

A PICTURE OF WORLD ECONOMIC
CONDITIONS

STUDIES OF INTERNATIONAL
PROBLEMS

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A PICTURE OF WORLD ECONOMIC CONDITIONS,



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PREFACE

THE broadening and deepening of American interest in foreign countries, which has resulted from developments in international trade and finance during the last decade, has sharpened the desire among Americans of many classes for better and more current information concerning economic conditions and tendencies abroad. Not only the greatly widened group of investors in foreign securities and the financial interests with which they are involved, not only exporters and importers and shipping interests engaged in keeping the vast stream of our international trade moving, but also American manufacturers producing goods either for foreign or home consumption are interested in the industrial-economic developments in foreign countries. As we become better informed about these developments, it is probable that a realization of the complementary character of the relationship between American and foreign economic life may rationalize the natural sense of rivalry with which American interest in foreign affairs has thus far so largely been imbued.

In pursuance of its function of assisting American industry by better knowledge of economic conditions and trends, the National Industrial Conference Board has felt it desirable to keep itself currently informed regarding conditions abroad. Accordingly, in each of the important foreign countries it is enlisting the cooperation of a number of men with intimate knowledge of, and wide experience and high standing in, the economic life of their respective nations as *Foreign Correspondents of National Industrial Conference Board, Inc.* Through these contacts, the Conference Board expects to receive at intervals reviews of current situations and significant developments in industrial, financial, commercial and labor conditions in these countries. Such information will be of general interest to all who are concerned with the trend of international economic affairs, and the Conference Board, with the consent of its Foreign Correspondents, feels that the occasional publication of material of this kind will serve a useful purpose both in stimulating keener interest in, and fostering better knowledge of, world economic conditions.

In the present publication—the initial step in this program—the Conference Board presents a summary review of conditions in the principal countries of the world, based upon special information received from its Foreign Correspondents and upon other authoritative sources. The countries are considered in this report in the following order: Great Britain, Germany, France, Italy, Belgium, Sweden, Canada, Cuba, Mexico, Argentine, Brazil, Chile, Colombia, Japan, Australia, Russia and China. For comparative purposes, a brief summary of economic conditions in the United States during the same period has been added. Following these summaries are reprinted the special reports received by the Conference Board from its Foreign Correspondents. So far, reports have come to hand from the Midland Bank of Great Britain, transmitted through the Rt. Hon. Reginald McKenna; from Mr. Franz von Mendelssohn for Germany; from Professor André Siegfried for France; from Signor Alberto Pirelli for Italy; from Messrs. Georges Theunis and Emil Francqui for Belgium; from Messrs. Marcus L. Wallenberg and Oscar Rydbeck for Sweden; and from Sir Henry W. Thornton for Canada.

In presenting this material, the Conference Board expresses its appreciation to these gentlemen for their generous assistance in providing American industry, through the National Industrial Conference Board, with a better understanding of conditions in their respective countries.

In the preparation of its studies the National Industrial Conference Board avails itself of the experience and judgment of the business executives who compose its membership and of recognized authorities in special fields, in addition to the scientific knowledge and equipment of its Research Staff. The publications of the Board thus finally represent the result of scientific investigation and broad business experience, and the conclusions expressed therein are those of the Conference Board as a body.

MAGNUS W. ALEXANDER,

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Election of Other Foreign Correspondents is Pending

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TABLE OF CONVERSION

Foreign currencies were converted into dollars at the following rates of exchange:

- Germany*, par, 23.8 cents per reichsmark;
- Great Britain*, par, \$4.86 per pound sterling;
- France*, present currency, par, 3.91 cents per franc; pre-war currency, 19.3 cents per franc;
- Italy*, par, 5.26 cents per lira;
- Belgium*, par, 36 francs to the dollar or 13.9 cents per belga;
- Sweden*, par, 28.8 cents per krona;
- Mexico*, average rate of exchange for 1922, 48.4 cents per dollar; average for 1927, 47.2 cents per dollar;
- Colombia*, par, 12.16 cents per peso;
- Japan*, current rate of exchange, 45.8 cents per yen;
- Australia*, par, \$4.86 per pound sterling.