

WIGGIN TO CONDUCT REICH CREDIT STUDY

New York Banker Is Chosen as President as Committee Begins Task at Basle.

DIFFICULTIES BESET INQUIRY

Much Hinges on Prussian Plebiscite —French Look for a Fight in Move to Limit Scope of Survey.

By CLARENCE K. STREIT.

Special Cable to THE NEW YORK TIMES.

BASLE, Aug. 8.—The committee of ten on German credits organized by the Bank for International Settlements began its work in the bank building here this afternoon by unanimously electing as its chairman its American member, Albert H. Wiggin, chairman of the board of the Chase National Bank of New York.

The committee completed its task of organizing and arranging its procedure and will get down to real business tomorrow morning, when it will hear its German member, Dr. Karl Melchior, give a long technical explanation of the German credit situation.

All necessary documents, it is stated, have been sent here by Germany, and the committee plans to remain in Basle several days, studying and discussing them. Then, it is expected, it will move to Berlin for a week or so, and probably will return to Basle at the end of August to draft its report.

These plans, however, are tentative, partly because the committee is still getting its bearings and partly because its bearings depend to some degree on outside events.

Await Plebiscite Results.

In the latter connection, it is understood that the decision to study the German documents first in Basle, instead of in Berlin, as previously expected, was due to the committee's desire to know the result of tomorrow's plebiscite in Prussia before entering Germany. Indeed, the value of the figures Dr. Melchior gives the committee tomorrow seems likely to depend chiefly on the figures the Prussian voters give then. It is believed the committee's task will be difficult enough.

even if the Hitlerites and Communists are defeated.

In such circumstances the first meeting probably will shed no clear light on the question whether the Wiggin Committee is likely to lead to a revision of the work of the Young Committee.

The Wiggin Committee has two tasks: First to inquire into Germany's immediate credit needs, and second to study the possibilities of converting part of the short-term German credits into long-term credits. It is starting out, as it naturally would, by interpreting this in the narrowest financial sense, and there are strong French and other forces prepared to keep it in this groove.

French Look for a Fight.

But it is noteworthy that there is rather more uncertainty than there was as to whether Mr. Wiggin was in accord with this, and there is a growing tendency on the part of the French to feel they are in for a fight with him.

Mr. Wiggin arrived this morning, accompanied by James H. Gannon and Joseph C. Rovensky, vice presidents of the Chase National Bank specializing in foreign investments, and by Leon Fraser, vice president of the World Bank, who went to Paris to meet them. Mr. Wiggin immediately began a long conference with Gates W. McGarrah, formerly chairman of the executive committee of the Chase National Bank and now president of the world bank, at whose home Mr. Wiggin is staying. Neither would make any statement.

Although the chief officials of World Bank naturally are in close contact with the committee, none of them is taking part in or attending the committee's sessions. The Bank for International Settlements is following a policy of aloofness toward this committee, which, though organized through it, was not appointed by it.

The committee sat in the utmost privacy today, even the members' secretaries being excluded. It appointed its British member, Sir Walter Layton, and its French member, Emile Moreau, as its spokesmen to the press. Their report was very brief.

Germany got the committee's other office, that of secretary general, which went to Karl Plessing, the second ranking German official in the World Bank.

Aside from an extreme reserve, the atmosphere here is marked by uncertainty and by a solemnity at times approaching glumness.

Hungarian Wheat Yield Drops.

BUDAPEST, Aug. 8 (AP).—Crop estimates published by the Ministry of Agriculture today said that the wheat yield for this year would be more than 21,000,000 bushels less than that for 1930 and that the sugar beet yield would be 631,000 tons less than last year.