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Title should read as follows:
"ROLE OF UNITED STATES BANKS
IN DEVELOPING COUNTRIES"

DECLASSIFIED

ROLE OF UNITED STATES IN DEVELOPING COUNTRIES

Case Study by HELENE A. BATJER

FOREIGN SERVICE INSTITUTE 1946

FIFTEENTH SESSION

SENIOR SEMINAR IN FOREIGN POLICY

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SUMMARY

This study is an examination of the role of U.S. banks in developing countries. The sample countries visited in connection with the report were Ethiopia, Kenya, Pakistan, India, Singapore and Taiwan. These countries offered a broad spectrum of U.S. banking activities moving from a country where there was virtually no U.S. banking to one where banking is wide open and all aspects of U.S. banking available. American banks have made and will continue to make large loans to developing countries for specific projects, and more recently for infrastructure development.

The paper concludes that wherever U.S. banks are permitted to have branches or affiliates their role in a developing country is very positive. In addition to bringing efficient traditional services like export-import financing, they introduce modern banking management and expertise, a world-wide network of contacts and access to the international money market. The presence of U.S. banks in developing countries has improved the local banking system and added to its credibility.

INTRODUCTION

Developing countries must sustain a high rate of growth if there is to be an improvement in the quality of life of their people. Generally it is conceded that growth requires capital. Most developing countries are unable to generate the necessary capital from domestic sources and therefore must bridge the gap with foreign capital. One source for such capital is American commercial banks and banking institutions. American banks offering capital and attendant services usually have some form of representation in the countries involved and find this to be the most effective way of extending services and evaluating capital requirements.

The object of this study is to examine the role of American commercial banks in developing countries. It will attempt to determine the extent to which U.S. banks operating in developing countries contribute to the development of the host country through the inflow of capital, traditional services, special loans, world-wide contacts, know-how, and identifying trade and investment opportunities. It will also comment on the attitude of local banks and host governments toward U.S. banks operating in their countries and point to future trends in international banking.

In connection with this study, six countries were visited. They were Ethiopia, Kenya, India, Pakistan, Singapore, and Taiwan. They represent a very broad spectrum of banking activity, ranging from Ethiopia where about 85% of banking is conducted by the State owned commercial bank with only three privately owned banks operating in the country, one of which has a minor (16%) U.S. bank interest, to Singapore where 15 U.S. banks have branches, representatives, merchant banks, or equity companies with more to come.

BACKGROUND

Well after World War II, when U.S. Government assistance to Europe and Japan began leading to unparalleled growth in world trade and U.S. investment abroad, U.S. banking activities abroad began to develop at a rapid pace. By 1958 American banks were moving from the banking centers of the developed countries - Western Europe and Japan - into the developing countries, especially in Latin America but also certain Asian and African countries. Now American banks are represented in some form in most developing countries.

Only after the Federal Reserve Act of 1913 were U.S. banks authorized to enter into foreign operations including the acceptance of drafts arising from imports or exports. Reportedly First National City Bank (FNCB) was the first bank to take advantage of the 1913 Act when, in 1914 it opened a branch in Buenos Aires. Other banks soon followed FNCB abroad and now there are some 630 U.S. bank branches overseas of which about 70 are in developing countries. Although this is impressive, the fact of the matter is that an American Banking Association survey taken in 1972 shows that only about 160 of the 11,000-odd banks in America have any interest in international banking, and many of those which have no interest will not even issue an export or import letter of credit, let alone promote foreign trade through banking. The leading U.S. banks in the foreign field are FNCB with some 228 branches operating abroad, followed by Bank of America with over 100 and Chase Manhattan with approximately 90.

Other important legislation which followed the Federal Reserve Act of 1913 includes:

a) The 1915 establishment of the Mercantile Bank of Americas with the participation of several member banks of the Federal Reserve System to establish direct branches and to create affiliate corporations in order to conduct overseas banking operations.

b) The 1913 Federal Reserve Act was amended in 1916 to permit national banks, under certain conditions, to invest up to 10% of their capital and surplus in corporations created under state law and principally organized to engage in foreign business. These corporations were formed by an agreement with the Federal Reserve Bank and thus came to be called "Agreement Corporations."

c) In 1919 Senator Edge introduced another amendment to the 1913 Act. The Edge Act permitted the chartering by the Federal Reserve Board of corporations "for the purpose of engaging in international or foreign banking or other international financial operations, or in banking or other financial operations in a dependency or insular possession of the United States, either directly or through the agency, ownership, or control of local institutions in foreign countries, or in such dependencies or insular possessions." In fact the Edge Act permitted banking abroad through affiliates which could be partly or wholly owned by a U.S. bank.

d) The 1962 amendment of the 1913 Act authorized the Federal Reserve Board to permit U.S. bank branches in foreign countries to exercise "such further powers as may be useful in connection with the transaction of the business of banking" wherever located. This permitted the branches of the U.S. banks located abroad to increase services in local communities.

e) The 1966 amendment of the Act permits U.S. banks to hold stocks in foreign banks, directly or indirectly.

This body of legislation permits U.S. banks to operate abroad and sets the framework for participation through branches, affiliates and representatives, and "agreement" and "Edge Act corporations." The latter two opened the door for equity financing which is becoming increasingly more important for economic expansion in developing countries.

The type of operation chosen depends in some cases upon the laws and the regulations of the host countries. However, the U.S. banks much prefer branches. As an arm of the home bank they can offer all of its services in addition to having the full backing of its capital and staff. The Edge Act and "Agreement" corporations permit American banks to acquire equity interest in existing banks in the host country and normally are used to gain access to an area denied to foreign bank branch activities. Perhaps less desirable, yet still worthwhile, is the representative office. Such offices are usually established where U.S. banks have considerable interest but either do not desire to or are not allowed to have local branches or affiliates. These offices cannot conduct banking activities but can represent the interests of the home office in other informal spheres and serve as an information-gathering source. The traditional correspondent banking relationship is considered to be too loose an arrangement and is used only when no better alternatives are possible.

TRADITIONAL SERVICE PERFORMED

This is essential to growth and without traditional banking services trade at best would be slow and ineffective. The world-wide banking system developed by U.S. and banks from other developed countries is now essential to the development and movement of world trade. These banks have world wide connections, well trained staffs and available funds all of which can be most effectively used in the promotion of trade in countries where they have branches or affiliates. Among the traditional services performed are:

a) Commercial letters of credit primarily designed to assure importers and exporters of shipment and payment respectively but also used for almost any type of activity involving international payments, such as financing or guaranteeing construction or similar projects, transferring royalties or installment payments.

b) Collections through shipping document bank transfers assuring the seller that the buyer will not be able to take possession of the goods until payment is made to his agent, the bank.

c) Direct remittance moving funds without delay to the creditor's account in any other branch throughout the world.

d) Foreign drafts issued either in the currency of the foreign country or in U.S. dollars and on presentation to foreign banks payable in the currency of the country where located.

e) On instruments such as security agreement, warehouse receipts and shipping documents arranging financing or refinancing for payment to the seller when this is required.

f) For the traveler, letters of credit, traveler's checks, letters of introduction and when required non-resident deposit accounts.

As pointed out previously, only about 160 of the 11,000-odd U.S. banks are prepared to perform such services for the international trading community. Using this as a yardstick, it is not difficult to understand why developing countries have few banks which can provide directly and quickly these international services. Foreign banks in developing countries add to the efficiency and extent of these essential services through branches, affiliates or corresponding relationships. It is estimated that 5-billion dollars of new working credits are required each year to finance world trade.

ADDITIONAL CONTRIBUTIONS TO DEVELOPMENT, TRADE AND COMMERCE

Perhaps the greatest contribution by American banks to developing countries where they have meaningful operations (branches, subsidiaries, equity financing) in addition to the flow of world goods and services, is in the peripheral areas of normal banking activities. Know-how and professionalism, connections with the world banking community, contacts in world markets, information on the evaluation of local conditions, identification of investment and trade opportunities, and stimulation of the local banking system are such peripheral areas.

Local banks have steadily resisted intrusion into their territory by big foreign banks, including American. This attitude has prevailed strongly in former colonial countries like Kenya, Pakistan, India and Singapore, where banking was traditionally in the hands of or controlled by foreigners and in some cases still is to a degree. However, the local banking communities in developing countries have tended to soften their positions considerably when it became evident that valuable mutual beneficial relationships could be developed. This change in attitude has been brought about by the passage of time, the realization that the foreign banks have a great deal to offer, and most importantly through the assurance of protective local laws and regulations curtailing foreign banking activities (limited local deposits, capital requirements, number of branches, etc.).

The most important single benefit brought to developing countries by U.S. banks has been know-how and professionalism which has been shared in varying degrees with local banks wherever U.S. banks operate. American banks through their presence have brought to developing countries managerial techniques, training programs and good banking standards. To the casual observer these contributions may seem unimportant, but they are important to an efficient and effective banking system. All U.S. banks have training programs for local employees. Those entering the officer ranks are brought to the U.S. home office and trained for up to a year in a structured course on banking and banking techniques. Often this training is followed by a headquarters assignment where employees learn the routine of the bank, become familiar with all of its various operations, learn who the officers are and where they fit into the overseas operation of the bank, and most importantly begin to feel they are a part of a useful and effective organization. Training is extended also to local personnel. For instance, in all the banks visited, every supervisory local employee had been given substantial training. Such invaluable training also is offered to local banks for their personnel upon request. The most common means of sharing techniques, new banking methods and development is by seminar. Out of the six countries visited, this technique had been used successfully in three. This process increases the level of technical and professional expertise in the host country. Additionally, American banks have an excellent record in the sample countries of constantly increasing the percentage of local staff as a part of the whole staff. In Ethiopia there is no effective American banking presence but two U.S. banks have had managerial and training contracts with the State owned banks. In two countries the competition between local banks and foreign banks was such that mutually beneficial seminars were not possible. Reportedly

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throughout Africa, governments are insisting on the Africanization of staffs of all foreign companies including banks. This was true in Ethiopia and Kenya. The American bank affiliates and representative in Nairobi have a remarkably good record in this regard.

U.S. banks must maintain working standards set by the Federal Reserve Board, considered among the best in the world, and the banks make these standards known to their local counterparts. All the regulatory bank officials interviewed were sufficiently aware of Federal Reserve standards and regulations, and in two cases had used these as models for their bank. In those areas in which U.S. banks are allowed by the host government to compete fully by taking local time and checking deposits and making loans to borrowers, the record clearly shows that the public has been much better served. Their local banks were forced to meet the same deposit interest rates and to make available small loans to the average borrowers rather than lending only to long standing and well known customers. Further, American banks have consistently increased capital mobilization in areas where they are allowed to take local time deposits. They have contributed to the confidence in and creditability of the banking community. These are real contributions to developing countries seeking foreign investments.

Also of importance to the developing countries, is the ability of the U.S. banks to arrange, through their world-wide network, financing and documentation for normal trade and commercial activities. Additionally, they assist new exporters and importers in making decisions essential to moving successfully into the foreign trade market. These activities are vital to developing nations in their efforts to move their products into world markets and to broaden their export base.

Other important contributions of U.S. banks operating in developing countries is compiling accurate and current information on the local scene, naturally stressing the economic situation and trends, assessing the attitude of the host government toward foreign involvement and analyzing its political stability and development plans. These reports, normally prepared monthly, are used internally by the U.S. banks but also are made available to local and foreign businessmen. In some developing countries these are the only reports professionally compiled and available to the business and financial community. They are extremely useful and broadly used as attested to by all the government officials and local bankers contacted in connection with this study.

To better serve the customer, both local and foreign, U.S. banks watch for and identify opportunities for investment, trade and joint ventures. This activity promotes development of the host country and business for the foreign partner. Having identified a sound investment, venture or trade opportunity, the U.S. bank branch notifies its home office and other branches throughout the world seeking interested parties.

American banks also have knowledge of and contacts within international financing institutions and can advise on how these institutions might be helpful.

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MEDIUM, LONG TERM, EQUITY AND SYNDICATE FINANCING

Most of the medium and long term dollar financing by U.S. banks for capital equipment in developing countries is underwritten by the U.S. EXIMBank, the host government and/or other guaranteeing bodies available to U.S. banks through affiliates or subsidiaries. With such guarantees the bank can put together financial packages either from its own funds or in combination with affiliates, subsidiaries and/or other banks depending on the size and terms of the loan. As an example, in the countries visited, U.S. bank financing with EXIMBank backing including sale of aircraft, industrial equipment, ships, locomotives and other similar equipment.

Loans in local currency by U.S. banks vary in magnitude and accordance with the ability of the branches or affiliates in the country to accumulate local funds through local deposits or foreign exchange conversions. Such activities can and in some countries are sharply curtailed by regulations prohibiting or limiting deposits or conversions. Such regulations make the U.S. banks much less effective and limits their local competitive position. This greatly reduces growth opportunities of the foreign banks as well as the money market in general but it does protect the local banks.

Equity financing, i.e., buying into government owned financial institutions or private enterprises, is on the increase. Equity can be purchased with local currency or dollars depending on the requirements of the institution and the host government. Additionally, internationally oriented American banks like First National City Bank, Bank of America and Chase Manhattan have equity in wholly owned or multinational investment banking organizations. These Edge Act subsidiary organizations are private investment companies such as the Private Investment Company for Asia (PICA); Partnership Pacific Limited (PPL); and Bank of America New York, New York (BOANY). The funds of these companies are used to finance large investments throughout the world. Currently, they are particularly active in South East Asia.

Of increasing importance is the banking syndicate. The concept evolves in the following manner - when funds for large projects including infrastructure projects are sought by the government or a quasi-government organization of a developing country and it is too large or risky for one bank to handle, the bank approached seeks additional funds from other banks or institutions not necessarily otherwise connected. This grouping forms a loosely constructed syndicate in which each participant purchases a part of the financial package and the bank or institution holding the largest share acts as chairman, organizer and manager of the syndicate. Syndicated commercial loans run into millions of dollars. A loan of 200 million dollars has recently been syndicated out of Singapore for a government owned project in Indonesia. Banking syndicates now are becoming partners of governments in the development of large projects which may be an important part of the infrastructure of nations. This is a relatively new development in international financing in developing countries. Formerly commercial banks and affiliates did not directly participate in such projects but left them to concessional loans (bilateral or mulilateral).

Banking activities discussed in this section are those most strongly attacked by the opponents of large commercial loans to developing countries. In broad terms, the opponents of private lending to developing countries maintain that the latter cannot afford commercial money with its high interest rates and relatively short repayment periods. Therefore, developing countries should use for development only concessional loans or grants from governments of developed countries or international development banks. Most developing countries are in a weak financial position and it is maintained that private lending will exacerbate their balance of payments and foreign reserve position. This could create a unilateral financial crisis making necessary an international "bail-out" like a debt roll-over under the auspices of the International Monetary Fund. In this situation the concessional lenders (governments), not the private lenders, will bear the burden through modification of the terms of credit.

Further some opponents of private financing maintain that in certain areas, particularly in Latin America, local capital mobilized in foreign bank branches is used to finance lucrative banking activities in other areas thereby depriving the host country of much needed capital.

To counter these arguments, American and other bankers and their supporters point out that capital is essential to growth, and since concessional financing is decreasing in some areas, private capital will be needed to fill the void if development is to flourish. They would also maintain that banks do not lend money or enter into other ventures without thoroughly investigating the project, its soundness, where it fits into the general development plan of the country and the host government's ability to make loan payments. Further they would argue that in nearly all developing countries, particularly those with large debt burdens, host government approval is required for any foreign loan. These governments considered their own development plans, export possibilities and where the prospective loans or credits fit into the overall plans.

The governments of developing countries do face a serious dilemma regarding private non-concessional financing with high interest rates and relatively short repayment periods which are imposed not only by the international supply and demand, but by the country's credit rating. This rating is essentially established by the international banking community. The terms for commercial credits are tough but there is freedom of use, whereas concessional loans though cheaper are often slow in coming and most have strings attached by the creditor government or institution.

When politically or commercially convenient the governments of developing countries may publicly condemn the foreign banks for their high interest rates and tough credit terms (a burden banks must bear nearly everywhere in the world) but privately admit that the flow of capital into their country is essential and that the international banking system can and under mutually agreeable conditions will make funds available when concessional loans are not forthcoming.

ATTITUDES AND POSITIONS OF HOST GOVERNMENTS

In the countries visited, the attitude of the government banking officials toward the U.S. bank operating in their country was positive on the whole. Officials recognize the services these branches offer and consider most important those channeling investment funds into the country and providing commercial credits. However, there was little evidence except in Singapore where the banking field is open to any bank which can perform successfully in that very sophisticated banking market, that American or other foreign banks will be allowed to broaden their operating base by opening more branches, increasing deposits and/or increasing working capital in the other sample countries. The African officials indicated for clearly nationalistic reasons that U.S. banks wishing to apply for permission to operate in their countries would need local partners with participation varying from 51 to 5 percent. Currently, the Ethiopian Government is considering one such applicant but it seems doubtful that the stage of development of the economy justifies additional banking services. Kenyan banking officials believe their market is over-banked already and although applications would be considered providing there was a local share in the bank, it is unlikely permission to open a new bank would be granted. In the countries visited, the officials as well as local bankers contacted readily admitted U.S. banks operating in their countries contributed a great deal in addition to normal banking activities. They cited as contributions - banking methods and procedures; training programs; consultative services; and knowledge of world-wide financial and trade development. They recognized that the presence of foreign banks including American increase considerably the confidence of potential foreign investors in their countries. When discussing banking competition in his country, one official said, "It must be remembered that in all developing countries, to varying degrees, competition is synonymous with opposition and therefore all foreign banks are considered with some suspicion." Nonetheless, he and others along the way, agreed that U.S. banks have contributed a great deal to improving local and also world-wide banking practices.

Local bankers have learned to get along with U.S. banks where they are present and many were full of praise for the expertise and experience they have brought to the banking communities.

U.S. bankers in the sample countries did not indicate that they were having serious difficulties with the authorities or the local banks. They recognized that a good deal of protection for the local banking system is written into laws and regulations governing banking, but all foreign banks were being treated equally, and therefore U.S. banks were not being discriminated against. None seemed to have serious problems with capital requirements, remittances or local taxes. Although not satisfied generally with banking regulations and requirements, it was apparent that U.S. banks are able to live with these in all of the sample countries.

Nationalization concerns were present in Kenya, Pakistan and India, but the government banking officials of these countries discounted the possibility and it was generally agreed that the likelihood of foreign banks being nationalized was remote providing the current political stability is maintained.

TRENDS

In international banking the trend seems to be moving away from the traditional banking of corresponding relationships, representatives, affiliates and even branches, and toward merchant banking, investment corporations and syndicated banking. The latter three types of banking still are not clearly defined but likely will become the instruments for handling long term development loan financing which will lead to governments and multinational corporations rather than private commercial enterprises.

It can be envisaged that these loans will in the future complement if not in some cases supplement concessional government to government loans for infrastructure development.

Terms-of-credit are changing with increasing world liquidity and international banking competition. U.S. banks which five years ago would not make commercial loans with over a five year repayment period now offer seven year loans, and this term currently is being pushed upward. In two or three years it is possible that for appropriate type loans the terms-of-credit will be ten years with a floating interest rate.

Asia and South East Asia in particular are attracting the larger investment funds currently. This trend will most probably continue for some time as Indonesia, Malaysia, The Philippines and neighboring Australia seek international funds for development and trade.

CONCLUSIONS

American banks conducting banking activities in a developing country regardless of whether it is a corresponding bank relationship, representative office, affiliate bank, or through a branch, perform constructive and meaningful services for that country. In addition to providing traditional banking service essential to trade, they bring an expertise and confidence to local banking which is invaluable to its service and growth. They can and do provide financing quickly and efficiently to these countries for sound and worthwhile projects.

As international banking moves toward more merchant banking, investment corporations and syndicated loans, developing countries with potential and good credit ratings will be able to draw on these funds for development through American banks or other foreign banks.

There are inherent dangers for developing countries in overborrowing. But these countries have and will continue to refine their regulations and laws designed to control their national fiscal and monetary matters including the operation of foreign banks and foreign loans to their country. On the whole, U.S. banks have displayed responsibility in making loans to developing countries.

Finally, the question of concessional loans versus private bank loans for developing countries - if a developing country can receive the necessary funding for its development plans - it should indeed use concessional loans only. If, as in most cases, these loans do not provide the necessary financing developing countries do and should turn to the international banking community for the additional funds. There seems to be little reason why these loans should not compliment each other. It is a fact that commercial loans are handled more prudently than concessional loans.

APPENDIX A

ITINERARY

1973	
April 9 - 11	Addis Ababa
April 12 - 13	Nairobi
April 14 - 17	Karachi
April 18 - 20	Bombay
April 20 - 24	Singapore
April 25 - 28	Taipei
April 29 - 30	San Francisco

APPENDIX B

PERSONS INTERVIEWED

New York

Bankers

Mr. Henry P. Mueller, Senior Vice President, First National City Bank

Mr. Juan Sanchez, Senior Vice President, First National City Bank

Mr. Henry Conover, Vice President, First National City Bank

Mr. Barry Rich, Vice President, First National City Bank

Mr. Richard Klein, Vice President, Chase Manhattan Bank

Mr. E. R. Schuyten, Senior Vice President, American Express International Banking Corporation

Mr. Gabriel H. Chalhoub, Assistant Vice President, Bank of America

Mr. John D. Clark, Assistant Vice President, Bank of America

Washington, D.C.

Government Officials

Mr. Scott Van Battenberg, Department of Treasury

Mr. David B. Timmins, Department of State

Mr. Moorhead C. Kennedy, Department of State

Mr. Thomas P. Thornton, Department of State

Ms. Mary E. McDonnell, Department of State

Mr. John F. Ghiardi, Department of State

Mr. George R. Kenney, Department of State

Mr. D. A. Kearns-Preston, Department of Commerce

Mr. William Krason, Department of Commerce

Mr. Fred Dahl, Federal Reserve Bank

Mr. John Huber, Export-Import Bank

Others

Mr. Roger Hawkins, American Banking Association

San Francisco

Bankers

Mr. R. P. M. Carlson, Vice President, Bank of America

Mr. William G. Cushing, Public Information Officer, Bank of America

Mr. Charles M. Stockholm, President, First National City Bank

Addis Ababa

American Embassy Personnel

Honorable A. Ross Adair, Ambassador

Mr. Robert Duncan, Economic Officer

Mr. Walter Stadtler, Economic Officer

Mr. Daniel Waterman, Political Officer

Mr. John Savage, Economic Officer

Bankers and Ethiopian Officials

Ato Debebe Habti Yohannes, General Manager, Addis Ababa Bank S.C.

Ato Mesfin Belette, Exchange Controller, National Bank of Ethiopia

Ato Taffarm Deguefe, General Manager, Commercial Bank of Ethiopia

Mr. A. Dale Oder, Controller, Commercial Bank of Ethiopia

Mr. Eisaku Yamade, Special Advisor for Economic Affairs to ECA Executive Secretary Robert Gardiner

Dr. Luciano Losi, General Manager, Banco de Roma Ethiopia

Mr. Robert Vance, General Manager, Mobil Oil East Africa Ltd.

Mr. S. Leet, Manager, IBM Ethiopia

Nairobi

American Embassy Personnel

Mr. Ralph Lindstrom, Charge d' Affaires ad interim

Mr. Albert L. Zucca, Economic Counselor

Mr. John K. Atchley, Economic Officer

Bankers and Kenyan Officials

Mr. J. C. Sheen, Group Representative, National and Grindlays Bank

Mr. Robert Stanley, General Manager, Commercial Bank of Africa (Bank of America)

Mr. Karl A. Ziegler, Representative, First National Bank of Chicago

Mr. Anthony Brough, Financial Consultant to the Treasury, Ministry of Finance and Planning

Mr. J. T. Smith, Acting General Manager, Kenya Commercial Bank

Mr. A. Abdallah, Deputy Governor, Central Bank of Kenya

Karachi

American Consulate General Personnel

Mr. Gordon Tiger, Consul General

Mr. Edward Bryant, Deputy Principal Officer

Mr. Patrick Killough, Economic/Commercial Officer

Mr. Mathew Van Order, Political Officer

Bankers and Pakistan Officials

Mr. Naziruddin Mahmood, Managing Director, Industrial Development Bank of Pakistan

Mr. John Jones, Manager, American Expresss International Banking Corporation

Mr. Timothy Wood, Senior Assistant Manager, First National City Bank

Mr. Shafiq Ahmed, Manager, Bank of America

Mr. I. A. Hanfi, Director of Banking Control, State Bank of Pakistan

Bombay

Mr. David Bane, Consul General

Mr. Charles W. McCaskill, Deputy Principal Officer

Bankers and Indian Officials

Mr. J. M. Ahrens, Regional Vice President, South Asia, Bank of America

Mr. Hamilton W. Meserve, Vice President, First National City Bank

Mr. J. N. Saxena, Chairman and Managing Director, Bank of India

Mr. Sudobha B. Kaji, Deputy General Manager, Bank of India

Mr. B. A. Palkhiwala, Vice President-India, American Express International Banking Corporation

Mr. R. K. Talwar, Chairman, State Bank of India

Mr. B. N. Adakar, Chairman and Managing Director, Central Bank of India

Mr. Joseph Nakhosteen, Second Vice President and Representative, Chase Manhattan Bank

Singapore

American Embassy Personnel

Mr. John J. O'Neill, Charge d' Affaires ad interim

Mr. Henry A. Engelbrecht, Chief, Economic/Commercial Section

Mr. John H. Penfold, Commercial Officer

Mr. Landon C. Carter, Economic Officer

Bankers and Singapore Officials

Mr. R. Old, Vice President, Chase Manhattan Bank

Mr. Victor Cordell, Assistant Manager, Chase Manhattan Bank

Mr. Geoffrey Abbott, Representative for Singapore, Irving Trust Co.

Mr. Wong Nang Jang, Vice President, First National City Bank

Mr. A. Heerding, Assistant Vice President, Bank of America

Mr. Robert D. Hurley, Vice President and Representative South East Asia, Republic National Bank of Dallas

Mr. W. Page Dame, Representative, Franklin National Bank

Mr. Houan Owyang, Director and Assistant General Manager, Overseas Union Bank, Ltd.

Mr. James Hunt, Manager, Singapore International Merchant Bankers Limited

Mr. Michael Wong, Director, Monetary Authority of Singapore

Taipei

American Embassy Personnel

The Honorable Walter P. McConaughy, Ambassador

Mr. Robert T. Wallace, Chief, Commercial/Economic Section

Mr. Ward D. Barmon, Assistant Commercial Attache

Mr. James Klemstine, Financial Officer

Bankers and Chinese Officials

Mr. Arie Buitelaar, Manager, Chase Manhattan Bank

Mr. Earl W. Glazier, Vice President, First National City Bank

Mr. William T. Pauly, Manager, Bank of America

Mr. John L. Ritter, Assistant Manager, Bank of America

Mr. Robert McBride, Vice President, Irving Trust Company

Mr. C. S. Lo, Manager, International Department, The First Commercial Bank of Taiwan

Mr. Sam G. S. Wang, Manager, Continental Bank of Illinois

Mr. Roul Rohlsson, Assistant Vice President and Manager, American Express International Banking Corporation

Mr. Robert Chien, Deputy Governor of the Central Bank of China

APPENDIX C

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