

EUCOM Dollars Help Economy

APPROXIMATELY 25 CENTS out of every US dollar earned by American military and civilian personnel with the US Forces in Germany between July 1, 1950, and June 30, 1951, went into the foreign exchange holdings of the German Federal Republic through the purchase of Deutsche marks in EUCOM finance exchange offices during the fiscal year.

Details of that valuable assistance to the West German economy were contained in a report issued by Headquarters, European Command, based on statistics at the EUCOM Comptroller's Office in Heidelberg.

The report stated that Americans with the US Forces in Germany (exclusive of HICOG) earned an estimated \$237,594,000, after tax deductions, during the year ending June 30, 1951. Records indicate that during the same year, US personnel exchanged \$59,818,717 for Deutsche marks at the official rate of exchange.

Figures at the comptroller's office also reveal that Americans on duty with EUCOM in Germany spent almost 19 cents out of every dollar earned in EUCOM for the purchase of Deutsche marks through finance exchange offices during the three years ended June 30, 1951. During that period EUCOM personnel were paid \$669,000,000 in dollar-backed Military Payment Certificates (MPCs), after tax deductions.

They exchanged almost \$127,000,000 of that amount for Deutsche marks—an exchange which represented a direct benefit to the German economy since the exchange placed the same amount of American dollars at the disposal of the Federal Government for the procurement of needed imports which can be bought only with dollars.

DEUTSCHE-MARK PURCHASES by Americans in the period between the German currency reform in June 1948 and June 30, 1951, were made at the official

rate of DM 3.33 per dollar between June 21, 1948, and Sept. 30, 1949, and subsequently at the rate of DM 4.20 per dollar.

The EUCOM comptroller's report also pointed out that from May 1947, through October 1950, US Personnel paid out \$3,893,919 in MPCs for the purchase of non-duty travel rail tickets. Since Nov. 1, 1950, such purchases have been made in Deutsche marks.

US personnel spent almost \$29,000,000 during the period concerned for such items as EUCOM Export Taxi fares and communications services such as telephone and cable facilities through the *Deutsche Post*. These payments were also made with MPCs, which meant dollar credits to Germany, since the MPCs were convertible into US currency at the official rate of exchange.

The over-all benefits to the German economy through private Deutsche-mark purchases by US personnel, and scrip payments for services, amounted to approximately \$160,000,000 during the period covered by the comptroller's report.

The sale of Deutsche marks to US personnel through official finance offices is listed as follows:

Army Finance Offices and Chase Bank sales	\$95,832,511
American Express Company sales	31,024,633

Total:— \$126,857,144

The approximately \$33,000,000 paid out of American pockets for services with dollar-backed MPCs, is shown by the following breakdown:

Export Taxi service	\$19,406,009
Non-duty rail ticket sales	3,893,919
Telecommunications charges	9,277,585
Miscellaneous	93,433

Total:— \$32,670,946

THE COMPTROLLER'S OFFICE emphasized that no Deutsche-mark purchases by EUCOM personnel from authorized European Command exchange offices are charged to occupation costs. Apart from the almost \$160,000,000 which benefited the German financial structure, other millions of dollar were contributory factors in the over-all support provided by the presence of Americans in Germany.

As an example of the benefits contributed by non-appropriated fund agencies of the US Army in Germany, the European Exchange System has expended more than \$33,000,000 in wages to German employees, \$17,000,000 through procurement on the German economy and \$1,000,000 for construction and renovation. The more than \$51,000,000 in payments was made in Deutsche marks, purchased by EES at the official exchange rate. The agency makes payment for such items directly to German employees, vendors and contractors. +END

The Second Armored Division, Combat Command A's "Choraliers" give church music concert before German Protestants from various churches in Mannheim gathered in chapel at Wartburg Castle. "Choraliers" will make other appearances throughout Germany. (US Army photo)

