

Mr. LAMBERT: Private bankers, as well.

Mr. POPE: I think I would agree with that, yes, sir.

Mr. LAMBERT: Although perhaps not in the same degree as the chartered banks operating on the branch basis today.

Mr. POPE: I think I would agree with that. I would love to see a return to private banking. I think it is sadly lacking here.

Mr. LAMBERT: Thank you.

The CHAIRMAN: Do we have any further questions? Yes, Mr. More?

Mr. MORE (*Regina City*): Mr. Chairman, I would like to ask Mr. Pope about money markets. As I understood it, he did not appreciate the American restriction and system in regard to foreign banks, yet this has not stopped New York from becoming a money market.

Mr. POPE: In an imperfect way, sir. They have possibly as many agencies in New York as there are banks in London. It has not stopped New York from becoming a money market, as you say quite correctly, sir; but I emphasize very, very strongly my feeling that New York is not by any means a complete money market in the sense that London is. They have an imperfect system, sir.

I have high standards.

Mr. McLEAN (*Charlotte*): Mr. Chairman, I have just one question. The Russians have always had a bank in London, under both the Czar and the communists, have they not?

Mr. POPE: I have a feeling that the present bank—

Mr. McLEAN (*Charlotte*): They also lend money to England. I suppose they take deposits; they lend money there. Why did this Russian deal that went through the United States not go through their own bank in London?

Mr. POPE: It did not go through the United States, sir; it went through a Polish bank in Warsaw.

Mr. McLEAN (*Charlotte*): Why a Polish bank, when they have their own bank in London?

Mr. POPE: That would be the agency—

Mr. McLEAN (*Charlotte*): Why, if London is the big financial centre and they have a bank there and have had ever since the time of the Czars?

Mr. POPE: I am not saying the money did not come from London, sir. I am merely saying that the credit that was offered to the people selling the wheat was the credit of a government-sponsored bank in Warsaw. That is the technique they used. The money was raised either in New York, London or Zurich.

Mr. McLEAN (*Charlotte*): What did the Russians pay with?

Mr. POPE: American dollars.

Mr. McLEAN (*Charlotte*): I understand they paid with 500 million in gold.

Mr. POPE: They sold gold to buy dollars, and with the dollars—

Mr. McLEAN (*Charlotte*): American dollars?

Mr. POPE: American dollars; I am sorry.