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Letter & Attachments	To: John [D. J. Moore] From: Richard Nixon [12 pages] [Page 2 is withdrawn]		3/11/60	C (Shorthand)

FILE LOCATION

Series 320 - General Correspondence  
Box 527 - MOORE, John D. J.

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Moore, Mr. John D. J.  
W. R. Grace and Company  
7 Hanover Square  
New York 5, New York

New York, N. Y.

December 19, 1960

Dear John:

Pat and I want you to know how very much we appreciated the letter which you sent us after the election.

A message of congratulations after winning an election is of course always appreciated although not unexpected. But nothing could have meant more to us than to receive such a warm and thoughtful message after losing.

In the years ahead as we look back to 1960, the disappointment of losing the closest election in history will fade into the background. But your act of thoughtfulness will always remain close to our hearts.

Pat joins me in sending our very best wishes for Christmas and the New Year.

Sincerely,

  
Richard Nixon

Mr. John D. J. Moore  
W. R. Grace & Company  
7 Hanover Square  
New York 5, New York

W R GRACE & CO.

7 HANOVER SQUARE, NEW YORK 5, N. Y.

JOHN D. J. MOORE  
VICE PRESIDENT

*S. Dick*

December 6, 1960

*John*

The Honorable Richard M. Nixon  
Vice President of the United States  
Washington, D. C.

Dear Mr. Vice President:

I am just returning from my second South American trip since Election Day. It made me recall the privilege I enjoyed of being with you and Mrs. Nixon in South America two years ago. I do wish to write to send you my very strong best wishes and to tell you how highly your name is honored among the South Americans. I found the highest praise for your character and person wherever I went.

As you may know, I worked on your campaign with Walter Thayer and others and followed it closely. I am bitterly disappointed with the result, but I wish to let you know how splendidly I think you and Mrs. Nixon acquitted yourselves throughout. I truly hope that you will be a candidate in 1964 and I hope to work for you.

I was, and I remain, proud to be a Nixon man.

With great respect and personal regards,

Sincerely yours,

*John*

7/14/59

RUSSIAN TRIP FILE

One more person for the Moscow visit --

John Moore of W. R. Grace Co. (Executive Vice President)

*RU saw  
at Embassy reception*

*see*

*Moore John*

JOHN D. J. MOORE  
7 HANOVER SQUARE  
NEW YORK 5, N. Y.

March 30, 1960

Miss Rose Mary Woods  
Office of the Vice President  
Senate Office Building  
Washington, D. C.

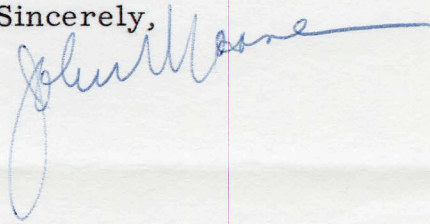
Dear Rose:

It seems to be my letter writing  
season all right, but I think a note from the  
Vice President would greatly encourage this whole-  
some type of activity.

*RN.  
is  
writing*

Best regards.

Sincerely,



attachment - cc Letter to the Vice President

March 30, 1960

The Honorable Richard N. Nixon  
Vice President of the United States  
Washington, D. C.

Dear Mr. Vice President:

This seems to be my season for barraging you with mail, but I think the matter I am mentioning here is well worth a line.

Practically nobody seems to have paid any public attention to what I regard as the biggest news story in relation to U. S. private capital taking part in the development of Latin America in many years.

As you undoubtedly know, the Prudential Insurance Company has made an unrestricted \$100 million loan for industrial development and public works to the Republic of Mexico, at a rate of interest profitable to the lender and not excessive by Latin American standards.

Today I talked to Mr. Carrol Shanks, the president of Prudential, at his office, and found that there has not been much reaction to this very courageous and forward looking move to carry out the objectives which have been voiced so many times by the President of the United States, by you and many others including Messrs. Herter and Dillon. Neither I nor the Grace organization have any stake in this matter, but I am making bold to suggest that a line of appreciation to Mr. Shanks for this action would have a tendency to encourage other leaders of the investment community to step into this great field.

In any event this is a move in the direction which you have been advocating, and in the event that it escaped your attention I thought I would mention it to you.

With best regards,

Sincerely yours,

## **Prudential Insurance Grants \$100,000,000 Loan to Mexico**

Special to The New York Times.

MEXICO CITY, March 4—The largest private long-term loan to Mexico since before the country's 1910 revolution was announced here today. It consists of an advance

of \$100,000,000 by the Prudential Insurance Company of America to Nacional Financiera, a financing agency of the Mexican Government.

The loan will run fifteen years and will bear 6% per cent interest. It will be subject to retirement during the last ten years of the term.

The insurance company did not require the borrowing agency to specify any special purpose for which the money was to be spent. Nacional Financiera said that the loan would be used to develop Mexico's basic industries and to expand public improvement projects now in progress.

Nacional Financiera expressed the hope that the credit granted by Prudential, one of the largest life insurance companies in the United States, would stimulate other foreign private lending interests to put capital to work in Mexico.

### **Offers Considered**

The Mexican National Housing Institute is considering "several" offers of private capital from the United States to help finance Mexico's giant low-cost housing program, according to Luis Quintanilla, director. Until a decision is reached and contracts are signed he declined to name the interests with which he was negotiating.

Along with United States offers are several from Europe and Mexico. "We are constantly receiving proposals and are constantly considering them to see if they fit into our plans," Señor Quintanilla said. "What we need is a very reasonable rate of interest because of the necessary long-term—fifteen years—of our loan. We are seeking private capital because no Government funds are available on the scale we need."

The first phase of Señor Quintanilla's program calls for spending \$10,000,000 this year for the purchase of land and the construction of 1,000 apartment units in Mexico City and 2,500 houses in seven cities. A typical three-bedroom house is designed to sell for \$960, payable over as long as fifteen years.

COPY

March 11, 1960

Dear John:

Henry Kearns has given me a copy of the Grace Log in which you had some very generous comments to make in regard to my trip to the Soviet Union. I want you to know how much I appreciated your writing as you did and I can only say that I wish the Grace Log had a much larger circulation!

Incidentally, looking at the picture, I wondered if the face in the righthand corner might be yours -- whoever it is he certainly seems to be enjoying himself.

With every good wish,

Sincerely,

*RN*  
Richard Nixon

Mr. John D. J. Moore  
Vice President  
W. R. Grace and Company  
7 Hanover Square  
New York 5, New York

bcc: Mr. Henry Kearns

Moore, John D. J.

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APPENDIX

RICHARD M. NIXON DEPOSITORY  
Document Control Sheet

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THE ASSISTANT SECRETARY OF COMMERCE  
WASHINGTON 25, D. C.

*See  
file*

March 4 1960

The Vice President  
United States Senate  
Washington 25, D. C.

Dear Dick:

Here's one man who has his precinct in order.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Henry Kearns", written over the typed name.

Henry Kearns  
International Affairs

Enclosure



THE ASSISTANT SECRETARY OF COMMERCE  
WASHINGTON 25, D. C.

March 4 1960

Mr. John D. J. Moore  
Vice President  
W. R. Grace & Co.  
7 Hanover Square  
New York 5, New York

Dear John:

Your article for the Grace Log concerning the Moscow Fair is terrific. It certainly touches the high points of the exhibition, from all the accounts I have heard, and it bespeaks a message which merits constant repetition.

Of particular interest is your inspiring reference to the Vice President. I don't know whether he has seen your article or not, but I have taken the liberty of sending him my copy with a copy of this note.

With all best wishes, I am,

Sincerely yours,

HENRY KEARNS

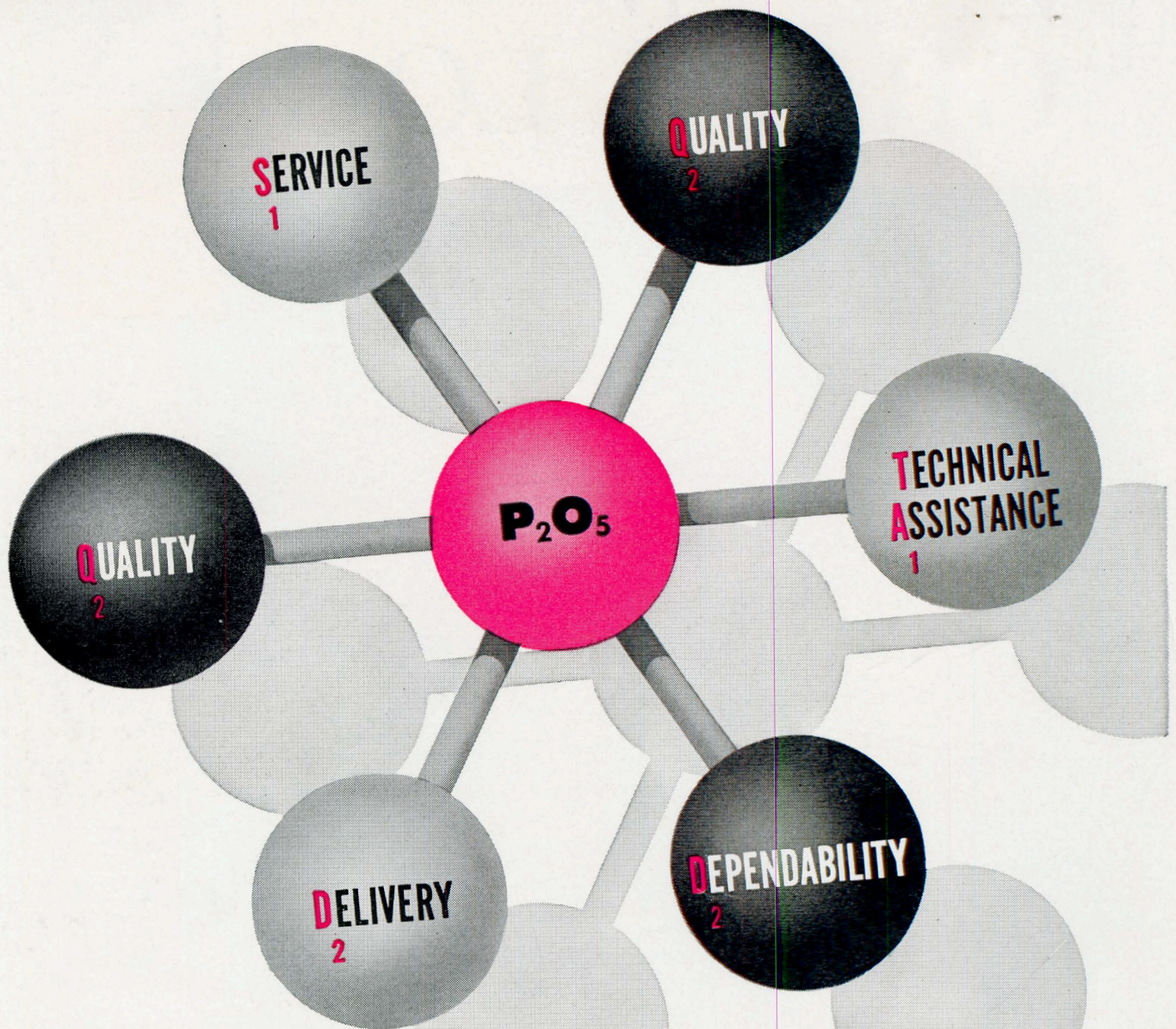
Henry Kearns  
International Affairs

THE  
**GRACE LOG**

SEPTEMBER  
OCTOBER  
1959

AGRICULTURAL  
CHEMICALS





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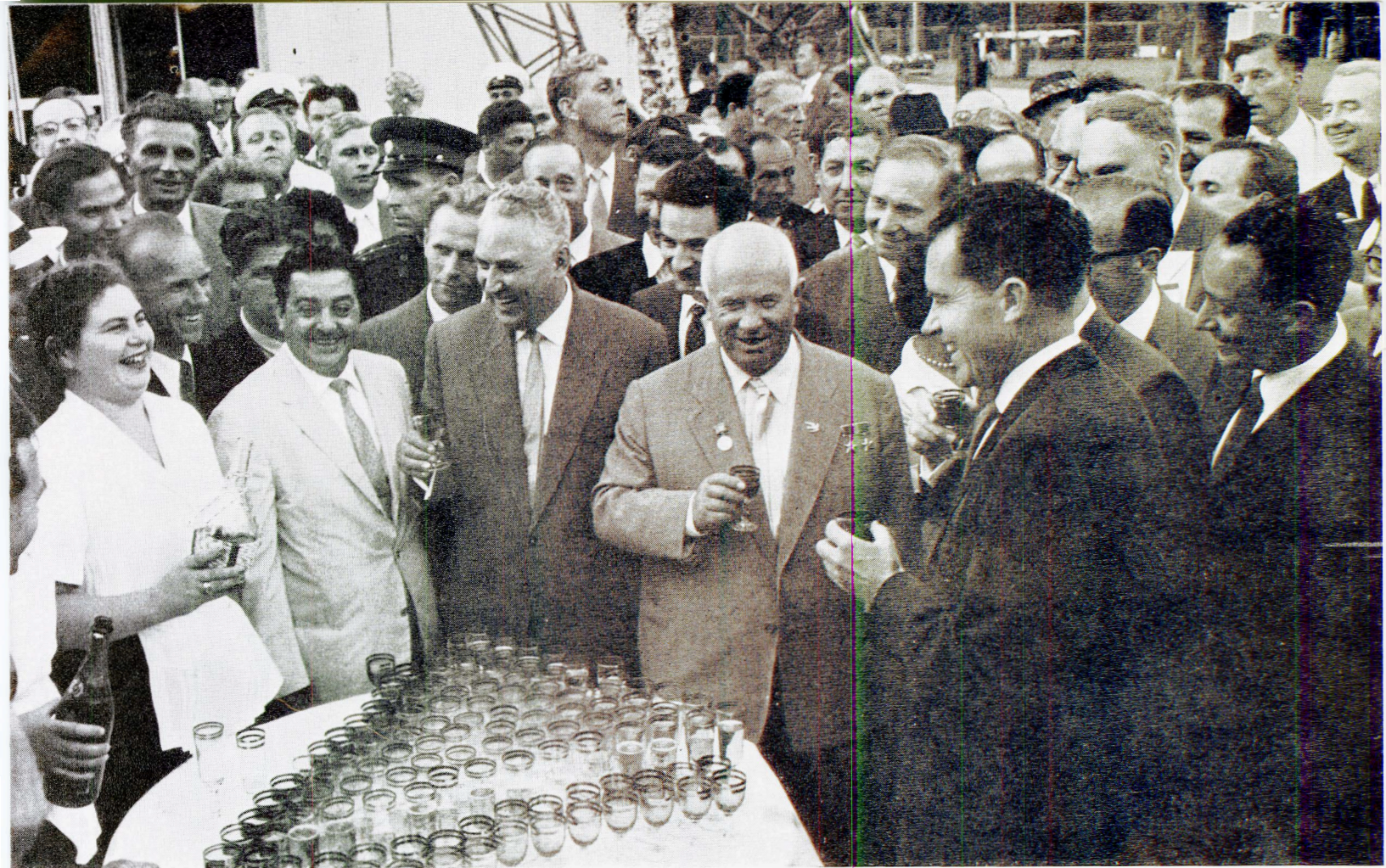
Hi-Flo Blend-Phos Triple Superphosphate... 45/46% available P<sub>2</sub>O<sub>5</sub>.

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# REPORT ON RUSSIA

by John D. J. Moore

**John D. J. Moore, Vice President of W. R. Grace & Co., was one of a group of American businessmen who attended the opening of the American National Exhibition at Moscow. In this article he gives some of his impressions of the impact on the Russians of the exposition and of Vice President Nixon's visit and speeches.**

In this article I shall attempt to share with the readers of THE GRACE LOG some of my impressions and experiences of ten active days in the Soviet Union on the occasion of Vice President Nixon's historic visit to Russia for the opening of the American National Exhibition in Moscow. It is obvious that in such a short visit no man can become well acquainted with a country, but in the circumstances of the Nixon trip and the opening of the exhibition, some reflections on what occurred there may be of interest.

## **MR. NIXON**

It seems to me that the most important fact I observed was the superb performance of Mr. Nixon in what can fairly be called the first "open" visit to Russia

of a top-level official of the United States. His long and intensive training in dealing with the peoples and officials of foreign countries, the exhaustive preparation he had made for his mission and his strength of mind and character all combined to make his visit tremendously successful.

This is not only my observation. There is no more severe jury, I suppose, than a group of seasoned American newspaper correspondents. They are trained to judge every fact and every man on his merits. Not all of the seventy-odd journalists who covered the Nixon visit were friendly to him politically or personally. Yet, as I talked with them in Moscow at the end of the visit they were unanimous in their agreement that he had represented his country to perfection—from his opening

The second of the two public debates between Messrs. Nixon and Khrushchev was the "Battle of the Toasts," which occurred after the "Kitchen Debate." It started pleasantly enough, as this photograph indicates. Mr. Nixon invited Mr. Khrushchev to taste some California wine. "We like California wine," said Mr. Khrushchev, "but not California ideas." Then he proposed his famous toast to "No American bases on foreign soil," in which Mr. Nixon promptly refused to join.

*La segunda de las dos controversias públicas entre Nixon y Khrushchev jué la "Batalla de los Brindis" que se produjo después del "Debate de la Cocina." Comenzó en forma inofensiva, como se ve en esta fotografía. Nixon invitó a Khrushchev a probar un vino de California. "Nos gusta el vino californiano," dijo el Primer Ministro soviético, "pero no las ideas californianas." Y luego hizo su famoso brindis a la eliminación de las bases de los EE.UU. en suelo extranjero, el mismo que Nixon rehusó inmediatamente.*

speech at Sokolniki Park to his magnificent television address to the Russian people on the eve of his departure for Warsaw

### THE AMERICAN NATIONAL EXHIBITION

Former Assistant Secretary of Commerce Harold C. (Chad) McClellan was the General Manager of the American National Exhibition. To him and the dedicated men and women of his staff the people of the Free World owe a great debt.

This was the first window ever opened in Russia whereby the people of that country could get an idea of how life is lived in the United States. It was a tremendous, back-breaking job of work, performed under the most incredibly trying circumstances. What Mr. McClellan and his aides accomplished was nothing short of heroic, and there is no doubt that their efforts were successful.

If there was any single "exhibit" at the exhibition that showed America off to its best advantage, it was the fine young American men and women who served as bilingual guides, lecturers, models in the fashion show and technical operators. These students and teachers, from every part of the United States, really charmed the Russians, who are not used to pleasant treatment by anyone in a position of authority. They kept their good nature and sense of humor under a barrage of hostile, incredulous and in many cases insulting heckling from their audiences.

The exhibition has been discussed and commented upon in the public press in great detail, so I need not comment upon it further except to say that in my judgment it was a far better showing of American life than was the Soviet Exhibition of Technology and Culture at the Coliseum in New York City a picture of Russian life. The one weak spot was the selection of "contem-

The model house at the exhibition drew an enthusiastic and admiring audience despite official Soviet skepticism that it was within the budget of the average U. S. worker. Russian living conditions are still so far behind ours that many of the visitors found it difficult to believe their eyes.

*La casa modelo en la exhibición atrajo una entusiasmada y admirativa concurrencia apesar del escepticismo oficial soviético de que estuviera dentro del presupuesto del trabajo ordinario estadounidense. Las condiciones de vida rusas están muy por debajo de las nuestras y a muchos de los visitantes les fué muy difícil creer lo que veían.*

porary" art, which incidentally was produced an average of approximately a quarter century ago. It was most unfortunate and made a poor impression on the Russians who saw it. In a sophisticated international art show some of these works might have been suitable. In Moscow they were disliked, and in addition the subject matter frequently put the emphasis on the seamiest sides of American life. It was bad propaganda for our great country. It should be pointed out, however, that the selection of art was not under the jurisdiction of Mr. McClellan and his associates.

### IMPRESSIONS OF A VISITOR

The many recent books on Russian life of today prepare one fairly well for what he will experience there. There is no doubt that Mr. Khrushchev's government is driving hard to raise the standard of living of the population, and all who knew Russia in earlier years have noted that the food and clothing available to the people have improved in quality and quantity. Nevertheless, the level of life of the average resident of Moscow and Leningrad is low, indeed.

Most of the much-talked-of housing is still in the construction stage. I was able to visit one of the better older apartment houses of Moscow, inhabited by officials of high rank, and was amazed at its disrepair and poor state of cleanliness. For one thing, large numbers of people are crowded into each building, and kitchen-sharing and bathroom-sharing by two or three families are still the rule. Two or more people sleep in practically all the living rooms.

The clothing, shoes, handbags, toilet articles and other items I priced in the GUM department store and elsewhere were of poor quality and outrageously high-priced in terms of the earning power of the Russians. Only low rents, low taxes and the fact that in general all members of a family over 14 years of age are employed make it possible for the average person to enjoy any purchasing power. The major Russian production effort is obviously not going into consumer goods.

Just as have other visitors, I found the Russians a not particularly happy people, but reservedly friendly,



and both curious and somewhat suspicious regarding Americans. They give the appearance of good health, vigor and physical fitness and are ambitious to better their lot in life. Their attitude toward Americans will most certainly improve as the tide of American tourists visiting Russia increases. These friendly, informal Americans are already doing a fine job of building good will.

One appalling thing I learned from my visit to Russia was the deadly effectiveness of the Soviet iron curtain on ideas and facts from the outside world.

With the aid of a Russian phrase book and a few memorized sentences I talked with many Russians, including school teachers, two university professors with

whom I traveled to Leningrad, a construction engineer who wore the "Order of Lenin," hotel managers and employees, taxi drivers and, of course, the Intourist guides and interpreters. Several of them attacked me for the conviction and execution of the Rosenberg spies—and even for the imprisonment of Tom Mooney some 40 years ago! But when I asked them what would have happened under Russian justice to Alger Hiss and Klaus Fuchs, not one of them had ever heard the names of the two men.

The engineer, who boasted that he knew as much about road construction as any American, insisted that all American business corporations belonged to one of three monopolies—Ford, Morgan and du Pont. He refused to believe me when I told him that W. R. Grace & Co. was not controlled by any of those "three monopolies," but was owned by 30,000 stockholders.

I recalled to several of them the incident at the United Nations Security Council when Mr. Gromyko objected to an adjournment for Good Friday on the ground that he had never heard of it. Not one of these people, some of them well educated, had ever heard of Good Friday either!

These are good people, able, intelligent, eager to know more, but their press tells them very little, and foreign broadcasts are jammed. Mr. Nixon made a telling point when he challenged Mr. Khrushchev to publish in Russia reports from America comparable to the reports from Russia printed in our newspapers.

### THE SOVIETS AND LATIN AMERICA

I found a powerful Soviet drive toward cultural and social infiltration in Latin America.

Upon my arrival at Moscow Airport I could hardly believe my eyes when I encountered a man wearing a Bolivian ceremonial devil-mask! When I spoke to him in Spanish, I found he was a member of a troupe of 32 Bolivian folklore dancers who were en route to Peking as the guests of the Communist Chinese Government.



W. R. Grace & Co. was represented at the exhibition in two ways. It was one of the sponsors of the plastic pavilion and it provided samples of GREX polyethylene, which were eagerly grabbed up by the crowds.

*La W. R. GRACE & Co. estuvo doblemente representada en la exhibición. Fue uno de los auspiciadores de la pabellón de química de plástico, y suministró polietileno GREX que la multitud arrebató con avidéz.*



The Soviets conducted a systematic press and radio coverage to discredit the American Exhibition. The author was able to make effective use of this rather crude example of anti-American propaganda that appeared in the newspaper *Izvestia* on July 29th. The photograph is of a substandard tenement house in New York City which the caption states is typical of 13,000,000 such buildings in the United States. The average Russian he queried estimated that 300 people lived in this tenement. Then they were quite frustrated when simple arithmetic established that if the caption were true this would mean that 3,900,000,000 people live in such dwellings in the United States, or 50 per cent more than the population of the earth! One Russian excitedly insisted that if *Izvestia* said so it was true. Another bitterly remarked, "Our leaders should not deceive us so."

I lost no time in locating the rest of his companions and had a most interesting talk with them. They were not Communists, but were on a seven-week tour of Russia, China and Czechoslovakia. When I asked how they came to be invited, the leader replied that they had been invited by a team of Red Chinese acrobats whom they had met in Bolivia.

The next morning, in my hotel in Moscow, I heard Spanish being spoken by a group at a neighboring table. I made their acquaintance, and they turned out to be visiting Chilean mine workers—in this case the guests of the Soviet Government.

Intrigued by all of this emphasis on Latin America, I spent considerable time in Moscow looking into the subject of Soviet hospitality to Latin American groups. I discovered that the story of the Bolivian dancers having been invited by Chinese acrobats was perfectly true. The leader of the troupe of traveling acrobats was a high official of Red China's ministry of culture, especially assigned to the selection of Latin American cultural groups to visit Communist countries.

I found, in the words of an expert on the subject who resides in Russia, that "not a day goes by that a Latin American delegation is not in Moscow, invited by Russia, Red China or one of the satellite countries." Incidentally, no Russian ever uses the word "satellites." They are referred to as "the People's Republics."

I learned that, even though Russia has only three embassies in Latin America, the selection of the delegates to be invited is done with consummate skill, which speaks well for the effectiveness of the Soviet intelligence network in Latin America.

The groups are students, teachers, dancers and singers of the "folklore" type, lawyers, doctors, journalists and public officials. They are routed from Latin America to Russia, China and the satellites without going through the United States. More often than not they are from rural areas and villages, rather than from the great cities.



В Нью-Йорке на углу 109 стрит и Парк-авеню стоит этот обычный дом-трущоба. Таких зданий, «не соответствующих требованиям, предъявляемым к жилым домам», по данным, опубликованным конгрессом, насчитывается 13 миллионов, то есть около 25 процентов всех домов в США.

Imagine the effect on them when they are entertained royally in the best hotels. Frequently they are presented to Mr. Khrushchev in Russia and to Mao Tse-tung in Red China.

All of us interested in Latin America can see the significance of this powerful Communist offensive. The United States and the Free World must redouble their efforts to offset it. You may be sure that, having been given the privilege of looking this danger in the face at close range, I have returned with a sense of re-dedication to the task of fighting this menace to our civilization.

## CONCLUSION

This visit was a memorable experience of my life. I was able to have a glimpse into the mysterious society and controlled mentality of the Soviet Union. I came away from Russia convinced that if these intelligent, industrious people could only be given the opportunity to know the blessings of liberty, of freedom of religion, of equality of opportunity as we know it in the Americas, they could be a tremendous, vital force for good. I only hope that this moment in history may somehow provide that opportunity. It is the task of all of us to see that it does.



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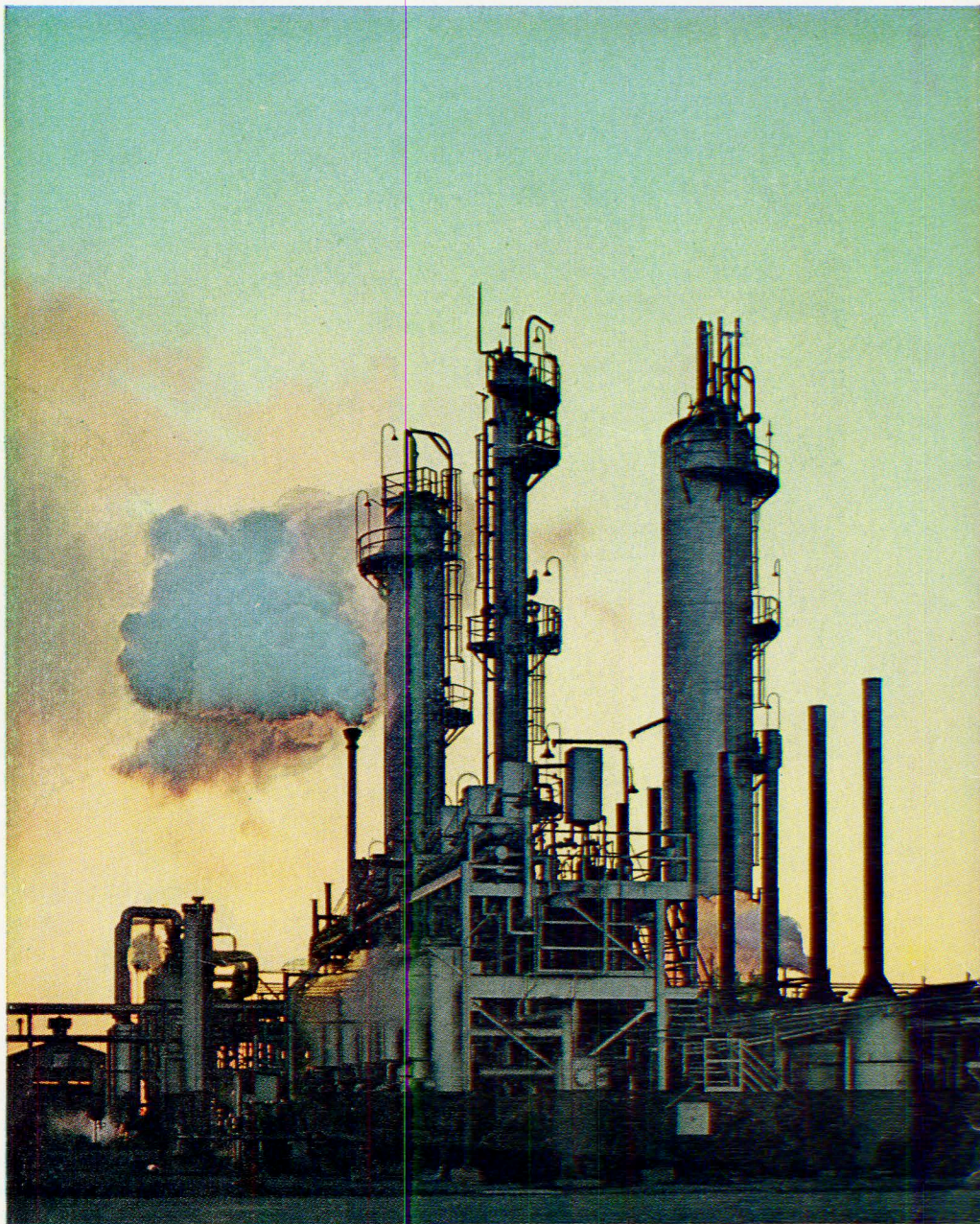
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## **GRACE CHEMICAL DIVISION**

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March 25, 1960


Dear John:

As you will have noted from my letter of March 11, Henry Kearns brought in a copy of the Grace Log before I received your thoughtful letter of March 1. However, I want to thank you again for the generous comments in the report you wrote on your trip to Russia. Since you have been "with us" on a couple of these trips now we will have to start checking your schedule before any future ones are planned. You are one of the better reporters!

I will keep in mind your suggestion that on one of my future trips to New York City I plan to appear at the Yale Club. However, at the present time the schedule for the next few months does not give much encouragement for my being able to add further engagements. Needless to say, if I am able to work this out I will be in touch with you as far in advance as possible.

With kindest personal regards,

Sincerely,

  
Richard Nixon

Mr. John D. J. Moore  
Vice President  
W. R. Grace and Company  
7 Hanover Square  
New York 5, New York

Moore, John D. J.

x-pending, NEW YORK (Yale Club of Nyc)  
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W R. GRACE & Co.

7 HANOVER SQUARE, NEW YORK 5, N. Y.

JOHN D. J. MOORE  
VICE PRESIDENT

March 1, 1960

The Honorable Richard M. Nixon  
Vice President of the United States  
Washington, D. C.

Dear Mr. Vice President:

It has just occurred to me that I never sent you a copy of the report I wrote in The Grace Log regarding your wonderful representation of our country on your trip to Russia and Poland last summer, and I am taking the liberty of sending you a reprint of the article, which was published in October, in the event that your staff has been assembling any material on the subject. In our magazine, which has an outside circulation of some 60,000 throughout this country and in Latin America, I wrote, with the greatest of sincerity:

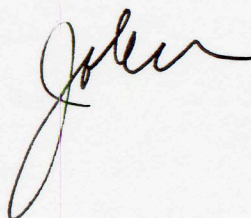
"It seems to me that the most important fact I observed was the superb performance of Mr. Nixon in what can fairly be called the first "open" visit to Russia of a top-level official of the United States. His long and intensive training in dealing with the peoples and officials of foreign countries, the exhaustive preparation he had made for his mission and his strength of mind and character all combined to make his visit tremendously successful.

This is not only my observation. There is no more severe jury, I suppose, than a group of seasoned American newspaper correspondents. They are trained to judge every fact and every man on his merits. Not all of the seventy-odd journalists who covered the Nixon visit were friendly to him politically or personally. Yet, as I talked with them in Moscow at the end of the visit they were unanimous in their agreement that he had represented his country to perfection -- from his opening speech at Sokolniki Park to his magnificent television address to the Russian people on the eve of his departure for Warsaw!"

My brother Dick was in Washington recently and he tells me he had a very fine visit with Mr Finch and Mr. Klein and with Rosemary Woods As you know, he is President of KTTV and a director of the Times-Mirror Company, and I know he is very anxious to help in every way that he can with your own plans for 1960. I know Peter Grace is, too, and so am I.

With best wishes to you and your family,

Sincerely,

A handwritten signature in cursive script, appearing to read "John". The signature is written in dark ink and is positioned below the word "Sincerely,".

March 1, 1960

The Honorable Richard M. Nixon  
Vice President of the United States  
Washington, D. C.

Dear Mr. Vice President:

It has just occurred to me that I never sent you a copy of the report I wrote in *The Grace Log* regarding your wonderful representation of our country on your trip to Russia and Poland last summer, and I am taking the liberty of sending you a reprint of the article, which was published in October, in the event that your staff has been assembling any material on the subject. In our magazine, which has an outside circulation of some 60,000 throughout this country and in Latin America, I wrote, with the greatest of sincerity:

"It seems to me that the most important fact I observed was the superb performance of Mr. Nixon in what can fairly be called the first "open" visit to Russia of a top-level official of the United States. His long and intensive training in dealing with the peoples and officials of foreign countries, the exhaustive preparation he had made for his mission and his strength of mind and character all combined to make his visit tremendously successful.

This is not only my observation. There is no more severe jury, I suppose, than a group of seasoned American newspaper correspondents. They are trained to judge every fact and every man on his merits. Not all of the seventy-odd journalists who covered the Nixon visit were friendly to him politically or personally. Yet, as I talked with them in Moscow at the end of the visit they were unanimous in their agreement that he had represented his country to perfection -- from his opening speech at Sokolniki Park to his magnificent television address to the Russian people on the eve of his departure for Warsaw."

My brother Dick was in Washington recently and he tells me he had a very fine visit with Mr. Finch and Mr. Klein and with Rosemary Woods. As you know, he is President of KTTV and a director of the Times-Mirror Company, and I know he is very anxious to help in every way that he can with your own plans for 1960. I know Peter Grace is, too, and so am I.

With best wishes to you and your family,

Sincerely,

S/ John ~~Moore~~ /m

(JDJM:MM)

*Ene*

1/4/60

RN

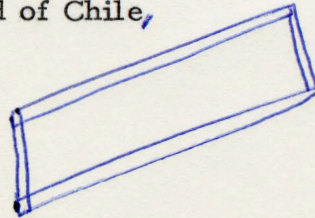
*file* ✓

John Moore, Executive Vice President of W. R. Grace & Co., called today. He said that "they are ~~hanging~~ hanging crepe all over Peru because the President is going to Chile instead of Peru." Mr. Moore wondered whether you could put in a good word anywhere to get the President to consider Peru.

He said Peru is the only one of these countries that is doing a job in ~~private~~ private enterprise.

He couldn't imagine why it would be recommended that the President not go there instead of Chile,

rmw



COPY

August 11, 1959

Dear John:

This is just a note to tell you how very much I appreciated the cable you sent me in Warsaw concerning our visit to the Soviet Union.

As you so well know, it was difficult to try to find the right tone for the speeches and, for this reason, I am particularly grateful for your generous comments. I wish also you could have been with us to see the tremendously moving welcome we received on our ride from the airport to downtown Warsaw. It was especially significant because, as you may have noted in the press, neither the arrival time nor the route we would take were published.

With kindest personal regards,

Sincerely,

DN

Richard Nixon

Mr. John D. J. Moore  
Vice President  
W. R. Grace Company  
7 Hanover Square  
New York 5, New York

Moore, John D. J.

folder  
x-Moscow trip (congratulations)

rmw:rd

Relacja: **R-PARIS**



# Radiogram

Reklamacje można zgłaszać  
telegraficznie pod Nr 86-167

Przyjęto:

dnia 3 / 8 1975 r.  
godz. 17 min 25  
od  
podpis *John 15*

*Honorable Richard  
Nixon  
Grand Hotel Muro 28*

Uwagi służbowe:

7

57

paris 96 3 1405 =

honorable richard m nixon warsaw =

as an american citizen who was privileged to witness your historic visit to soviet russia i w sh tothank and congratulate you for the speeches you made and the splendid manner in which you reperesented our country before the soviet officials and the russian people

you were clear firm honest and friendly and i feel sure the truths you told them and the american attitudes you expressed so well are bound to acompl sh much good as always i am proud to know you and mrs nixon regards =

johnn d j moore

ct ~~honorable richard m nixon john d j moore~~

COPY

July 22, 1959

Dear John:

This is just a note to thank you for your letter of July 14 extending an invitation to me to attend the next quarterly meeting of the United States Inter-American Council. It would be most enjoyable, I know, for me to have an opportunity to be with you on board the new SS ARGENTINA on September 17, and I greatly appreciate your thoughtfulness in inviting me.

Unfortunately, because of the addition to my schedule of the official trip I am making to Russia, it has become necessary for me to rearrange my engagements in order to honor all those I had previously made during that period. As a result, my schedule for September is now so heavily committed that I have no choice but to decide, regretfully, that I shall not have the pleasure of being with you on September 17.

With appreciation for your cordial invitation, and kindest personal regards,

Sincerely,

Richard Nixon

Mr. John D. J. Moore  
Vice President  
W. R. Grace & Co.  
7 Hanover Square  
New York 5, New York

x - invitation date file  
x Moore, John D. J. - folder

Invitation - New York - NEW YORK - September 17, 1959 - TD  
U. S. Inter-American Council quarterly meeting

ank

COPY

COPY

November 1, 1958

*5-cards made*

Dear Mr. Moore:

Since the Vice President is away from Washington at the present time I wish to acknowledge your letter of October 28 and your thoughtfulness in enclosing a copy of the speech made recently by Mr. Pedro Beltran.

You may be sure that the Vice President will appreciate very much your taking the time and trouble to bring this important address to his attention as well as your most generous comments regarding his campaign activities. I will forward your letter and the speech to him just as soon as possible but in the meantime I thought you would like to hear that they had arrived.

I know that the Vice President would want me to extend to you his very best wishes.

Sincerely,

R. E. Cushman, Jr.  
Executive Assistant  
to the Vice President

Mr. John D. J. Moore  
Vice President  
W.R. Grace and Company  
7 Hanover Square  
New York 5, New York

Moore, John D. J.  
folder  
generous comments - 1958 campaign  
Beltran, Pedro  
REC:ak  
11/1/58

W. R. GRACE & CO.

7 HANOVER SQUARE, NEW YORK 5, N. Y.

JOHN D. J. MOORE  
VICE PRESIDENT

October 28, 1958

The Honorable Richard M. Nixon  
Vice President of the United States  
Washington, D. C.

Dear Mr. Vice President:

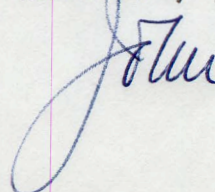
It was an unexpected pleasure to see you for a moment after your TV press conference at the Sheraton Belvedere last week. You looked fine and I hope you are keeping up your strength during this remarkably effective stretch of campaigning you are doing. I talked on the telephone last night with Peter Grace, who was in Chile, and told him that I honestly believe that your New York appearance has provided the necessary 51% margin for Rockefeller. So far I think Hogan may still have a slight edge for the Senate, but it is narrowing.

It was good of you to mention seeing my brother Dick in Los Angeles. As I told you, he was thrilled with your visit to his studio and telephoned me that night to tell me all about it. He is doing a great job for Norman Chandler on KTTV, and I am very proud of him. As you may know, Norman recently made him a director of the Times - Mirror Co. and I think he is going places in California. I would like to bring him in to see you some day when he is in Washington.

I don't know whether you had a chance to see the remarkable speech that our mutual friend, Pedro Beltran of Peru, delivered at the Economic Club of New York last week, and I thought I would send you a copy together with an editorial which it provoked in the Herald Tribune. Pedro was invited at Peter Grace's suggestion in order to get the Economic Club more interested in Latin America and the speech went over with a great big bang. When the campaign is over, I hope that you will have time for a visit with us to talk about more ideas in the Latin American area.

With best regards,

Sincerely yours,



JUL 28 1958

✓  
file ✓

W R. GRACE & CO.

7 HANOVER SQUARE, NEW YORK 5, N. Y.

JOHN D. J. MOORE  
VICE PRESIDENT

July 24, 1958

The Honorable Richard M. Nixon  
Vice President of the United States  
Washington, D. C.

Dear Mr. Vice President:

I wish to tell you how deeply the members of the Committee on Latin America of the Business Advisory Council appreciate the meeting we held with you on July 22.

After the meeting we all got together and reviewed the evening, and agreed that it was the high spot in the ten years of the Committee's life. The depth of your understanding of the Latin American situation -- economic, social and political, and your readiness to discuss candidly the essentials of the issues involved made a tremendous impression on every man present.

Spec. card  
made  
8/8

We will follow up closely on the points which were discussed, and meanwhile we renew our pledge to you that we remain at your service in this area of the national interest. I speak for all the Committee when I say that you have our wholehearted thanks and admiration.

With great respect,

Sincerely yours,

*John D. Moore*

COPY

January 22, 1958

*John*  
Dear Mr. Moore:

*PN changed*

This is just a note to thank you for your thoughtful letter of January 15 enclosing a copy of the November/December issue of The Grace Log.

We cleared the decks in the Nixon household for the January 9 special event at Newport News by having a birthday observance in advance. Although I don't relish advancing my years by even one day, I was both proud and happy that my family could have a part in the christening ceremonies for one of the magnificent Grace Liners. Mrs. Nixon, Tricia and Julie had a thoroughly enjoyable time and one which they will always remember with special pleasure.

I was particularly glad to note that you had printed excerpts from the proceedings of the International Development Conference in Spanish. Knowing the esteem in which the W. R. Grace Company is held throughout South America I feel certain that the excerpts will be read and discussed with wide interest.

It was a pleasure seeing you recently and all of us hope that one day we may have a voyage on the Santa Paula or another of your splendid ships.

With every good wish,

Sincerely,

Richard Nixon

Mr. John Moore, Vice President  
W. R. Grace and Company  
7 Hanover Square  
New York 5, New York

Moore, John D. J.

in re Santa Paula launching on 1/9

EN/AW/rd

1/22/58

W R. GRACE & CO.

7 HANOVER SQUARE, NEW YORK 5, N. Y.

JAN 20 1958

January 15, 1958

JOHN D. J. MOORE  
VICE PRESIDENT

Hon. Richard M. Nixon  
The Vice President of the United States  
Washington, D. C.

Dear Mr. Vice President:

I enjoyed very much seeing you at Union Station last week when you came to see Mrs. Nixon and your daughters off on the Santa Paula Launching Special.

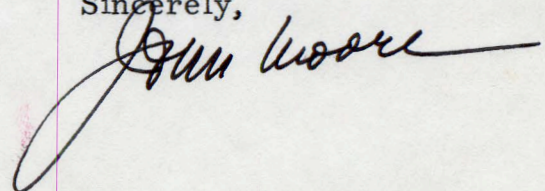
As you probably know, we did not realize that January 9 was such a key date in the Nixon household, and we are deeply grateful that you permitted your family to come to Newport News. Needless to say, Mrs. Nixon, Tricia and Julie were the big attractions at our launching.

The launching went very well. It was a perfect occasion. We hope that you and your family will travel on "Mrs. Nixon's Ship."

I also appreciate your note acknowledging our memorandum to you about taxation on foreign earnings. I therefore have thought you would like to see your address at the recent International Industrial Development Conference in San Francisco as reported in English and Spanish on pages 7 to 10 of The Grace Log.

May I again express my pleasure in seeing you again recently, and my thanks for your family's participation in the Santa Paula launching.

Sincerely,



NOVEMBER / DECEMBER / 1957

*The*

# GRACE LOG



SAN FRANCISCO — *Site of the International  
Industrial Development Conference*

PAGE 4

See for yourself the

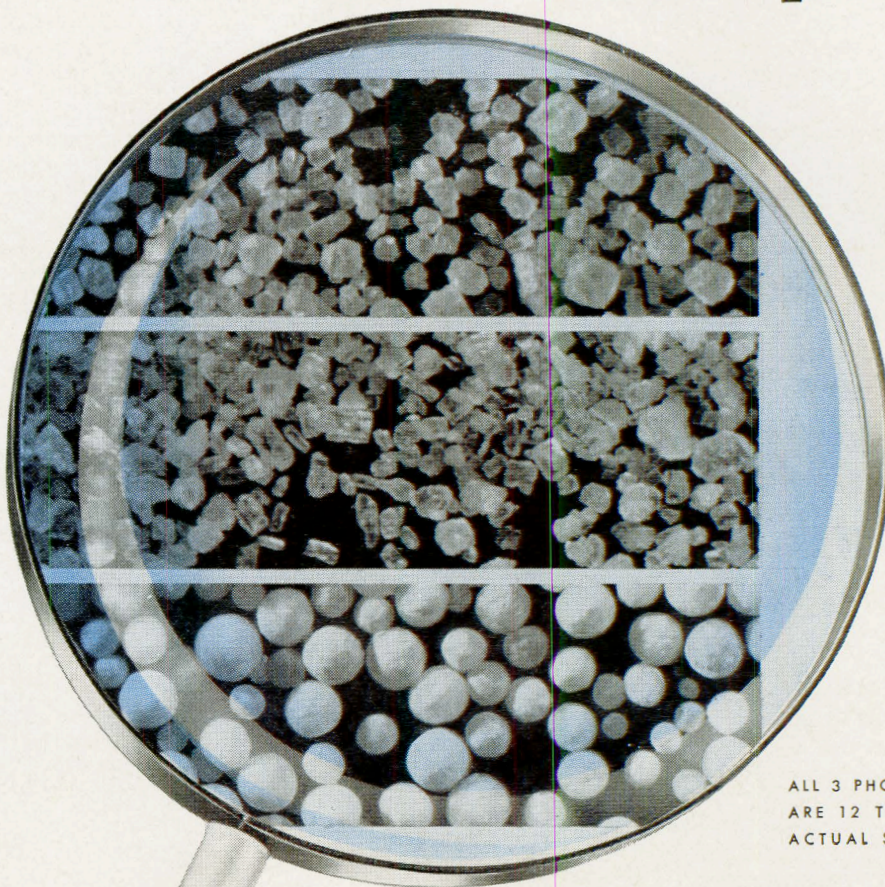
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Feed Compound The  
smooth, round balls are  
free-flowing, non-caking.



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ARE 12 TIMES  
ACTUAL SIZE.

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complete  
details.

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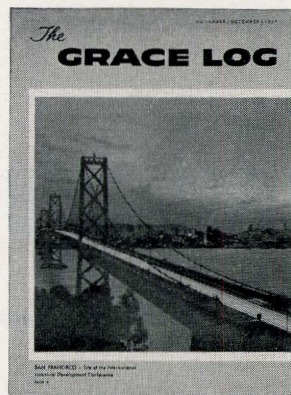
- Blends easily in any standard mixing equipment.
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**ON THE COVER**—San Francisco is cable cars, Nob Hill, Fisherman's Wharf and other famous old and new landmarks. But perhaps the San Francisco-Oakland Bay Bridge, pictured here, best exemplifies the sweep and progress of the City of the Golden Gate, which was the host city to the recent International Industrial Development Conference.

November-December 1957 • Volume 32 Number 6

*The*

# GRACE LOG



*In  
This  
Issue*

- 4 **The International Industrial Development Conference** in San Francisco drew top-notch business people from all over the Free World. Vice President John D. J. Moore of W. R. Grace & Co. has written of the high spots.
- 7 **Government Aid Is Not the Whole Answer**, declared Vice President Richard M. Nixon of the United States at the I.I.D.C. banquet, and then he explained what other financial sources might do to help underdeveloped countries.
- 9 **La ayuda gubernamental no soluciona todo**, declaró el Vicepresidente de los Estados Unidos, Richard M. Nixon, durante el banquete de la C.F.I.I., y luego explicó qué pueden hacer otras fuentes financieras para ayudar a los países subdesarrollados.
- 11 **Proposed Lead-Zinc Curbs Would Injure Hemisphere Economy**, said James H. Stebbins, Executive Vice President of W. R. Grace & Co., in a statement to the United States Tariff Commission.
- 13 **Vinyl Was the Password When Paint Moved Indoors** tells how research at Dewey and Almy licked odor and other paint problems. By Roger Kaufman.
- 14 **Chile in All Its Splendor** shows historic and other tourist attractions in this colorful and significant Latin American nation.
- 16 **Grace Line Brings Electronic Wizardry to the Steamship Industry**—in which are explained some intriguing operations of a new data processing system. By Dorothy Hinz.
- 18 **The World's Best Fishing . . . Cabo Blanco** is an account of the big ones that are taken at this new deep-sea and surf-casting fishing resort in Peru. It is also a prime spot for recreation and rest.
- 20 **El Instituto Smithsonian** *un tesoro de historia y de la vida diaria. Informe sobre las inmensas colecciones de sus museos, galerías y otras ramas de esta institución norteamericano "para el aumento y difusión del conocimiento."* Por John W. White.
- 23 **On Wings of Panagra** News and Views 26-27
- 24-25 **Seen on the Santas** News of Grace 28

FRED W. WACKERNAGEL JR., *Editor*

**GRAPHIC CREDITS:** Cover, 3, La Hacienda from Seagram and the San Francisco Chamber of Commerce; 4, 5 (right), 8 (left), 9, Walter Daran; 5 (left) 7 (left), 8 (right) Robert Lackenbach, TIME; 6, San Francisco Chamber of Commerce; 7 (right), N. R. Farberman, LIFE; 10, Jon Brenneis; 11, Cerro de Pasco Corporation; 12, H. R. Ramus, Lima, Peru; 13 (top), G. M. Cushing, Boston; 14 (top left, bottom left), 15 (bottom right), Grace Line; 14 (left center), Pan American Union; 14 (bottom right), Carroll Van Ark; 15 (top left), United Press-Acme Photos; 15 (top right, bottom left), Panagra; 16, 17, News Events; 18 (top) C. J. Tippet, Lima, Peru; 20, 21, 22 (top, bottom right), The Smithsonian Institution; 22 (bottom left) National Gallery of Art; 23 (center top), Kal Weyner; 23, (center bottom, bottom right), Frank Rodgers for Panagra; 25 (top right), Harris & Ewing; 26 (bottom right), A. G.

DOROTHY HINZ, *Associate Editor*

Michaelson; 27 (top right) Foto Digar, Medellin, Colombia; 27 (bottom, both), 28, Wide World.

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# The International Industrial

By JOHN D. J. MOORE

**I**N AN ATMOSPHERE charged with excitement, enthusiasm and dedication to high ideals, bankers, government officials and industrialists from 62 nations gathered in San Francisco in October at a meeting that may well become a landmark in the world's economic history. Over 500 outstanding men invited by Time-Life International and the Stanford Research Institute to the first International Industrial Development Conference devoted a week of their busy lives to a major challenge.

That challenge was nothing less than the development of a free enterprise plan of action to meet what one speaker called today's "revolution of rising expectations"

Thus twice in a little more than a decade the magnificent city of San Francisco has been the scene of pioneering in international coöperation. A dozen years ago the statesmen of the world met there to form the United Nations.

In the years that have elapsed since the Charter of the United Nations was adopted, the political tensions of the world have not diminished. But during these same years it has become abundantly evident that economic coöperation and industrial development are not only feasible but are essential to world peace.

The men who met at San Francisco this autumn dedicated themselves to the task of applying all of the brains and skill of the world of business to the job of bringing a higher standard of living and the better things of life to the underdeveloped nations of the world through the machinery of enlightened private enterprise.

In the ballrooms and corridors of the Fairmont Hotel, in the board rooms of San Francisco corporations and banks and at the "Top of the Mark" in the Mark Hopkins Hotel, delegates from Afghanistan to Venezuela heard frank and often blunt talk on either side of the problem.

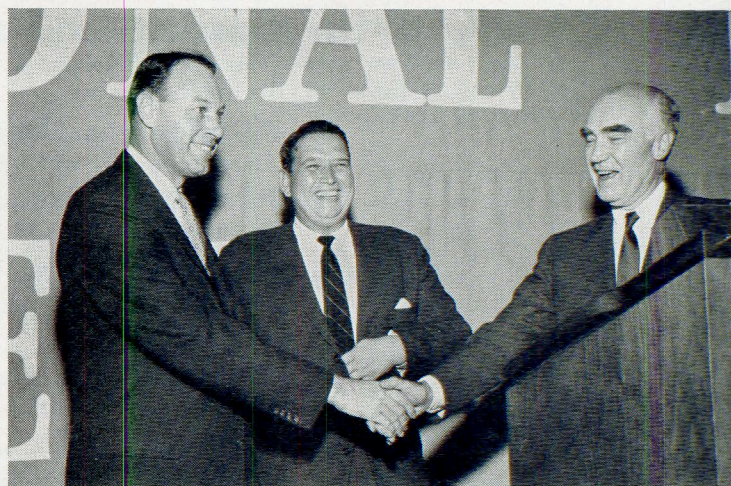
The delegates themselves formed an exclusive *Who's Who* of international finance and business. The Conference was the largest and most impressive gathering of leading international businessmen ever held to study the problem of industrialization.

MR. MOORE attended the International Industrial Development Conference at San Francisco as a delegate of W. R. Grace & Co., of which he is a Vice President. He is Vice Chairman of the Board of Trustees of the U.S. Inter-American Council and the Chairman of the Latin American Committee of the Business Advisory Council of the Departments of Commerce and State. He has also represented the U.S. and American business interests at various international conferences in Latin America, including the Inter-American Economic Conference in Rio de Janeiro in 1954.

The challenge facing the delegates was succinctly stated by M. R. Masani, an independent member of the Indian Parliament. He said:

"The drive for economic development is on in the under-industrialized regions. The question is not whether this transformation will occur, but at what rate and whether or not these peoples will do the job in association with the rest of the Free World. There are, of course, risks involved either way, but when ethical considerations, those of international security and of unrivaled self-interest, point in the same direction, the risks of action are surely worth taking."

Dr. A. Eugene Staley, Senior International Economist of the Stanford Research Institute, pointed out that the "revolution of rising expectations" now sweeping the under-industrialized areas of the world is one of the most profoundly important economic and political facts of our time.



From left, Dr. Weldon B. Gibson, Associate Director of Stanford Research Institute, and Edgar R. Baker, Managing Director of Time-Life International, I.I.D.C. Co-Directors, pose with Henry R. Luce, Editor-in-Chief of Time Inc., who was the Conference Chairman.

*De izquierda a derecha: Dr. Weldon B. Gibson, Director Adjunto del Instituto de Investigaciones de la Universidad de Stanford, y Edgar R. Baker, Gerente de Time-Life International, Codirectores de la C.F.I.I., posan con Henry R. Luce, Editor Jefe, Time Inc., quien actuo como Presidente de la Conferencia.*

Mrs. Robert G. North, U.S.-born businesswoman, who was one of four delegates from Thailand.

*Señora de Robert G. North, nacida en los EE.UU., que fué uno de los cuatros delegados de Tailandia.*

# Development Conference IN SAN FRANCISCO

Two-thirds of the world's population, he observed, lives in the underdeveloped countries. Dr Staley declared: "The danger in the 'revolution of rising expectations' is that growth in productive power will lag so far behind growth in expectations that there will be serious disappointments and frustrations and possibly political disturbances."

How can Free World capitalism cope with this staggering problem? A variety of answers ensued.

Reflecting generally the views of the underdeveloped nations, Miguel Cuaderno, Sr., Governor of the Central Bank of the Philippines, suggested that an excellent way to "eliminate the fears, suspicions or misgivings of native entrepreneurs about foreign investors" might be to expand the use of joint local and foreign capital ventures. He said citizens of these countries want to become industrialists, businessmen and financiers in their own lands.

"They realize," he continued, "that if they are to have this opportunity, now is the time for them to engage in the establishment and operation of industries, financial institutions, large-scale modern farming and other forms of business—not after such economic activities shall have fallen into the hands of foreign elements."

From Puerto Rico came another proposal, and with an impressive success story backing it up. Teodoro Moscoso, head of the island's Economic Development Administration, related how "Operation Bootstrap" was devised to provide Government funds as a "catalyst" and how a ten-year exemption on taxes on corporate income and property was used as an incentive.

Today, he pointed out, new factories are opening at the rate of ten per month, and on November 6th of this year new plant No. 500 was to start operations. By the end of

another year, 650 should be in operation; by the year 1975, the target is 2,500 new plants.

Today, he also said, 85 percent of the investment in Puerto Rico is private, and the total is far greater than the Government could possibly have afforded. Local businessmen are now entering the manufacturing field; they own and operate about 100 of the new factories, mostly the smaller ones, but a few of very substantial size.

From the side of the industrialized nations came suggestions of an entirely different nature. Dr David McCord Wright of McGill University, in Montreal, Canada, pointed out that machinery and tools are the great resources of the industrialized nations, while labor is the great resource of the underdeveloped countries and capital their desperate bottleneck. "World output and the prosperity of individual countries," he cautioned, "can often be more quickly and efficiently raised through exports and exchange than through trying to make every country, immediately, a little Pittsburgh."

Henry B. Sargent, President of American & Foreign Power Company, Inc., warned that if free enterprise is to win its way against the cult of state socialism, it must produce competent managers capable of "thinking, planning and acting with boldness, courage and skill—managers who can make the best of domestic resources and all that foreign investment has to offer, who are capable of helping to dissipate the misdirected nationalism, suspicion and misunderstanding that are such great obstacles to economic progress, international coöperation and world peace."

Mr Sargent, whose own company has been a leader in the development of Latin American management talent, praised the similar accomplishments of General Electric,



**Louis R. González, President of González Chemical Industries, Hato Rey, Puerto Rico; Teodoro Moscoso, Administrator of the Economic Development Administration, San Juan, P. R.**

*Luis R. González, Presidente de las Industrias Químicas González, Hato Rey, Puerto Rico; Teodoro Moscoso, Director de la Administración de Fomento Económico, de San Juan, Puerto Rico.*



San Francisco's famed Market Street (*center*), in the business and financial district; (*in foreground*) part of the Embarcadero.

*La famosa calle "Market Street" de San Francisco (centro), en la zona comercial y de negocios; (en primer plano) el Embarcadero.*



Sears Roebuck, W. R. Grace & Co. and Creole Petroleum. He cited W. R. Grace & Co.'s "organizational know-how and managerial talent [that] have contributed indirectly to other industries in Peru as well as directly to the development of Grace's extensive activity"

Hermann J. Abs, Director of the Deutsche Bank of Frankfurt, West Germany, made one of the most significant proposals of the Conference. He suggested the advisability of the capital-exporting countries coordinating their policies of financial assistance to other nations and of government assistance for long-term export credits. Herr Abs proposed a Magna Charta that would set down principles for fair and equitable treatment of foreign capital and creation of a special international Court of Arbitration that would determine any violations of these principles and hand down measures to correct them.

From the vantage point of the Presidency of the International Bank for Reconstruction and Development, Eugene R. Black strongly urged governments and private businessmen alike to do more to meet the compelling demands of the peoples of the free world for higher living standards. Since the end of the war, he declared, the world has in fact been running so fast economically that it is now "getting short of breath."

It remained for the Vice President of the United States, Richard M. Nixon, to give concrete demonstration to the Conference that our Government strongly supports the aim of developing the economies of the underdeveloped nations. In one of the truly great addresses of the Conference, he described private initiative and capital as the "motors of economic progress." The Vice President aroused tremendous enthusiasm on the part of both the foreign delegates and the United States businessmen present, when he swept the meeting with a nine-point policy program under which the Eisenhower Administration would give substantial assistance toward promoting private investments overseas. (*His speech is excerpted on pages 7 and 8 in English and on 9 and 10 in Spanish.*)

Other important addresses were directed at focusing world attention on the issues involved in industrial investments. In so doing, the Conference achieved its objective of delineating the areas of agreement and disagreement.

No account of the International Industrial Development

Conference would be complete without expressing tribute to the traditionally magnificent hospitality of the cosmopolitan city of San Francisco, its business firms and its people. The women of San Francisco organized delightful trips and entertainment for the wives of the delegates; the City of San Francisco played host at a brilliant reception in the Palace of the Legion of Honor. Time-Life International and the Stanford Research Institute invited the delegates to the San Francisco opera and to a reception in the beautiful City Hall at which Life's illuminations of 50 great paintings were displayed. The planning and execution of the entire program were a great tribute to its sponsors.

Fully as valuable as the plenary sessions of the Conference were the individual round-table meetings at which small groups met in the board rooms of San Francisco's leading business concerns and discussed the problems of international industrial development man to man and face to face with encouraging results.

Indicative of the enthusiasm that the Conference generated was the applause for the address of Berthold Beitz, the dynamic Chairman of the Executive Board of Firma Friedrich Krupp, Essen. He stressed the value of enabling "leading businessmen from all over the world [to have] the opportunity to discover each other a little better as human beings." Herr Beitz brought the delegates cheering to their feet when he proposed a future meeting to be held actually as a challenge to the totalitarian philosophies and practices that lie behind the Iron Curtain. "Let us hold it in Berlin itself—an island of free enterprise," he declared.

There seems no doubt that the men who met at San Francisco will want to meet again in a group, and there is also no doubt that out of their deliberations and the contacts established with one another will come significant advances in the role of private enterprise and world development.

The seeds that Time-Life International planted with its Inter-American Investment Conference at New Orleans early in 1955 (in co-sponsorship with International House and the City of New Orleans) and again with the great San Francisco Conference in conjunction with the Stanford Research Institute seem bound to bear rich fruit.

# Government Aid Is Not the Whole Answer

Vice President Nixon, at the International Industrial Development Conference at San Francisco, stated that private enterprise is the most productive source of economic progress. Herewith are highlights from his address.

I AM HONORED to bring greetings from the President of the United States to the representatives of 62 nations attending this historic conference.

We could make no greater mistake than to brush off [the Soviet satellite] as a scientific stunt of more significance to the man in the moon than to men on earth.

Mr Khrushchev himself has declared that the Communists would prefer to gain their objective of world domination through methods other than military conflict. This does not mean that we should ignore the tremendous military threat posed by Russian power. It does mean that we must be prepared for an all-out Communist economic offensive to win the allegiance of hundreds of millions of people in the uncommitted world, as well as even some of those in the Free World.

As far as the average citizen is concerned, the record fortunately is on our side and not theirs. The contrast between the record prosperity of Western Germany and the dismal poverty of Eastern Germany most eloquently demonstrates the superiority of a free society over the Communist system.

We believe that free men in the long run will out-plan and out-produce a slave economy. But we cannot ignore the fact that a dictator state can in the short run achieve spectacular results by concentrating its full power in any given direction.

This is particularly true in view of the fact that the Communists are concentrating their efforts on the newly-developing countries of Asia and Africa. These people are now in revolution, not a political revolt, but a world revolution of people's expectations.

In the course of this revolution, the steel mill and the

hydroelectric plant have come to seem much more than economic needs. They have become symbols of the pride and hopes of whole nations.

The Communist World is willing to promise that it will help fulfill these hopes. It will do this in spite of its own desperately low standard of living.

We know, of course, that such aid will be short-lived and deceptive. But if it succeeds in extending Communist rule throughout Africa and Asia, the Kremlin will have assured its victory in the battle for the world. It will then control their immense wealth in oil, uranium, copper and many other materials essential for the economic life of the Free World. The Western World will be forced to surrender without the firing of a shot.

I am confident that we can meet and defeat this challenge provided we base our policies on the fundamental principle which is the generating force behind this Conference — the recognition that the most productive source of economic progress is private rather than government enterprise.

I say this fully recognizing that there has been and is an important place for government action. Ever since the war, the U.S. government has conducted the most enormous peace-time banking operation in the history of government finance. The total of our grants and loans abroad in that period is nearly 60 billion dollars.

But government capital is in a sense crisis capital.

However, we must recognize that government aid cannot possibly meet the problem with which we are confronted. The only source of investment funds that can be greatly expanded is private capital.

There are limits to what government can do. There is partly the limit imposed by budgetary problems. But above all there is the limit imposed by our conviction that free private enterprise is the preferable medium for aid for the newly-developing countries.

There are certain things which the United States can do, that the governments of countries in which money is to be invested can do, and that American businessmen

U. S. Vice President Richard M. Nixon addresses the I.I.D.C. banquet; (right) part of the banquet audience.

*El Vicepresidente Richard M. Nixon habla en el banquete de la C.F.I.I.; derecha: una parte de la concurrencia al banquete.*



abroad can do to stimulate the increase in foreign investment the world needs.

Let us consider what steps the capital deficit nations can take. There must be at the outset recognition of the fact that the world shortage of capital which evidences itself in rising interest rates has forced a sharp measure of competition for the capital which is available for foreign investment. Any government that is serious about wanting private capital will necessarily enter this competition. It can set the conditions which will either induce that capital to flow or stop it cold.

Let me give an example. Whatever one may think of Premier Nasser's right to "Egyptianize" the Suez Canal—and our Government has not disputed his right—it cannot be denied that he made Egypt less attractive to new capital than it was before. In contrast we see the results in countries like the Netherlands, Northern Ireland, Mexico or our own independent Commonwealth of Puerto



**Nelson Rockefeller, President of The International Basic Economy Corporation, was a key speaker.**

*Nelson Rockefeller, Presidente de la Internacional Basic Economy Corporation, pronunciando su discurso.*

Rico, where the governments have set up active and efficient bureaus and hospitable policies to promote and welcome foreign capital, and as a result are getting more of it than ever before.

Let us now see what the Government of the United States can and should do to encourage private investment abroad.

The economic sections of our embassies abroad should be upgraded and strengthened both in quantity and quality

When tax revision becomes feasible, the Congress should pass a tax reform which the President has twice urged. He would extend to investors in other parts of the world the 14-point income tax credit for which Western Hemisphere trade corporations are already eligible.

The Congress should also consider the feasibility of passing a tax reform similar to one adopted by the United Kingdom a few months ago. This would defer U.S. taxes on income and profits earned entirely abroad until they are actually paid in dividends to the stockholder or the parent company

We should channel more of our governmental financial operations abroad through private investors and enterprisers, U.S. and foreign. Specifically, Congress could require—instead of permitting as at present—that at least 25 percent of the foreign currencies we now acquire under our agricultural aid program be made available for loans to U. S. business in those countries.

The new 300-million-dollar developmental fund should be set up in such a way that in its administration and policies it does not become merely a pale carbon copy of either the Export-Import Bank or the [International Coöperation Administration]. Its primary purpose should be to channel funds into private enterprises which

cannot satisfy the borrowing requirements of the Export-Import Bank.

We should initiate, through international organizations such as the World Bank, studies which could examine the feasibility of setting up a privately-operated international investment guarantee fund.

Because trade is the great generator and vehicle of the capital the world so badly needs, the [U.S.] Reciprocal Trade Agreements Act should be extended for at least five years when it comes up for renewal in the next session of Congress. This action would demonstrate permanent and expanding interest of the U. S. in world trade. Whether in order to get paid for our exports, or to get a return on our investments, or simply to assure ourselves of the most economical source of raw materials, the U. S. must become an ever larger importer. The Reciprocal Trade Agreements Act is our best assurance that these imports will be accessible to us on a fair and non-discriminatory basis.

For the same reason we should complete our membership in the Organization for Trade Coöperation. This organization, which the U.S. helped to found, is a place where the established system of multilateral tariff bargaining and the rules of trade reciprocity can be recorded and systematized.

We should pass legislation, long since recommended by the President, to simplify certain antiquated and unjust methods of valuation in our customs procedures.

[Private investors'] operations must be based first of all on the twentieth century principle that the primary purpose of foreign investment is to create new wealth rather than to exploit a newly-developing country

American personal abroad should always be trained to be Ambassadors of good will as well as competent technicians.

The training of foreign nationals to assume managerial as well as subordinate responsibilities should be given top priority

I would not suggest that these proposals I have recommended are all inclusive. But the adoption of such a program could provide the necessary stimulus for a dramatic expansion of private investment and trade throughout the world.

The world of tomorrow is in our hands.

The very fact that this Conference is being held proclaims to the world that the forces of freedom have the strength, the vitality and the determination to win the great struggle for the world.



**Robert R. Bottome, investment banker in Venezuela.**

*Robert R. Bottome, banquero inversionista de Venezuela.*

# La ayuda gubernamental no soluciona todo

El Vicepresidente Richard Nixon declaró en la Conferencia de Fomento Industrial Internacional, de San Francisco, que la empresa privada es la fuente mas productiva de progreso económico. He aquí algunos de los puntos sobresalientes de su discurso:

ES UN HONOR para mi traer un saludo del Presidente de los Estados Unidos a los representantes de las 62 naciones que asisten a esta histórica conferencia.

No podríamos cometer peor error que desdeñar (el satélite soviético) como una hazaña científica de mas importancia para el hombre de la luna que para el hombre de la tierra.

El mismo señor Khrushchev ha declarado que los comunistas prefieren lograr sus objetivos de dominación mundial por métodos diferentes al conflicto militar. Esto no quiere decir que debemos ignorar la inmensa amenaza militar que significa el poderío ruso. Significa que debemos estar preparados a una ofensiva económica general comunista que trata de ganarse la lealtad de cientos de millones de personas del mundo neutral, e inclusive la de algunos de los del mundo libre.

Afortunadamente, en cuanto se refiere al ciudadano común, la ventaja está de nuestro lado y no del de ellos. El contraste entre la prosperidad sin precedente de Alemania Occidental y la desalentadora pobreza de Alemania Oriental, demuestra de modo elocuente la superioridad de una sociedad libre sobre el sistema comunista.

Creemos que a la larga el hombre libre ganará en eficiencia y superará en producción a una economía esclava. Pero no podemos ignorar el hecho de que un estado dictatorial puede lograr en poco tiempo resultados espectaculares al concentrar todos sus recursos en determinada dirección.

Esto es cierto especialmente en vista del hecho de que los comunistas están concentrando sus esfuerzos en los nuevos países de Asia y Africa que comienzan a desarrollarse. Estos pueblos están actualmente en revolución, no en revuelta política, sino en la revolución mundial de la esperanza de los pueblos.

En el curso de ésta, las acerías y las plantas hidroeléctricas han llegado a ser mas que necesidades económicas. Se han convertido en símbolo de orgullo y esperanza de las naciones.

El mundo comunista está dispuesto a prometer que ayudará a hacer realidad esas esperanzas. Lo hará pese al bajísimo nivel de vida en que vive.

Sabemos, por supuesto, que tal ayuda será corta y

engañoso. Pero si tiene éxito en extender el régimen comunista por Africa y Asia, el Kremlin habrá asegurado su victoria en la lucha por el mundo entonces controlará la inmensa riqueza petrolífera, de uranio, cobre y muchas otras materias primas de esos territorios, esenciales para la vida económica del mundo libre. Y el mundo occidental se verá obligado a rendirse sin disparar un sólo tiro.

Tengo fé en que podemos hacer frente y salir airosos de este reto, siempre y cuando que basemos nuestra política en el principio fundamental que es la fuerza generadora de esta conferencia—el reconocimiento de que la fuente mas productiva de progreso económico es la empresa privada y no la gubernamental.

Digo esto dándome perfecta cuenta de que ha habido y existe lugar importante para la acción por parte del gobierno. Desde la guerra, el gobierno de los Estados Unidos ha realizado la mas grande operación bancaria de tiempo de paz en la historia de la financiación gubernamental. El total de nuestros donativos y préstamos al exterior en ese período llega a casi 60.000 millones de dólares.

Pero el capital del gobierno es, en cierto modo, capital de tiempo de crisis.

Sin embargo, debemos reconocer que la ayuda del gobierno no puede hacer frente al problema a que estamos encarados... la única fuente de fondos para inversiones que puede ser grandemente ampliada es la del capital privado.

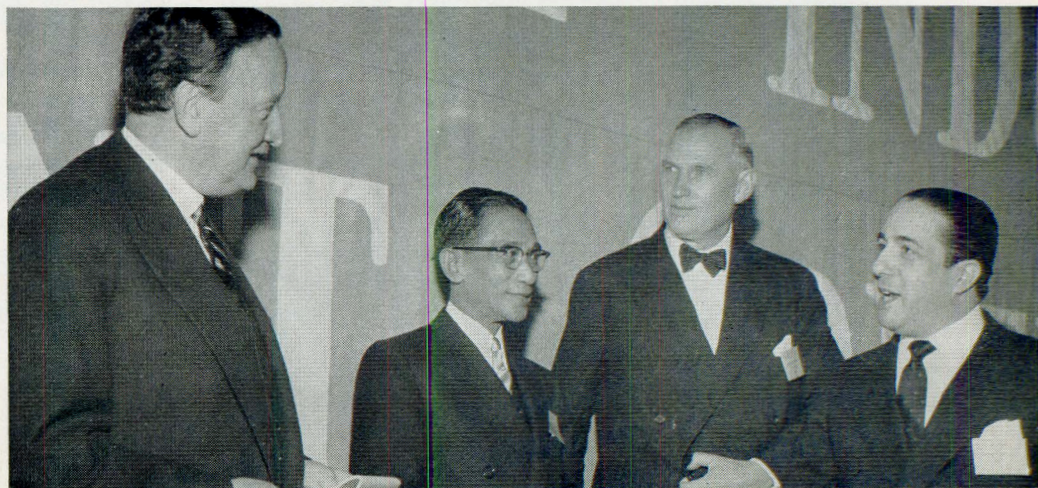
Hay límites para lo que el gobierno puede hacer. Existe parcialmente aquel de los problemas presupuestarios. Pero por sobre todo, está el de nuestra convicción de que la empresa privada libre es el medio preferido para ayudar a los países que están comenzando a desarrollarse.

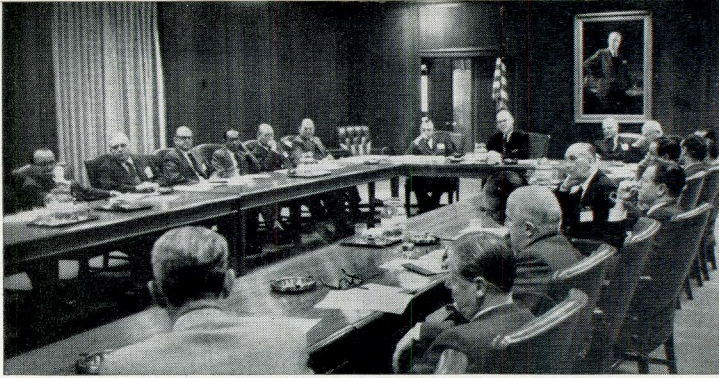
Hay ciertas cosas que los Estados Unidos pueden hacer; ciertas que pueden hacer los gobiernos de las naciones en las que se va a invertir el dinero; y ciertas que pueden hacer los hombres de negocios norteamericanos en el exterior para estimular el flujo del capital extranjero que necesita el mundo.

Consideremos qué medidas pueden tomar las naciones que necesitan capital. Desde un principio se debe

*Izq.-der.: Hermann J. Abs, Gerente del Deutsche Bank, de Francfort, Alemania Occidental; Miguel Cuaderno, Director del Banco Central de las Filipinas, Manila; Marcus Wallenberg, Presidente del Enskilda Bank de Estocolmo; Walther Moreira Salles, Gerente del Banco Moreira Salles S.A., São Paulo, Brasil.*

**From left, Hermann J. Abs, Director of the Deutsche Bank, Frankfurt, West Germany; Miguel Cuaderno, Governor of the Central Bank of the Philippines, Manila; Marcus Wallenberg, President of the Stockholm (Sweden) Enskilda Bank; Walther Moreira Salles, Director of the Banco Moreira Salles S.A., São Paulo, Brazil.**





*Sala de la Directiva del Banco de América, donde unos delegados hablaron sobre inversiones en el exterior.*

**The Board Room of the Bank of America, where businessmen talked of overseas investments.**

reconocer el hecho de que la escasez mundial de capital, que se manifiesta en los crecientes tipos de interés, ha hecho surgir una fuerte competencia por el capital disponible para inversión en el exterior. Cualquier gobierno que piense seriamente en conseguir capital privado, necesariamente entrará en esta competencia. Puede fijar las condiciones que bien animen el flujo de ese capital o lo detengan.

Pongamos un ejemplo: Piénsese lo que se quiera del derecho del Presidente del Consejo de Ministros Nasser de "egipcianizar" el Canal de Suez—y este es un derecho que nuestro gobierno no ha discutido—no se puede negar que hizo a Egipto menos atractivo que antes para la inversión de nuevo capital. En contraste, vemos los resultados en países como Holanda, Irlanda del Norte, Méjico o nuestro independiente Estado Asociado de Puerto Rico, en donde los gobiernos han creado organismos activos y eficaces y han adoptado políticas hospitalarias para fomentar y recibir de buen grado el capital extranjero y como resultado lo están consiguiendo en mayor cantidad que antes.

Veamos ahora que puede y debe hacer el gobierno de los Estados Unidos para fomentar la inversión privada en el exterior

Las secciones económicas de nuestras embajadas deben ser fortalecidas tanto en cantidad como en calidad.

Cuando sea factible la revisión de los impuestos, el Congreso debería aprobar la reforma tributaria que en dos ocasiones ha solicitado el Presidente. Con ello se haría partícipe a los inversionistas de otras partes del mundo del crédito de 14 puntos al impuesto sobre la renta, a lo cual ya tienen derecho las compañías comerciales del Hemisferio Occidental.

El Congreso debería considerar la posibilidad de aprobar una reforma tributaria similar a la adoptada por el Reino Unido hace unos pocos meses. Con esto se diferirían los impuestos que cobran los Estados Unidos por renta y utilidades percibidas totalmente en el exterior, hasta tanto fueran pagadas en dividendos a los accionistas o a la compañía matriz.

Deberíamos encauzar más nuestras operaciones financieras gubernamentales en el exterior por conducto de inversionistas y empresas privadas, tanto norteamericanos como extranjeros.

Especialmente el Congreso podría exigir (en lugar de permitir como actualmente lo hace) que por lo menos el 25 por ciento de las divisas que ahora recibimos de acuerdo con nuestro programa de ayuda agrícola, fueran puestas a disposición para préstamos a las empresas norteamericanas en esos países.

El nuevo fondo para desarrollo, de 300 millones de dólares, debe ser establecido en tal forma que su direc-

ción y política no se convierta únicamente en un pálido reflejo del Banco de Exportación e Importación o de la (Administración de Cooperación Internacional) su objetivo primordial debe ser proporcionar fondos a las empresas privadas que no pueden satisfacer los requisitos de préstamo del Banco de Exportación e Importación.

Debemos iniciar estudios, por intermedio de organizaciones internacionales, como el Banco Mundial, que examinen la posibilidad de establecer un fondo de garantía, de carácter privado, para las inversiones internacionales.

Ya que el comercio es el gran generador y vehículo del capital que tanto necesita el mundo, la ley norteamericana de Acuerdos Recíprocos de Comercio, debe ser prorrogada por lo menos por cinco años, cuando ésta sea presentada para su renovación en la próxima sesión del Congreso.

Esta medida demostraría el permanente y creciente interés de los Estados Unidos en el comercio mundial. Los Estados Unidos deben convertirse en mayor exportador, bien sea con el objeto de que se nos pague por nuestras exportaciones, de obtener beneficio de nuestras inversiones, o simplemente de asegurar la fuente más económica de materias primas. La ley de Acuerdos de Comercio Recíproco es nuestra mejor seguridad de que tendremos acceso a tales importaciones sobre bases justas y sin discriminación.

Por esta misma razón debemos ratificar nuestra calidad de miembros de la Organización para la Cooperación Comercial. Esta organización, que los Estados Unidos ayudaron a fundar, es donde se pueden registrar y reglamentar el sistema de negociación multilateral de aranceles y los códigos de reciprocidad del intercambio comercial.

Deberíamos aprobar una ley, que desde hace tiempo viene recomendando el Presidente, para simplificar ciertos métodos anticuados e injustos de fijación de nuestros aranceles.

Las operaciones (de los inversionistas privados) deben estar basadas, primero que todo, en el principio del siglo XX de que el objetivo principal de la inversión extranjera es crear nueva riqueza, en lugar de explotar un país que comienza a desarrollarse.

El personal norteamericano en el exterior debe ser siempre entrenado para que sean embajadores de buena voluntad, así como también técnicos competentes.

Se debe dar gran prioridad al entrenamiento de extranjeros para que asuman las responsabilidades tanto de los cargos directivos como de los subordinados.

No quiero insinuar que todas las proposiciones que he hecho tengan que ser adoptadas. Pero la aplicación de un programa tal, podría suministrar el estímulo necesario para una dramática expansión de la inversión privada y el intercambio comercial en todo el mundo.

El mundo del mañana está en nuestras manos.

El hecho mismo de que esta conferencia se esté realizando, indica al mundo que las fuerzas de la libertad tienen la fortaleza, la vitalidad y la firmeza de ganar la gran batalla por el mundo.

# Proposed Lead-Zinc Curbs Would Injure Hemisphere Economy

The United States Tariff Commission recently conducted hearings in Washington, D. C., on proposals to increase the rates of duty on lead and zinc and to impose import quotas on these two metals. Its decision is expected shortly.

The opposition of W. R. Grace & Co. to such measures was expressed in a statement submitted to the Commission by James H. Stebbins, Executive Vice President.

Mr. Stebbins previously testified against efforts to place an excise tax on lead and zinc imports before the Senate Finance Committee and the House Ways and Means Committee. Excerpts from his statement to the Tariff Commission follow:

**I**N ITS APPLICATION to the Tariff Commission, the Emergency Lead-Zinc Committee requested that maximum rates of duty legally permissible be imposed on imports of lead and zinc and proposed establishment of a system of import quotas on these two metals.

W. R. Grace & Co. wishes to express its opposition to either course of action on grounds they would be seriously detrimental to the national interests of the United States.

Our opposition is based not only upon our century-long business association with the Latin American countries but also upon our belief that the over-all interests of the U. S. require a stable trade policy and an increasing foreign trade.

While our activities are highly diversified, I would point out that we do not own or operate any lead or zinc mines in Latin America.

We believe very strongly that the proposals now before the Tariff Commission are unwise for the following reasons:

- 1) They would be harmful to American interests.
- 2) They would impair a needed source of supply
- 3) They would seriously jeopardize U. S. relations with Latin America.

The proposals of the Emergency Lead-Zinc Committee would limit the exports of lead and zinc from Peru, Mexico and other Latin American sources to the U. S. This would result in an inevitable reduction of the purchases of these countries from the U. S. since they depend upon dollar revenues from their exports to the U. S. to finance their imports from our country

**Vital to Latin American economies are the zinc and lead of Peru and other countries, whose mines require modern machinery, most of it made in the U. S.**

*Vitales para la economía Latinoamericana son el cinc y el plomo del Perú y de otros países cuyas minas necesitan de maquinaria moderna, gran parte de la cual es hecha en los Estados Unidos.*

In 1956, for example, Peru's exports of lead and zinc to the U. S. amounted to \$36 million, representing 31 percent of her total exports to the U. S.

Peru is a significant importer of U. S. manufactured goods and agricultural products. In fact, during the past four years Peru purchased more from the U. S. than she sold to our country, as demonstrated by the following table:

**PERU'S TRADE WITH THE UNITED STATES**  
(millions of dollars)

	1953	1954	1955	1956
IMPORTS	119	98	120	159
EXPORTS	87	97	111	134
	32	1	9	25

(Excess of Peruvian imports from the U.S. over exports to U.S.)

SOURCE: *Foreign Commerce Weekly*, August 5, 1957, Department of Commerce

This friendly country prefers to buy American goods and last year purchased 50 percent of her total imports from the U. S. Any reduction in her ability to earn dollar exchange would tend to cut down her imports from the U. S. and would therefore be harmful to American interests.

An import quota system would directly affect the U. S. maritime industry, since imports of lead and zinc from some foreign suppliers are waterborne to this country. An import quota system, as proposed by the Emergency Lead-Zinc Committee, would materially reduce [the] exports of these two metals to the U. S. and consequently cargo carried by American shipping companies.

Peru is a significant supplier of lead and zinc to the U. S. where domestic production is clearly insufficient to meet domestic consumption needs. It is therefore in the national interest of the U. S. to maintain foreign





sources of supply, of which Peru is an important factor, active and available.

We should never lose sight of the fact that during World War II Peru and other Latin American sources of lead and zinc were readily available to the U. S. and in the event of another emergency they will again be at the disposal of the U. S., provided the mines are maintained in good working order. The Peruvian Mining Association contends, and with good reason, that the proposals now before the Tariff Commission would work a serious hardship on the lead and zinc mines in Peru. In fact, during the past few months, a number of lead and zinc mines have closed down, and 2,500 miners have been laid off in Peru, demonstrating convincingly and emphatically that the present low price for these metals, which is really the crux of the problem now before the Tariff Commission, affects not only U. S. mines but Peruvian and other foreign mining enterprises equally and severely.

The Committee's proposals can not be considered solely in the context of the present unfavorable situation in which the domestic lead and zinc miners find themselves, because this matter is being watched very carefully throughout all of Latin America as a matter of hemisphere concern. The Latin American nations are united in their firm belief that one of their major economic requirements is a stable trade policy with the U. S. Approval of these proposals, in their minds, would mean that similar measures might be taken against other strategic raw materials which they supply to us, and that the U. S. favors friendly trade when it is to its advantage to do so only to abandon this policy when it becomes inconvenient.

#### AN 'UNWISE' PROPOSAL

A rise in tariff rates that greatly harms other countries and provides little benefit to the United States is obviously unwise. This is the case with lead and zinc. The Tariff Commission has just heard arguments aimed at raising the rates on these commodities. If this is done, Canada, Mexico and Peru will be hurt. So will our relations with them. So will the American exporters who are paid with the proceeds of the sales of imported lead and zinc, and so will the American investors who either control or are heavily involved in the lead and zinc mining industries of the three countries named.

Peru is an especially good example. Fifteen per cent of her foreign earnings in 1956 came from exports of lead and zinc. Robert P. Koenig, president of Cerro de Pasco Corporation, an American enterprise which is the principal producer of lead and zinc in Peru, testified before the Tariff Commission in Washington on Monday. He pointed out that production of lead and zinc in Peru accounted for 4.5 per

Railroad, dock and ship workers are among the thousands of persons in the Americas who also benefit from the export of our neighbors' mineral wealth.

*Los ferroviarios, estibadores y marineros hacen parte de los miles de personas de las Américas, que también se benefician con las exportaciones de la riqueza mineral de nuestros vecinos.*

The confidence and friendship of the Latin American countries is of vital importance to the U. S. militarily, politically and economically and if we are to keep that confidence and friendship the U. S. must not change its trade policy in line with the fluctuations of the prices of lead and zinc and other materials which we import from them.

Variations in our trade policy produce results and reactions in Latin America in far greater proportion than the domestic economic ills they seek to remedy. The reason for this is that the economies of the Latin American countries are greatly dependent upon trade with the U. S. and any significant or sudden shift in their trade relations with the United States seriously affects their balance of payments position, the extent of their imports from the U. S. and the financing of their extensive economic development programs.

The Latin American countries are energetically striving to develop their economies and raise living standards which would eventually mean increased trade. They look to the U. S. for economic support and they realize that they must share with American producers the good and bad effects of price fluctuations. But they seriously question whether, as in the present case of lead and zinc, they should suffer additional penalties in the form of higher tariffs and import quotas when prices are down.

While we feel that the present proposals are unwise because they would harm American interests, seriously impair a needed source of supply and adversely affect U. S. relations with Latin America, we do not mean to suggest that some form of relief should not be provided to the domestic lead and zinc mining industry. There are other measures which could be considered as alternatives such as continuation of the stockpiling program or resort to outright subsidies, both of which, we acknowledge, present drawbacks. But we do believe that the advantages, alleged to be gained by an increased tariff and an import quota system, would be outweighed by the detrimental effects they would have on the national interests of the U. S.

cent of Peru's gross national product, whereas the domestic industry accounted for only 0.064 per cent of the United States gross national product. Senator Edgardo Portaro, speaking for the Peruvian Mining Association, said a tariff rise "would not only disconcert our people but also disillusion them in the ideals of Americanism."

It would certainly do that. Latin-American countries (and Canada, too) are dependent on trade with the United States. Economic nationalism and anti-Yankeeism are strong forces in Latin America. They feed on just such short-sighted policies as an increase in lead and zinc tariffs would represent.

The arguments against the increase for these two commodities are powerful and persuasive. The Tariff Commission is in a position to refuse to recommend the increase. It should do so, in the best interest of the country.

—Editorial, *The New York Times*,  
November 27, 1957

# VINYL was the password when PAINT moved indoors

**B**ARELY A DECADE AGO, homeowners considered paint an "outdoor" product. While it beautified neighborhoods and protected homes against Nature's destructive forces, its odor in confined areas was discomforting and often dangerous. Oily and sticky, it required days of drying. But today's paint is one of the most economical, efficient products in home decorating. The story of its transition into the highly adaptable product it is today is a glowing account of chemical research and development.

## NEW SYNTHETIC RUBBER BASE HELPED

Until 1949, only oil bases, such as linseed, soya bean and chinawood oils, had been used in manufacturing paint. But that year a synthetic rubber paint base was developed. Rubber in its liquid state, traditionally referred to as "latex," is a dispersion of fine particles suspended in water. The new paint was virtually odorless, and plain tap water was used as a thinning agent. This "miracle paint" could be rolled onto walls by youngsters. It dried rapidly with a hard film. Spatterings could be washed away with soap and water. So it seemed that all the problems had been solved virtually overnight.

## NOW VINYL IS THE FINAL TOUCH

Yet once both oil- and water-based paints are spread across a surface, oxidation commences. In oil-based paints, the hardening of the film is an immediate result of oxidation. But the process continues, resulting in eventual surface breakdown. Also, the solid film often trapped subsurface moisture, causing blisters. Oxidation is slower in rubber-based paints, but its gradual effects are displayed in cracking and discoloration of the paint film, just as tires and garden hoses deteriorate with age and seem to "rot" when subjected to the oxidizing powers of the air.

Movement into paint research was a normal trend for W. R. Grace & Co.'s Dewey and Almy Chemical Company Division. Since its founding in 1919, Dewey and Almy's chemists have been especially active in the field of fine

By **ROGER KAUFMAN**

particle dispersions—the homogeneous suspension of particles in liquid state. Having earlier developed several formulations of polyvinyl acetate, another fine particle dispersion, for adhesives, Dewey and Almy came up with a vinyl plastic base for paint—one that was free of the degenerative effects of oxidation. This vastly improved paint base was introduced commercially in 1953. Dewey and Almy christened it *Everflex*.

## MASTER STROKE IN MODERN PAINTING

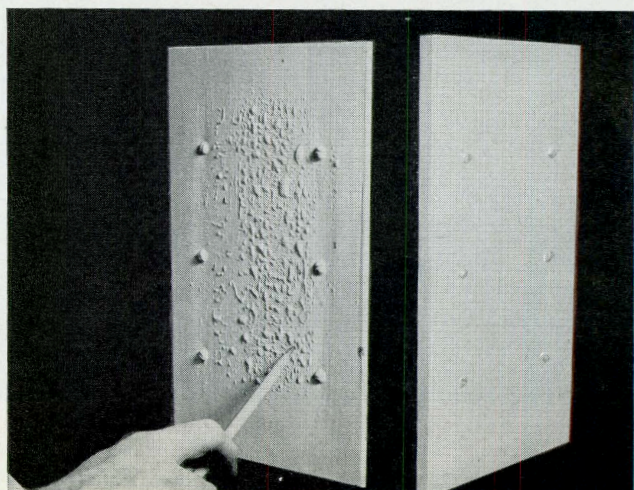
What is added when tough, flexible vinyl plastic (polyvinyl acetate copolymer) becomes the base of paint? As does the newest raincoat material that "breathes" air but sheds water, *Everflex* paint lets moisture harmlessly work through its film without blistering it, while it is impervious to repeated washings and scrubbing. *Everflex* may be applied to "green" plaster, and because of its adhesive strength, it needs no primer. Spreading easily, it flows to a uniform surface that dries in 30 minutes. It will not show touch-up marks and it has no after-drying odor. Its dead-velvet-flat finish may be scrubbed for years without breaking down. A damp cloth or water cleans brushes, rollers and drippings.

Just this October, Dewey and Almy announced still another major "breakthrough" in the chemical industry. By eliminating the emulsifier in the vinyl base, it has completely eradicated the paint's sensitivity to water staining. Today, Dewey and Almy supplies its *Everflex* vinyl paint base to over 50 leading manufacturers.

With its plant reactors brewing vinyl around the clock, and with its *Everflex* the recognized paint industry standard, Grace's Dewey and Almy Chemical Division is supplying paint-minded homeowners with the newest, most efficient product on the market today.

Test panels at Dewey and Almy's laboratories show how escaping moisture blisters traditional oil paint (left), but vinyl paint allows moisture to pass through without blistering the surface.

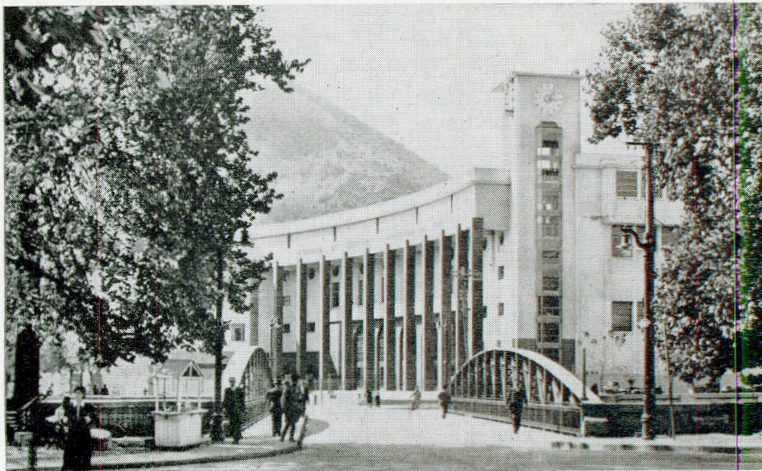
*En estos tableros en los Laboratorios Dewey y Almy se ve como la humedad ampolla la pintura al óleo (izq.). La pintura con vinyl permite que la humedad ventajosamente pase sin formar ampollas.*





(Left) "Christ of the Andes", on a 14,000-foot mountain pass, watches over Argentina and Chile. (Below) School of Law, University of Chile.

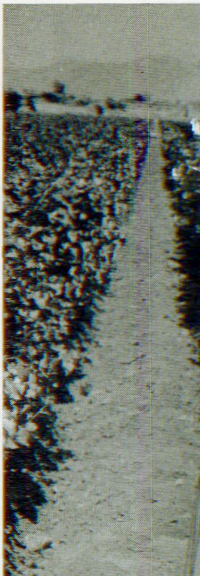
(Izquierda) El "Cristo de los Andes," levantado a 4.267 metros, vigila a la Argentina y Chile. (Abajo) Escuela de Derecho de la Universidad de Chile.



(Below) At the world famous resort of Viña del Mar, about two hours' drive from Santiago, the Casino is the Monte Carlo of the Western Hemisphere. (Center) The beautiful Chilean shoreline rivals that of the French Riviera; view of Cape Ducal.

(Abajo) En el mundialmente famoso balneario de Viña del Mar a solo dos horas de viaje de Santiago, el Casino es el Monte Carlo del Hemisferio Occidental. (Centro) La bella costa de Chile rivaliza con la de la Riviera Francesa; una vista del Cabo Ducal.

Chile's wines major export yards in the visitors admiring display



*(Right)* A cosmopolitan Santiago boulevard stretches toward the snow-capped Andes. *(Below)* Punta Arenas, world's southernmost city, on the Straits of Magellan.

*(Derecha)* Una cosmopolita avenida de Santiago se prolonga hacia los nevados Andes. *(Abajo)* Punta Arenas, la ciudad mas austral del mundo, frente al Estrecho de Magallanes.



CHILE

# All Its Splendor

are world famous and a bumper crop of grapes harvested by the foreman.

*El vino de Chile, famoso en el mundo, es una de sus principales exportaciones. (Abajo) Los visitantes admiran la abundante cosecha de uvas exhibida por el capataz en uno de los muchos viñedos.*

These colorful "huasos" (below), as Chilean cowboys are known, are among the world's best horsemen.

*(Abajo) Típicos "huasos", vaqueros chilenos, son reconocidos como uno de los mejores jinetes del mundo.*



## Grace Line Wizardry to the

Picture shows (on left) the card reading-punching machine; (at rear) the tape drive; (in front) the report printer.

*Izquierda: perfora-lectora de tarjetas; atrás: guía de cinta; frente: impresor.*

AS YOUR ELEVATOR whisks you by the third floor of 3 Hanover Square, your eye may be caught by the unusual sight of a battery of futuristic-looking machines behind a long observation window. This fleeting glance gives a hint of Grace Line's progressive approach to solving the innumerable daily problems of an industry long considered one of the most tradition-bound in its accounting practices.

The observation window offers a sight of a meticulously tidy and pleasing room in gay decorator colors in which are installed, rectangular and silver-gray, the various components of the new high-speed computing unit known as the IBM Tape 650 Electronic Data Processing System that Grace Line has recently installed. The new automation system replaces the IBM type 607 electronic calculators with which the Company earlier established itself as a shipping industry pioneer in the use of electronic calculating equipment.

Nothing less than this latest in the world of business automation would do to provide the facts needed by Lewis A. Lapham, President of Grace Line, and his forward-thinking collaborators in mapping out their multi-million dollar replacement program that will keep Grace Line in the forefront of the world's shipping industry.

Operating on some of the longest cargo runs in the world, under the most varied conditions, among several score ports in 15 countries and carrying an immense diversity of cargo from perishable bananas to corrosive ores, from aromatic coffee to streamlined limousines, from pins to 80-ton locomotives, Grace Line will now be able to learn in minutes what formerly took days, weeks and even months of calculating and figuring.

It can get extremely rapid answers to such questions as these: What tonnages of what commodities may be expected to move in the next six months? Will a certain voyage be profitable? How should a ship be rerouted, after sailing, to realize the maximum profits? How can labor and material requirements be accurately predicted for more than six months ahead? How can Grace Line under a set of given conditions forecast as much as ten years of probable experience?

It can all be done in a matter of minutes. Yet the machine is not a "brain"; it must have human brains, and hands, directing it—and the information fed into the "650" must be accurate.

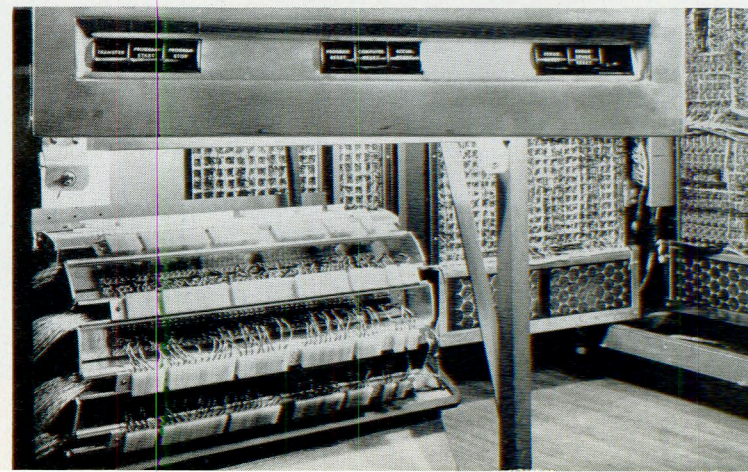
Vital cargo and revenue statistics will be produced in as few as six days, compared to the six weeks necessary earlier.

Within 48 hours after a ship sails, the machine will be able to compute whether the voyage will result in maximum profits, and this in time to reroute the return voyage to a more profitable schedule. The computer can simulate the company's activities by projecting ten years of probable experience under a given set of conditions in barely 20 minutes.

This machine marvel will process freight bills rapidly. It will prepare labor-cost-distribution analyses involving thousands of terminal employees and 288 job categories in a mere fraction of the time previously needed, from the moment the longshoremen prepared job tickets until the finished report appeared on a Vice President's desk. In 45 minutes, the system computes the weekly wages and prints checks for 3,000 longshoremen—an operation that formerly took 14 man-hours.

Eventually, this giant will get into high-speed computational research—studies showing management where it can maximize profit and minimize cost, and thus produce data that the human brain could not evolve until the information would be virtually useless.

To get the personnel to operate these lightning-fast calculating giants, Grace Line sought no farther afield than its own ranks. Based on a test, the "Electronic



# Brings Electronic Steamship Industry

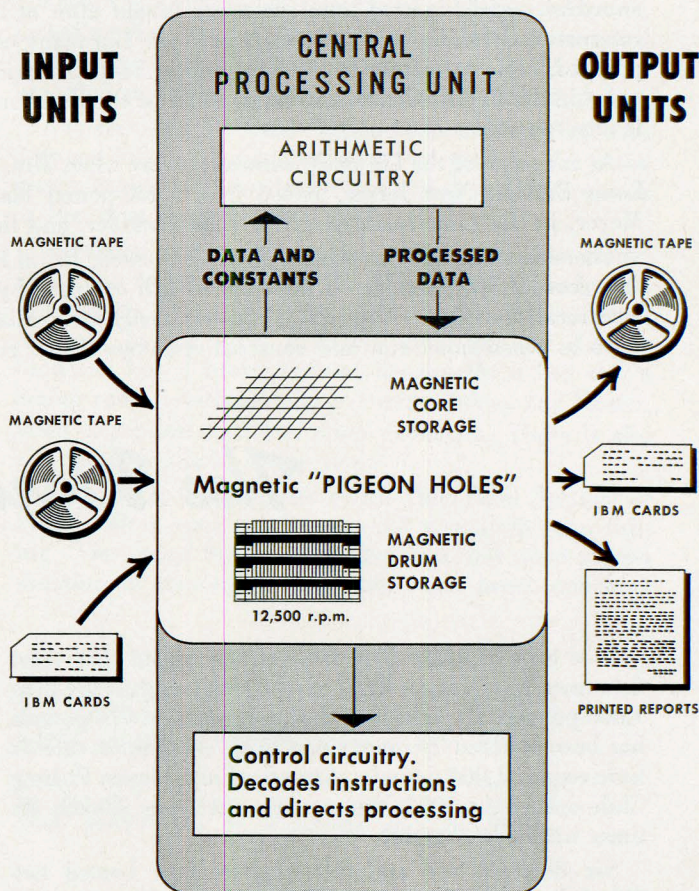
Data Processing Machine Programmer Aptitude Examination," given to more than 200 applicants from the Line, six were chosen, including a stevedore, a Passenger Department employee, the supervisor of the Estimating Department, a lawyer, an accounting clerk and a corporal right out of the Army who had worked on guided missile programs. These figure-experts prepare the detailed instructions, or "programs," for the "650" and code them on cards that can be read directly into the machine.

The specially air-conditioned chamber holding the fantastic—and delicate—machinery is equipped with various alarms that signal if the working temperature and humidity drop or rise beyond the normal tolerance for efficient operation. In fact, the observation window has the main purpose of allowing the curious to watch the electronic marvels in action, without disturbing the atmosphere in the room.

Along the light-studded face of the central processing unit, or console, scores of twinkling orange sparks ripple like waves of thought. The electrical impulses of the "650" move over its wire "nerves" at the rate of thousands of miles per second; in our bodies, nervous impulses travel at a maximum rate of 300 feet per second.

It is no trick at all for the "650" to do 78,000 additions or subtractions per minute. In one second it can divide

By DOROTHY HINZ



*Typical application of IBM 650 Tape EDP System*

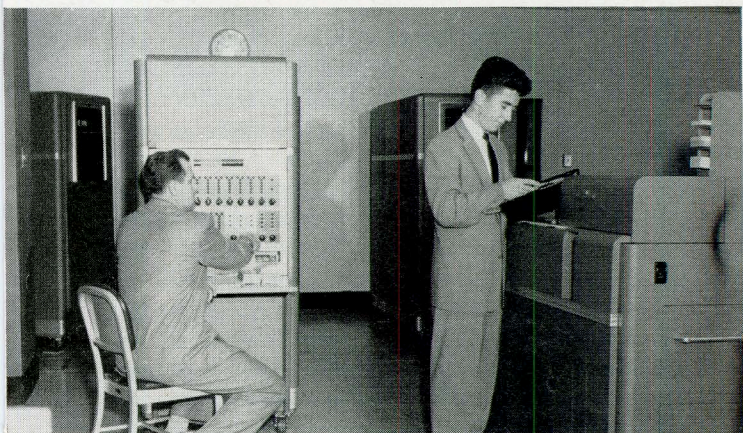
a 60-digit number by a 20-digit figure and arrive at a ten-digit quotient.

The machine's "memory" is an ingenious magnetic drum that can store up to 20,000 digits on its surface. A supplementary memory unit, named "Immediate Access Storage," has thousands of "magnetic cores," each only slightly larger than the head of a pin. Electrical pulses change the magnetic state of the cores, to make the magnetic patterns that stand for certain words or numbers. The information thus stored as electrical charges can be transmitted to the computing system in millionths of a second, to be processed at the rate of 2,300 logical operations per second.

Four I.B.M. "727" magnetic tape units serve as "storage" of vast amounts of necessary data. One reel of magnetic tape has the capacity of 60,000 punch cards, which stapled end to end would reach 37,500 feet high.

The system produces answers in three ways—by printing, punching on cards or by storing them on the tapes at the rate of 15,000 characters per second.

Thus in cutting months, weeks and days of paper work to days, hours and minutes, Grace Line has made an auspicious start in the age of automation.



*(Left) Working parts include magnetic drum, electronic circuitry; also shown is part of the console. (Above) Setting the console and operating the reading-punching machine.*

*(Izquierda) Tambor magnético, circuito electrónico, parte de la unidad. (Arriba) De la izquierda a la derecha, se ve el tablero de control y la máquina perfora-lectora.*

**A** LOT OF THE BIG ONES do not get away at Cabo Blanco.

The great billfish—black marlin, blue marlin, striped marlin and broadbill swordfish—and big-eyed tuna are much sought after at this comparatively new international fishing spot and resort in Peru. But many crack small varieties are pursued, too, by visitors to the cape where South America has its farthest west point in the Pacific Ocean, 250 miles south of the Equator. The surf-casting also is unsurpassed.

As for some of the big ones, witness the day when Mrs. Maurice Meyer, Jr., of Long Branch, New Jersey, reeled in a 1,240-pound black marlin. Then Mr Meyer, in the same boat, caught a 1,200-pounder, and this on the same day.

There was also the day when Alfred C. Glassell, Jr., of Houston, Texas, boated the record 1,560-pounder—a peak for all fish captured by rod and reel. Fishermen recall that day—August 4, 1953—as easily as baseball fans remember such dates as when home-run and consecutive-games-played records were made.



## *The World's Best Fishing . . .*

# CABO BLANCO

It is only at Cabo Blanco in all the world that sport fishermen have caught black marlin that weigh better than 1,000 pounds. The old New Zealand record of 976 pounds has been bettered 39 times since 1952; 36 of those catches have topped 1,000 pounds. After the Cabo Blanco Fishing Club opened in 1952, the actual record was broken six times within 18 months.

Six deep-sea rod and reel anglers have boated two "blacks" in one day, and Mr Glassell has done it twice. The Houston fisherman has other marks to his credit, including the first black marlin of more than 1,000 pounds—a 1,025-pounder that was a record at that time.

Black marlins are the glamorous part of the story. But dozens of broadbill swordfish, the beautiful, fighting big-eyed tuna and roosterfish have been caught. The boated and landed striped marlin, Pacific sailfish, jacks, mackerel, groupers and corvinas have been too numerous to mention or, for so abundant are the bigger fish, they

have not even been stopped for Dolphin, amberjacks, snook and bonita are among the other plentiful species.

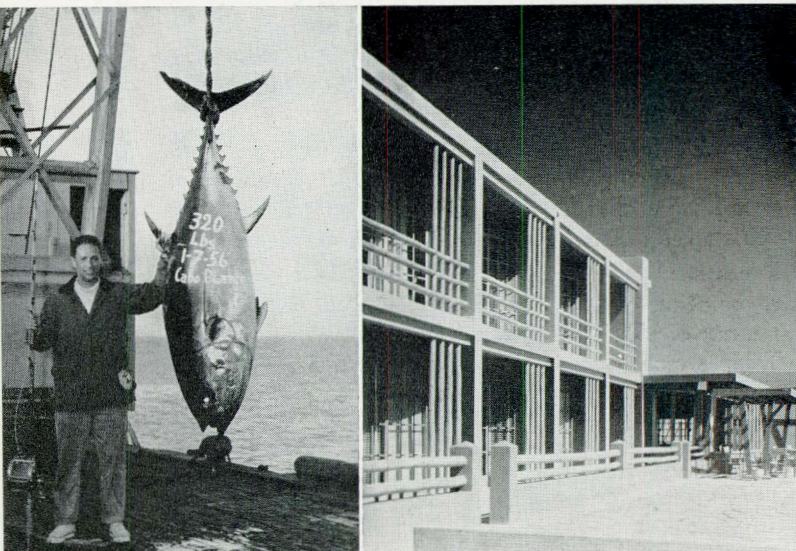
If Cabo Blanco sounds fantastic and fabulous, it is. Since 1952, sport fishermen have been coming to it from all over the Western Hemisphere and such distant points as Hawaii, New Zealand, South Africa, Sweden and England. They use four completely-equipped boats, with twin engines, lookouts, gin poles and fighting and easy chairs—boats made to club members' specifications.

This world's best deep-sea and surf fishing is caused by an ichthyological traffic jam, at the confluence of the warm Equatorial Current sweeping down from the north and the cold Humboldt or Peru Current rushing up from the south. These join in a water highway out into the ocean right off Cabo Blanco. The big fish find this a superb feeding area—so good that nowhere else in the world do black and striped marlin and broadbill swordfish as well as big-eyed tuna run together.

The International Game Fish Association credits Cabo

**Seymour Knox, III (left), of Buffalo, New York, with his 320-pound big-eyed tuna, the world's best tuna-family fighter; and the club's verandas and bedrooms, overlooking the Pacific.**

*Seymour Knox III (izq.) de Buffalo, Nueva York, con su atún ojón de 320 libras, el mas grande luchador de su especie; también las terrazas y los dormitorios del Club con vista al Pacifico.*



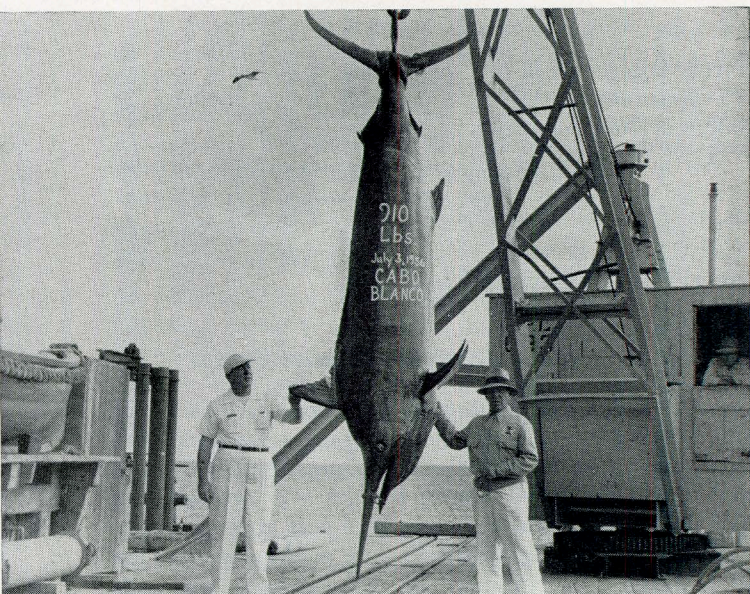
Blanco members and guests with 11 world marks, including the ladies' black marlin record—a 1,525-pound fish.

The world's heaviest big-eyed tuna weighed 435 pounds; it was hooked at Cabo Blanco by Dr. James Lee of Palo Alto, California. Tuna have been taken commercially over 700 pounds.

The I.G.F.A. records also show Cabo Blanco as the site of the boating of the world's biggest roosterfish. The all-tackle titlist is Michael Barrenechea of Mexico City, with a 100-pounder

The largest broadbill swordfish caught off Peru weighed 687 pounds—naturally at Cabo Blanco.

Four women are among the 30 persons in the Cabo Blanco "Thousand Pound Club" for black marlin; other women have caught smaller ones. This club, by the way, and its clubhouse and facilities have been given by 21



prominent sportsmen of the United States, Peru, Argentina, Brazil and Cuba for the fishermen of the world and other persons who want the best saltwater fishing, surf-casting, swimming, recreation and rest.

The boats rarely go out beyond five miles and never more than ten miles north or south. The black marlin, striped marlin, broadbill swordfish and Pacific sailfish are almost always on the surface, so the bait may be put out when the fish are sighted. The anglers often come in for lunch at the club and then go out again. Surf-casting is usually a one-hour sport, or less, for a good catch.

Tides and moon seem to have no effect. Fishing is best when the current is normal—good, clear and warm from the north. Some wind also helps, by keeping the black marlin on top.

#### HOW TO REACH CABO BLANCO

To Cabo Blanco by air is an overnight journey, at most, from virtually all Western Hemisphere cities. For example, it is 12 hours' flying time via Panagra from New York City to Talara, Peru, only 32 miles from Cabo Blanco. Automobiles take the travelers to the Cabo Blanco Club.

The "blacks" are supposed to lie outside the cold Humboldt Current and to dart in and out to feed. These fish are all headed north they travel alone and more are seen in the afternoon than in the morning.

From October through June the most species are found, including the four major ones, and in July, August and September the Peruvian winter—the black marlin, broadbill swordfish and big-eyed tuna are most abundant.

Anglers using the Cabo Blanco boats may not fish with 3-thread line or line testing under 18 pounds. No black marlin fishing is allowed with line testing under 80 pounds or less than the usual 24-thread.

Members and guests reside in the new club house, which has accommodations for 20 persons. All bedrooms overlook the ocean, and have private baths. The building, designed by the great Peruvian architect José Alvarez Calderon has a broad terrace, a sundeck, a bar and a dining room, which features Peruvian shrimp and lobster, fresh Argentine meat and other delicacies. There is also a superbly-equipped tackle room.

Cabo Blanco, sometimes called "the Palm Springs of Peru", offers more excellencies and nonpareils than fishing. The varied bird life includes duck and wood pigeon shooting in season. A fine white sand beach enhances

**John H. Duys, Jr. (left), and H. L. Woodward, both of Havana, Cuba, and a 910-pound black marlin caught by Mr. Woodward at Cabo Blanco.**

*John H. Duys, hijo (izquierda), y H. L. Woodward, los dos de La Habana, con un marlin negro de 910 libras pescado por Sr. Woodward en Cabo Blanco.*

year-around swimming. The bathing waters at Cabo Blanco have no sharks, sting rays, jelly fish or Portuguese men-of-war. But harmless whales and manta rays, the latter noted for spectacular leaps out of the water, are common well off shore.

No fish ever hooked at Cabo Blanco has been mutilated or touched by a shark or any other fish.

Thirty-two miles and 50 minutes by automobile to the south of the club is picturesque Talara, on the routes of both Grace Line and Panagra. Other colorful cities and towns are short motor trips away. Golf and tennis may be enjoyed at Talara and El Alto, through the courtesy of International Petroleum and Lobitos Oil Company (Lobitos provided the club site)

Thus for many saltwater fishermen and others desiring a good rest, two words answer the question of where to go for the world's greatest deep-sea fishing and surf-casting and, not unincidentally, to acquaint their families with the sport. The words are "Cabo Blanco", the fish are jumping now and everyone is welcome.

Grace Line ships touch at Talara, on the second Tuesday following a Friday departure from New York.

Reservations at the Cabo Blanco Club may be made through S. Kip Farrington, Jr., 247 Park Avenue, New York 17, N. Y.

# El Instituto Smithsoniano

*Tesoro de historia  
y de la vida diaria*

Por JOHN W. WHITE

**C**UAL ES SU PASATIEMPO FAVORITO: Los fósiles? las ballenas? las estampillas? los aviones? las modas? el arte clásico? las turbinas? la historia de la medicina?

Nombre cualquier cosa que es muy probable que de ello tenga miles de ejemplares el Instituto Smithsoniano, de Washington.

Y es que generalmente es considerado el museo mas grandioso del mundo. La última estadística oficial indica que hay 42.864.645 ejemplares. Faltan millones por ser clasificados y expuestos.

Entre los ejemplares exhibidos hay desde diminutos fósiles europeos, conocidos por el nombre de Foriminífera, hasta una ballena de 23.7 metros desde monedas antiguas hasta las estampillas de hoy día en el mundo desde un dinosaurio reconstruido que data de 150 millones de años hasta el primer corazón mecánico práctico desde un jarrón de la dinastía china Ming, que data de 500 años, y muchas obras clásicas, hasta la forma de vida de los americanos precolombinos, desde la Tierra del Fuego hasta el Círculo Artico y así prácticamente hasta el infinito.

En realidad, el Instituto tiene un objetivo infinito: "el aumento y difusión del conocimiento." Pero sus inmensas colecciones por lo general tienen que ser clasificadas en

*En el salón de las Primeras Damas, un maniquí exhibe un vestido usado por la señora de Abraham Lincoln cuando su esposo era presidente de los Estados Unidos. También figuran en esta colección trajes de todas las Primeras Damas que han vivido en la Casa Blanca.*

**In the First Ladies Hall, a mannequin is clothed in a gown worn by Mrs. Abraham Lincoln when her husband was President of the United States. Dresses of all other White House hostesses are also shown in this collection.**



forma compendiada, ya que a una persona le tomaría 75 años únicamente para leer las breves tarjetas de información que acompañan a los ejemplares.

Así que no es sorprendente que esta amplia variedad atraiga anualmente a unos cuatro millones de personas, desde niños de escuela, hasta investigadores particulares que visitan el grupo de edificios del Instituto (sin contar con el Parque Zoológico Nacional)

## **Su fundador nunca visitó los Estados Unidos**

El objetivo del Instituto se remonta a su fundador quien nunca vió la tierra que su largueza benefició. Era James Smithson, un científico inglés que murió en Genova, Italia, en 1829. Legó toda su fortuna el equivalente a 558.000 dólares, inmensa suma de dinero en esos días "para fundar en Washington un establecimiento para el fomento y la difusión del conocimiento entre los hombres."

Pero inclusive después de que el legado llegó en 1838, los legisladores tardaron ocho años para decidir si el Gobierno debía aceptarlo. Finalmente en 1855, se levantó el edificio Smithsoniano, que se ha convertido en uno de los símbolos de Washington.



*Millones de personas visitan anualmente las distintas ramas del Instituto Smithsoniano; aquí se ven unas pocas entrando a los edificios.*

**Millions of persons visit the branches of the Smithsonian Institution every year; here a few enter the towered first buildings.**

El Instituto es ahora mucho mas que esa familiar estructura en donde actualmente funcionan únicamente las oficinas administrativas y las exhibiciones botánica y de artes gráficas.

Posteriormente se construyeron los edificios de Artes e Industrias, el de Historia Natural, el de Aeronáutica, la Galería de Arte Freer y la Galería Nacional de Arte (o Galería Mellon)

El visitante común frecuentemente tiene su primera impresión de la inmensidad del Instituto por la exhibición de aeroplanos en el edificio de Artes e Industrias. Colgando del techo se ven el primer avión práctico de los hermanos Wright y "el Espíritu de San Luis", de Lindbergh.

### Los trajes de las 'Primeras Damas'

En el edificio de Artes e Industrias también está una de las exhibiciones mas populares del Instituto la célebre colección de trajes de huéspedes de la Casa Blanca, las Primeras Damas desde Martha Washington hasta Mamie Eisenhower, con ejemplos del mobiliario y alrededores de la Casa Blanca cuando se usaron esos trajes.

Entre otros históricos ejemplares que se exponen en este edificio figuran el escritorio portátil en el que Thomas Jefferson escribió el primer proyecto de la Declaración de Independencia de los Estados Unidos, de la Gran Bretaña. También allí se exponen algunos muebles de tradición histórica, desde un cofre de pino, usado por George Washington en su casa de Mount Vernon, Virginia, hasta un escritorio usado por el Presidente Dwight D. Eisenhower cuando era Comandante Supremo de la Fuerza Expedicionaria Aliada en la segunda guerra mundial.

En los tres pisos del edificio del Museo de Historia Natural se hallan las mejores colecciones mundiales de todo lo que se relaciona con la historia natural, además de la ingeniería y la industria, la numismática y la filatelia.

*Algunas antiguas medicinas, sus ingredientes y aparatos para la fabricación de drogas son exhibidos en la vieja farmacia.*

Some old nostrums and the sources of their ingredients and other medicines and drug-making apparatus are displayed in the Old Apothecary Shop.



Se muestran ejemplares de tamaño natural de las antiguas civilizaciones del mundo occidental, desde los indios de la Tierra del Fuego, pasando por las regiones de los Incas, los Mayas, y los Aztecas, hasta los Esquimales del Artico. Cinco dioramas en miniatura completan los grupos familiares, que incluyen el cultivo de los campos por parte de los Incas; una escena campestre de los indios Yahgan, la tribu mas meridional del mundo, y los indios que recibieron a Cristóbal Colón en 1492.

### Ejemplo de un antiguo entierro peruano

Uno de los mas interesantes ejemplares expuestos es una figura de persona hecha en madera, tela y mimbre, recientemente adquirida, sacada de una tumba en el Perú en donde fué enterrada alrededor del año 1100 antes de Jesucristo.

Cerca de ésto se encuentra una fiel agrupación del medio ambiente de los grandes mamíferos de Norteamérica. La principal de éstas muestra el bisonte, que era una de las principales fuentes de alimento, vestido, habitación y de ingresos tanto para los indios como para los colonos de las planicies norteamericanas.

Entre las colecciones de fósiles figuran las de algunas criaturas submarinas que datan de mas de 400 millones de años — tan perfectas que no solo muestran las conchas sino inclusive los suaves tentáculos y órganos internos.

La identificación, por parte del Instituto, de las especies de estas minúsculas conchas fósiles guían a los geólogos en su búsqueda de nuevos campos petrolíferos.

Entre las mas recientes adquisiciones de este museo figuran 2.009 plantas de Méjico, Centro y Sudamérica.

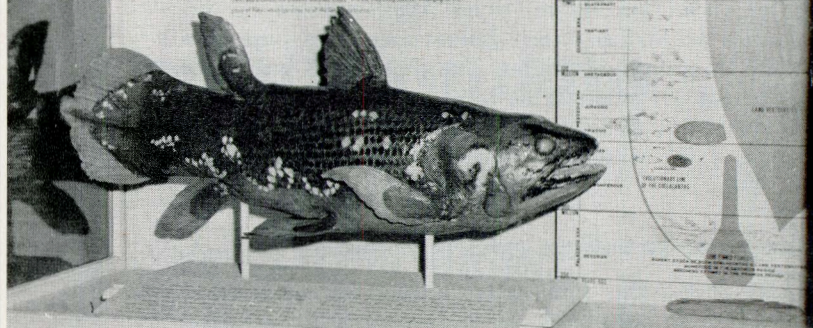
Tal vez la exhibición de mas vistosa belleza de todo el Instituto es la inmensa colección de gemas y piedras preciosas. Entre estas bellezas se encuentran cristales de amatista y topacio del Brasil, diamantes de diferentes colores, rubíes estrella y un inmenso zafiro estrella de 316 quilates.

## A LIVING FOSSIL

THE COELACANTH FISH, *LATIMERIA CHALUMNAE* SMITH

Latimeria is a coelacanth that was recently discovered in 1938, almost 200 million years after the age of any other category of fossilized animal. The discovery of a living specimen was made in the Indian Ocean off the East African coast. It is the only living specimen known to the world of this category of fish.

ANCESTRY OF LATIMERIA



Entre las rarezas de historia natural del Instituto figura el pescado *Coelacantha*, recientemente hallado, "fósil viviente" de una especie que existió hace millones de años.

The Smithsonian's natural history exhibits include oddities as the recently-found *Coelacanth* fish, "a living fossil" from a family millions of years old.

### Una pintura de Renoir es la mas popular

Por la calzada, mas hacia el Capitolio, se levanta la Galería Nacional de Arte, que se inició en 1936 con un regalo de 15 millones de dólares del ex secretario del Tesoro Andrew Mellon. De sus cientos de excepcionales cuadros de los viejos maestros, una pintura relativamente reciente, "La niña de la regadera," de Renoir, es la mas popular y de la que se venden mas reproducciones.

La Galería Freer fué donada por Charles Lang Freer, de Detroit, Michigan, ya fallecido. En ella se guarda una de las mas importantes exhibiciones mundiales del arte chino y japonés, desde pinturas hasta jades.

El interés por la aeronáutica comenzó en 1876 y desde ese entonces el Instituto ha venido coleccionando y guardando sobresalientes ejemplos de aviones y equipo aeronáutico.

Bien conocido por derecho propio es el Parque Zoológico Nacional situado en la zona residencial de Rock Creek Park, en Washington. Sus miles de mamíferos, aves y reptiles de todo el mundo atraen anualmente cerca de 3.500.000 visitantes.

El interés del Instituto es mundial. Tiene dependencias en el exterior entre las que figuran la faja biológica de la Zona del Canal de Panamá, situada en la isla Barro Colorado, en el lago Gatún. Probablemente en ninguna otra parte del mundo se halla esta combinación de selva tropical virgen rodeada de laboratorios. Allí se han sacado estadísticas definitivas de mas de 7.000 especies de animales y plantas.

En Montezuma, en el norte de Chile, el Instituto tiene otra dependencia rama del observatorio astrofísico. Esta y una similar en Table Mountain, California, hacen estudios del sol a gran altura.

### El servicio de Intercambio Internacional

Es bien conocido en el exterior el Servicio de Intercambio Internacional del Instituto. Este se inició en 1848 con su primera publicación: "Monumentos Antiguos del Valle del Mississippi", que el primer secretario Joseph Henry envió a algunos eruditos extranjeros y a otros grupos científicos. En pago de esto se han recibido muchas valiosas publicaciones. Actualmente pasan por allí mas de un millón de publicaciones al año de instituciones norteamericanas, extranjeras y de particulares.

Por otra parte el Instituto presta y recibe prestados muchos ejemplares de particulares e instituciones. También programa conferencias y exhibiciones ambulantes para los Estados Unidos y otras partes.

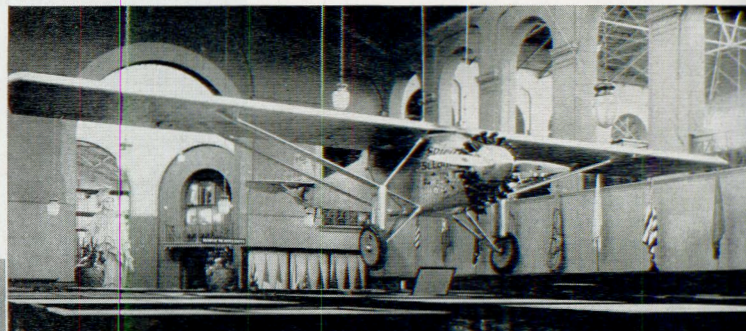
Otros aspectos de la labor actual del Instituto incluyen la Colección Nacional de Bellas Artes . la Oficina Norteamericana de Etnología y la División de Radiación y Organismos, parte del Observatorio Astrofísico.

A pesar de todo el apoyo financiero y la cooperación activa del Gobierno, el Instituto Smithsonian es una fundación privada. No obstante, bajo la custodia del Gobierno administra diez organismos federales. Y aunque se han gastado millones de dólares en él y se gastarán muchos mas, el Instituto solamente ha recibido donativos por 4.000.000 de dólares desde que Smithson lo fundó.

Smithson, a quien se debe agradecer esta riqueza histórica, científica, industrial y cultural, está enterrado en una tumba de mármol situada a la entrada del edificio Smithsoniano.

Acaso ninguna otra exhibición de todo el Instituto muestre tan vívidamente cuan lejos han llegado los hombres, como el corazón mecánico. Este puede suplir completamente las funciones del corazón humano durante las operaciones quirúrgicas.

La lección que enseña, bien puede servir de tema de los muestrarios del Instituto — los logros del pasado son esperanza del futuro.

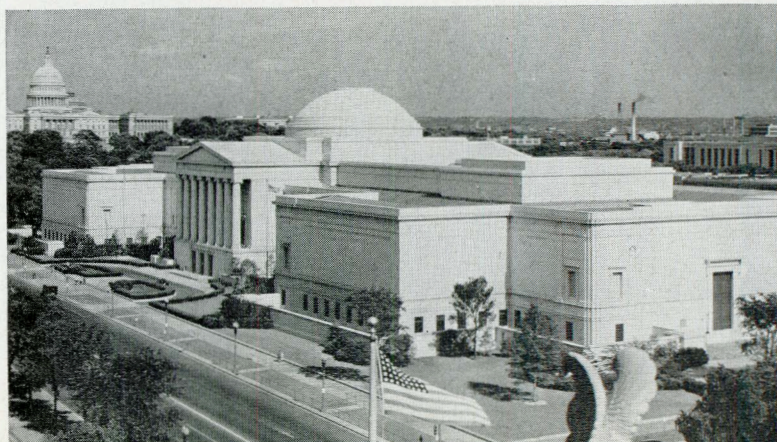


(Arriba) El famoso avión de Charles Lindbergh, "el Espíritu de San Luis," en el que por primera vez atravesó solo el Océano Atlántico.

(Above) Charles Lindbergh's famous plane, "The Spirit of St. Louis," in which he was the first to fly alone over the Atlantic Ocean.

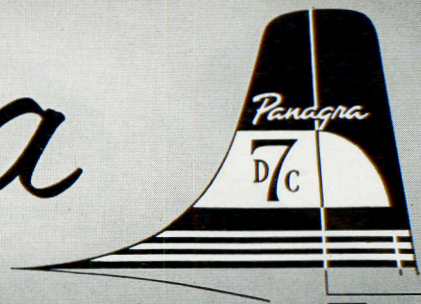
(Izq.) La Galería Nacional de Arte, parte del Instituto Smithsoniano, tal como se ve desde el edificio del Archivo Nacional. A la izquierda, el Capitolio.

(Left) The National Gallery of Art, part of the Smithsonian Institution, as seen from the National Archives Building. Left, the United States Capitol.



ON WINGS OF

# Panagra



## 'VOR' Air Travel System for Argentina

SOUTH AMERICA'S FIRST SYSTEMATIC network of very-high-frequency omnidirectional radio range stations (VOR) for improved air navigational facilities is being installed in Argentina by Panagra.

The Argentine Ministry of Aeronautics has signed a contract with the airline for it to buy, install and maintain seven VOR radio ranges and to train technical personnel in the United States. The devices will be bought from Wilcox Electric, Inc.

The modern short-range navigational aids will replace the lower-frequency

stations that have been in operation for many years at the airports of Ezeiza, Malargue, Mendoza, Cordoba, Tucuman, Villa Reynolds and Junin. They will cover the Buenos Aires-Mendoza-Santiago and the Buenos Aires-Cordoba-Tucuman air routes.

The new equipment will coordinate with all planes having VOR receivers. Panagra engineers and flight crews who have been testing the air travel devices in actual operation believe the new stations will provide commercial and civil aviation in Argentina with the finest available navigational aids.

## New Panagra Officers

THE PANAGRA BOARD OF DIRECTORS has elected two new officers of the Company

Gail M. Oxley is the new Secretary and Ramon de Murias has been named an Assistant Vice President.

Mr Oxley succeeds William F Cogswell, who is retiring after holding the office of Secretary since Panagra was started 28 years ago. Mr Oxley continues as Assistant Vice President and South America Industrial Relations Director of W R. Grace & Co.

Mr de Murias has served Panagra in various capacities in South America and New York since he joined the Company in 1946.



Gail M. Oxley



Ramon de Murias

## Panagra Cargo Gains

PANAGRA'S AIR CARGO SERVICE to South America made a 33-percent gain in the third quarter of 1957 over the comparable 1956 period.

A total of 1,199,107 revenue ton miles was flown in July-September, as against 904,487 in the year-earlier months.

Cyrus S. Collins, Vice President of Sales and Traffic, credits the increase largely to a new wave of industrial and construction activity in South America and to the company's new all-cargo service.

Mr Collins adds that all Panagra planes passenger and freight are carrying a great variety of bulky shipments, such as salvage and plumbing equipment, heavy machinery, aircraft parts and office equipment, in addition to many smaller items, including pharmaceuticals, household effects, electronic supplies and even popular music records.

Most bulk shipments have been carried on the all-cargo service that Panagra started last July, to supplement its regular fleet of passenger planes that operate between North and South America.

## Aids in Rabies Fight

PANAGRA CARRIED an emergency shipment of anti-rabies vaccine this autumn from New York's Idlewild Airport to La Paz, Bolivia, to help stop an epidemic of the fatal disease among cattle in the Santa Cruz, Chaco and Beni areas.

Bolivan ranchers had feared that unless their livestock were inoculated immediately, the "rabia pareasiente" would spread throughout the country, to other domestic as well as to wild animals, and to humans. The disease is transmitted by at least three kinds of vampire bats.

The 30,000 vials of modified live virus vaccine from Lederle Laboratories Division, American Cyanamid Company, were packed in dry ice and were enough for inoculating 60,000 cattle.

The vaccine immunizes without infecting. It has been used in Mexico to inoculate more than 2,000,000 cattle.

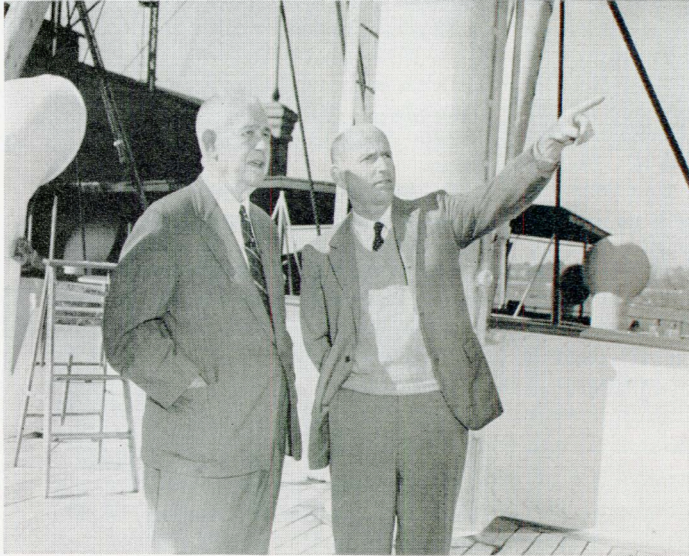
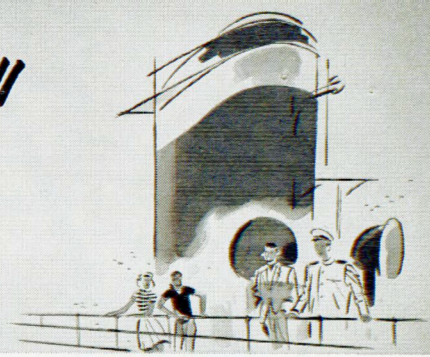
A joint United States-Bolivian organization, the Servicio Agricola Interamericano, received the vaccine in La Paz, for distribution in Bolivia.



Dr. Juan F. Figueroa, executive in the Farm and Home Division, American Cyanamid Company, checks loading of an emergency shipment of the company's Lederle anti-rabies vaccine sent to La Paz, Bolivia.

SEEN ON THE

# "Santas"



Cruising on the *Santa Rosa*—Perley Barbour and son Richard; Mr. Barbour, a former mayor of Quincy, Mass., is President, the Barbour Welting Co., Brockton, Mass.

The Honorable Robert B. Chipfield, of Canton, Illinois, sailed to Venezuela aboard the *Santa Rosa*; he is a Member of the House Foreign Affairs Committee.



Mr. and Mrs. James H. Sharp, of Wilton, Connecticut, on the *Santa Luisa*; he is a Director, Grace National Bank, and Vice President, Merck & Co., Inc.



On *Santa Paula*: Mr. and Mrs. George G. Young; he is President of Scott Brothers of Philadelphia, Pa.



Mr. and Mrs. Casey Stengel (3rd and 5th from right) bid bon voyage to Mr. and Mrs. William A. McCarthy and daughters, prior to McCarthy family's sailing on *Santa Rosa* for Bogotá, where Mr. McCarthy heads the Compañía General Automotriz.



Cruising on Grace Line's *Santa Paula* are Mr. and Mrs. Dale Engleman, of Great Bend, Kans.; she is the winner of the recent NBC "Most Beautiful Voice in America" contest.

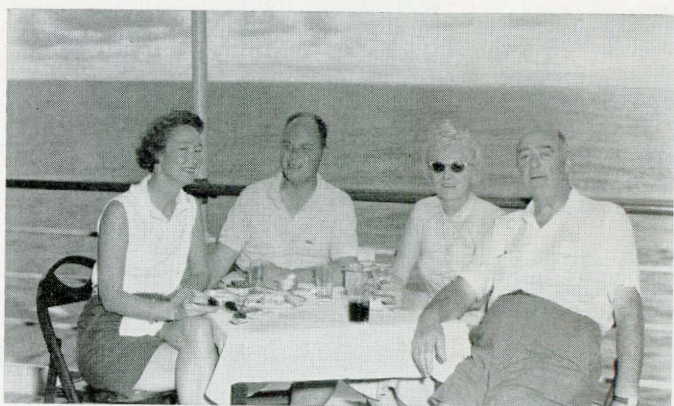
From New York the popular *Santa Rosa* and *Santa Paula* are operated on weekly cruises to the Netherlands West Indies, Venezuela and Colombia, while modern cargo-passenger *Santas* provide weekly Casual Cruises to the Caribbean and also weekly passenger service to the West Coast of South America.



Cruising on the *Santa Rosa* are Mr. and Mrs. John F. Lewicki and Mr. and Mrs. David Forgie, all from North Caldwell, New Jersey.



Mr. and Mrs. George E. Booth, Upper Marlboro, Md., and Mr. and Mrs. Theodore B. Focke, Johnstown, Pa., on board the *Santa Rosa*.



On the *Santa Rosa*: Mr. and Mrs. Winthrop H. McGown, West Boylston, Mass.; Mr. and Mrs. George G. Young, Philadelphia, Pa.

## C. C. Mallory Retires

CASSIUS C. MALLORY, Chairman of the Board of Directors of Grace Line Inc., retired from active service on October 31st, after 36 years with the Grace organization.

At the request of the Board, he had agreed in 1955 to extend his service two years beyond the Company's retirement age of 65.

Mr. Mallory, a native of Heppner, Oregon, had been active in the maritime industry for 47 years. He was

with the United States Navy in World War I and returned to civilian life in 1919 as assistant comptroller of the U. S. Shipping Board in San Francisco.

He joined the Grace organization in 1921 as auditor of the Pacific Mail Steamship Co. and later aided the formation of the Panama Mail Steamship Co., becoming its Assistant General Manager and Treasurer. In 1930, he was made Vice President and General Manager of Panama Mail and Vice President of Grace Line.

Mr. Mallory was transferred to New York in 1934, and three years later was elected Treasurer of Grace Line. He was named a Director in 1950, and in 1953 succeeded the late R. Ranney Adams as President. He was chosen Chairman of the Board in June, 1955.

During his varied management services, Mr. Mallory was directly concerned with many major Grace Line enterprises. Among other contributions, he was influential in the design and construction of the express passenger liners of the early 1930s—the “*Santa Rosa*,” “*Santa Paula*,” “*Santa Lucia*” and “*Santa Elena*”—and the new “*Santa Rosa*” and “*Santa Paula*,” now being readied at Newport News, Virginia.

His activity in the maritime industry included the organization and direction of the Office of Operating Cost Control for the U. S. War Shipping Administration in World War II. Mr. Mallory has also been prominent in the Propeller Club, the American Merchant Marine Institute and the Committee of American Steamship Lines.

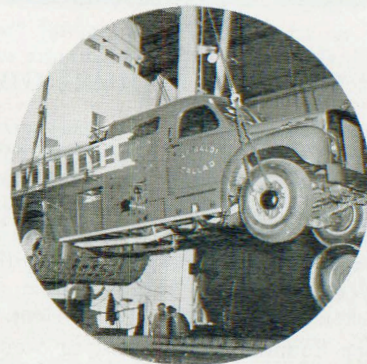
He and his wife plan to live at Mountain Lake, Lake Wales, Florida.



C. C. Mallory

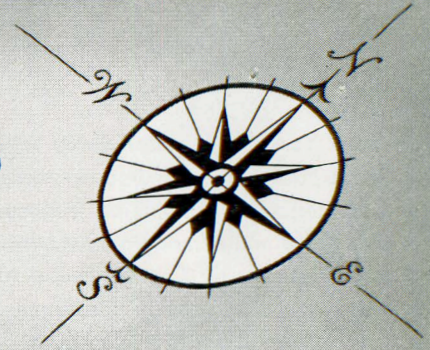
## Grace Ship Carries Fire Trucks

Increasing the firefighting facilities of the thriving port of Callao, Peru, are two new 14-ton fire trucks manufactured by Mack Trucks, Inc., and recently shipped to the municipal government there on Grace Line's *Santa Cecilia*. One of the trucks is shown (at right) being loaded.



The chassis of the trucks were built by Mack at its plant at Allentown, Pennsylvania, and were sent over the road to the Mack plant at Sydney, Ohio, for equipment with fire-fighting apparatus. Then the trucks traveled over the road to New York City for shipment overseas.

# News and Views



## Cabot Awards Made to Three Journalists

THE 1957 MARIA MOORS CABOT AWARDS were recently presented to three outstanding journalists of the Americas. In addition, the Inter-American Press Association was granted a plaque and its current and past presidents received special citations.

Recipients of the 19th annual Cabot prizes were Harry W Frantz, special correspondent of the United Press Foreign Department, Washington, D.C.; Herbert Moses, Director and Treasurer of *O Globo*, Rio de Janeiro, Brazil, and Rene Silva Espejo, Assistant Editor of *El Mercurio*, Santiago, Chile.

Presentation of the awards was made by Dr Grayson Kirk, President of Columbia University, at a convocation in Low Memorial Library

Mr. Frantz, known as the "Dean" of American correspondents specializing

on Latin American affairs, was cited for his objectivity, resourcefulness and fairness in writing the news and for his lifelong contribution to inter-American friendship and understanding.

Senhor Moses, one of the founders of *O Globo* and President of the Brazilian Press Association since 1931, was praised for his many contributions to the development of journalism in Brazil and toward closer relations among the Americas.

A special citation was awarded to Roberto Marinho, co-proprietor and Director of *O Globo*.

Sr Silva was lauded for his vigorous campaign against inflation in Chile and for his distinguished career in the fields of journalism, education and inter-American affairs.



Left to right, at the Cabot awards presentation, are Dr. Grayson Kirk, Herbert Moses, Rene Silva Espejo, Harry W Frantz and Dean Edward W. Barrett of the Columbia University Graduate School of Journalism.

## New Bar Foundation

WESTERN HEMISPHERE LAWYERS, meeting in Buenos Aires in the tenth conference of the Inter-American Bar Association, have set up an inter-American bar foundation that will aim for greater understanding among the lawyers of the 21 nations, each of which uses a different legal system.

The foundation's objectives would include providing legal information to the hemisphere's lawyers, establishing scholarships and fellowships and co-operation with various committees that would report on current developments in the laws of each nation.

Roy W Johns of Philadelphia, Pennsylvania, a director of several oil and pipeline companies operating in Latin America, has been elected President of the new foundation. Dr Eduardo Augusto Garcia of Argentina, the new Chairman of the Council of the Organization of American States, has been chosen Vice President.

Lic. Eduardo Prieto López, President of the Confederación de Cámaras Industriales of Mexico, was the guest speaker at the Americas luncheon of the recent National Foreign Trade Convention in New York City. He gave a Latin American view of the U. S. role in Latin America's development.

## EXPLAINS BUSINESS ROLE

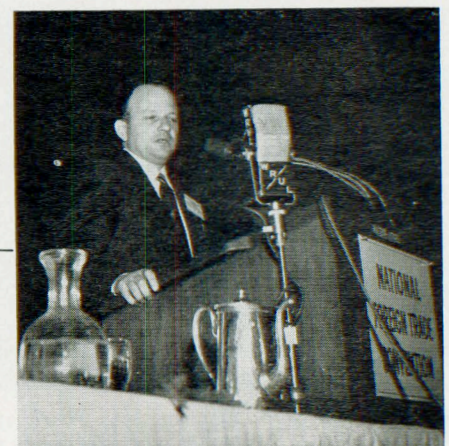
"THE PROFITABLE PARTNERSHIP", a publication of the United States Inter-American Council, is another in a series of explanations that aim to show U.S. and Latin American citizens the value and results of private enterprise capital in the Latin American republics.

The U.S.I.A.C., slightly younger than its 26-year-old parent, the Inter-American Council of Commerce and Production, bases its study on an exhaustive survey by the U.S. Department of Commerce of the role of U.S. private enterprise in the economy of Latin America. But it also includes pertinent examples from the actual experience of concerns engaged in various phases of commerce and production and describes the resultant role of the service industries and other businesses that complete the economic scene.

W R. Grace & Co. is among the approximately 125 U.S. manufacturing, transportation, banking, communications and service concerns, associations and individuals belonging to the U.S. I.A.C.

"The Profitable Partnership" has been printed in Spanish and Portuguese, as well as English. Individual copies may be obtained free from the United States Inter-American Council, at its new address, 15 Park Row, New York City 38. (Bulk copies are available at the cost of printing.)

## Addresses N.F.T.C.



# Coltejer Celebrates 50 Years

COLOMBIA'S LARGEST TEXTILE COMPANY, the Compañía Colombiana de Tejidos S. A., popularly known as Coltejer, recently celebrated its 50th anniversary. Since its founding in Medellín, the "Manchester of Colombia," in 1907 by Don Alejandro Echavarría, this company has developed in a way that exemplifies the dynamic growth of Latin American private enterprise.

Established with a capital of 1,000 pesos, its total subscribed capital is now 70,000,000 pesos, with reserves in excess of 55,000,000 pesos. It is owned by more than 20,000 stockholders, from all walks of life in Colombia, and employs 7,000 persons. Two hundred thousand spindles operating day and night in three plants with a total area of almost 2,500,000 square feet are further proof of the vision and energy of Coltejer's succession of able managers. The current head of this vast industrial complex is Don Carlos J. Echavarría, President since 1940.

From coal of its own production, Coltejer generates 20,000 kilowatts of electrical energy to power its mills.

Exemplifying the acceleration of the pace of industrial development in Latin America, and in Colombia in particular, more than half of Coltejer's textile productive capacity has been

installed in the last six years.

As part of its expansion program, Coltejer acquired after World War II the Manufacturas Sedeco S.A., now located in Itagüí. This subsidiary manufactures all types of textile goods from every kind of natural and synthetic fiber. More recently, in 1957, came the establishment of Coltehilos, Colombia's newest spinning mill, a subsidiary of Coltejer and Sedeco that makes yarn for these entities and other consumers and is about to start producing sewing thread.

Similar vision and imagination have been shown in industrial relations. Coltejer supports eight schools, with close to 1,200 pupils. It has financed construction of easily-purchased homes for its workers. Coltejer has also built churches, it sponsors musical and sport activities, and it operates restaurants for its employees.

Coltejer's contribution to the economy of Colombia is tremendously significant. Of the 15,000 tons of cotton consumed annually in its mills, a very substantial proportion is grown in Colombia, and the textiles produced support in large part a prosperous clothing and fashion industry that supplies the important Colombian market. Around the company's mills in Med-



Don Carlos J. Echavarría, President

ellín, Envigado and Itagüí thrive municipalities whose populations and standards of living are increasing at rates unmatched in the country.

THE GRACE LOG is happy for the opportunity to pay tribute on behalf of the Grace organization, itself a participant in Colombia's textile industry, to this great enterprise, which is the legitimate pride of Colombia and a magnificent example of the vital energy of its people.

## New O. A. S. Officials



RECENT MEETINGS OF THE COUNCIL OF the Organization of American States have resulted in the elections of several new officials and the reelection of the Secretary-General.

Dr. Eduardo Augusto García, Argentine Ambassador to the O.A.S., has been named Chairman of the Council, succeeding Dr. Fernando Lobo, Ambassador of Brazil to the United States.

Lic. Gonzalo Facio, Ambassador of Costa Rica to the U.S., has been elected Vice Chairman, succeeding Ambassador José Luis Cruz Salazar of Guatemala.

Earlier in Council meetings at Washington, Dr. José Antonio Mora, former Ambassador of Uruguay to the U.S.,

(Upper left) Dr. Fernando Lobo, retiring Chairman, Council of the O.A.S., and Dr. Eduardo Augusto García, the new Chairman. (Lower left) Dr. William Sanders, new Assistant Secretary-General of the O.A.S., and Dr. José Antonio Mora, reelected Secretary-General.

was unanimously chosen to be the O.A.S. Secretary-General again. He will have a ten-year term in this post of the 21-nation group. Dr. Mora is the third O.A.S. Secretary-General.

The new Assistant Secretary-General is Dr. William Sanders, Special Assistant to Under Secretary Christian A. Herter of the U.S. Department of State. Dr. Sanders replaces Dr. William Manger of the U.S. who will retire in May after having served 43 years in the Pan American Union and the O. A. S.

## New Chilean Pipeline

LATE 1958 is expected to see the operating start of a new Chilean pipeline, running from the Concon refinery of the Empresa Nacional de Petroleos (ENAP) to Santiago. Capital in the new constructing and operating company, the Sociedad Nacional de Oleoductos, will total 1.5 billion pesos, with 48 percent held by the Compañía de Petroleos de Chile (COPEC) and 26 percent each by Esso Standard Oil Company (Chile) S.A.C. and ENAP.



## New Silicon Firm

INTERNATIONAL METALLOIDS, INC., has been chosen as the name of the new firm organized by W. R. Grace & Co. and Pechiney, the big French chemical and metallurgical concern, to make ultra high-purity elemental silicon.

The firm's plant, being built at Toa Alto, 15 miles west of San Juan, Puerto Rico, will have an annual capacity of 20,000 pounds of such silicon when it goes into production in the first half of 1958. Ultra high-purity elemental silicon is achieving wide use as a semiconductor in transistors and rectifiers for extremely sensitive electronic devices.

The Board of Directors of International Metalloids, Inc., has named the following to top executive positions: Marlin G. Geiger, Executive Vice President of Grace in charge of chemical divisions, to be President and Chairman of the Board of International Metalloids, Inc.; Lewis C. Reid, formerly Industrial Chemical Sales Manager of Grace's Davison Chemical Company Division, to be Vice President, and Samuel C. Streep, formerly Senior Development Engineer of Davison, to be Vice President and General Manager. On the Board of Directors, in addition to Mr. Geiger and Mr. Reid, are Dr. Charles E. Waring, William E. McGuirk, Jr., Jean M. H. Grolee, Sylvan Gotshal and Charles A. Roy.

In thanking the Economic Development Administration of Puerto Rico and the Puerto Rico Industrial Development Co. for their help in securing the plant location, Mr. Geiger said: "In Puerto Rico we find a favorable climate

## QUARTERLY DIVIDEND

THE BOARD OF DIRECTORS of W. R. Grace & Co. on November 7th declared a regular quarterly dividend of \$0.60 per share on its Common Stock, payable on December 10th to Stockholders of record at the close of business, November 18th.

for industrial development. There is availability of skilled professional and industrial workers, a clean atmosphere and ample electric power."

International Metalloids, Inc., will employ about 80 persons, all of whom will be Puerto Ricans except for several French and continental United States technical and management personnel.

## New Ecuador Plant

W. R. GRACE & CO. has initiated its first industrial venture in Ecuador with the opening of a new paint plant in Guayaquil.

Full production of a complete line of paints that is designed to take care of the needs of the Ecuadorean economy was begun in October.

The Glidden Company of Cleveland, Ohio, has a one-third equity in the company, Pinturas Ecuatorianas S. A., and is providing technical know-how. Previously Grace sold Glidden's paints in Ecuador on an imported basis.

The plant is located in a new building and contains the most modern equipment.

## Bank Shares in Loan

THE GRACE NATIONAL BANK is one of nine United States banks that have granted a line of credit to the Central Bank of Argentina totaling \$27,000,000 for one year for dollar exchange purposes.

Carlos Coll Benegas, President of the Banco de la Nacion, Argentina's largest bank, says the loan is the first in more than 20 years that his country has made with private banks in the U.S.

## — James R. Collins —

JAMES R. COLLINS, Vice President of Grace & Co., Central America, died on October 8th in Guatemala City, Guatemala, after a brief illness. He was 51 years old.

Mr. Collins had lived in Guatemala for 20 years during which he had served the Grace organization in various capacities. He was esteemed and well known in all Central America, as well as in his native San Francisco.

Through the courtesy of Ambassador and Mrs. Edward J. Sparks, Mr. Collins' body reposed in the residence of the United States Embassy, where hundreds of mourners paid their last respects. Colleagues from Grace & Co.'s Guatemala office kept vigil during the night of October 8th and the following day. A majority of the prominent citizens of Guatemala attended a service on October 9th at the Church of the Beatas de Belen.

Burial was in San Francisco, following a Solemn High Requiem Mass that was celebrated by Bishop Hugh Donahue of San Francisco and attended by Bishop James J. Sweeney of Honolulu.

Mr. Collins joined the San Francisco office of W. R. Grace & Co. in 1925 as office boy. He was successively order clerk, documentation clerk and Grace Line traffic representative before going to Guatemala City in 1937 as a merchandise salesman for Grace & Co., Central America. One year later he became sub-manager, and in 1944 took on additional duties as assistant to the Vice President. In 1947 he was named General Manager of Central America operations, including the subsidiaries in Guatemala, El Salvador, Nicaragua and Costa Rica. He was named Vice President in 1953.



England's Queen Elizabeth II stands by a self-service counter of CRYOVAC-wrapped poultry on a surprise tour of a supermarket at Queens-town, Maryland, near Washington, D. C., on her recent U. S. visit.

**PREVENT  
PREMATURE  
BREAKDOWN!**

STRENGTH      HEAT RESISTANCE      COLD RESISTANCE  
VAPOR BARRIER      CHEMICAL RESISTANCE

# Improve quality and performance ...with **GREX**\*

Minimize the danger of premature product breakdown upgrade quality and performance! Always specify GREX, the new high density polyethylene! GREX offers you a combination of properties far superior to those found in most plastics used today, yet cost is low

GREX gives you exceptional impact and tensile strength, that assure long service and hard wear High heat and cold resistance lets you boil GREX without distortion

freeze it without brittleness.

GREX is unaffected by most acids and chemicals and efficiently resists moisture vapor transmission. You can shape it into most delicate designs, yet it stays strong and rigid in thin sections.

Look into the many ways GREX versatility and quality can help you overcome the breakdown problem!

\*TRADEMARK FOR W. R. GRACE & CO.'S POLYOLEFINS

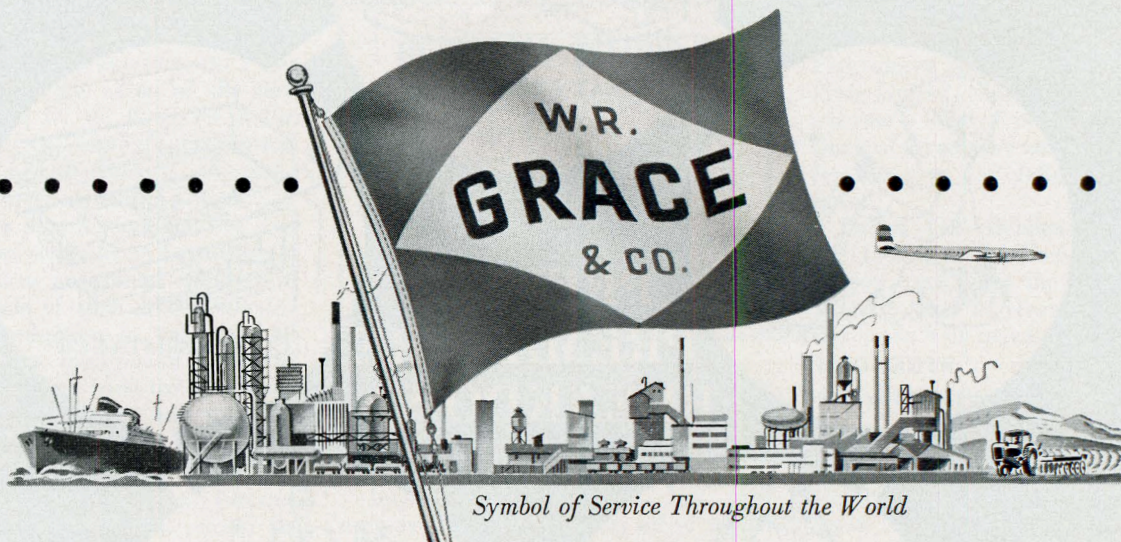
## W. R. GRACE & CO. POLYMER CHEMICALS DIVISION

Plant  
Baton Rouge, La.



Offices  
Clifton, N. J.

# CREATIVE INVESTMENT at home and abroad



*Symbol of Service Throughout the World*

## How W. R. Grace & Co. is participating in the development of basic industries in 23 countries.

The diversified interests of W. R. Grace & Co. involve many industries in many countries. Active in chemicals and international industry, trade and transportation, the 103-year-old Grace organization conducts operations in the United States, Latin America, Canada, Europe, and Australia.

Diversified both industrially and geographically, these far-flung Grace enterprises have in common an aggressive, forward-looking policy of management. Through local production for local consumption, Grace capital and know-how participate in basic national industries that expand with the economic development of the country.

In 23 countries Grace subsidiaries and affiliates are sharing in the growth of such industries as chemicals, transportation, paper, paints, textiles, merchandising, mining and foodstuffs.

By plowing back earnings, investing new money and moving into countries where it has not been active previously, Grace is rapidly expanding in creative investments basic to national economic development both at home and abroad.

W. R. GRACE & CO., backed by more than a century of experience in business and industry, continues to move ahead—in chemical processing and manufacturing . . . in basic industries throughout Latin America . . . in world trade, transportation and finance.

CRYOVAC COMPANY DIVISION  
DAVISON CHEMICAL COMPANY DIVISION  
DEWEY AND ALMY CHEMICAL COMPANY DIVISION  
DEWEY AND ALMY OVERSEAS COMPANY DIVISION  
FOSTER AND KLEISER COMPANY DIVISION  
GRACE CHEMICAL COMPANY DIVISION  
GRACE LINE INC.  
GRACE NATIONAL BANK OF NEW YORK  
GRACE RESEARCH AND DEVELOPMENT DIVISION  
LATIN AMERICAN PAPER AND CHEMICAL GROUP  
PACIFIC COAST DIVISION  
POLYMER CHEMICALS DIVISION  
SOUTH AMERICAN GROUP



# W. R. GRACE & CO.

Executive Offices: 7 Hanover Square, New York 5



# CARIBBEAN SOUTH AMERICA CRUISES

Picture yourself in a comfortable deck chair on a romantic Grace Line Cruise.

Basking in the Caribbean sunshine, you'll *know* this is the vacation of your dreams. You'll meet new friends — enjoy delicious meals swim in a king-size, outdoor tiled pool. Every room is outside, each with private bath. The "Santa Rosa" or "Santa Paula" sails from New York every Friday on a 12-Day Cruise visiting Aruba and Curacao in the Netherlands West Indies and La Guaira, Caracas and Cartagena in South America. Also Casual Cruises of approximately 18 days, weekly from New York.

For colorfully illustrated literature see your Travel Agent.

## GRACE LINE

Dept. NY-9, 3 Hanover Square, New York 4, N. Y

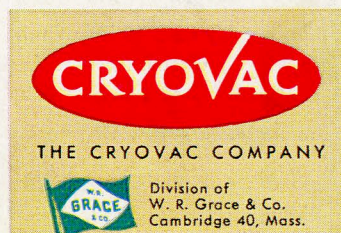
Regular frequent American flag passenger and freight services between the Americas



**It's frozen holiday turkey  
with a tender new farm-freshness  
because it's vacuum-sealed in **CRYOVAC!****

It's probably been years since you've enjoyed the wonderful flavor of farm-fresh turkey. But now you can recapture that tender, fresh-dressed taste in *frozen* turkey—thanks to a new protective vacuum package called CRYOVAC. This airtight, moisture-proof “second skin” has made a revolutionary improvement in poultry flavor—by sealing *out* air, sealing *in* natural juices. CRYOVAC stops drying out and “freezer burn”—keeps turkey fresh and tender until the bird is on your table!

Here's how CRYOVAC packaging is done—first, the bird is placed in a special, airtight, moisture-proof bag. Then—all flavor-stealing air is vacuumed out, the bag is sealed and shrunk to fit like a transparent “second-skin.” It protects the contents until you break the seal.



Reproduced at the Nixon Presidential Library

*CRYOVAC's advertising  
in November issues of  
BETTER HOMES &  
GARDENS and SUNSET  
and in the November 25  
issue of LIFE featured  
frozen turkey.*

This is one of the oldest applications for CRYOVAC bags and because of the unusually fine protection it provided for frozen turkeys, CRYOVAC helped to bring about this revolutionary development in poultry marketing. Now better than 85 percent of all frozen turkeys are packaged in CRYOVAC bags.

It's quite probable that the bird which graces your table this Thanksgiving and Christmas will have come to your house in this remarkable vacuum-sealed plastic package.

COPY

April 7, 1960

Personal

Dear Mr. Shanks:

The loan which your company made recently to the Republic of Mexico has just come to my attention and I want to get this note off to tell you that I consider it to be an historic move in this field.

As you know, I have long advocated the increasing use of private enterprise capital in the economic struggle in which we are engaged. Only from this source, rather than Government, can the great amount necessary be procured and, even more important, the use of private money constitutes a practical demonstration of the political and economic ideas in which we believe. This statesmanlike precedent which you have set may well open great new sources of capital for countries abroad who are fighting to raise their standards, and in their minds will associate success with our way of life.

With every best wishes,

Sincerely,

Richard Nixon

Mr. Carrol Shanks, President  
Prudential Insurance Company of America  
Prudential Plaza  
Box 594  
Newark 1, New Jersey

bcc: Mr. John D. J. Moore

Shanks, Carrol

file folder John D. J. Moore  
x folder (make new one)  
x Mexico

REC:ds

JOHN D. J. MOORE  
7 HANOVER SQUARE  
NEW YORK 5, N. Y.

March 30, 1960

✓  
OK?  
4/2  
RECEIVED  
EJY  
[Signature]

The Honorable Richard N. Nixon  
Vice President of the United States  
Washington, D. C.

Dear Mr. Vice President:

This seems to be my season for barraging you with mail, but I think the matter I am mentioning here is well worth a line

Practically nobody seems to have paid any public attention to what I regard as the biggest news story in relation to U.S private capital taking part in the development of Latin America in many years.

As you undoubtedly know, the Prudential Insurance Company has made an unrestricted \$100 million loan for industrial development and public works to the Republic of Mexico, at a rate of interest profitable to the lender and not excessive by Latin American standards.

Today I talked to Mr. Carrol Shanks, the president of Prudential, at his office, and found that there has not been much reaction to this very courageous and forward looking move to carry out the objectives which have been voiced so many times by the President of the United States, by you and many others including Messrs. Herter and Dillon. Neither I nor the Grace organization have any stake in this matter, but I am making bold to suggest that a line of appreciation to Mr. Shanks for this action would have a tendency to encourage other leaders of the investment community to step into this great field.

In any event this is a move in the direction which you have been advocating, and in the event that it escaped your attention I thought I would mention it to you.

With best regards,

Sincerely yours,

yes by all means  
John D. Moore  
"historic move - open great  
may well be a new source of capital  
for countries abroad"

## **Prudential Insurance Grants \$100,000,000 Loan to Mexico**

Special to The New York Times.

MEXICO CITY, March 4—The largest private long-term loan to Mexico since before the country's 1910 revolution was announced here today. It consists of an advance of \$100,000,000 by the Prudential Insurance Company of America to Nacional Financiera, a financing agency of the Mexican Government.

The loan will run fifteen years and will bear 6½ per cent interest. It will be subject to retirement during the last ten years of the term.

The insurance company did not require the borrowing agency to specify any special purpose for which the money was to be spent. Nacional Financiera said that the loan would be used to develop Mexico's basic industries and to expand public improvement projects now in progress.

Nacional Financiera expressed the hope that the credit granted by Prudential, one of the largest life insurance companies in the United States, would stimulate other foreign private lending interests to put capital to work in Mexico.

### **Offers Considered**

The Mexican National Housing Institute is considering "several" offers of private capital from the United States to help finance Mexico's giant low-cost housing program, according to Luis Quintanilla, director. Until a decision is reached and contracts are signed he declined to name the interests with which he was negotiating.

Along with United States offers are several from Europe and Mexico. "We are constantly receiving proposals and are constantly considering them to see if they fit into our plans," Señor Quintanilla said. "What we need is a very reasonable rate of interest because of the necessary long-term fifteen years—of our loan. We are seeking private capital because no Government funds are available on the scale we need."

The first phase of Señor Quintanilla's program calls for spending \$10,000,000 this year for the purchase of land and the construction of 1,000 apartment units in Mexico City and 2,500 houses in seven cities. A typical three-bedroom house is designed to sell for \$960, payable over as long as fifteen years.

COPY

January 6, 1958

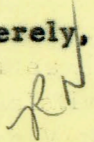
Dear Mr. Moore:

This is just a note to thank you for your thoughtfulness in sending me a copy of the memorandum prepared by the First National City Bank and the W. R. Grace Company.

It was most helpful to have such a well considered and articulate statement on the subject of the policies necessary for the most effective development of American investment abroad and I appreciate your interest in sending this to me.

With every good wish for the New Year,

Sincerely,

  
Richard Nixon

Mr. John D. J. Moore  
Vice President  
W. R. Grace & Co.  
7 Hanover Square  
New York 5, New York

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W R GRACE & CO

7 HANOVER SQUARE, NEW YORK 5, N.Y.

December 23, 1957

Mr. James D. Hughes  
Office of the Vice President  
Washington, D. C.

Dear Mr. Hughes:

It was good of you to telephone me today. Mr. Grace and Mr. George S. Moore, Executive Vice President of The First National City Bank of New York, understood perfectly the heavy schedule of the Vice President.

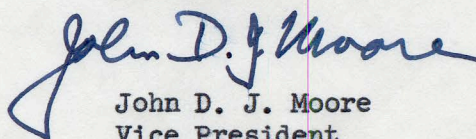
The subject which they hope to discuss is summarized in the attached Memorandum which they would appreciate your drawing to the attention of the Vice President. It represents the joint thinking of The First National City Bank and the Grace organization as well as, I believe, the vast majority of American businessmen interested in business abroad.

The Vice President made a tremendous impression at San Francisco, and we are hoping that he will speak out as often as possible on this important subject. If some thinking along these lines should be expressed in the Economic Message, it would be a dramatic boost for this sound move.

I greatly appreciate your assistance in this regard, and look forward to meeting you on my next visit to Washington.

With the best wishes of the season,

Sincerely,

  
John D. J. Moore  
Vice President

## MEMORANDUM

It has long been recognized that essential to the strength of the Free World that healthy economies and greater industrial capacities should be encouraged in the developing nations. Only by sound economic growth can these nations raise their living standards as a deterrent to international Communism and strengthen their contribution to mutual defense.

In this great task it is obvious that a greater outflow of United States private investment is necessary to support the essential capital needs of these countries whose populations are growing at an explosive rate. Public credit, both from the United States Government and from international agencies, of course, plays a vital role, but the real job can be accomplished only through a healthy flow of private investment.

Can we say that our policy toward investment abroad of United States private capital has sufficiently encouraged such an outflow? The facts and figures of the case answer in the negative. Our present tax laws not only do not encourage essential private investment overseas, but actually discourage it.

For example, when a foreign branch of an American company shows a profit for a particular year, our present law requires the parent company or head office in the United States to pay United States income taxes on that profit for that year. This tax is payable regardless of whether or not the United States company left that profit in the foreign area for purposes of expansion or other sound business reasons. Profit so left abroad may never actually be realized by the company in the United States because they remain subject to the potential losses, inherent in the foreign field, of currency devaluation or exchange and transfer limitations. This frequently results in imposing upon United States overseas operations a heavier tax burden than is borne by domestic operations. We feel sure that this has never been the actual intent of Congress, as indicated by its establishment of the Western Hemisphere Trade Corporations to encourage overseas investment in Latin America.

Many legislative and business leaders recognize this problem. Vice President Nixon's recommendations, which he outlined at the recent San Francisco International Industrial Development Conference, would cover this situation satisfactorily. It is to be hoped that they will become law in the forthcoming Congress. They were as follows:

- (a) That branches of American business abroad receive the same tax consideration as subsidiaries thereof;
- (b) That profits or dividends earned by overseas branches or subsidiaries not be taxable until remitted to the United States parent company or head office;
- (c) That the 14-point tax rate differential accruing to Western Hemisphere Trade Corporations be extended and be applicable to all foreign branches or subsidiaries of American business.

December 12, 1957

MEMORANDUM

TO: Don Hughes

FROM: rmw

RE: Appointment request of John Moore and George Moore

John Moore called today and said that now the President of W. R. Grace and Co., Mr. Peter Grace would like to come in with George Moore to see the Vice President.

Mr. Grace is in South America and will be back before Christmas. They would like to have an appointment to come in and see the Boss on the afternoon of December 23rd if possible.

Because Peter Grace is now involved, I would imagine RN would at least give this one every consideration.

Whatever the answer is they would like us to let Frip Flannigan (their Washington representative) know as soon as possible. Frip's number is -- NATional 8-6424.

*Called on 18 Dec.*

*Said no dice for 23<sup>d</sup>*

*no further commitment made.*