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PLANNED TRADE BANK TO HAVE VIENNA BRANCH

Vienna, HEINZ KUHLER, July 18, 1957--A

(Summary)

At the recent Warsaw conference of the East Bloc Council for Mutual Economic Aid, held behind closed doors, a comprehensive finance program was adopted which provides for free convertibility of all currencies within the East Bloc, for multilateral clearing, and for the establishment of a Socialist trade bank, which will be the Eastern counterpart of the World Bank in Washington.

Both measures are of particular interest to Austria: Clearing among East Bloc countries would do away with the temporary blocking of trade with individual countries in case of deficits, and the new bank plans to set up a branch in Vienna, which will be the only agency of this bank in the free world and will serve as a link with western banks. This step was taken because letters of credit are recognized in Western countries only if issued in a free country.

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