BASEL BANK AMBITIOUS

Expansion Plans Outlined

Clearinghouse Role Sought on World's Postal, Rail and Telegraph Fees

America's Help Afield for Financiers Great Reserve Governor

BASEL, Switz., July 8 (AP) - World financiers hope, it was re-

vealed today, to turn the Bank for International Settlements into an instrument for solving complex intergovernmental monetary prob-

lems on a wide scale, including clearance of postal and telegraph buxations and international rail and air travel fees.

To carry out this ambitious scheme, financiers admit, co-opera-

tion of the United States would be necessary, and the plan are being talked about during the visit here of George L. Harrison, governor of the New York Federal Reserve Bank.

Just as Geneva, the seat of the League of Nations, is the meeting place for world politicians, Basel, city of the international bank, would become the world center for financiers, under the plan.

The practical cessation of German reparations snatches the Bank for International Settlements from the political field and settles its position in the technical field, thus ful-

filling the objects of the bank, distributed in its charter.

USEFUL FIELD

An immensely useful field of ac-

tivity recently was begun with the bank becoming the clearinghouse for interpostal payments between Germany and Switzerland, with support of the Interpostal Union.

Great Britain will support and develop this plan, financiers say, and the bank may eventually ar-

range all the world's postal clear-

ings.

It was learned, also, that plans are being formulated to develop the system to intergovernmental tele-

graph payments and even to state railways.

If a traveler buys a ticket from

Budapest in New York or Argen-
tina, this involves multiple pay-

ments and adjustments.

Under the new plan, the Bank for International Settlements would take care of all this, and also, per-

haps, would function in the stream of international air travel and air postal service.

Harrison heard all about this at a dinner given in his honor at night by Leon Fraser, American president of the bank. President officials were present.

This "shop talk" took a wider range tonight when Fraser invited all governors of central banks to meet Harrison at dinner for con-

tinuation of frank exchanges of views.

Harrison, like Montagu Norman, governor of the Bank of England, and other important financiers, is not a puppet, but is able to realize the uncertainties to the Ameri-
can people of conferring currency and without brass bands on finan-
cial problems of mutual interest.

SAFEGUARD RIGHTS

These international conferences, it was pointed out, mean safeguarding of American rights which would not be to be neglected if American officials of status were absent.

It was learned that international financiers were pleased at the oppor-

tunity to talk with American official representatives as against the "observers" who often are repre-

sented by the United States.

These financiers seemingly are convinced they cannot undertake practical projects without knowing American plans. Co-operation with America, admittedly has become necessary.

Means of obtaining international commitments to American holders of the German Dawns and Yankee War bonds were discussed at a private luncheon today by Harrison and Mr. Hjalmar Schacht, head of the Registrars.