital	1,186.8	1,204.7	1,210.3	1,204	.
	Repayment	8.5	9.5	4.9	4.8	.
	Income	86	76.5	48.8	42.5	40.6

(1) A division between different types of companies is available but has not been included in the present summary
 (2) Provisional estimates.

(3) Figures showing the geographical distribution of British overseas investments in 1930 were published in the preceding edition of this publication (pages 174-175).

UNITED KINGDOM

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		£(000,000's)				
		1929	1930	1931	1932	1933
3. Investments in foreign companies	Capital	838.8	782.6	759.3	719	.
	Repayment	9.6	9.7	5.6	3.6	.
	Income	61.7	51.0	40.8	39.2	39.6
4. Investments not covered by the enquiry	Capital	300	300	290	285	.
	Repayment . . . . .	.	.	.	.	.
	Income	18.5	16.8	13.2	12.3	12.2
Total	Capital	3,738	3,724.6	3,700.5	3,640	.
	Repayment	48.5	38.9	26.8	48	.
	Income	230.9	209	168.7	156.4	154.9
Income as percentage of capital		6.17	5.61	4.56	4.30	4.26

UNITED STATES OF AMERICA

Estimates of the balance of payments of the United States are published annually in the *Trade Information Bulletins* issued by the Department of Commerce. The 1933 figures which have now become available ⁽¹⁾ are reproduced below, together with the figures for 1930-1932 which appeared in the preceding issue of this publication. The Summary Table given after the detailed account covers the whole period from 1919-1933.

The order and classification of the items in the original statements have been modified in accordance with the scheme used for the majority of statements in this volume. Full agreement with these statements has not been reached, however, for merchandise imports have not been shown at their value c.i.f. at the United States ports or frontier, except in the years 1929-1931 and 1933, for which information concerning freights on imports earned by American ships was available (item 2 *g* in the table for Goods, services and gold). In other years these earnings, which, in fact, do not involve any external payments, have been omitted from both sides of the account (see also item 7 *a*), and the aggregate balance is thus not affected.

The capital account as shown in the present volume includes amortisation of war debts, which is excluded therefrom by the Department of Commerce. Further, in this volume the earnings on account of underwriters' commissions (which have been deducted by the Department of Commerce from the amounts of new capital issues for foreign account) have been shown together with "Other services".

Goods, services and gold.

Items	\$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
I. Merchandise.								
1. Merchandise	3,897	2,451	1,626	1,694	3,104	2,119	1,343	1,510
2. Adjustments of item 1:								
(<i>a</i>) bunker coal and oil . . .	44	30	21	18	10	6	5	5
(<i>b</i>) ship chandling and repairs	46	36	30	30	31	23	20	15
(<i>c</i>) vessels sold and bought	3	1	—	1	3	3	1	2
(<i>d</i>) unrecorded parcels post	18	20	15	14	—	—	—	—
(<i>e</i>) undervaluation of exports by rail	40	26	16	16	—	—	—	—
(<i>f</i>) freights on imports, paid to foreign ships and carriers	—	—	—	—	218	182	113	55
(<i>g</i>) ditto, earned by American ships ⁽²⁾	—	—	—	—	150	111	.	26
Carried forward	4,048	2,564	1,708	1,773	3,516	2,444	1,482	1,613

(1) *Trade Information Bulletin* No. 819 (*The Balance of International Payments of the United States in 1933*, by Amos E. Taylor).

(2) Except in the years 1929 to 1931 and 1933, the amount of such earnings is unknown, and accordingly the adjustments entered against item 2 do not bring the merchandise imports to their c.i.f. value. The earnings have, however, been excluded from the freight income (item 7, credit), and the balance of the whole account in these years is therefore not affected.

Items	\$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
Brought forward	4,048	2,564	1,708	1,773	3,516	2,444	1,482	1,613
2. Adjustments of item 1 (<i>cont.</i>):								
(<i>h</i>) correction for exchange fluctuations	—	—	—	—	— 5	— 9	— 5	—
(<i>i</i>) deduction for household goods of immigrants and departing aliens		15	11	4		6	4	8
(<i>k</i>) other adjustments, includ- ing contraband	—	25	25	3	151	146	113	76
II. Interest and dividends.								
3. Interest on intergovernmental debts	164	92	67	20	—	—	—	—
4. Interest on other public debts	—	—	—	—	—	—	—	—
5. Yield of other long-term capital:								
(<i>a</i>) interest on securities		383	311	267				
(<i>b</i>) earnings on direct invest- ments	838	180	85	105	227	100	60	60
(<i>c</i>) "interest and earnings funded"	—	—	—	27	—	—	—	—
6. Interest on short-term capital	67	92	60	43	73	26	8	3
III. Other services.								
7. Shipping income:								
(<i>a</i>) freights on United States imports ⁽¹⁾	150	111	.	26	—	—	—	—
(<i>b</i>) freights, other	106	85	55	30	—	—	—	—
(<i>c</i>) passage money ⁽²⁾	49	—	—	—	—	—	—	—
8. Other transport fees	9	6	2	3	33	7	5	10
9. Insurance	70	70	.	.	70	70	.	.
10. Underwriters' commissions	23	6	2	1	—	—	—	—
11. Brokerage receipts	11	7	5	10	—	—	—	—
12. Telegraph and telephone	21	22	9	13	15	17	7	9
13. Immigrants' and emigrants' funds	33	10	6	3				
14. Immigrants' and emigrants' remittances	—	—	—	—	199	173	138	110
15. Missionary and charitable contributions	—	—	—	—	49	39	31	25
16. Tourists' expenditure:								
(<i>a</i>) Canada	75	57	35	35	266	238	183	101
(<i>b</i>) Mexico	13	9	5	4	56	44	36	28
(<i>c</i>) overseas	72	46	31	32	489	(²)286	(²)227	(²)163
17. Diplomatic and similar expen- diture	9	7	7	7	9	9	10	8
18. Government receipts and expenditure n. e. i. ⁽³⁾	37	27	24	25	118	125	91	77
Carried forward	5,795	3,814	2,448	2,431	5,266	3,721	2,390	2,291

(1) See note (2) on preceding page.

(2) Beginning with 1931, the passenger fares earned by United States ships (item 7 c) on account of United States tourists has been deducted from the tourists' expenditure (item 16, debit).

(3) Receipts on account of war debts are shown against item 3 and capital item 1a.

Items	\$ (000,000's)							
	Inward or credit movements (Exports)				Outward or debit movements (Imports)			
	1930	1931	1932	1933	1930	1931	1932	1933
Brought forward	5,795	3,814	2,448	2,431	5,266	3,721	2,390	2,291
19. Other items :								
(a) cinematograph royalties	90	70	50	75	6	4	—	—
(b) Press subscriptions	5	5	4	4	3	3	2	2
(c) Canadian electric power	—	2	—	—	4	4	2	2
(d) patents, copyrights and royalties	15	15	12	—	15	15	12	—
(e) advertising	4	4	3	3	40	18	10	7
IV. Gold.								
20. Gold coin and bullion	116	467	809	367	396	612	363	193
21. Changes in earmarked gold (net)	2	321	—	58	—	—	457	—
22. Adjustment of items 20-21	—	—	—	—	—	—	—	59
Total	6,027	4,698	3,326	2,938	5,730	4,377	3,236	2,554
Surplus (+) or deficit (—) on account of :								
(a) goods and services	+ 575	+ 145	+ 101	+ 211				
(b) gold	— 278	+ 176	— 11	+ 173				
(c) goods, services and gold	+ 297	+ 321	+ 90	+ 384				

Capital items.

Items	\$ (000,000's)							
	Inward or credit capital movement				Outward or debit capital movement			
	1930	1931	1932	1933	1930	1931	1932	1933
I. Long-term operations.								
1. Amortisation :								
(a) of intergovernmental debts	77	21	32	—	—	—	—	—
(b) of other debts :								
(i) bond redemption payments	123	114	92	41	77	50	50	50
(ii) sinking fund payments	127	143	80	82	—	—	—	—
2. Purchases and sales :								
(a) of domestic securities	1,035	589	300	760	916	495	305	580
(b) of foreign securities	806	659	385	565	360	347	225	685
(c) of real estate	—	—	—	—	—	1	—	—
3. New capital issues	—	—	—	—	856	219	29	11
4. Direct long-term investments	19	10	1	7	253	196	36	91
5. Resale and repurchase of direct long-term investments	51	5	4	50	—	—	2	—
6. Estimated transfer of funds in arbitrage operations (net)	—	—	—	—	—	—	—	40
II. Short-term operations.								
7. Changes in international banking accounts (net)	—	—	—	—	485	709	409	412
8. Reconstruction Finance Corporation Credits	—	—	—	—	—	—	—	7
9. Net inflow of funds resulting from funding agreements, unofficial exchanges, etc.	—	—	—	34	—	—	—	—
10. Movement of currency notes (net)	20	—	—	—	—	10	80	90
Total	2,258	1,541	894	1,539	2,947	2,027	1,136	1,966
Net inward (+) or outward (—) movement of capital	— 689	— 486	— 242	+ 347				

SUMMARY TABLE.

	\$ (000,000's)									
	Goods, services and gold					Capital items			All items (1)	
	Mer- chandise	Interest and dividends	Other services	Gold	Total	Long- term	Short- term	Total		
1919 Balance	+ 3,749	+ 224	- 939	+ 164	+ 3,198	- 2,205	+ 90	- 2,115	+ 1,083	
1920 Balance	+ 2,866	+ 56	- 736	+ 50	+ 2,236	- 1,096	+ 100	- 996	+ 1,240	
1921 Balance	+ 1,908	+ 119	- 628	- 686	+ 713	- 860	+ 100	- 960	- 247	
1922 Balance	+ 663	+ 351	- 546	- 235	+ 233	- 687	+ 375	- 312	- 79	
1923 Balance	+ 313	+ 417	- 628	- 295	+ 193	- 83	+ 53	+ 136	- 57	
1924 Balance	+ 939	+ 464	- 662	- 216	+ 525	- 574	+ 166	- 408	+ 117	
1925 Balance	+ 619	+ 515	- 719	+ 102	+ 517	- 488	+ 121	- 609	- 92	
1926 Balance	+ 139	+ 627	- 564	- 72	+ 130	- 651	+ 310	- 341	- 211	
1927 Balance	+ 417	+ 679	- 572	+ 154	+ 678	- 722	+ 845	+ 123	+ 801	
1928 Balance	+ 738	+ 680	- 684	+ 272	+ 1,006	- 684	+ 228	- 912	+ 94	
1929 Balance	+ 382	+ 699	- 681	- 120	+ 280	- 94	+ 95	- 189	+ 91	
1930 Balance	+ 386	+ 769	- 580	- 278	+ 297	- 224	+ 465	- 689	- 392	
1931 Credit	2,604	747	559	788	4,698	1,541	-	1,541	6,239	
Debit	2,587	126	1,052	612	4,377	1,308	719	2,027	6,404	
Balance	+ 17	+ 621	- 493	+ 176	+ 321	+ 233	- 719	- 486	- 165	
1932 Credit	1,744	523	250	809	3,326	894	-	894	4,220	
Debit	1,594	68	754	820	3,236	647	489	1,136	4,372	
Balance	+ 150	+ 455	- 504	- 11	+ 90	+ 247	- 489	- 242	- 152	
1933 Credit	1,780	462	271	425	2,938	1,505	34	1,539	4,477	
Debit	1,697	63	542	252	2,554	1,457	509	1,966	4,520	
Balance	+ 83	+ 399	- 271	+ 173	+ 384	+ 48	- 475	- 427	- 43	

Particulars concerning a number of important items in the account are given below. For further details reference should be made to the *Trade Information Bulletin*.

Goods, services and gold.

Interest and dividends (items 3-5). Receipts of the United States Government on account of interest and principal of war debts (item 3 and capital item 1a) during the years 1930-1933 were as follows :

Debtor countries	\$ (000,000's)							
	1930		1931		1932		1933	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Austria	0.3	-	0.3	-	-	-	-	-
Belgium	3.4	3.0	4.1	1.6	-	-	-	-
Czechoslovakia	3.0	-	1.5	-	1.5	-	0.3	-
Estonia	-	0.3	-	0.3	-	-	-	-
Finland	0.1	0.2	-	0.1	0.1	0.1	0.1	0.3
France	35.0	19.3	1.4	19.3	-	-	-	-
Great Britain	28.0	132.8	-	66.0	30.0	65.6	-	17.5
Greece	0.5	0.5	0.2	0.2	-	-	-	0.1
Hungary	-	0.1	-	-	-	-	-	-
Italy	5.0	1.3	12.1	1.3	-	1.2	-	2.0
Latvia	-	0.1	-	0.1	-	0.1	-	-
Lithuania	-	0.2	-	0.1	-	0.1	-	-
Poland	1.3	6.2	-	3.1	-	-	-	-
Roumania	0.6	-	0.7	-	-	-	-	-
Yugoslavia	0.2	-	0.2	-	-	-	-	-
Total	77.4	164.0	20.5	92.1	31.6	67.1	0.4	19.9

(1) The balances shown in this column are due to errors and omissions.

Of the total amount received in 1933 (\$20 million), \$11.4 million represented receipts of 22.7 million ounces of silver at 50 cents an ounce, in accordance with special authority granted by the President. These payments in silver were distributed as follows: United Kingdom, \$10 million; Italy, \$1 million; and Czechoslovakia and Finland, \$0.2 million each.

The decline during recent years in other American interest and dividend receipts is stated to be due mainly to transfer difficulties and defaults; in addition, these receipts have been adversely affected by repurchases of dollar securities by the debtor countries and the fall in the yield of direct investments due to unfavourable economic conditions.

The most important defaults in 1933 were those on German obligations. According to the German moratorium decree, effective July 1st, 1933, half of the interest due on the foreign long-term obligations of Germany, with the exception of the Dawes and Young Loans, would be paid in scrip marketable at 50 % of its par value. Owing to difficulties arising over the registration of the scrip, the American creditors did not receive any interest, in cash or in scrip, until February 1934. Accordingly, only a little more than half of the interest due to them on their holdings of German bonds was received in 1933.

A specification by countries of the amounts received as interest, dividends and amortisation on account of foreign securities is given in the table on page 182.

The estimated earnings on account of direct investments and the part of these earnings transferred to the United States were as follows in recent years (in million dollars):

	1931		1932		1933	
	Earnings	Transfers	Earnings	Transfers	Earnings	Transfers
Canada	58	50	20-30	15-25	35-55	20-30
Europe	80	70	25-35	20-30	30-40	20-30
Latin America	80	48	35-45	25-35	45-65	30-50
Africa, Asia, Oceania	20	12	10-20	7-13	15-25	10-20
Total	238	180	90-130	67-103	125-185	80-130

It is stated that it is normally advisable to enter total earnings on direct investments into the balance of payments account and to offset them by amounts reinvested abroad. Owing to the extraordinary exchange situation in numerous countries, only the estimated *transfers* of these earnings were so entered in 1932 and 1933.

In addition to the amounts now dealt with, which represent cash receipts out of the yield of foreign long-term investments, account was also taken in 1933 of funding bonds received, instead of cash, for interest due. Argentine and Brazil agreed during the year with American holders of blocked accounts to fund these accounts into bonds of the national governments. Prior to these agreements, Uruguay had, by unilateral arrangements, extended similar privileges to American holders of blocked accounts in that country.

Part of these blocked accounts arose out of the earnings of American direct investments, while the greater part of the balance originated in commercial accounts. The funding of these blocked accounts is stated to represent the reinvestment on a long-term basis of short-term funds.

Similar in principle were the arrangements for paying in funding bonds all or part of the interest due on certain foreign bonds. Such arrangements had been made by Brazil, Bulgaria, Colombia, Costa Rica, Guatemala, Panama and Yugoslavia. Bonds to the amount of about \$14 million were received during 1933 as a result. A further amount of \$3 million on account of "miscellaneous items" was grouped with these receipts.

After allowing for the funding of commercial assets which are accounted for

elsewhere in the account (capital item 9), an amount of \$27 million was entered as interest on earnings received (item 5c) and offset in the capital account as new long-term investments abroad (included in capital item 4, debit).

Inward short-term interest in 1933 was calculated at $4\frac{3}{8}\%$ of the total outstanding amount, averaging \$975 million. The corresponding percentage in 1931 was $5\frac{3}{4}\%$ and, in 1932, $5\frac{1}{4}\%$.

Freights. Ocean and Great Lakes freight on American imports and exports in 1931 and 1933 has been estimated as follows (the figures for 1932 are not available) :

	\$ (000,000's)							
	1931				1933			
	On U.S. imports		On U.S. exports		On U.S. imports		On U.S. exports	
	Earned by Americans	Earned by foreigners	Earned by Americans	Earned by foreigners	Earned by Americans	Earned by foreigners	Earned by Americans	Earned by foreigners
Ocean freight :								
Dry cargoes . . .	60.4	143.2	66.9	148.9	15.4	39.4	25.5	51.0
Tankers	48.1	22.7	12.5	53.5	9 8	5.3	3.0	14.7
Total	108.5	165.9	79.4	202.4	25.2	44.7	28.5	65.7
Great Lakes freight	2.6	0.7	2.5	5.2	1.1	0.5	0.9	4.4
Grand total . . .	111.1	166.6	81.9	207.6	26.3	45.2	29.4	70.1

The import freight earned by American ships (item 7a) has been included in the balance of payments account only in the years 1929, 1930, 1931 and 1933, as figures for other years are not available. As they are also excluded in these years from the value of merchandise imported (*cf.* item 2g), the balance of the account is not affected.

Item 7b includes, besides export freights, the earnings of American vessels on cargoes carried between foreign ports.

No figures are given for passage money earned (item 7c) in the years 1931 to 1933. The tourist income (item 16, credit) in these years includes payments by foreign visitors to American ships, and the expenditure of American tourists abroad (item 16, debit) does not include their payments to American ships.

Immigrants' funds and remittances. A specification by countries of the immigrants' remittances abroad and the funds brought out of the country by returning emigrants (items 13-14, debit) is given in the section "Emigrants' remittances" of the chapter "Summary statement concerning certain items" in this volume.

Tourists' expenditure. A summary of the different items grouped under item 16 is given below :

	\$ (000,000's)			
	1930	1931	1932	1933
<i>Foreign services to American tourists (item 16, debit).</i>				
Canada :				
Motorists	202.4	188	145	72
Rail and steamer tourists	63.9	50	38	29
Mexico :				
U.S. visitors classified as tourists	55.7	44	10	4
U.S. border visitors			26	24
West Indies and Central America	82.3	31	24	15
Carried forward	404.3	313	243	144

	\$ (000,000's)			
	1930	1931	1932	1933
Brought forward	404.3	313	243	144
Europe, South America and Far East	309.1	194	136	95
U. S. citizens permanently residing abroad	30.0	20	15	10
Alien-American tourists (immigrants visiting fatherland)	76.0	52	43	32
U. S. citizens visiting insular possessions	1.3	.	.	.
U. S. citizens on cruise tours	7.0	11	10	11
U. S. sailors on shore leave	7.0	.	.	.
Gross total	827.7	590	447	292
Deductions:				
Merchandise included in recorded merchandise imports	2.0	1	1	--
Commissions of steamship agencies, etc.	15.0	.	.	.
Fares paid to U. S. steamship lines (1)	—	21	(2)	(2)
Total deductions	17.0	22	1	—
Net total	810.7	568	446	292
American services to foreign visitors (item 16, credit).				
Canada :				
Motorists	50.6	40	24	23
Rail and steamer visitors	24.3	17	11	12
Mexican border	12.8	9	5	4
Foreign visitors from overseas	56.6	43	31	32
Visitors from insular possessions	8.8	3	.	.
Foreign sailors on shore leave	7.0	.	.	.
Total	171.0	112	71	71

An estimate of the United States tourist expenditure in recent years in each of the more important foreign "tourist" countries, prepared through the aid of the foreign representatives of the United States Department of Commerce, is reproduced in the section dealing with tourists in the chapter "Summary statement concerning certain items".

The number of United States citizen tourists departing for Europe, South America and the Far East was as follows in the years 1931-1933 :

Area	1931	1932	1933
Western Europe	126,658	119,853	79,256
Northern Europe	52,646	53,004	30,834
Mediterranean area	40,499	38,560	34,181
Orient and Far East	13,780	13,180	14,293
South America	5,751	4,389	4,417
Total	239,343	228,986	162,980

The total expenditure of these tourists in 1933 was \$105 million, of which amount \$10 million, representing fares paid to American vessels, have been deducted in the above table.

While the expenditure of United States tourists in Canada fell considerably in 1933, that of Canadian tourists in the United States was maintained. The number of Canadian motor-cars entering the United States increased, in fact, by 9.7 % over 1932, and the estimated number of rail and steamer visitors rose from 227,000 to 285,000, or by 25.5 %. The expenditure per car of the motorists declined, however, from \$72 to \$59.

(1) Not deducted before 1931, as the income of United States steamship lines on this account was included as a credit item in the account (item 7c).

(2) Already deducted from the individual items of the table in 1932 and 1933.

Government receipts and expenditure abroad. The diplomatic and consular expenditure and other Government transactions (including postal receipts and payments, but excluding receipts on account of war debts) are entered against items 17 and 18. A specification of the amounts involved in the last two years is given below.

Receipts	\$ (000,000's)		Payments	\$ (000,000's)	
	1932	1933		1932	1933
Foreign representation in the United States	7.0	7.0	Treasury Department :		
Treasury Department :			War claims arbiter	1.3	0.1
German mixed claims	0.4	0.4	Miscellaneous bureaux	0.6	0.4
Army of occupation costs	—	0.1	Alien property custodian	7.0	4.5
Miscellaneous bureaux	0.1	0.1	Navy Department	27.3	24.1
Mints and Bureau of engraving and printing	0.1	0.1	War Department	20.2	17.1
Panama Canal (1)	20.5	21.0	Panama Canal (tolls paid by American vessels, etc.)	19.0	18.0
Department of State :			Department of State :		
Consular fees collected	2.1	1.9	American representation abroad	10.2	8.1
Post Office Department	1.1	1.0	Construction of buildings	0.5	0.7
			International bureaux and indemnities	0.5	0.4
			Veterans' Administration	9.4	7.9
			Post Office Department	2.7	1.9
			Department of Commerce	1.3	0.9
			Department of Agriculture	0.4	0.3
			Paid to Government of Panama	0.2	0.3
Total	31.3	31.6	Total	100.6	84.7

Gold. According to the *Trade Information Bulletin*, gold imports, exports and earmarking operations during 1933 resulted in a net credit item in the United States balance of international payments of \$172.7 million. The composition of this figure is not given ; but in the above table the figures for imports and exports and the net change in the amount of gold earmarked for foreign account, as recorded in the trade returns and the *Federal Reserve Bulletin*, have been entered against items 20 and 21. As these figures, which refer to gold dollars, work out at a net credit of \$231.7 million, an adjustment has been entered against item 22, whereby the balance of the gold transactions is reduced to the figure given in the *Trade Information Bulletin*.

Gold imports were heavy during the opening weeks of 1933, when the dollar was above parity with the other gold currencies. From the middle of January, however, the dollar weakened and the United States gold stock was reduced, largely through earmarking for foreign account. These operations continued at an accelerated pace until March 4th, when banking holidays were declared. By the Presidential Proclamation of March 6th and the Executive order of March 10th, the export and the earmarking of gold were prohibited, except for transactions licensed by the Secretary of the Treasury. The most important transactions during the remainder of the year were withdrawals of the metal from earmark for export by the foreign creditor banks. From July to October inclusive, the net release of gold from earmark amounted to \$240 million and the net exports to \$253 million. The bulk of this gold went to France.

Of the gold imports during the early part of the year, \$40.5 million represented the receipts of gold that had been placed under earmark in London on December 15th, 1932, to the account of the Federal Reserve Bank of New York, in connection with the British debt payment of that date.

(1) Net revenue from canal operations transferred from the Zone to Washington.

Capital items.

Amortisation payments. The columns "Bond redemption payments" and "Sinking fund payments" in the following table contain a specification by countries of the amortisation receipts entered against item 1b.

SERVICE OF OUTSTANDING FOREIGN SECURITIES PUBLICLY FLOATED IN THE UNITED STATES, AND PAR VALUE OF BONDS RETIRED, IN 1933.
\$ (000,000's)

Country	Yield (interest, dividends)	Bond redemption payments	Sinking fund payments	Bonds presented for cancellation	Par value of bonds retired (1)	Country	Yield (interest, dividends)	Bond redemption payments	Sinking fund payments	Bonds presented for cancellation	Par value of bonds retired (1)
<i>Europe.</i>						<i>Latin America.</i>					
Austria	3.1	—	1.2	2.1	3.2	Argentina	22.3	—	7.9	0.3	12.4
Belgium	10.7	—	4.4	—	4.6	Brazil	2.3	3.1	—	—	3.1
Bulgaria	0.4	—	—	—	—	Chile	—	—	—	6.4	6.4
Czechoslovakia	2.3	—	0.8	—	0.8	Colombia	2.5	—	—	6.4	6.4
Danzig	0.2	—	0.1	—	0.1	Costa Rica	—	—	—	—	—
Denmark	7.3	—	0.9	2.7	3.8	Cuba	5.4	1.9	3.7	—	6.1
Estonia	0.3	—	—	—	0.1	Dominican Republic	0.9	—	0.1	—	0.2
Finland	4.2	—	0.7	2.7	3.6	Ecuador	—	—	—	—	—
France	17.9	7.0	4.7	1.3	12.9	Guatemala	0.3	—	0.3	—	0.3
Germany	37.9	3.1	11.8	50.4	72.0	Haiti	0.7	—	0.8	—	1.0
Greece	1.9	—	—	—	—	Mexico	0.1	—	1.2	—	1.2
Hungary	0.5	—	1.0	1.5	2.5	Panama	0.4	—	0.4	—	0.4
Irish Free State	0.1	—	0.4	—	0.6	Salvador	0.3	—	—	—	—
Italy	17.2	—	8.1	1.4	9.8	Uruguay	2.1	—	—	—	—
Latvia	0.4	—	—	—	—	Total, Latin America	37.3	5.0	14.4	13.1	37.5
Lithuania	0.1	—	—	—	—	<i>Africa, Asia and Oceania.</i>					
Luxemburg	0.5	—	0.2	—	0.2	Australia	13.2	—	2.8	0.3	3.5
Netherlands	3.1	—	0.1	—	0.2	China	0.2	—	—	—	—
Norway	9.5	—	1.3	3.9	5.4	Japan	22.5	—	8.3	—	13.6
Poland	7.6	—	2.5	2.4	4.8	Netherlands Indies	9.1	—	—	5.0	7.5
Roumania	1.0	—	0.1	—	0.1	Philippines	3.1	—	5.7	—	3.2
Saar Territory	0.3	—	0.4	1.9	2.4	Total, Africa, Asia and Oceania	48.1	—	16.8	5.3	27.8
Spain	0.2	—	—	—	—	Total, World	307.1	45.5	91.5	93.0	335.0
Sweden	1.6	—	—	—	—	Deduct for payments on repatriated bonds	40.0	4.0	10.0	—	—
Switzerland	1.6	—	—	0.7	15.3	Net	267.1	41.5	81.5	93.0	335.0
United Kingdom	4.3	—	—	—	71.3						
U.S.S.R.	0.6	2.4	—	—	2.3						
Yugoslavia	0.6	—	—	0.7	0.7						
Total, Europe	135.4	12.5	38.7	71.7	216.7						
<i>North America.</i>											
Canada	85.0	28.0	21.6	2.9	53.0						
Newfoundland	1.3	—	—	—	—						
Total, North America	86.3	28.0	21.6	2.9	53.0						

Existing securities purchased and sold (item 2). As in previous years, the trade in outstanding securities in 1933 was ascertained by means of questionnaires.

The securities movement was very considerable in 1933. Among the factors contributing to the increase from 1932 may be mentioned the flight of American capital from the dollar and from dollar securities, effected through the purchase of foreign-currency securities, particularly during the early part of the year, the

(1) For several reasons the payments received by the American fiscal agents for foreign loans do not agree with the par value of the bonds retired (*cf. Trade Information Bulletin*, No. 819, page 24).

offsetting inflow of investment funds to the United States and the repatriation of foreign (particularly German) bonds.

New capital issues in the United States (item 3). In estimating the exports of capital resulting from public issues of foreign securities, deductions have been made from the nominal value of such issues on account of refunding of old loans, issues of territorial possessions included in the United States Customs statistics⁽¹⁾ and bond and stock discounts. Underwriters' commissions have not been deducted but have been entered as a credit item (No. 10) in the account for Goods, services and gold.

Data for the years 1922-1933 are given in the following table :

Year	\$ (000,000's)					
	Nominal capital (excluding issues of territorial possessions)	Refunding	Net nominal value	Discounts	Net capital export (capital item 3)	Underwriters' commissions (goods, services, etc., item 10)
1922	827	99	728	52	676	49
1923	487	74	413	22	391	26
1924	1,215	214	1,001	73	928	52
1925	1,303	231	1,072	63	1,009	56
1926	1,306	176	1,130	40	1,090	31
1927	1,537	235	1,302	56	1,246	63
1928	1,483	237	1,246	63	1,183	59
1929	696	35	661	11	650	15
1930	1,081	182	899	43	856	23
1931	280	56	224	5	219	6
1932	88	59	29	—	29	2
1933	71	60	11	—	11	1

The issues of territorial possessions within the United States Customs area, which are not included in this table, amounted to \$5 million in 1928, \$10 million in 1929, \$6 million in 1930, \$5 million in 1931 and \$1 million in 1933 (nominal capital).

The geographical distribution of the foreign capital issues (including those of territorial possessions) in the years 1931-1933 is given in the following table.⁽²⁾

	\$ (000,000's)								
	1931			1932			1933		
	Number of issues	Nominal capital	Refund- ing	Num- ber of issues	Nominal capital	Refund- ing	Num- ber of issues	Nominal capital	Refund- ing
<i>Europe.</i>									
Germany	—	—	—	2	14.52	14.52	—	—	—
U. S. S. R.	—	—	—	—	—	—	2	3.95	—
International issues . .	2	78.00	—	—	—	—	—	—	—
Total nominal . .	2	78.00	—	2	14.52	14.52	2	3.95	—
Total refunding . .		—			14.52			—	
Nominal new capital		78.00			—			3.95	

(1) These possessions are Alaska, Hawaii and Porto Rico. The Philippine Islands are treated as a foreign country because they have an independent statistical regime.

(2) Source for 1931: *Trade Information Bulletin*, No. 802 ("American Underwriting of Foreign Securities"); for 1932 and 1933, *Trade Information Bulletin*, Nos. 814 and 819 (The Balance of International Payments, etc.).

	\$ (000,000's)								
	1931			1932			1933		
	Number of issues	Nominal capital	Refunding	Number of issues	Nominal capital	Refunding	Number of issues	Nominal capital	Refunding
<i>Asia and Oceania.</i>									
Hawaii	1	5.00	—	—	—	—	—	—	—
Japan	1	19.73	—	—	—	—	—	—	—
Total nominal . .	2	24.73	—	—	—	—	—	—	—
Total refunding .		—			—			—	
Nominal new capital		24.73			—			—	
<i>North America.</i>									
Canada	35	178.97	53.37	5	73.37	44.02	2	60.13	54.00
Total nominal . .	35	178.97	53.37	5	73.37	44.02	2	60.13	54.00
Total refunding .		53.37			44.02			54.00	
Nominal new capital .		125.60			29.35			6.13	
<i>Latin America.</i>									
Argentina	—	—	—	—	—	—	1	6.09	6.09
Cuba	1	3.00	3.00	—	—	—	1	0.70	—
Porto Rico	1	0.50	—	—	—	—	2	1.40	—
Total nominal . .	2	3.50	3.00	—	—	—	4	8.19	6.09
Total refunding .		3.00			—			6.09	
Nominal new capital .		0.50			—			2.10	
Grand total nominal capital	41	285.20	56.37	7	87.89	58.54	8	72.27	60.09
Grand total refunding		56.37			58.54			60.09	
Grand total nominal new capital		228.83			29.35			12.18	

Direct long-term investments. Of the outward payment entered for 1933 against the capital item 4, \$61 million represent investments abroad, arising from the funding of blocked accounts. Of this amount, \$27 million represent interest and are offset under item 5c of the account for goods, services and gold, and the remaining \$44 million under capital item 9.

Short-term operations. Figures entered against item 6 are based on data collected annually by the Department of Commerce concerning outstanding short-term banking debts and assets (see below).

Item 8 shows the amount outstanding at the end of 1933 of credits granted earlier in the year by the Reconstruction Finance Corporation to aid in financing the sale of cotton and wheat surpluses to China and Russia.

Item 9 shows the net reduction in 1933 in blocked accounts abroad, due to funding agreements, unofficial ("bootleg") exchanges, etc. Accounts in Europe were reduced from \$32 million to \$18 million and holdings in Latin America from \$98 million to

\$80 million. The bulk of the reductions was effected by methods which did not involve direct cash transfers (investments, commercial payments, etc.).

Balance of international indebtedness.

The reports on the balance of payments of the United States do not contain any complete estimate of the balance of outstanding foreign assets and liabilities of the United States, but figures with reference to the most important items therein are given. Although these figures are confessedly of varying accuracy and also for other reasons not comparable *inter se*, it has been thought useful for the purpose of this publication to bring the figures together in one table. No totals have, however, been struck.

	\$ (000,000's) at the end of			
	1930	1931	1932	1933
<i>Liabilities.</i>				
Foreign long-term investments in the United States (<i>market value</i>)	(1)	2,250	.	.
Foreign short-term investments in the United States (banking accounts)	2,737	1,465	870	487
<i>Assets.</i>				
Private long-term investments abroad (<i>nominal capital</i> in the case of securities, <i>original outlay</i> in the case of direct investments)	15,170	14,635	13,952	13,799
Short-term investments abroad (banking accounts)	1,802	1,239	1,053	1,082

This table does not include the claims on account of war debts and other debts due to the United States Government. The following details may be given concerning the items in the table.

Foreign long-term investments in the United States. On the basis of a special enquiry, the market value of all American securities held in custody by American banks for foreigners was estimated at approximately \$1,650 million at the end of 1931 (the average for the year at about \$1,500 million). This was raised to \$2,250 million so as to include the estimated current value of real estate and direct investments and all securities held in safety boxes abroad.

It is estimated that the par value of all British holdings of long-term investments in the United States at the end of 1931 was some \$600 million. The combined holdings of German investments in American domestic issues and repatriated German dollar bonds have been estimated at approximately \$440 million on a par value basis; of this amount, however, close to \$200 million represent German dollar bonds repurchased and held in custody in the United States. The principal German participations in American industry are those in the artificial silk and chemical fields. Japanese long-term investments in the United States were practically negligible until 1931, when the state of the Japanese money market led to investments in American securities aggregating at least \$5 million. Belgian and Greek investments are believed to amount roughly to \$50 million and \$20 million respectively.

Private long-term investments abroad. The American private long-term investments abroad are divided into *direct investments* (including foreign security holdings of industrial and commercial corporations) and *portfolio investments*. The value considered for the former is the book value of the foreign properties, or, in cases of partial ownership, the market value of shares held plus the amount of advances and loans. The value of the latter group represents the amount outstanding of each individual foreign bond issue and the holdings of foreign stocks.

The direct investments considered embrace corporate investments (1) in American-controlled manufacturing and selling organisations, (2) in the stocks and bonds of foreign-controlled manufacturing and selling corporations, (3) in purchasing agencies, (4) in petroleum lands and petroleum refining and distribution facilities, (5) in mining and smelting properties, (6) in public utilities, (7) in plantations, and (8) in other miscellaneous properties. Properties owned by missionary and other charitable organisations, including educational institutions of a non-commercial character, are excluded.

The portfolio investments consist of (1) foreign bonds publicly offered in the United States as far back as 1904, (2) foreign bonds privately taken in the United States in large blocks, so far as they are known, (3) the shares of foreign corporations that are owned in the United States and traded in on American stock exchanges in the form of "American shares", or are held in their original form, and (4) bonds of American subsidiaries of foreign corporations, and of American corporations, that lend abroad directly. Portfolio investments are held primarily by individual investors resident in the United States and by insurance companies, investment trusts, and other financial institutions. The foreign security holdings of industrial and commercial corporations are considered as "direct investments".

The following table shows the amount of the investments now considered and their distribution by countries at the end of 1933.

(1) The estimate for the end of 1929 was \$4,700 million.

AMERICAN PRIVATE LONG-TERM INVESTMENTS ABROAD, BY COUNTRIES, AT THE END OF 1933.

\$ (000,000's)

Country	Direct	Port- folio	Total	Country	Direct	Port- folio	Total
<i>Canada and Newfoundland.</i>	2,070	1,880	3,950	<i>South America (cont.)</i>			
<i>Europe.</i>				Brought forward . . .	1,015	1,090	2,105
Austria	16	85	101	Colombia	124	148	272
Belgium	60	160	220	Ecuador	12	3	15
Bulgaria	1	14	15	Guianas	6	—	6
Czechoslovakia	5	28	33	Paraguay	13	—	13
Danzig	4	3	7	Peru	116	73	189
Denmark	17	131	148	Uruguay	29	57	86
Estonia	2	4	6	Venezuela	234	—	234
Finland	1	63	64	Total	1,549	1,371	2,920
France	155	193	348	<i>West Indies.</i>			
Germany	264	977	1,241	Cuba	840	111	951
Great Britain	531	81	612	Dominican Republic	70	15	85
Greece	6	42	48	Haiti	14	11	25
Hungary	13	100	113	Jamaica	21	—	21
Irish Free State	2	3	5	Other West Indies	30	—	30
Italy	116	247	363	Total	975	137	1,112
Latvia	2	6	8	<i>Africa.</i>			
Lithuania	2	2	4	Algeria	3	—	3
Luxemburg	1	6	7	British Africa	98	—	98
Netherlands	44	67	111	Egypt	7	—	7
Norway	22	170	192	French Africa	1	—	1
Poland	50	103	153	Portuguese Africa	9	—	9
Portugal	13	—	13	Other Africa (inc. Liberia)	11	2	13
Roumania	34	15	49	Total	129	2	131
Saar Territory	—	3	3	<i>Asia.</i>			
Spain	67	3	70	British Malaya	20	—	20
Sweden	21	30	51	China	125	7	132
Switzerland	18	15	33	India	31	—	31
Turkey	10	14	24	Iraq	20	—	20
Union of Soviet Socialist Republics	—	12	12	Japan	60	358	418
Yugoslavia	8	70	78	Netherlands Indies	68	123	191
Total	1,485	2,647	4,132	Palestine, Cyprus, Syria	8	—	8
<i>Central America.</i>				Persia	1	—	1
Costa Rica	20	12	32	Philippine Islands	92	65	157
Guatemala	68	4	72	Total	425	553	978
Honduras	66	—	66	<i>Oceania.</i>			
Mexico	632	3	635	Australia and N. Zealand	156	257	413
Nicaragua	13	—	13	Grand total	7,642	6,887	14,529
Panama	25	17	42	Adjustments:			
Salvador	29	4	33	(a) deduct for securities repurchased by foreigners	—	¹⁾ -855	-855
Total	853	40	893	(b) add for bank capital	⁽²⁾ 125	—	125
<i>South America.</i>				Adjusted grand total	7,767	6,032	13,799
Argentina	345	408	753				
Bolivia	62	56	118				
Brazil	197	355	552				
Chile	411	271	682				
Carried forward	1,015	1,090	2,105				

(1) Revised figure (the deductions for previous years, as shown in the preceding issue of this publication, are believed to have been too great). The geographical distribution is not available.

(2) Geographical distribution not available.

The portfolio investments are divided as follows, according to the nature of the securities, by large groups of countries :

PORTFOLIO INVESTMENTS BY AREAS AND CLASSES (WITHOUT DEDUCTION FOR REPATRIATED BONDS).

Area	\$ (000,000's)						
	Government securities				Corporate securities		
	National	State, provincial, departmental	Municipal	Total	Government guaranteed	Private	Total
Canada and Newfoundland.	379	394	148	921	446	513	959
Europe	1,215	108	331	1,654	487	506	993
Central America	33	—	1	34	6	—	6
South America	816	271	136	1,223	95	53	148
West Indies	134	—	—	134	—	3	3
Africa	2	—	—	2	—	—	—
Asia	323	—	44	367	55	131	186
Oceania	160	60	35	255	—	2	2
Total	3,062	833	695	4,590	1,089	1,208	2,297

The weighted average prices of foreign bonds listed on the New York Stock Exchange, as published in its *Monthly Bulletin*, reflect the approximate relation between the market value of the securities and their nominal value given above. These average prices were as follows on January 1st, 1934 : all foreign bonds, 75.90 ; all foreign government bonds, 80.21 ; all foreign corporate bonds, 64.77 ; European national, 105.28 ; European subdivisional, 67.69 ; South and Central American national, 27.13 ; South and Central American subdivisional, 21.37 ; Asiatic national, 110.31 ; Asiatic subdivisional 67.18 ; Australian national, 86.91 ; Australian subdivisional, 84.88.

The following table summarises the information available concerning the bonds affected by defaults on interest payments at the end of 1933. The figures represent the nominal value of the "American share" of the loans outstanding, without adjustment for repatriated bonds. Actual American holdings of defaulted foreign securities are believed to have been from \$250 million to \$500 million less than the total given in the table, as a result of repurchases by foreigners.

OUTSTANDING "AMERICAN SHARE" OF FOREIGN DOLLAR BONDS AFFECTED BY DEFAULTS ON INTEREST PAYMENTS AT THE END OF 1933.

Area	\$ (000,000's)							
	Complete default	Payment in foreign currencies	Payment in dollars and scrip	Payment in funding bonds	Partial payment in dollars	Total defaults	By classes	
							Government	Corporate
Canada and Newfoundland	85	—	—	—	—	85	—	85
Europe	132	—	899	—	46	1,077	371	706
Central America	2	—	22	2	3	29	23	6
South America	691	94	53	133	5	976	847	129
West Indies (Cuba)	33	—	—	—	—	33	32	1
Africa and Asia	9	—	—	—	—	9	9	—
Total	952	94	974	135	54	2,209	1,282	927

UNITED STATES OF AMERICA

Short-term debts and assets. An investigation of the United States international banking accounts is carried out annually by the Department of Commerce. The last investigation comprised 165 reporting banks.

The data for the years 1930-1933 are summarised in the following table :

Items	§ (000,000's) at the end of			
	1930	1931	1932	1933
<i>Due to foreigners :</i>				
Deposits	1,640	1,025	715	389
Advances and overdrafts	36	26	30	20
Short-term loans, investments, etc.	1,046	394	115	63
Acceptance credits	15	20	10	15
Total	2,737	1,465	870	487
<i>Due from foreigners :</i>				
Deposits	294	113	144	250
Advances and overdrafts	629	677	377	332
Short-term loans, investments, etc.	879	449	190	129
Acceptance credits			342	371
Total	1,802	1,239	1,053	1,082
Net short-term liabilities (—) or assets (+)	— 935	— 226	+ 183	+ 595
Net short-term capital movement under the above items (<i>cf.</i> capital item 7 in the balance of payments account)	— 486	— 709	— 409	— 412

After the heavy withdrawals in the last few years of foreign short-term capital, the United States changed from debtor to creditor on short-term account in the course of 1932.