

8233

A PICTURE OF WORLD ECONOMIC CON-
DITIONS AT THE BEGINNING OF 1929

Number II

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ECONOMIC CONDITIONS
AT THE BEGINNING OF 1929



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140

PREFACE

THE economic activities and institutions by which men live and peoples prosper are today inevitably international—both in the influences which they exert and in those to which they are subject. They rest upon foundations which in some measure always extend beyond national boundaries, and their strength or weakness in each nation often makes itself felt in many parts of the world. No nation, however strong, can now live wholly to itself alone, save at the price of a low level of well-being and a slow rate of progress. Beneath the surface differences of language, custom and political aims, the currents of industry and commerce have opened channels of mutual understanding and the forces of finance have woven a fabric of common interest among the business men of the world, upon whom not only national prosperity but international amity increasingly depend. To keep these channels of understanding open and to strengthen this fabric of common interest, comprehensive and authoritative knowledge of economic conditions and trends in the individual countries is indispensable.

The National Industrial Conference Board is engaged in scientific economic research on a non-political and non-partisan basis. Its aim is to secure, analyze and disseminate information concerning economic conditions and problems in the United States and in foreign countries, affecting industrial developments. The Conference Board feels that an examination and interpretation of the economic conditions and problems and of the experience of business men in various countries will not only be helpful as a means of fostering international understanding, but will also show the practical results of economic policies and methods employed to meet particular situations that have arisen in a country and which might at some future date arise in identical or similar form in other countries. With this end in view, the National Industrial Conference Board has sought out a number of prominent men in important foreign countries and has

enlisted their cooperation as *Foreign Correspondents* of the Conference Board. These men have been elected for their intimate knowledge of the economic life of their respective countries as well as their wide experience and understanding of international economic relationships.

Through these contacts, the Conference Board receives at intervals reviews of significant economic developments and problems pertaining to industrial, financial, commercial, and labor conditions in various countries. While publication of this material is in the first place intended for the benefit of American business men and economists, it is hoped that it will also prove of interest and value to the Conference Board's Foreign Correspondents and other foreign readers. For this reason it was felt desirable to include a review of the economic conditions and trends in the United States.

The present publication—the second in this program—is divided into two parts. Part I gives information, obtained from official and authoritative private sources and through the Conference Board's own investigations regarding industrial production, wages and employment, prices, foreign trade, and conditions of public and private finance in twenty-one foreign countries and in the United States. Some countries are discussed in greater detail than some others because of the relative availability of statistical and other pertinent information and because of the fact that the highly developed industrial countries naturally offer a greater variety of important problems which demand the attention of those interested in world economic conditions and trends.

Part II of the book contains original articles specially prepared by Foreign Correspondents of the National Industrial Conference Board. Considering that these gentlemen are busy men, with a wide range of interests and multifarious duties, it can not be expected that all of them can at all times respond to the Conference Board's request for such information. It is very gratifying, therefore, that the Conference Board has received, in time for inclusion in this book, reports from Sir Arthur Balfour and, in behalf of Midland Bank, Ltd., from the Rt. Hon. Reginald McKenna for Great Britain; from M. Franz von Mendelssohn for Germany; from Messrs. Henry de Peyerimhoff and André Siegfried for

France; from Signor Antonio Stefano Benni for Italy; from Hon. Georges Theunis for Belgium; from Messrs. Marcus L. Wallenberg and Oscar Rydbeck for Sweden; from Mr. Louis Dapples for Switzerland; from Mr. E. Heldring for the Netherlands; from B. Dessau for Denmark; from Sir Henry W. Thornton for Canada; from Senor Carlos A. Tornquist for Argentine, and from Baron Takuma Dan and Baron Koyata Iwasaki for Japan.

In presenting this material, the Conference Board expresses its great 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 publications, 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,
President.

New York City,
April, 1929

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Election of Other Foreign Correspondents is Pending

CONTENTS

PART	PAGE
I. WORLD ECONOMIC CONDITIONS	1
General Survey	1
The Multilateral Treaty for the Renunciation of War	2
The Unification of China	4
The Westernization of Turkey	6
The Problems of Central Europe	7
Other Developments in 1928	9
Great Britain	10
Reorganization of the Coal Industry	12
The Position of the Iron and Steel Industry	14
Iron and Steel Exports Encouraging	15
Increase in Machinery Exports	16
The Depression in the Textile Industry	17
Rationalization of the Textile Industry	17
The Chemical Industry	18
Overseas Trade	19
Unemployment, Wages and Cost of Living	21
Industrial Relations	22
Germany	23
Industrial Production	25
Foreign Trade	27
The Problem of Capital Supply	28
Employment, Wages, Cost of Living and Prices	30
The Condition of Agriculture	31
Public Finances	32
France	34
The Fall of the Union Nationale	35
Economic and Social Program of the Government	36
Industrial Production	37
Foreign Trade	39
The Position of Agriculture	40

PART	PAGE
Italy	41
Industrial Activity	42
Foreign Trade	43
The Position of Agriculture	44
Prices and Cost of Living	45
Treasury Situation	45
Belgium	47
Industrial Production	47
Foreign Trade	48
Government Finance	49
Sweden	50
Industrial Production	50
Foreign Trade	51
The Netherlands	52
Employment, Prices and the Cost of Living	53
Denmark	53
Foreign Trade	54
Switzerland	55
Foreign Trade	55
Austria	56
Industrial Production and Employment	56
Foreign Trade	57
Budget for 1929	58
Czechoslovakia	58
Industrial Production	59
Russia	60
Industrial Production	61
Foreign Trade	62
State Finances	62
Canada	63
The Position of Agriculture	63
Industrial Production	64
Foreign Trade	64
Mexico	65

CONTENTS

xiii

PART	PAGE
Argentina	66
Brazil	67
Foreign Trade	68
Chile	69
Foreign Trade	69
Public Finance	70
Colombia	70
Foreign Trade	71
Public Finance	71
Australia	72
The Position of Agriculture	73
Foreign Trade	73
Public Finance	74
Japan	74
Foreign Trade	75
Public Finance	76
China	77
Public Finance	77
United States	79
Employment, Wages and Cost of Living	80
Prices	81
Industrial Production	81
The Position of Agriculture	82
Foreign Trade	83
Financial Conditions	84
II. SPECIAL REPORTS RECEIVED BY NATIONAL INDUSTRIAL	
CONFERENCE BOARD, INC., FROM ITS FOREIGN COR-	
RESPONDENTS, BY APRIL, 1929 87	
Economic Conditions in Great Britain in 1928 89	
British Industry, Trade and Finance in 1928 97	
German Economic Conditions in the Second Half of	
1928 108	
The Economic and Financial Situation of France	
during the Second Half of 1928 124	

WORLD ECONOMIC CONDITIONS

	PAGE
Economic Conditions in France During 1928 . . .	145
The Development of the French Tariff Policy After the War	164
Italian Industry in 1928	187
The Relationship Between Finance and Industry in Belgium	190
Economic Conditions in Sweden in 1928 . . .	207
Economic Conditions in Sweden in 1928 . . .	212
The Economic Situation in the Netherlands at the Beginning of 1929	214
Industries in Denmark in 1928	217
Economic Conditions in Switzerland in 1928 . .	219
Economic Conditions in Canada in 1928 . . .	229
Economic Conditions in Argentina during the Sec- ond Half of 1928	232
Economic Conditions in Japan in 1928 . . .	240
Economic Conditions in Japan in 1928 . . .	244
TABLE OF CONVERSION	254

TABLE OF CONVERSION

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

- Argentine*, par, 96.48 cents per gold peso;
- Australia*, par, \$4.86 per pound sterling;
- Austria*, par 14.07 cents per schilling;
- Belgium*, par, 2.78 cents per franc or 13.9 cents per belga;
- Brazil*, par, 11.96 cents per paper milreis;
- Chile*, par, 12.17 cents per gold peso;
- Colombia*, par, 97.33 cents per gold peso;
- Czechoslovakia*, 2.96 cents per crown;
- Denmark*, par, 26.8 cents per crown;
- France*, par 3.91 cents per franc; pre-war par, 19.3 cents per franc;
- Germany*, par, 23.8 cents per reichsmark;
- Great Britain*, par, \$4.86 per pound sterling;
- Japan*, 45.8 cents per yen;
- Mexico*, 47.2 cents per peso;
- Netherlands*, par, 40.20 cents per florin;
- Russia*, par, 51.46 cent per ruble;
- Sweden*, par, 26.8 cents per krona;
- Switzerland*, par, 19.3 cents per franc.