

MR 000.2, Sec. 1 — EDUCATIONAL INSTITUTIONS, EDUCATION (Civil)

1943 - 1944

MR 000.2, Sec. 1 — EDUCATIONAL INSTITUTIONS, EDUCATION (Civil) DECLASSIFIED

1943-1944

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

OPD 510 (12 Sep 44)
Operations Division WDGS
North African Section WDOPD
74674

15 September 1944

Commanding General
Allied Force Headquarters
Caserta, Italy

Number: WAR 31165

From Marshall for Wilson for Devers cite NAGAP.

Joint Chiefs of Staff request your views on application of American Commission for protection and salvage of artistic and historic monuments in war areas for their representatives to proceed to Rome. The Commission has authorized Doctor William Bell Dinsmoor to represent it in Rome and desires that he be accompanied by his wife Zillah Pierce Dinsmoor and secretary Kathryn Mary Springer. It is believed Doctor Dinsmoor was in Rome as representative of the Commission during June 1944. He states he is acting Dir of American Academy in Rome and proposes to use the Academy in cooperation with MFAA officers of the subcommission for monuments, fine arts and archives of the ACC; cooperating with relief agents in case of creation of relief labor projects involving restoration of cultural monuments and cooperating with armed forces in any way possible. He advises also that he has indorsement of Division of Cultural Operation of State Department and Major General Frederick H Osborne.

End

ORIGINATOR: OPD
INFORMATION: JC/S

CM-OUT-31165 (15 Sep 44) 2132Z amb

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000 012 5200.9 (9/27/58)

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16-50009-1 GPO

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WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER

INCOMING MESSAGE

White House

From: MA London
To : MILID

No. 6843 16th February 1944

Sgd Peabody.

Roosevelt statement on destruction historic and famous buildings received general approval London Press. Nearly all papers have commented on statement of President or speech last week by Bishop of Chichester re bombing of German cities and all agree military needs must take precedence over cultural or artistic value of buildings. Daily Express says policy adopted at Cassino will be received with relief in Britain. Lord Chancellor to give official declaration of policy British Government re destruction of buildings in war zone when House of Lords next meets.

No Sig

ACTION: G-2

INFORMATION: OPD
WHITE HOUSE

CM-IN-11134 (16 Feb 44) 1436Z cng

0002

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DDP DIR. 5200.9 (9/27/58)

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C. (25)

13 January 1944

The White House Map Room
The White House
Washington, D. C.

Attention: Colonel Chester Hammond

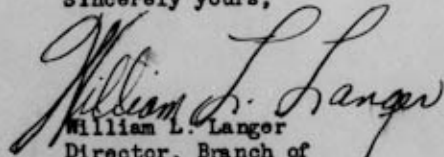
Gentlemen:

I am transmitting herewith the following reports prepared in the Research and Analysis Branch of this office and classified as confidential:

R & A No. 1570.1, "Russia's International Balance of Payments, 1909-13, 1924-38",

R & A No. 1626, "Gaps in the Moscow
"Statement on Atrocities" - See 000.5

Sincerely yours,


William L. Langer
Director, Branch of
Research & Analysis

Enclosures (2)

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State Dept. Letter, 1-11-72
By J. Schauble Date JAN 16 1973

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OFFICE OF STRATEGIC SERVICES
Research and Analysis Branch

R & A No. 1570.1

RUSSIA'S INTERNATIONAL BALANCE
OF PAYMENTS, 1909-13, 1924-38

Description

This report supplements R & A No. 1570, Russian Foreign Economic Relations and Her Interests in International Monetary Stabilization, 13 December 1943. The study presents a compilation of statistics on the major transfers on current account in the Russian balance of payments.

8 January 1944

Copy No. 4

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By J. Schauble Date JAN 16 1973

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This document contains information affecting the national defense of the United States within the meaning of the Espionage Act, 50 U.S.C. 31 and 32, as amended. Its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law.

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RUSSIA'S INTERNATIONAL BALANCE

OF PAYMENTS, 1909-13, 1924-38

The net balance in each of the major categories of transfers on current account in Russia's balance of payments is shown in Table I. Details on the different categories are presented in Table II and in Appendix A.

The following points may be noted:

a. In contrast to the pre-World War I position, Russia's balance of trade tended to be unfavorable in the late twenties and early thirties. Under the joint impact of the First Five-Year Plan, which resulted in increased import requirements, and the world depression, which resulted in sharply reduced prices for raw material and food exports, the excess in the value of imports over exports reached the amount of 1.3 billion rubles in 1931. In the period of the Second Five-Year Plan a favorable balance of trade was reestablished.

b. As an important gold producing country, Russia is normally engaged in the large-scale export of this metal, and does not confine her gold shipments to times of external financial stringency. Considering the entire period 1924-38, the ruble value of Russia's known gold exports amounted to about one-eighth the ruble value of her merchandise exports. The total gold exports were more than sufficient to meet the total trade deficit incurred during the same period; considering the period as a whole, they probably were sufficient also to cover a large part of the deficits arising on other current accounts.

c. From the scattered information available on Russia's foreign indebtedness, it seems clear, however, that her total debt increased continuously during the years 1924-31. 1/

In these years evidently the gold and merchandise exports and other current receipts fell short of the amounts needed to defray current expenditures for imports and other accounts. Since 1931, however, Russia's foreign indebtedness has been continually reduced.

1/ See Appendix B.

Table I

Elements in Russia's Balance of Payments, 1909-13, 1924-38
(Millions of post-1936 rubles)

	(1) Excess of value of current goods ex- ports over value of current goods im- ports <u>a/</u>	(2) Known net gold exports <u>b/</u>	(3) Trade balance plus known net gold exports <u>[(1)+(2)]</u>	(4) Excess of other re- ceipts on current account over other payments on current account <u>c/</u>
Average per year:				
1909-13	+1,519.8	-	-	-
1924-28	- 164.2	+ 247.8	+ 83.6	- 36.7
1929-33	- 223.8	+ 248.9	+ 25.1	-
1934-38	- 333.9	+ 450.2	+ 784.1	-
1924-38	- <u>54.1</u>	+ <u>315.6</u>	+ <u>261.5</u>	-
Total for year:				
1929	+ 188.8	0	+188.8	+ 1.2
1930	- 98.2	0	- 98.2	-206.0
1931	-1,286.8	+ 505.0	-781.8	-434.9
1932	- 565.3	+ 396.2	-169.1	-
1933	+ 642.4	+ 343.1	+985.5	-
1934	+ 814.4	+ 412.9	+122.7	-
1935	+ 552.1	+ 128.0	+680.1	+92.0
1936	+ 6.6	+ 56.7	+ 63.3	-18.5
1937	+ 387.3	+1,069.2	+1,456.5	-
1938	- 91.0	+ 584.4	+493.4	-

a/ See Table II

b/ Data are from an unpublished memorandum, R. Tirana (Federal Reserve Bank of New York), Gold Reserves of the USSR, 2 October 1939. For the method of deriving the series, see

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By J. Schauble Date JAN 16 1973

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Office of Strategic Services, Russian Foreign Economic
Relations and Her Interest in International Monetary
Stabilization, R & A No. 1570, 13 December 1943,
Appendix B.

o/ The calculations and sources are described in Appendix A.

	(1) Current Revenue 1943-44	(2) Current Imports 1943-44	(3) Balance 1943-44
1943-44	2,145.0	2,145.0	0.0
1944-45	2,145.0	2,145.0	0.0
1945-46	2,145.0	2,145.0	0.0
1946-47	2,145.0	2,145.0	0.0
1947-48	2,145.0	2,145.0	0.0
1948-49	2,145.0	2,145.0	0.0
1949-50	2,145.0	2,145.0	0.0
1950-51	2,145.0	2,145.0	0.0
1951-52	2,145.0	2,145.0	0.0
1952-53	2,145.0	2,145.0	0.0
1953-54	2,145.0	2,145.0	0.0
1954-55	2,145.0	2,145.0	0.0
1955-56	2,145.0	2,145.0	0.0
1956-57	2,145.0	2,145.0	0.0
1957-58	2,145.0	2,145.0	0.0
1958-59	2,145.0	2,145.0	0.0
1959-60	2,145.0	2,145.0	0.0
1960-61	2,145.0	2,145.0	0.0
1961-62	2,145.0	2,145.0	0.0
1962-63	2,145.0	2,145.0	0.0
1963-64	2,145.0	2,145.0	0.0
1964-65	2,145.0	2,145.0	0.0
1965-66	2,145.0	2,145.0	0.0
1966-67	2,145.0	2,145.0	0.0
1967-68	2,145.0	2,145.0	0.0
1968-69	2,145.0	2,145.0	0.0
1969-70	2,145.0	2,145.0	0.0
1970-71	2,145.0	2,145.0	0.0
1971-72	2,145.0	2,145.0	0.0
1972-73	2,145.0	2,145.0	0.0
1973-74	2,145.0	2,145.0	0.0
1974-75	2,145.0	2,145.0	0.0
1975-76	2,145.0	2,145.0	0.0
1976-77	2,145.0	2,145.0	0.0
1977-78	2,145.0	2,145.0	0.0
1978-79	2,145.0	2,145.0	0.0
1979-80	2,145.0	2,145.0	0.0
1980-81	2,145.0	2,145.0	0.0
1981-82	2,145.0	2,145.0	0.0
1982-83	2,145.0	2,145.0	0.0
1983-84	2,145.0	2,145.0	0.0
1984-85	2,145.0	2,145.0	0.0
1985-86	2,145.0	2,145.0	0.0
1986-87	2,145.0	2,145.0	0.0
1987-88	2,145.0	2,145.0	0.0
1988-89	2,145.0	2,145.0	0.0
1989-90	2,145.0	2,145.0	0.0
1990-91	2,145.0	2,145.0	0.0
1991-92	2,145.0	2,145.0	0.0
1992-93	2,145.0	2,145.0	0.0
1993-94	2,145.0	2,145.0	0.0
1994-95	2,145.0	2,145.0	0.0
1995-96	2,145.0	2,145.0	0.0
1996-97	2,145.0	2,145.0	0.0
1997-98	2,145.0	2,145.0	0.0
1998-99	2,145.0	2,145.0	0.0
1999-00	2,145.0	2,145.0	0.0
2000-01	2,145.0	2,145.0	0.0
2001-02	2,145.0	2,145.0	0.0
2002-03	2,145.0	2,145.0	0.0
2003-04	2,145.0	2,145.0	0.0
2004-05	2,145.0	2,145.0	0.0
2005-06	2,145.0	2,145.0	0.0
2006-07	2,145.0	2,145.0	0.0
2007-08	2,145.0	2,145.0	0.0
2008-09	2,145.0	2,145.0	0.0
2009-10	2,145.0	2,145.0	0.0
2010-11	2,145.0	2,145.0	0.0
2011-12	2,145.0	2,145.0	0.0
2012-13	2,145.0	2,145.0	0.0
2013-14	2,145.0	2,145.0	0.0
2014-15	2,145.0	2,145.0	0.0
2015-16	2,145.0	2,145.0	0.0
2016-17	2,145.0	2,145.0	0.0
2017-18	2,145.0	2,145.0	0.0
2018-19	2,145.0	2,145.0	0.0
2019-20	2,145.0	2,145.0	0.0
2020-21	2,145.0	2,145.0	0.0
2021-22	2,145.0	2,145.0	0.0
2022-23	2,145.0	2,145.0	0.0
2023-24	2,145.0	2,145.0	0.0
2024-25	2,145.0	2,145.0	0.0
2025-26	2,145.0	2,145.0	0.0
2026-27	2,145.0	2,145.0	0.0
2027-28	2,145.0	2,145.0	0.0
2028-29	2,145.0	2,145.0	0.0
2029-30	2,145.0	2,145.0	0.0
2030-31	2,145.0	2,145.0	0.0
2031-32	2,145.0	2,145.0	0.0
2032-33	2,145.0	2,145.0	0.0
2033-34	2,145.0	2,145.0	0.0
2034-35	2,145.0	2,145.0	0.0
2035-36	2,145.0	2,145.0	0.0
2036-37	2,145.0	2,145.0	0.0
2037-38	2,145.0	2,145.0	0.0
2038-39	2,145.0	2,145.0	0.0
2039-40	2,145.0	2,145.0	0.0
2040-41	2,145.0	2,145.0	0.0
2041-42	2,145.0	2,145.0	0.0
2042-43	2,145.0	2,145.0	0.0
2043-44	2,145.0	2,145.0	0.0
2044-45	2,145.0	2,145.0	0.0
2045-46	2,145.0	2,145.0	0.0
2046-47	2,145.0	2,145.0	0.0
2047-48	2,145.0	2,145.0	0.0
2048-49	2,145.0	2,145.0	0.0
2049-50	2,145.0	2,145.0	0.0
2050-51	2,145.0	2,145.0	0.0
2051-52	2,145.0	2,145.0	0.0
2052-53	2,145.0	2,145.0	0.0
2053-54	2,145.0	2,145.0	0.0
2054-55	2,145.0	2,145.0	0.0
2055-56	2,145.0	2,145.0	0.0
2056-57	2,145.0	2,145.0	0.0
2057-58	2,145.0	2,145.0	0.0
2058-59	2,145.0	2,145.0	0.0
2059-60	2,145.0	2,145.0	0.0
2060-61	2,145.0	2,145.0	0.0
2061-62	2,145.0	2,145.0	0.0
2062-63	2,145.0	2,145.0	0.0
2063-64	2,145.0	2,145.0	0.0
2064-65	2,145.0	2,145.0	0.0
2065-66	2,145.0	2,145.0	0.0
2066-67	2,145.0	2,145.0	0.0
2067-68	2,145.0	2,145.0	0.0
2068-69	2,145.0	2,145.0	0.0
2069-70	2,145.0	2,145.0	0.0
2070-71	2,145.0	2,145.0	0.0
2071-72	2,145.0	2,145.0	0.0
2072-73	2,145.0	2,145.0	0.0
2073-74	2,145.0	2,145.0	0.0
2074-75	2,145.0	2,145.0	0.0
2075-76	2,145.0	2,145.0	0.0
2076-77	2,145.0	2,145.0	0.0
2077-78	2,145.0	2,145.0	0.0
2078-79	2,145.0	2,145.0	0.0
2079-80	2,145.0	2,145.0	0.0
2080-81	2,145.0	2,145.0	0.0
2081-82	2,145.0	2,145.0	0.0
2082-83	2,145.0	2,145.0	0.0
2083-84	2,145.0	2,145.0	0.0
2084-85	2,145.0	2,145.0	0.0
2085-86	2,145.0	2,145.0	0.0
2086-87	2,145.0	2,145.0	0.0
2087-88	2,145.0	2,145.0	0.0
2088-89	2,145.0	2,145.0	0.0
2089-90	2,145.0	2,145.0	0.0
2090-91	2,145.0	2,145.0	0.0
2091-92	2,145.0	2,145.0	0.0
2092-93	2,145.0	2,145.0	0.0
2093-94	2,145.0	2,145.0	0.0
2094-95	2,145.0	2,145.0	0.0
2095-96	2,145.0	2,145.0	0.0
2096-97	2,145.0	2,145.0	0.0
2097-98	2,145.0	2,145.0	0.0
2098-99	2,145.0	2,145.0	0.0
2099-00	2,145.0	2,145.0	0.0

Source: Washington Post, 1943-44, 1944-45, 1945-46, 1946-47, 1947-48, 1948-49, 1949-50, 1950-51, 1951-52, 1952-53, 1953-54, 1954-55, 1955-56, 1956-57, 1957-58, 1958-59, 1959-60, 1960-61, 1961-62, 1962-63, 1963-64, 1964-65, 1965-66, 1966-67, 1967-68, 1968-69, 1969-70, 1970-71, 1971-72, 1972-73, 1973-74, 1974-75, 1975-76, 1976-77, 1977-78, 1978-79, 1979-80, 1980-81, 1981-82, 1982-83, 1983-84, 1984-85, 1985-86, 1986-87, 1987-88, 1988-89, 1989-90, 1990-91, 1991-92, 1992-93, 1993-94, 1994-95, 1995-96, 1996-97, 1997-98, 1998-99, 1999-00, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24, 2024-25, 2025-26, 2026-27, 2027-28, 2028-29, 2029-30, 2030-31, 2031-32, 2032-33, 2033-34, 2034-35, 2035-36, 2036-37, 2037-38, 2038-39, 2039-40, 2040-41, 2041-42, 2042-43, 2043-44, 2044-45, 2045-46, 2046-47, 2047-48, 2048-49, 2049-50, 2050-51, 2051-52, 2052-53, 2053-54, 2054-55, 2055-56, 2056-57, 2057-58, 2058-59, 2059-60, 2060-61, 2061-62, 2062-63, 2063-64, 2064-65, 2065-66, 2066-67, 2067-68, 2068-69, 2069-70, 2070-71, 2071-72, 2072-73, 2073-74, 2074-75, 2075-76, 2076-77, 2077-78, 2078-79, 2079-80, 2080-81, 2081-82, 2082-83, 2083-84, 2084-85, 2085-86, 2086-87, 2087-88, 2088-89, 2089-90, 2090-91, 2091-92, 2092-93, 2093-94, 2094-95, 2095-96, 2096-97, 2097-98, 2098-99, 2099-00.

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State Dept. Letter, 1-11-72
By J. Schauble Date JAN 16 1973

Table II

Russia's Foreign Trade, 1909-13, 1924-38 a/
(Millions of post-1936 rubles)

	(1) Current exports, F.O.B. Russian border	(2) Current imports, C.I.F. Russian border	(3) Balance
Average per year:			
1909-13	6513.9	4994.1	+1519.8
1924-28	2403.4 b/	2567.6 b/	- 164.2 b/
1929-33	3364.8	3588.6	- 223.8
1934-38	1572.3	1238.4	+ 333.9
1924-38	<u>2446.8</u>	<u>2464.9</u>	- <u>54.1</u>
Total for year:			
1929	4045.8	3857.0	+ 188.8
1930	4539.3	4637.5	- 98.2
1931	3553.1	4839.9	-1286.8
1932	2518.2	3083.5	- 565.3
1933	2167.5	1525.1	+ 642.4
1934	1832.4	1018.0	+ 814.4
1935	1609.3	1057.2	+ 552.1
1936	1359.1	1352.5	+ 6.6
1937	1728.6	1341.3	+ 387.3
1938	1331.9	1422.9	- 91.0

a/ Source: Vneshnyaya Torgovlya SSR za 20 Let, 1918-1937, Moscow 1939. Except for the fact that all figures are in current rubles, the data in the table are the official Soviet customs statistics. The source indicates that exports are valued at their "realized" price, but up to

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1935 at least, considerable quantities of Russian goods were shipped abroad prior to sale, and it has been suggested that the Soviets tended to overvalue such goods in their customs returns. According to the estimates in one source (Bureau of Research on Russian Economic Conditions, Memorandum No. 4, The Balance of Payments and the Foreign Debt of the USSR, February 1932), the average overvaluation in the period 1924/25 through 1930/31 amounted to about five percent.

- b/ For the period up to 1928, the data in the source are on a fiscal year rather than a calendar year basis. To obtain a total for the calendar period 1 January 1924 through 31 December 1928, the following figures in the source were added: three-fourths of the figure for 1923/24; the totals for 1924/25, 1925/26, 1926/27, 1927/28; and the figure, given in the source, for the last quarter of 1928.

LED
State Dept. Letter, 1-11-72
By J. Schauble Date JAN 16 1973

Appendix A

Calculation of item, "Excess of other receipts on current account over other payments on current account", which appears in Table I, Col. (4).

1. Calculations for years 1924 through 1931

The "other receipts" and "other payments" included in the calculation are listed in detail in Table A-1.

The figures in Table A-1 (except for those on known net gold exports, which are taken from Tirana, op. cit.) are calculated from data in Birmingham Bureau of Research on Russian Economic Conditions, Memorandum No. 4, The Balance of Payments and the Foreign Debt of the USSR, February 1932. With respect to the derivation of the figures in Table A-1 from the original data, the following points should be noted:

a. The Birmingham data are in old gold rubles. These have been converted into current rubles at the rate of 4.38 new rubles to 1 old ruble.

b. The Birmingham data relate to fiscal years. In computing the "average per year, 1924-28" in Table A-1, we have simply taken this to be the same as the average for the five fiscal years 1924/25-1928/29. With respect to the annual totals which are presented in Table A-1 for the calendar years 1928, 1929, and 1930, these were computed from the Birmingham data for the fiscal years 1928/29, 1929/30, 1930/31, the method used being the crude one of spreading the total for each fiscal year evenly over its four quarters. The calendar year figures should be regarded as no more than very rough estimates, and in particular instances may be very erroneous.

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State Dept. Letter, 1-11-72
By J. Schauble Date JAN 16 1973

Table A-1

"Other Receipts" and "Other Payments" on current account in
Russian Balance of Payments, 1924 - 1931
(Millions of post - 1936 rubles)

	Average per Year 1924-28	Total for Year		
		1929	1930	1931
	(1)	(2)	(3)	(4)
A. Receipts				
1. Interest on short-term credit and deposits abroad	25.4	25.2	20.8	17.5
2. Profits, dividends and miscellaneous	28.0	25.2	23.0	26.3
3. Currency remittances, tourist expenditures, and other expenses of foreigners in USSR	171.7	152.3	201.4	240.9
Total	225.1	202.7	245.2	284.7
B. Payments				
1. Commercial parcels imports	12.3	6.6	26.3	26.3
2. Overhead and administrative expenses	140.2	192.8	219.1	219.0
3. Foreign labor and technical assistance	33.3	69.0	100.7	166.4
4. Non-commercial transactions	75.3	47.0	115.0	131.4
5. Interest on commercial credits	61.3	115.0	136.9	153.3
Total	322.4	430.4	598.0	696.4
C. Excess of receipts over payments	- 97.3	-227.8	-352.8	-411.7

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By J. Schauble Date JAN 16 1973

Table A-1 (Continued)

	Average per Year 1924-28	Total for Year		
	(1)	1929 (2)	1930 (3)	1931 (4)
D. Add: excess of net exports of precious metals over known net exports of gold				
1. Net exports of precious metals	308.4	229.0	146.8	481.8
2. Known net exports of gold	247.8	0	0	505.0
3. Excess of D.1 over D.2	460.6	229.0	146.8	23.2
E. Balance (C + D.3)	-36.7	4 1.2	-206.0	-434.9

The Birmingham balance of payments statistics include several items which are not included here:

a. Contraband. This is a highly speculative item; furthermore, the extent to which payments for such contraband are covered in the balance of payments is unclear. For the five year period 1924/25 through 1928/29, the Birmingham report estimates that there was a net import of contraband, averaging 118.3 million rubles per year.

b. Brokerage commissions, etc. The authors of the Birmingham report assume that these commissions are not taken into account in the trade statistics. In a preface to a recent official compilation of trade statistics, however, it is indicated that "export goods are valued F.O.B. the Russian border (the realized price abroad minus all expenditures abroad)"¹. Possibly, this practice was not consistently applied during the entire period considered, but it is assumed in our calculations that such has been the case. For the five year period 1924/25 through 1928/29, the Birmingham estimate of "Brokerage commissions, etc." averages 58.7 million current rubles per year.

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1/ Vneshnyaya Torgovlya SSR za Let, 1918-1937

By J. Schauble Date JAN 16 1973

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If the above two items were included in our calculations, the "Balance" in Table A-1 would be -213.1 million rubles instead of -36.7 million rubles.

2. Calculations for the year 1935

The receipts and payments included are as follows (in millions of post-1936 rubles):

A. Receipts

1. Proceeds of transport and communications	76
2. Non-commercial transfers	62
3. Tourist and foreigners expenditures	29
4. Other receipts	94
Total	<u>261</u>

B. Payments

1. Budget expenditures in foreign currency	57
2. Interest on loans and credits	89
3. Payments for technical aid, etc.	23
Total	<u>169</u>

C. Excess of receipts over payments + 92

With one qualification these data are from Department of Commerce, Russian Economic Notes, 15 August 1936. 1/ The qualification is that the item, "Other receipts" in the above tabulation (item A.4) is stated in the source to amount to 165 million rubles. The figure of 94 million rubles which is accepted here was obtained from the original figure by subtracting from it an item of 71 million rubles. In a balance of payments, for 1936, published later, this item appears under the heading "Return to USSR (Repatriation) of property located abroad, net." It is explained that the item was formerly included in "Other receipts" and that it consists of payments received in goods for the Chinese Eastern Railway. Clearly, this item is not a transfer on current account, and its classification in the 1936 balance in the broad category "Movements of Credit and Property Abroad" would seem to be the correct one.

1/ The original source cited is Pravda, 3 June 1936.

3. Calculations for the year 1938

The items included are as follows:

A. Receipts

1. Receipts from ocean freights, net	71.6
2. Receipts from port charges and services, net	1.8
3. Other transport and services, net	15.9
4. Receipts from insurance operations, net	1.7
5. Receipts from non-commercial transfers, transfers, net	7.1
6. Receipts from tourists and other expenditures of foreigners net	35.1
7. Other receipts	32.4
Total	<u>165.6</u>

B. Payments

1. Expenditures for technical cooperation and erection of machines	23.4
2. Excess of state expenditures abroad over receipts	55.1
3. Interest on loans and credits, net	44.0
4. Other expenditures	61.6
Total	<u>184.1</u>

C. Excess of receipts over payments -18.5

The above data are from Department of Commerce, op. cit., 15 January 1938.

Appendix B

Note on Russia's Foreign Indebtedness

Below are presented two series on Russia's foreign debt, one from the Birmingham report referred to previously, and another from a State Department dispatch from Riga. All data are expressed in terms of post-1936 rubles.

Date	Outstanding debt, Millions of rubles
Birmingham series 1/	
1 October 1924	684.2
1 October 1925	929.4
1 October 1926	1,336.8
1 October 1927	1,712.6
1 October 1928	2,124.3
1 October 1929	2,693.7
1 October 1930	3,788.7
1 October 1931	5,277.9

Riga series 2/	
31 December 1931	6,132.0
31 December 1932	5,694.0
31 December 1933	2,847.0
31 December 1934	1,971.0
31 December 1935	1,752.0
31 December 1936	1,147.5
31 December 1937	1,140.0

In the case of the Birmingham data, the following categories of debt are included: (i) acceptances and other bank credits for financing imports; (ii) advances of banks, brokers, etc. to finance exports; (iii) bills drawn by foreign suppliers of imports; (iv) bank advances secured by export goods abroad; and (v) liabilities in connection with orders placed and in state of execution.

In the case of the Riga series, the components are not indicated in any detail. But, the fact that the first figure in this series, for 31 December 1931, proximates the last, for 1 October 1931, in the Birmingham series, suggests that the composition of the two series is similar.

1/ Birmingham Bureau of Research on Economic Conditions, op. cit.

2/ Despatch No. 149, Riga, 14 January 1939

In the Birmingham report items (iv) and (v), referred to above, are listed as contingent liabilities and only changes in the sum of the remaining items are listed as a balancing item in the balance of payments. Strictly, it would seem that, if the objective is a total debt figure such that changes in it can be appropriately inserted in the balance of payments, then item (ii) should also be excluded, and a total of items (i) and (iii) alone considered. To the extent that the Soviets had to finance their imports while they were enroute, the use of this figure, too, presumably would be somewhat inappropriate.

Items (i), (ii), and (iii), as estimated in the Birmingham report, are listed below (in millions of post-1936 rubles),

	Acceptances and other bank credits for financing imports	Advances of banks, brokers, etc., to finance exports	Bills drawn by foreign suppliers of imports
1 October 1924	39.4	65.7	237.4
1 October 1925	116.5	100.7	427.5
1 October 1926	232.1	109.5	574.7
1 October 1927	265.0	131.4	703.0
1 October 1928	240.9	262.8	111.7
1 October 1929	376.7	302.2	113.9
1 October 1930	503.7	350.4	188.3
1 October 1931	416.1	271.6	305.7

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