109 New Overseas Video Stations on Air Since January

Washington–(UPI)–The U. S. Information Agency has reported that 109 new television stations have gone on the air overseas since the first of the year, most of them in free world nations.

This amounts to a 14 per cent increase, raising the number of TV stations abroad from 1,088 to 1,237, the USIA said in a survey of covering the first five months of overseas TV developments during 1960.

Of the 109 new stations this year, 69 were in western Europe and 40 within the Sino-Soviet bloc nations.

East Germany Center

The survey also pointed out that TV sets now in use abroad number 34,500,000. The free world accounts for 28,950,000 sets and the Soviet bloc 5,600,000.

Communist attempts to propagandize the free world through TV broadcasts, according to the survey, are centered chiefly in East Germany, where 18 new TV stations of all types have gone into service since Jan. 1, making a total of 38.

"East German television is busily extending its networks of stations along the East Zone borders, and increasing its anti-West German and anti-American programs," the report said.

Congress Hopes To Solve Problem of 'Soft' Currencies

Washington (CQ) – Congress is about to give its blessing to a new foreign aid agency, in the fond hope that it will help to solve an increasingly embarrassing problem.

This is the large and growing accumulation of "soft" currencies for which the U.S. has no use. These are the bahts, dinars, drachmae, kyats, hwan, pesetas, rupees, soles, sucres and other currencies acquired by the U. S. in payment for surplus commodities and dollar loans.

No one is sure just how much of this "money" is on hand, since it is spread through dozens of government accounts. As of the end of 1959, however, the U. S. stood to collect $3 billion "worth" of foreign currencies on loans outstanding, plus interest. And the I.O.U.s keep mounting.

Can't Spend It

The only trouble with all this "wealth" is that, for the most part, the U. S. can't spend it. India, for example, already owes us the equivalent of $729 million in rupees and has just agreed to borrow back more than $500 million of the rupees she will pay us for 16 million tons of wheat over the next four years. There's no prospect that these U. S. claims can be exchanged for goods or services in the foreseeable future.

In fact, the Budget Bureau estimates that U. S. agencies will need $2.3 billion in foreign curencies to meet overseas costs in fiscal 1961, but that only $130 million of the U. S. hoard can be used. This is because more than 80 per cent of the need will occur in Canada, Britain, France, Germany, and Japan, where U. S. supplies of local currencies are negligible.

Monroney Plan

The new aid agency, the International Development association is the brainchild of Sen. Mike Monroney (D-Okla.), who conceived it as a means of putting U. S.-owned foreign currencies to constructive use. IDA, he believed, could put them to work in the underdeveloped countries.

Monroney's idea got nowhere until the Treasury decided that it could be used to entice other "hard" currency countries into shouldering more of the growing burden of development assistance. But this would mean the investment of gold, not "soft" currencies.

As finally approved by representatives of the leading nations last September, the plan called for the World Bank to operate IDA, which would collect a fund of $1 billion within five years – $753 million in gold or dollars from 17 prosperous countries (including $320 million from the U.S.) and $237 million (90 per cent in local currencies and only 10 per cent in gold or dollars) from 51 poorer countries.

As a sop to Monroney, the plan included a provision allowing any member to contribute, as "supplementary resources," the currencies of other members, but only on condition that they agree. As a practical matter, the World Bank wants no part of the U.S. hoard of foreign currencies, since they would have no greater use for IDA than for the U.S. in adding to the resources of the underdeveloped countries.

Funny Money

This fact went unnoticed, however, when the Senate approved participation in IDA on June 2. "The purpose of the pending bill," said Sen. Prescott Bush (R-Conn.), "is to provide a use for idle funds which belong to the United States, which are locked up in foreign currencies."

No one challenged this point. On the contrary, most of the debate centered on an amendment (which was adopted) designed to retain Congressional control over these currencies, by requiring an appropriation in order to transfer them to IDA.

Thus the myth that these are the same as dollars was preserved. House approval of the measures awaits action by the Rules Committee, but no trouble is expected. By the end of the year, IDA should be in business with its real purpose intact: to transfer $753 million worth of resources (including $443 million from other "hard" currency countries) to the poorer countries, by way of long-term, low-interest loans.

Meanwhile, the U.S. fund of "soft" currencies promises to grow, for a very simple reason. Anything that smacks of "giveaways" has become politically taboo. So Congress insists that America's farm surpluses be "sold" for foreign currencies if not for dollars, and that a large part of the "proceeds" be loaned back to the purchasers. At this rate, according to one estimate, the U.S. could wind up with the equivalent of $154 billion in I.O.U.s by the year 2,000.

The only answer, says Harvard's Edward S. Mason, is to stop the "phony sales" of farm surpluses. Until this is done, "Uncles Sam's foreign funny money will continue to expand like a tub full of Asian steamed rice."

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NEW PRODUCTS FAIL

New York – (UPI) – New products are hitting the market at the rate of 26 a day – but falling at the rate of 23 a day, according to Design Sense, a publication of industrial designer, Lippincott & Margulies, Inc The magazine called for better research of all types in the 1960's to reduce "this alarmingly high incidence of product failure."

Universal Credit Card Planned by Major Oil Firms

Tulsa, Okla.–(UPI)–The newest credit gimmick in the oil business–the Universal Credit Card–is here.

A Universal Credit Card will be good news to both oil companies and motorists–especially those who hold a credit card good for one company and suddenly find themselves nearly out of gas in front of another firm's filling station.

The first cards will go out Aug. 1, with 500,000 expected to be in circulation by Sept. 15. Within three to five years, it is expected that there will be some 25 million Universal Credit Cards active.

Cards To Be Sent

An undisclosed number of oil firms have selected the Oil Service Credit Corp. of Chicago to handle the cards. The Oil & Gas Journal reports that the credit card holders of these companies will be sent the new Universal card bearing the name of the issuing oil company as well as the OSCC insignia.

The new card will be black, white and gray. It will be good for the purchase of fuels and lubricants, accessories, services and repairs up to $25.

The Universal Credit Card idea has won applause from Stanley O. Breitweiser, Tulsa, president of the Sunray Oil Co.

"It's about time we stopped complaining about high credit card operation costs," said Breitweiser. "It's time for constructive action and sound solution before these costs get any higher . . ."

And the costs are high. Ralph W. Applegate, Chicago industrialist who set up OSCC, said the average cost to an oil company for setting up a credit card account is $4.50. His firm, he said, can do it for $2.10.

Another major saving, he said, will come in the purging of inactive card holders. OSCC plans to screen cards after 12 months and propose cancellations of those abused or not used.

Companies Like Idea

Oil companies have long liked the idea of credit cards, since a survey showed that the average service station credit sale is $5 compared to the average cash sale of only $2.

OSCC will feature an extended credit plan in which the customer will be charged an extra 1½ per cent monthly on accounts over 70 days old.

Applegate's firm will charge the companies three to six percent of sales if OSCC handles all processing and billing, or one half to one per cent if companies continue to do their own processing.

Oil companies say they expect the system to work out well enough for them to discontinue their own cards.

ALWAYS RIVALING

St. Paul, Minn. –(UPI)– The Minnesota State Fair, one of the largest in the nation, is now held here annually, but it wasn't always that way. At one time rivalry between St. Paul and sister-city Minneapolis was so great that Minneapolis sponsored a competing fair. When the Minneapolis event started drawing bigger crowds, the official fair was forced to move out of town. It was held at different cities for five years until a permanent fair grounds was established here.