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The Financial Situation

When the President is accused, as he is being accused, of delivering a campaign speech last week in the guise of a message to Congress, his critics doubtless mean to say that the document in question was prepared with at least one eye upon the election next year. This may well be true. The message has all the earmarks of a typical Rooseveltian pre-campaign deliverance. Be that as it may, there can be no gainsaying the fact that the message consists largely of a sort of apologia pro vita sua. As such it is in many ways an impressive document. It may possibly have a stimulating effect upon the war effort—within limits both of time and degree. But it naturally puts the best foot forward, omitting from the record altogether many vital current questions and problems upon which really successful conduct of the war in all its phases from this time forward depends. For this reason it could very well give the impression that all is well where the contrary is distressingly the fact, and thus tend to reduce the effectiveness of the magnificent effort the nation is putting forth to bring hostilities to an early and successful close.

Another Document

Unfortunately, perhaps, for the President, but quite fortunately for the country, another document was made

available to the public almost simultaneously with the President's message. We refer, of course, to the report of Bernard M. Baruch, special adviser to James F. Byrnes, Director of Mobilization. This report, submitted more than a month ago, but not made public until late last week, deals with the manpower situation in the aircraft industry on the West Coast, but it is clear enough that the situation revealed there exists, mutatis mutandis, rather generally throughout the country, in one important degree or another. It is truly remarkable what American industry has been able to accomplish since it went to war. The record becomes the more impressive when the severe handicaps under which American business has been obliged to operate are called to mind. It would appear that no one had fully appreciated the latent power of the American industrial system.

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Freedom From Financial Worry

Babson Discusses the Wallace Speech

All of us want to be free from worry about jobs or sickness or a poverty-stricken old age. We also want to see peace among workers, farmers and businessmen; and to secure freedom for venture capital and protection against monopolies or unreasonable government regulations. These are splendid goals for Vice-President Wallace and the rest of us to seek; but history teaches this simple fact: ONLY AS THE PERCENTAGE OF PEOPLE WHO OWN THEIR OWN HOME AND GARDEN AND HAVE THREE OR MORE CHILDREN AND LIVE BY A SANE RELIGION INCREASES ARE SUCH GOALS ATTAINABLE.

Importance of Land

Although both children and religion are necessary for security, I will this week discuss only land. The soil is the basis of all security; yes, without land there would be no children nor religion! I am especially anxious to discuss land assessments and taxes. Readers will remember that some weeks ago, when discussing this subject,



Roger W. Babson

I asked them to write me as to how "land assessments" in their counties compare with actual values; also whether they had rather buy or sell land at the present time.

I am pleased to report that 70% of my replying readers want to buy land and only 30% want to sell. This shows that people are beginning to think wisely. Those desiring to buy predominate in the South and West where the assessments are low enough so that people can afford to own and work the soil. Those desiring to sell, predominate in the East. The replies indicate a strong desire to move out of the big cities into open spaces where people can have a little garden, fresh air and sunshine.

Where Are the Best Opportunities?

The largest group of people want to buy land in Texas. This means either that Texas' assessments are abnormally low, or else more people think Texas has the

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The News Behind The News

By PAUL MALLON

Trouble is rearing again on the international police force idea. Senator Hatch construes the Ball-Lurton-Hatch Bill (which Vice-President Wallace endorsed) as calling for an international police force acting under orders of an international body.



Paul Mallon

Powerful Foreign Relations Chairman Connally says there can be no such force, and no such surrender of sovereignty. The man whose views count more, State Secretary Hull, has announced only that the "means" of international action to keep the peace is being discussed (which may be significant in view of the fact that his now resigned assistant, Mr. Welles, promised an international police force).

Let us sift the argument for facts and analyze the residue. Fact Number 1 is that the term "international police force" is obviously a misnomer. What everyone means is not international policemen sauntering around the world with night sticks, but an international Army and Navy ready to do battle. The difference between a policeman and an international dive bomber measures the extent in which the discussion has been deceptively entitled.

When you call the argument by its right name, you also can measure accurately the extent to which

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Dewey Says Private Enterprise Must Provide Post-War Jobs

Offers Seven-Point Program

Governor Dewey's office at Albany announced on Sept. 20, publication of a booklet by the New York State Division of Commerce entitled, "A Man Can't Live on Glory." M. P. Catherwood is Commissioner of the Division.

"Designed to enlist the cooperation of the people of the State, particularly businessmen, in meeting the challenge of post-war problems, the booklet urges private enterprise in this State to provide 1,000,000 more jobs than existed in 1940 to insure employment of the State's returning war veterans after the war. It warns of "1,000,000 unemployed in New York State unless business creates jobs for them."



Gov. Thos. E. Dewey

In a foreword to the booklet, Governor Dewey outlines a seven-point program, already undertaken by the State Administration to aid in securing jobs for the men and women of the State who will be returned to civilian life after the war and to assist in the economic readjustment to peace-time conditions.

The Governor's foreword reads as follows:

"Just as it is imperative, when war clouds threaten, to be pre-

pared for war, it is important during a war to prepare for peace.

"The State Government is at work to help its people adjust to peace-time conditions and to cooperate for a better future. These are some of the measures on which it is acting in partnership with the people of the State:

"1. The program of the Division of Commerce to stimulate high level employment and expand the productivity of our system of free enterprise, as described in this booklet. Even in the midst of their extraordinary war effort, the business men of New York State must be planning for the future. With its record of achievement in this war, American business enterprise can be sure of public support if it is ready with sound, workable proposals for meeting post-war problems and creating employment for our returning heroes and all others who want gainful occupations.

"2. Practical economy in State operations to keep taxes at a low level at a time of high Federal taxes to pay for the war; accumulation of a substantial State re-

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From Washington Ahead Of The News

By CARLISLE BARGERON

It would seem to be an appalling thing but nevertheless a fact, that there has been a tremendous let-down in recent weeks in the industry of professional internationalism. We mean the industry that was thriving on insistence that we show a "concern" in world affairs, that we express a determination right here and now to "assume our rightful position in world leadership in the future,"

that we go on record as intending to enter a "concert" of nations "prepared to enforce peace with men and arms." It was going great guns, the industry was. Men who couldn't support or deal with the first unit of government, the family, were talking fearlessly about a World Government. When you looked skeptically at them they challenged: "Do you want another world war?" They had difficulty telling you their own telephone number or the number of the house in which they lived, but they had every detail of world affairs at their finger tips.

The business of winning this war, of straightening out our chaotic domestic situation, couldn't get a hearing in the agitation. We had practically settled on Roosevelt for President of the world. We were really moving fast, or so the professional controversialists thought. It seemed that the only happy arrangement would be to make Roosevelt President of the world and Willkie, another world-minded man

in that he had made a couple of trips to Europe, President of the United States.

The Republicans were in an awful stew, which was the purpose of the industry of internationalism, of agitation. They couldn't possibly hope to be successful unless they could grow up and quit talking about the farms, the industries of this country, its people, and learned to discuss world affairs informatively; so they were told. It alarmed them and had them running in all sorts of directions, and those who were saying, "Me, too, we are just as world-minded as the New Dealers," were being derided as "isolationists" of the party knew they would be. They were making their party one of apologists.

We had the humorous spectacle, during the Congressional recess, of four Senators (two Democrats and two Republicans) going around the country to educate the people in world affairs. They

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The Financial Situation

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The Tasks Ahead

But that system is now being called upon for greater achievements during the remainder of the war, and the handicaps are increasing! Despite the phenomenal record which now lies before us, we should be unwise to proceed upon the easy assumption that there is absolutely no limit to what American industry can do, particularly in the circumstances by which it is now faced. This is but another way of saying that from this point on the over-all management of the war effort must improve greatly if we are reasonably to expect the results which the authorities agree must be obtained if carefully laid military plans are not to suffer seriously. It is this need for better management at the top that the President ignores. Probably nothing that he could have said would greatly improve the situation, however. What is needed is action, not words, but unfortunately appropriate action is still conspicuous by its absence.

It is upon this situation that the Baruch report throws a beam of disconcerting light at the same time that it offers certain constructive suggestions. Note the opening paragraphs of this document:

"As requested by Mr. Byrnes, we have been examining the manpower problem in the West Coast aircraft manufacturing plants, which was brought to your attention by Under-Secretary of War Patterson. Briefly, the facts cited by him were:

"The Boeing plant in Seattle fell behind schedule by forty Flying Fortresses a month because of insufficient labor. In mid-July the Boeing plant was short 3,000 workers; Los Angeles aircraft plants by 15,000. Although a shortage of engines is now threatened, manpower—not the materials—promises to become the principal factor limiting production.

"Instead of building up their labor forces to the numbers required to meet expanding production schedules, West Coast aircraft plants have been barely able to hold their own. If these conditions persist, we will fall short of the present aircraft production program for 1943 at a time when the military need for aircraft is greatest."

"Proper handling of manpower has been made impossible by the failure of Government agencies to work as a team with a clearly defined program. Measures undertaken by one agency have been undone by the conflicting actions or inactions of other agencies. In discussions with officials of the War Pro-

duction Board, War Manpower Commission, and other agencies we have sought to develop a program on which all agencies can agree and take action at once and one which will work."

Rather Typical

No recounting of the achievements of the past year or two, as impressive as they are, can detract from the force of these words. Neither can silence on the part of the President reduce the importance for the future of the picture they present. Mr. Baruch's terms of reference confined him to one situation which had developed to the point where concealment was no longer possible, and where further failure to act effectively would be far too damaging to the war effort to be thought of for a moment, but who can doubt that similar study of the entire industrial picture would bring to light many other situations of a like sort? Who can believe that bungling, lack of effective team work, and inexcusably poor planning have been confined to manpower problems? And who can summon the credulity to suppose that anything approaching maximum results can be achieved during the next year or two if situations of the sort are to be permitted to continue to exist? Yet what assurance have we that they will not be?

The thoughtful citizen will read the Baruch report with the fact carefully in mind that this document addresses itself solely to one aspect of the West Coast labor situation. The remedies suggested are drastic in the extreme at points, and even then it would appear that they are expected to be fully effective (if at all) only by transferring necessary work to other sections of the country. The report, for good and sufficient reasons without doubt, refrains from direct expression of opinion as to the possibility of meeting the demands of the armed services with the manpower that the military authorities are willing to leave in industrial pursuits.

Belated "Concession"

Yet recent events have forced this matter upon the attention of the authorities, and indeed obliged them by deeds if not in words to admit that they had been asking the impossible. Arthur Krock in the New York "Times" of Sept. 19 reports the facts of this situation succinctly as follows:

"The Army stubbornly clung to its 8,200,000 goal for 1943 when it was evident that collateral factors were and would be lacking which would make that number feasible or effective by the

end of this year.

"When this was pointed out—by former President Hoover publicly, and by Mr. Baruch and several civilian war administrators privately—the President, Secretary Stimson and Under-Secretary Patterson lectured the dissenters, and Mr. Stimson in a formal broadcast said that, while he was trying to shorten the war and save lives, they were thinking only of their comforts.

"But the conflicting and deterring elements in the manpower situation were permitted to continue in destructive operation, and long before the surrender of Italy the Army had to reduce its sights to 7,700,000 by the end of 1943—more than some of the abused critics had suggested."

Whether this belated "concession" of the authorities is to be taken to indicate a real, if long overdue, grasp of the true inwardness of the overall situation, or is merely a temporizing adjustment more or less in the nature of a tactical maneuver, remains for the future to disclose.

But the manpower problem of the day has not one but many roots. It is a matter not only of finding men to work at the benches and to fight on the various fronts, but of making the utmost use of the available labor force. The Baruch report at one or two points touches upon the broader aspects of the problem. For example:

"Some West Coast aircraft manufacturers complain that more than one-fourth of their time is taken up in answering Government inquiries and questionnaires and in being interviewed by representatives from different Government agencies.

"The aircraft companies have expanded so rapidly that their management is

Americans Should Decide Now Kind Of Post-War Economic Order They Desire

Using as his theme "Action and Reaction of the War Economy," David A. Weir, Assistant Executive Manager, National Association of Credit Men, New York, told some three hundred New Jersey and New York credit executives gathered at the Suburban Golf Club near Newark on Sept. 16, that Americans need now "to think in terms of the kind of social and economic order they desire after the war is concluded." Mr. Weir who was

the principal speaker at the first dinner meeting of the fall season of the New Jersey Association of Credit Men continued as follows: "At a time when we have every right to be optimistic as to the ultimate conclusion of our war effort we have a corresponding duty to think in terms of the peace which will follow. This is especially true regardless of our views as to when victory will actually come."

"One of the faulty assumptions which seems to exist in many

quarters is that wartime economic conditions are distinct entirely from pre-war economic policies and post-war economic probabilities. We have been willing to give up many principles in which we normally believe for the sake of making an all-out effort in our winning of the war. We need now to think in terms of the kind of social and economic order we desire after the war has been concluded."

"We are all willing to admit now that the coming of the war found us unprepared in both a military and economic way. Perhaps the majority of us as citizens must share the blame for this unpreparedness. Unless we begin to think now in terms of our after-war order we shall also have to share the blame for lack of preparedness to meet conditions when Victory comes."

"On the economic front it is regrettable that prior to the war the idea of an economics of scarcity had permeated much of the thinking and action in this country. This was reflected in the emphasis being placed upon more equitable distribution of goods without comparable emphasis being placed upon the necessity for producing if we were to have goods for distribution. As a result there were many barriers erected to discourage industrial production. In agriculture we proceeded upon the assumption that by destroying products or limiting production we might achieve a greater degree of prosperity. In our labor relationships the doctrine was preached that in order to assist labor we should even encourage less production by labor. We assumed further that any lag which might come because of the decreased production of goods could be taken up by having a bountiful government provide funds for those who suffered from this decreased production. This last idea was based upon the entirely false assumption that a government is a productive agency. As a matter of fact government has nothing except that which comes from a working citizenry and government aid must of necessity, therefore, mean taking away from a part of citizenry and giving to another part of it."

"If left to themselves, those agencies might develop conflicting policies which would confuse industry. It would seem wiser to have the agencies agree on a uniform policy which can be announced in the near future so that manufacturers will know what to expect."

It is, perhaps, excusable for the Administration to preen its feathers a little after past accomplishments, even if it takes credit which belongs elsewhere, but it would be fatal for it to permit its self-satisfaction to cause neglect of conditions which could bring its house tumbling down about its head—and, more important, about the head of the nation.

If

"If this labor budget plan (of the Baruch report) is to work, there must be adequate delegation of power from all Washington agencies to their West Coast representatives and the communities themselves must get on the team. The job cannot be done from Washington.

"The best men available must be put in charge in the field. There also must be a clear realization on the part of all agencies of the responsibilities that each must carry out. The right hand controlling labor supply, and the left hand controlling production demands, must work together.

"The time must end when agencies spend their energies battling to build up empires of power. It is time to reassert the fact that there is one Federal Government—speaking with one voice—not a 'centimouth.'

"We have always felt that the American people will voluntarily do what is expected of them as long as they know what is wanted and why, and feel that they are being treated fairly."—From the Baruch report on West Coast aircraft manpower problems.

As to whether the "Labor budget plan" will in the most favorable circumstances really solve the West Coast aircraft manpower problems, we are not in a position to express an opinion.

What we are certain of is that the conditions set forth here are a prerequisite for the success of any plan.

This fact is, after all, the most important thing.

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"In all of this economics of scarcity undue emphasis is likely to be placed upon security alone and too little emphasis upon those factors which make security possible. Security is something which must be earned and unless it is earned an insufficient amount of goods will be produced. With an insufficiency of products security becomes nothing more than a pleasing word rather than a reality. While, therefore, we must naturally look upon security as one goal of our social and economic order we must recognize the necessity for continued incentive toward greater and greater productive activity.

"In mentioning these fallacies in our prewar economic thinking there can be only one valid purpose. That purpose is not one of fruitless criticism for what has been done in the past. The only valid purpose is to warn against making the same mistakes in the future. Our war effort has undoubtedly suffered materially because of the existence of this economics of scarcity prior to the war. It is our job now to see to it that our peace effort does not suffer similarly by carrying over of these prewar fallacies into the post-war era."

Industrial Reconversion After War Can Be Met By American Business Leaders Says Stevenson

The stupendous task of industrial reconversion can be met if American business leaders will apply to post-war problems the same progressive intelligence and incomparable industry used to meet wartime emergencies, according to John A. Stevenson, President of The Penn Mutual Life Insurance Company, who addressed the 54th annual meeting of the National Association of Life Underwriters at Pittsburgh on Sept. 15 on the topic, "The Challenge of Trained Leadership." In his address, Mr. Stevenson said:

"All the genius, initiative and vision of our industrial leaders will no doubt be drafted to achieve a peace-time production level which will provide full employment to utilize the greatest army of trained manpower in the nation's history. American business is meeting magnificently the challenge of the war. Now it must prepare to meet the challenge of the peace. The need for alert and aggressive management and leadership will be more urgent than ever before.

"When the war ends, the United States will be one of the main sources of supply for the world, with its industrial and production facilities expanded and intact. New frontiers of business must be created. The war stimulus which harnessed a great industrial nation to a military machine could be profitably used for the even greater task of creating new channels of production and modernizing old ones, and the drive, force and urgency of war-time tempo, if kept at white heat, will make possible the accomplishment of the tremendous job of reconversion and rehabilitation.

"We must carry the spirit of aggression into private enterprise. Military men have learned the value of keeping in step. If industry attempts to use the old formulas, it will fall by the wayside. In order to dramatize the peace, we will need leaders who are pioneers, innovators, experimenters, even risk-takers. Stagnant and static leadership leads nowhere except into oblivion. There will be no business as usual after these 'globalistics' are over. We will need strong, vigorous and daring leadership. Obviously we cannot and should not scrap caution, good business judgment and deliberation, but we should cling tenaciously to ideas that are up-to-date. The war has shattered many precedents.

"Armistice Day will be commencement day for a new type of American business leadership. Men have pushed out physical and geographical boundaries and widened their horizons. Leaders working on blueprints of a new world must push out their mental horizons to embrace wider concepts and broader-gauged meth-

ods. It's the absolute responsibility of business to hold the reins of leadership."

Urging more democracy in business, Mr. Stevenson said:

"We all know that there are martinets in business organizations as well as dictators in nations and their effect on the people who come under their authority is equally unhealthy. Exclusion of people from participation in either government or management has the effect of suppressing their initiative and destroying their capacity to further the interests of an organization. If we really believe that the opportunity democracy offers for individual development leads to a better state, then, as business leaders, we should realize that excluding members of our organizations from an opportunity to make contributions is a short-sighted policy.

"When urging that the channels for the inflow of opinions and suggestions be kept open, obviously I don't mean that, in formulating procedures, we should be buffeted around by every passing whim or half-baked plan that is offered. The challenge to trained leadership involves the proper evaluation of ideas. The democratic form of government will work if our leaders have an intelligent understanding of the problems to be faced and if our citizens are willing to substitute voluntary cooperation for force. In the same way, democratic methods will work in business if leadership is willing to shoulder the necessary responsibilities and all the people in the business are willing to cooperate in reaching the desired objective.

"The position which life insurance holds in our national economy will not be maintained by leaders who shut their eyes to the fact that we live in a changing world and who offer the formulas of previous eras as the solution of present-day problems. It will be maintained only by leaders who have sufficient insight into the problems to understand on what basis we can operate with maximum efficiency and enough foresight to adopt procedures which will enable life insurance to make its maximum contribution to the economic life of the nation."

Securities Market Price Effects Of Early Peace Talks In Two World Wars

The August issue of "The Exchange," monthly publication of the New York Stock Exchange, contains an article on the "Price Effects of Early Peace Talks in Two World Wars."

The article states in part:

"The eclipse of Mussolini on July 25, 1943, injected thoughts of peace moves into the securities market and aided to bring about a brisk price decline. The event had familiar aspects for market observers who remembered World War I.

"Kaiser Wilhelm called for a special session of the Reichstag on Dec. 11, 1916, soon after Rumania had surrendered to the Germans. Peace feelers went out from Berlin. Securities and grain markets receded sharply in America. On Dec. 19 Premier David Lloyd George, of England, demanded that the Germans "make complete restitution, full reparation, and give effectual guaranties against repetition." Prices hardened but on the next day President Wilson asked all the belligerents to state their aims and the markets fell further. On Dec. 21 the Dow, Jones & Co. industrial stock average reached its lowest level of

that month and a rally began with irregular, hesitant movements later."

The magazine article contains a table showing price comparisons over 21 days on each occasion, down to the date when prices gave indications of a recovery. From the table, it is shown that, while many individual "war babies" of 1916 experienced sharper percentage recessions, a number of the 18 stocks receded little further than they did after Mussolini stepped out of the military picture. Considering the more vigorous speculation of 1916, the price contrasts suggest that peace talk maintains its influence in one war much as in another, says the article, which goes on to say:

"In the 21 days from Dec. 1,

1916, to the day when the Dow, Jones industrial average reached the bottom of the reaction, the general market showed a retreat of 13.65 'points,' compared with a recession of 11.82 'points' over a similar period to the level of at least temporary stability after Mussolini's fall. The bottom of the dip in 1916 was reached on Dec. 21 with the average at 90.16. (The fact that the index stands much higher now than 27 years ago is due to adjustments caused in the interval by reason of splits-ups and other factors affecting the stocks used in calculating the Dow, Jones & Co. figures; in 1916, 20 stocks were employed instead of the current 30.)

"From 90.16 the average rebounded to 99.18 by Jan. 7, 1917, then receded to 95.13 on Jan. 13 and remained in that neighborhood for the remainder of the month.

"Then came another war development which, while foreseen in some quarters, brought a shock, nevertheless, although of a kind exactly the opposite of the Kaiser's peace move. Knowledge that unrestricted warfare by German submarines was at hand aided in carrying the average back to 87.81 on Feb. 2. This portended a longer war instead of a short one, but we are concerned with the American speculative market practice of jumping suddenly whatever the news, provided that it is unexpected.

"By Feb. 20, 1917, the average had recovered to 94.91 and, after a short reaction, it went to 98.20 in the first three weeks of March, ending that month at 95.41. In April the United States entered the war... bad news if there ever was any... and the index ranged between 90.66 and 97.06, with 93.23 recorded as April ended. May brought a recovery with 97.38 the average at the end of the month. In June a gradual downward drift got under way, led by the so-called 'war babies' until 65.95 was established in December—a decline of some 24 points in a little more than a year—with final dealings of that month on a rising price trend.

"From February, 1918, to the end of the war and the end of the year, the index moved between 75.58 and 89.97, with the tendency upward after the German defeat was sensed publicly.

"If anything can be made of the parallel as time goes on, the task may be left to the chart makers. Hindsight suggests that the bloom went off the speculative rose with the Kaiser's bid for peace in 1916, although the war was to last almost two more years.

"The fact was that a great deal of discounting of corporation war profits was done with the speed no longer witnessed in modern stock markets during 1915 and the early months of 1916, with the rise of Bethlehem Steel from around 60 to a level above 600 pacing the price procession."

Federal Government Needs Draftsmen

Over a hundred draftsmen are being sought by the U. S. Civil Service Commission for work in Federal agencies that is necessary to the prosecution of the war. Entrance salaries range from \$1,752 to \$3,163 a year, including pay for the eight hours of overtime incorporated in the 48-hour Federal workweek. The advices from the Commission also state:

"Draftsmen of all types are needed, particularly ship, electrical, and mechanical draftsmen, as well as topographic draftsmen. Agencies needing these types of personnel in the greatest numbers are the several bureaus of the Navy Department, the Coast and Geodetic Survey of the Department of Commerce, and the Geological Survey of the Department of the Interior. The Treasury De-

The State Of Trade

There were slight setbacks registered by a number of the leading industries the past week. Electric power production showed a falling off from the previous week, and loadings were again lower. However, steel operations continue at a high level, with the promise of further peak levels later on. The retail trade continues to make a favorable showing, with department stores of the country recording a sales rise of 10% over last year.

Reflecting the Labor Day holiday, production of electricity dropped sharply to 4,229,262,000 kilowatt hours in the week ended Sept. 11 from the all-time high of 4,350,511,000 reached the week before, according to the Edison Electric Institute. This was 18% above the 3,583,408,000 kilowatt hours distributed in the 1942 period.

Consolidated Edison Company of New York announced system output of 200,900,000 kilowatt hours in the week ended Sept. 12, up 27% over the year ago total of 158,100,000.

Loading of revenue freight for the week ended Sept. 11 totaled 834,671 cars, according to the Association of American Railroads.

This was a decrease of 66,404 cars, or 7.4% (on account of Labor Day holiday), compared with the preceding week; an increase of 19,774 cars, or 2.4% compared with the corresponding week a year ago, and a decrease of 79,985 cars, or 8.8% compared with two years ago.

Steel production for the current week will be at the highest level in national history, according to the American Iron & Steel Institute.

Schedules this week call for use

partment and the War Production Board utilize statistical draftsmen.

"Qualified engineering draftsmen in any field are urged to apply. However, persons without previous experience in the fields where needs exist may be appointed and trained in the subject. Women are especially desired. Applicants having training or experience primarily in commercial art, interior decorating, etc., which included any drafting training or experience will be considered.

"For positions paying \$1,752 a year, requirements are at a minimum. Persons may qualify with six months of practical elementary full-time paid drafting experience, or with completion of one of the following types of study: at least three semesters of training in drafting in high school; or a thorough course of drafting requiring actual classroom work in a school specializing in drafting; or a U. S.-approved ESMWT course in engineering drafting; or a course in drafting in a college or university.

"Persons enrolled in drafting courses are urged to apply, since they may be appointed prior and subject to the completion of these courses.

"For the higher-paying positions in all fields, additional experience or study in drafting appropriate to the grade of the position is necessary.

"The need for draftsmen is greatest in Washington, D. C. However, draftsmen are also needed in all parts of the United States as well as its territories and possessions.

"Persons now using their highest skills in war work should not apply. Federal appointments are made in accordance with War Manpower Commission policies and employment stabilization plans.

"Interested persons may secure Announcement 283 and application forms from first and second class post offices, from Civil Service regional offices in regional headquarters' cities, or from the U. S. Civil Service Commission. Applications should be sent to the U. S. Civil Service Commission, Washington 25, D. C."

of 100.6% of rated capacity with production of 1,753,400 net tons of ingots and castings. The previous peak was two weeks ago, when operations were at 100.3% and output was 1,748,000 tons. Last week the operating rate was 99.6 and output 1,736,000; for the like 1942 week production was 1,645,700 tons.

The Commerce Department reported that the July rise in industrial production, together with indications of a continued rise in August, "overcame the setback connected with the coal strike."

Although representing the first upturn since April, the department added that it "has not solved the basic economic problem confronting the nation—how to raise war and essential civilian goods output by the last few billions needed to attain the wartime peak, while at the same time continuing to avoid inflation."

Asserting that "the manpower bottleneck" unquestionably has retarded the flow of goods and services, an article in the department's "Survey of Current Business," adds:

"The stringency will almost inevitably become more critical in the autumn after millions of young people have returned to school. Then the year-end requirements of the armed forces and of essential industries can be met only by extensive (2,400,000) transfers of workers from less to more essential industries or the armed forces and by the accession of about 1,000,000 non-workers to the labor force. The magnitude of the nation's maximum war effort hinges directly on the success of this further mobilization of manpower."

Retail trade enjoyed an upward surge this week as early fall weather had a favorable effect on consumer purchasing, according to the weekly report issued by Dun & Bradstreet, Inc. Promotional activity was high with a part of advertising space devoted to the Third War Loan for the second successive week.

Increased activity in the wholesale market was attributed to heavy mail ordering and a considerable increase in the number of buyers at various marts. The tight situation in deliveries continued to have considerable influence on available supplies, the report says.

The wholesale price index of 30 basic commodities rose from 171.64 to 172.30 during the week. The wholesale food price index remained at \$4.06 for the third consecutive week, representing a rise of 6.3% over the corresponding 1942 week.

Department store sales on a country-wide basis were up 10% for the week ended Sept. 11, compared with the like period a year ago, according to the Federal Reserve Board.

Store sales were up 6% for the four-week period ended Sept. 11, compared with last year.

Department store sales in New York City in the week ended Sept. 18 were 8% larger than in the corresponding week last year, according to a preliminary estimate issued by the Federal Reserve Bank of New York.

In the previous week ended Sept. 11 sales of this group of stores increased 4% over the like 1942 week.

Wholesale grocery and drug business transacted with retail merchants in small towns has increased 20% during the last 12 months, according to a survey released by Earl E. Sproul, Vice-President of Western Newspaper Union.

Roosevelt's Message To Congress Pledges New Blows At Axis; Asks For More Output

President Roosevelt told Congress on Sept. 17, in a special message reviewing events on the war and home fronts, that definite times and places for new landings of Allied forces against Germany and Japan have been selected.

The President called for "a constant stepping up of our production here at home" in order that the Allies may continue to have a definite superiority in planes, guns, tanks, ships and other weapons of war.

Mr. Roosevelt gave four principal reasons why "we are still a long, long way from ultimate victory in any major theater of the war," as follows: (1) that "we face a hard and costly fight, up through Italy"; (2) the need for striking "not just in one direction but in many directions . . . with overwhelming forces and equipment"; (3) that "the Russian armies still have far to go before getting into Germany itself"; (4) the urgency for breaking through the Japanese defensive ring at many points.

Declaring that "in all of history there has never been a task so tremendous as that which we now face," the President said we can and will do it, but "we must plan and work and fight with every ounce of intelligence and energy and courage we possess."

While admitting that German power "can still do us great injury," Mr. Roosevelt stated that "that evil power is being destroyed, surely, inexorably, day by day, and if Hitler does not know it by now, then the last trace of sanity has departed from that distorted mind."

As to the situation in the Orient, the President said "a long and difficult fight" is faced there and we must be prepared for heavy losses in winning that fight. He added that "the power of Japan will not collapse until it has been literally pounded into the dust."

He proclaimed that when Japan surrenders, the United Nations never again will allow her to have authority over territories mandated to her by the League of Nations because "Japan obviously is not to be trusted." And Japan will be required to return the vast territories she stole from China long before this war started.

In warning against over-confidence the President asserted that "nothing we can do will be more costly in lives than to adopt the attitude that the war has been won—or nearly won," thus resulting in "a let-down in the great tempo of production which we have reached."

Taking cognizance of the fact that there have been complaints from some sources about the way production and other domestic activities have been carried on, the President said:

"Some of these complaints, of course, are justified. On the other hand, some of them come from selfish people who merely do not like to give up some of their pleasures or a part of their butter or meat or milk.

"Fair-minded citizens, however, will realize that although mistakes have been made, the job that has been done in converting peace-time America to a war-time basis has been a great job and a successful one, of which all our people have good reason to be proud."

The text of President Roosevelt's message to Congress follows:

To the Congress of the United States:

During the two months' recess of the Congress many important events have occurred at the war fronts and at home. You return at a time major battles in Europe and in Asia are beginning to be joined. In recent months the main tides of the conflict have been running our way—but we could not and cannot be content merely to drift with this favorable tide.

You know from the news of the past few days that every military

operation entails a legitimate military risk and that occasionally we have checks to our plans—checks which necessarily involve severe losses of men and materials.

The Allied forces are now engaged in a very hard battle south of Naples. Casualties are heavy. The desperation with which the Germans are fighting reveals that they are well aware of the consequences to them of our occupation of Italy.

The Congress and the American people can rest assured that the landing on Italy is not the only landing we have in mind. That landing was planned at Casablanca. At Quebec the leaders and the military staffs of Great Britain and the United States made specific and precise plans to bring to bear further blows of equal or greater importance against Germany and Japan—with definite times and places for other landings on the continent of Europe and elsewhere.

On the 10th of July a carefully prepared expedition landed in Sicily. In spite of heavy German opposition it cleared this large and heavily fortified island in 38 days.

British, Canadian and American losses in killed, wounded and missing in the Sicilian campaign were 31,158, of which the American forces lost 7,445. The casualties among the Italians and Germans were approximately 165,000 including 132,000 prisoners.

The unmistakably sincere welcome given to the Allied troops by the Italian people has proved conclusively that even in a country which had lived for a generation under a complete dictatorship—with all of its propaganda, censorship and suppression of free speech and discussion—the love of liberty was unconquerable.

It has also proved conclusively that this war was not waged by the people of Italy on their own choice. All of Mussolini's propaganda machine could not make them love Hitler or hate us. The less said about the feelings toward Mussolini, the better.

I believe that equal jubilation and enthusiasm will be shown by the people of the other nations now under the German heel when Nazi gauleiters and native Quislings are removed through force or flight.

How different was this invading army of the Allies from the German forces that had come into Sicily, ostensibly to "protect it." Food, clothing, cattle, medicines and household goods had been systematically stolen from the people of Sicily and sent north to the "master race" in Germany.

Sicily, like other parts of Italy, and like the other satellite and conquered nations, had been bled white by the Nazi and Fascist governments. Growers of crops were permitted to retain only a small fraction of their own produce for themselves and their families.

With the Allied armies, however, went a carefully planned organization, trained and equipped to give physical care to the local population—food, clothing, medicine. This new organization is also now in the process of restoring to the people of Sicily freedoms which for many years had been denied to them. I am confident that, within a year, Sicily will be once more self-supporting—and, in addition to that, once more self-respecting.

From Sicily the advance of the Allied armies was continued to the mainland. On the third day of September they landed on the

toe of the Italian peninsula. These were the first Allied troops to invade the continent of Europe in order to liberate the conquered and oppressed countries. History will always remember this day as the beginning of the answer to the prayer of millions of liberty-loving human beings not only in these conquered lands but all over the world.

On July 25—two weeks after our first landings in Sicily—political events in Italy startled the world. Mussolini, the incubus of Italy for a generation, the man who is more responsible for all of the sorrows of Italy than anyone, except possibly Hitler himself, was forced out of office and stripped of his power as a result of his own dismal failures, his wanton brutalities, and the overwhelming demand of the Italian people. This was the first break in Axis leadership—to be followed, we are determined, by other and similar encouraging downfalls.

But there is one thing I want to make perfectly clear: when Hitler and the Nazis go out, the Prussian military clique must go with them. The war-breeding gangs of militarists must be rooted out of Germany—and out of Japan—if we are to have real assurance of future peace.

Early last month the relentless application of overwhelming Allied power—particularly air and sea power—convinced the leaders of Italy that it could not continue an active part in the war. Conversations were begun by them with us. These conversations were carried on with the utmost secrecy. Therefore, much as I wished to do so, I would not communicate the facts of the case to the Congress or the press, or to those who repeatedly expressed dismay or indignation at our apparent course in Italy. These negotiations turned out to be a complete surprise to nearly everyone, not only to the Axis but to the Italian people themselves.

I am sure that the Congress realizes that there are many situations in this war—and there will be many more to come—in which it is impossible for me to make any announcement or even to give any indication of the policy which we are following. And I ask the American people as well as the Congress to bear with me and with our Chiefs of Staff. It is difficult to remain silent when unjustified attack and criticism come from those who are not in a position to have all the facts.

But the people and the Congress can be sure that the policy which we follow is an expression of the basic democratic traditions and ideals of this Republic. We shall not be able to claim that we have gained total victory in this war if any vestige of Fascism in any of its malignant forms is permitted to survive in the world.

The armistice with Italy was signed on Sept. 3 in Sicily, but it could not be put into effect until Sept. 8, when we were ready to make landings in force in the Naples area. We had planned these landings some time before, and were determined to go through with them, armistice or no armistice.

Italian leaders appealed to their army and navy to end hostilities against us. Italian soldiers, though disorganized and ill-supplied, have been fighting the Germans in many regions. In conformity with the terms of unconditional surrender, the Italian fleet has come over to our side, and it can be a powerful weapon in striking at the Nazi enemies of the Italian people.

When Hitler was forced to the conclusion that his offensive was broken, and he must go on the defensive, he started boasting that he had converted Europe into an impregnable fortress. But he

neglected to provide that fortress with a roof. He also left various other vulnerable spots in the wall of the so-called fortress—which we shall point out to him in due time.

The British and American air forces have been bombing the roofless fortress with ever-increasing effectiveness. It is now our purpose to establish bases within bombing range of southern and eastern Germany and to bring devastating war home to these places by day and by night as it has already been brought to western Germany.

When Britain was being subjected to mass bombing in 1940 and 1941—when the British people, including their King and Prime Minister, were proving that Britain "could take it"—the strategists of the Royal Air Force and of our own Army Air Forces were not idle. They were studying the mistakes that Goering and his staff of Nazi terrorists were making. These were fatal mistakes, as it turned out.

Today we and the British are not making those mistakes. We are not bombing tenements for the sheer sadistic pleasure of killing, as the Nazis did. We are striking devastating blows at carefully selected, clearly identified strategic objectives—factories, shipyards, munition dumps, transportation facilities, which made it possible for the Nazis to wage war. And we are hitting these military targets and blowing them to bits.

German power can still do us great injury. But that evil power is being destroyed, surely, inexorably, day by day, and if Hitler does not know it by now, then the last trace of sanity has departed from that distorted mind.

We must remember that in any great air attack the British and Americans lose a fairly high proportion of planes, and that these losses must be made up quickly so that the weight of the bombing shall not decrease for a day in the future. In fact, a high rate of increase must be maintained according to plan—and that means constant stepping-up of our production here at home.

In the remarkable raid on the Ploesti oil fields in Rumania we lost 53 of our heavy bombers, and more than 500 of our finest men are missing. This may seem like a disastrously high loss, unless you figure it against the damage done to the enemy's war power. I am certain that the German or the Japanese High Commands would cheerfully sacrifice tens of thousands of men to do the same amount of damage to us if they could. Those gallant and brilliant young Americans who raided Ploesti won a smashing victory which, I believe, will contribute materially to the shortening of the war and thus save countless lives.

We shall continue to make such raids all over the territory of Germany and the satellite countries. With Italy in our hands, the distances we have to travel will be far less and the risks proportionately reduced.

We have reliable information that there is definite unrest and a growing desire for peace among the peoples of these satellite countries—Rumania, Hungary, Finland and Bulgaria. We hope that in these nations the spirit of revolt against Nazi dominance which commenced in Italy will burst into flame and become a consuming fire.

Every American is thrilled by the sledge-hammer blows delivered against the Nazi aggressors by the Russian armies. This summer there has been no successful German advance against the Russians, as in 1941 and 1942. The shoe today is on the other foot—and it is pinching very hard. Instead, the Russians have forced

the greatest military reversal since Napoleon's retreat in 1812.

The recapture of Kharkov, Stalino and other strongholds by the Russians, the opening of the Ukraine and the Donets Basin, and the freeing of millions of valuable acres and hundreds of inhabited places hearten the whole world as the Russian campaign moves toward the elimination of every German from Russian soil—toward the invasion of Germany itself. It is certain that the campaign in North Africa, the occupation of Sicily, the fighting in Italy and the compelling of large numbers of German planes to go into combat in the skies over Holland, Belgium and France by reason of our air attacks, have given important help to the Russian armies along their advancing front from Leningrad to the Black Sea. We know, too, that we are contributing to that advance by making Germany keep many divisions in the Balkans, in southern France and along the English Channel. I like to think that these words constitute an understatement.

Similarly, the events in the Mediterranean have a direct bearing upon the war against Japan.

When the American and British expeditionary forces first landed in North Africa, last November, some people believed that we were neglecting our obligations to prosecute the war vigorously in the Pacific. Such people continually make the mistake of trying to divide the war into several water-tight compartments—the western European front—the Russian front—the Burma front—the New Guinea and Solomons front, and so forth—as though all of these fronts were separate and unrelated to each other. You even hear talk of the air war as opposed to the land war or the sea war.

Actually, we cannot think of this as several wars. It is all one war, and it must be governed by one basic strategy.

The freeing of the Mediterranean, which we started last fall, will lead directly to the resumption of our complete control of the waters of the eastern Indian Ocean and the Bay of Bengal. Thus we shall be enabled to strike the Japanese on another of their highly vulnerable flanks.

As long as Italy remained in the war as our enemy—as long as the Italian fleet remained in being as a threat—a substantial part of British naval strength had to be kept locked up in the Mediterranean. Now that formidable strength is freed to proceed eastward to join in the ever-increasing attack upon the Japanese. It has not been sufficiently emphasized that the freeing of the Mediterranean is a great asset to the war in the Far East.

There has been one serious gap in the lines of our globe-girdling sea power. That is the gap between northwest Australia and Ceylon. That gap can now be closed as a result of victory in the Mediterranean.

We face, in the Orient, a long and difficult fight. We must be prepared for heavy losses in winning that fight. The power of Japan will not collapse until it has been literally pounded into the dust. It would be the utmost folly for us to try to pretend otherwise.

Even so, if the future is tough for us, think what it is for Gen. Tojo and his murderous gang. They may look to the north, to the south, to the east or to the west. They can see closing in on them from all directions the forces of retribution under the Generalissimo Chiang Kai-shek, General MacArthur, Admiral Nimitz and Admiral Lord Mountbatten.

The forces operating against Japan in the various Pacific theatres are just as much inter-

related and dependent on each other as are the forces pounding against Germany in Europe.

With the new threats that we offer from the Aleutians, Japan cannot afford to devote as large a proportion of her forces to hold the lines in other areas.

Such actions as the taking of Attu and Kiska do not just happen. They are the results of careful and complete planning which was going on quietly while some of our critics were so perturbed that they had reached the verge of tears over what they called the threatened invasion of Seattle, Portland, San Francisco and Los Angeles. It was difficult for them to realize that the carefully prepared and crucial tests in the Coral Sea and at Midway and in the Solomons rendered the Japanese toe-hold in the Aleutians untenable.

Japan has been hard put to it to maintain her extended lines. She had to withdraw her garrison from Kiska in the face of the oncoming American-Canadian forces because she could not maintain a steady stream of adequate reinforcements and supplies to the Aleutians.

In the Solomon Islands, with heavy fighting, we have gained so many island air bases that the threat to Australia and New Zealand across the Coral Sea has been practically dissipated. In fact, it is safe to say that our position in that area has become a threat on our part against the Japanese in the seas that lie north of the Solomons and north of New Guinea.

American, Australian, New Zealand and Dutch forces in a magnificent campaign in New Guinea and the Solomons have destroyed much Japanese strength and have gained for us new bases from which to launch new offensive operations.

After a long period of defensive strategy in Burma we are determined to take the offensive there. I am also glad to report to you that we are getting more supplies and military help to China. Almost every day word comes that a new air battle has destroyed two and three times more Japanese planes in China and Burma than we ourselves have lost. That process will continue until we are ready to strike right at the heart of Japan itself.

It goes almost without saying that when Japan surrenders the United Nations will never again let her have authority over the islands which were mandated to her by the League of Nations. Japan obviously is not to be trusted. And the same thing holds good in the case of the vast territories which Japan has stolen from China starting long before this war began.

Since the beginning of our entrance into the war, nearly two years ago, the United Nations have continuously reduced enemy strength by a process of attrition. That means, cold-bloodedly, placing the ever-increasing resources of the Allies into deadly competition with the ever-decreasing resources of the Axis. It means the training and use of the Allied man-power—which is greater than the Axis. It means the use of our superior facilities and ability to make more munitions, and above all aircraft, more quickly than our enemies can do.

For example, the Allies today on the European front have a definite superiority in almost all weapons of war on any and every point of the encircling line—more guns, more tanks, more planes, more trucks, more transports, more supply ships and more warships.

In the Pacific we have taken a steady toll of Japanese war planes and a steady toll of Japanese ships—merchant ships and naval vessels. The odds are all in our favor—for we grow in strength and they cannot even replace all their losses. It might be called a simple mathematical progression. However, unless we keep up and

increase the tempo of our present rate of production, this greater strength in planes and guns, tanks and ships can all be lost.

Our great production program started during the darkest days of 1940. With the magnificent contribution made by American industry and American labor, it is approaching full production. Britain has already attained full production. Today the British Empire and the United States, together, are turning out so much of every essential of war that we have definite superiority over Germany and Japan which is growing with every succeeding minute. But we have no minutes to lose.

Realization of the distances we must cover brings to mind problems that every American should realize—problems of transporting from our shores to the actual fighting areas the weapons and munitions of war which we make. Burma and China can be reached only with extraordinary difficulty. Two years ago most of the planes we sent had to be knocked down, crated, put on board ship, transported, then uncrated and put together again in India, and from there sent up to the fighting front.

In the case of China, they had to be flown over enormous mountains. Even after they were safely delivered there the planes had to be kept supplied with ground crews, tools, oil, gasoline and even spare parts. Since the Japs cut the Burma Road all these supplies have to be flown over hundreds of miles to bases which had to be built in China.

The same slow process was also the rule in the southwest Pacific.

With the present increased range of airplanes and the establishment of additional bases, we are now flying more of them under their own power than before, but all the things that go to supply them—the gasoline, the tools, the spare parts—still have to be taken by ship to the fighting fronts all over the world. Practically every soldier and all his weapons and equipment have to go by ship. And every time a new forward move develops the whole outfit has to go by ship.

I wonder how many people realize what it means to carry on the war across the Atlantic and the Pacific and through the Mediterranean and the Indian Ocean, along lines of supply attacked by submarines and dive bombers at many points.

The combined operation of the British and Americans last November against Morocco and Algeria was in point of numbers the largest military movement over the longest number of miles to landings under fire that history has recorded anywhere.

The ships for such an amphibious operation cannot be loaded in the ordinary way, to be unloaded alongside a comfortable safe wharf. Most of the ships must be "combat loaded" in such a way that the troops go ashore first and are immediately followed in the proper order by guns and ammunition, tanks, trucks and food, medical equipment and all the supplies of a modern army. Preparations must be made to conduct these landings under enemy fire, and on beaches instead of at docks. People who have seen or planned this kind of operation, even over short distances, do not speak glibly about landing great expeditions on a few days' notice or on all the beaches of Europe at the same time.

The members of the Congress have undoubtedly had an opportunity to see at first hand in their own home districts some of our war factories and plants and shipyards throughout the United States which are now working at full blast turning out the greatest amount of war production in the history of the world.

In June and July we were worried by a reduction in the rate of increase in production. Great as

our production had been we could not afford to level off. We had to continue the upward curve and not pause on any plateaus.

I am happy to report that the increase was resumed in August. In this month of September it is even better.

For example, during the two months of the recess of the Congress our factories produced approximately 15,000 planes. There was an especially important increase in the production of heavy bombers in August. I cannot reveal the exact figures on this. They would give the enemy needed information—but no comfort. However, the total airplane production is still not good enough. We seek not only to come up to the schedule but to surpass it.

During those same two months American shipyards put into commission 3,200,000 tons of large merchant ships—a total of 281 ships, almost five ships a day.

Even as the actual fighting engagements in which our troops take part increase in number, it is becoming more and more evident that this is essentially a great war of production. The best way to avoid heavy casualty lists is to provide our troops with the best equipment possible—and plenty of it.

We have come a great way since this Congress first met in January of this year. But I state only a blunt fact when I tell the Congress that we are still a long, long way from ultimate victory in any major theater of the war.

First: Despite our substantial victories in the Mediterranean, we face a hard and costly fight up through Italy—and a major job of organizing our positions before we can take advantage of them.

Second: From bases in the British Isles we must be sure that we have assembled the strength to strike not just in one direction but in many directions—by land and sea and in the air—with overwhelming forces and equipment.

Third: Although our Russian allies have made a magnificent counter-offensive, and are driving our common enemies back day by day, the Russian armies still have far to go before they get into Germany itself.

Fourth: The Japanese hold firmly established positions on an enormous front from the Kuriles through the mandated islands to the Solomons and through the Netherlands East Indies to Malaysia and Burma and China. To break through this defensive ring we must hit them and hit them hard, not merely at one point, but at many points, and we must keep on hitting them.

In all of history there has never been a task so tremendous as that which we now face. We can do it and we will do it—but we must plan and work and fight with every ounce of intelligence and energy we possess.

The Congress has reconvened at a time when we are in the midst of the Third War Loan drive seeking to raise a sum unparalleled in history—\$15,000,000,000. This is a dramatic example of the scale on which this war still has to be fought, and presents some idea of how difficult and costly the responsible leaders of this Government believe the war will be.

Nothing we can do will be more costly in lives than to adopt the attitude that the war has been won—or nearly won. That would mean a let-down in the great tempo of production which we have reached, and would mean that our men who are now fighting all over the world will not have that overwhelming superiority of power which has dealt so much death and destruction to the enemy and at the same time has saved so many American lives.

That is why I have always maintained that there is no such separate entity as the "home front." Every day lost in turning out an airplane or a ship at home

will have its direct effect upon the men now battling up the leg of Italy or in the jungles of the southwest Pacific or in the clouds over China.

There have been complaints from some sources about the way this production and other domestic activities have been carried on. Some of these complaints of course are justified. On the other hand, some of them come from selfish people who merely do not like to give up some of their pleasures, or a part of their butter or meat or milk.

Fair-minded citizens, however, will realize that although mistakes have been made, the job that has been done in converting peace-time America to a war-time basis has been a great job and a successful one, of which all our people have good reason to be proud.

It would be nothing short of a miracle if this unprecedented job of transforming a peace-loving, unprepared industrial America into a fighting and production machine had been accomplished without some mistakes being made and some people being given cause for complaint.

The Congress is well aware of the magnitude of the undertaking, and of the many gigantic problems involved. For the Congress has been actively involved in helping to work out the solutions to these unprecedented problems.

A few facts will show how vast an enterprise this war has been—and how we are constantly increasing the tempo of our production.

The total amount spent on the war from May, 1940, to date is \$128,123,000,000. The bill is now running at the rate of \$250,000,000 per day.

Up to Sept. 1, 1943, among the more important items produced and delivered since the armament program started in May, 1940, are the following:

Airplanes, 123,000.
Airplane engines, 349,000.
Tanks, 53,000.
Artillery weapons, 93,000.
Small arms (rifles, carbines, machine guns, etc.), 9,500,000.
Small arms ammunition, 25,942,000,000 rounds.
Trucks, 1,233,000.

In most instances more than half of the above total delivered to date was produced during the first eight months of 1943:

Airplanes, 22,000.
Planes, 23,000.
Artillery weapons, 40,600.
Small arms (rifles, carbines, machine guns, etc.), 4,638,000.
Small arms ammunition, 13,339,000,000 rounds.

The number of fighting ships and auxiliaries of all kinds completed since May, 1940, is 2,380 and 13,000 landing vessels.

In the two and a half years between Jan. 1, 1941, and July 1, 1943, the power plants built for installation in Navy vessels had a horsepower equal to all the horsepower of all hydroelectric plants in the United States in January, 1941.

The completions of Navy ships during the last six months were equal to completions in the entire year of 1942.

We have cut down the time required to build submarines by almost 50%.

The anti-aircraft and double-purpose guns produced by the Navy since the defense program started in May, 1940, if fired together, would throw 4,600 tons of projectiles per minute against the enemy.

The output of under-water ordnance (torpedoes, mines and depth charges) during the first half of 1943 was equal to the total production of 1942.

During the month of August, 1943, we produced almost as many torpedoes as during all of World War I.

Anyone who has had to build a single factory, tool it up, get the necessary help, set up an assembly line, produce and ship the product

will have some idea of what that amount of production has meant.

We have had to raise and equip armed forces approaching 10,000,000 men. Simultaneously, in spite of this drain on our manpower, we have had to find millions more men and millions of women to operate our war factories, arsenals, shipyards, essential civilian industries—and the farms and mines of America.

There have been problems of increasing greatly the output of our natural resources—not only for our own Army and Navy and for our civilians at home, but also for our allies and for our own forces all over the world.

Since the outbreak of war in Europe we have increased our output of petroleum by 66%. We have stepped up our bituminous coal production by 40%; chemicals by 300%; iron ore by 125%; hydro-electric power by 79%, and steel by 106%.

There were the problems of raising and distributing more food than ever before in our history—for our armed services, for our own people, and to help feed our allies.

There was the formidable problem of establishing a rationing system of the necessities of life which would be fair to all of our people.

There was the difficulty of keeping prices from skyrocketing and fighting off the serious specter of inflation.

There was the problem of transporting millions of men and hundreds of millions of tons of weapons and supplies all over our own country and also to all corners of the world. This necessitated the largest railroad and shipping operations in all history.

There were the problems involved in our vast purchases in foreign countries; in our control of foreign funds, located in this country; in our custody of alien property; in our occupation of liberated areas. There were new problems of communications, of censorship, of war information.

There was the problem of maintaining proper management—labor relations; of fair treatment and just compensation to our millions of war workers; of avoiding strikes; of preventing the exploitation of workers or natural resources by those who would seek to become war profiteers and war millionaires.

There were the problems of civilian defense, of lend-lease, of sub-contracting war contracts to smaller businesses, of building up stock piles of strategic material whose normal sources have been seized by the enemy—such as rubber and tin.

There was the problem of providing housing for millions of new war workers all over the country.

And touching all of these, there was the great problem of raising the money to pay for all of them.

No sincere, sensible person doubts that in such an unprecedented, breathtaking enterprise errors of honest judgment were bound to creep in, and that occasional disputes among conscientious officials were bound to occur. And if anyone thinks that we, working under our democratic system, have made major mistakes in this war, he should take a look at some of the blunders made by our enemies in the so-called "efficient" dictatorships.

Even sincere, sensible people sometimes fail to compare the handfuls of errors or disputes on the one hand, with the billions of instances where the agencies of government in cooperation with each other have moved with the precision of a smoothly working machine.

Some people, when a doughnut is placed before them, claim they can see only the hole in it. Sometimes this is an example of sheer individual pessimism; but sometimes it is caused by motives not consonant with war-winning ideals.

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Reserve City Ass'n Group To Study Post-War Stabilization, Internat'l Finance

The Association of Reserve City Bankers has appointed a Post-War Banking Committee to study international currency stabilization, international finance, Federal fiscal policies and Federal taxation, it was announced in Chicago on Sept. 19 by Mark A. Brown, Vice-President of the Harris Trust & Savings Bank, Chicago, and President of the Reserve City group.

The Committee is headed by John C. Traphagen, President of the Bank of New York, while the Vice-Chairman is W. Randolph Burgess, Vice-Chairman of the National City Bank of New York and newly-elected Vice-President of the American Bankers Association.

Other members of the group are Edward E. Brown, President, First National Bank of Chicago; Keehu W. Berry, President, Whitney National Bank, New Orleans; S. Sloan Colt, President, Bankers Trust Co., New York; H. Donald Campbell, President, Chase National Bank, New York; Andrew Price, President, National Bank of Commerce, Seattle, Wash.; Charles E. Spencer Jr., President, First National Bank, Boston; Robert Strickland, President, Trust Company of Georgia, Atlanta, and George M. Wallace,

President, Security First National Bank, Los Angeles.

Advices from Chicago Sept. 19 to the New York "Herald Tribune" reporting the appointment of the Committee stated that the intention of the Reserve City Bankers to enter the field of post-war currency stabilization undoubtedly stems from the finding of the report of the Economic Policy Commission of the American Bankers Association presented at the War Service meeting of the Association, which report found that the British and American plans are far from satisfactory. The "Herald Tribune" account added, "The provision in both for making loans would set up vast and highly inflationary credit facilities in a world which will be trying to counteract inflationary influences created by war, it was stated."

World Citizenship To Improve Relations Between Countries Recommended By Educators

Educators from the United States and 30 foreign countries attending the sessions of the International Education Assembly recommended on Sept. 16, a program for the development of world citizenship designed to improve relations between countries during the reconstruction period, it was indicated in a special dispatch to the New York "Times" by Benjamin Fine from Harpers Ferry, West Virginia on Sept. 16, which also gave the following account of the proceedings at the Assembly's session:

Presented by Prof. I. James Quillen of Stanford University, the proposal called upon educators of the world to teach children and adults the importance of international as well as national concepts. By so doing, the report held, it would be possible to show the citizens of foreign lands that only through cooperation in the field of education as well as in the political areas could peace be assured.

"In the past education has often been directed toward the development of a narrowly selfish nationalistic citizenship," the report to the assembly said. "In the post-war period the development of world citizenship will be one of the most vital tasks of education in all nations."

A 12-point program was recommended to educators in all the United Nations as a means of bringing about desirable world citizenship. Important among these points were the following:

Teaching the scientific truth that human differences are determined more by cultural than by biological factors.

Eliminating content and materials which foster intolerance, prejudice and war.

Providing for a wider use of the newspaper, periodical, pamphlet, radio, motion picture and library on all levels of instruction.

Selecting an international language and teaching it in all elementary schools in order to foster world inter-communication and understanding.

Providing for at least a tenfold increase in the international exchange of students and teachers.

Strict control of the German educational system for as much as fifty years after the war ends was recommended by many of the foreign delegates, especially those from countries which have suffered most at the hands of the Nazis.

Although the educators differed as to the degree of control which should be exercised, all agreed that the Nazi schools must be completely uprooted.

The strongest arguments for the destruction of the Nazi school sys-

tem came from the two Polish representatives, Dr. Feliks Gross and Dr. Thaddeus Mitana. Dr. Gross, who escaped from Poland several years ago, and who is now secretary of the Central Eastern European Planning Board, warned the scholars that the task of re-educating millions of Nazi youths poisoned by Hitler's doctrines, was almost impossible.

However, he agreed, as did the other speakers, that some form of international education commission should cooperate with democratic elements in Germany who are now either in the underground movement or in concentration camps. Dr. Gross declared that some of the best teachers of Germany were in these camps, and he said that upon their release they should be put in responsible educational positions as teachers or administrators.

"Germany's school system should be supervised for at least 50 years after the war ends," Dr. Gross said. "Only through strict control of the Nazi educational system can we hope to achieve lasting peace."

All of the German textbooks now in use would have to be revised and the Nazi tenets removed, declared Dr. Reinhold Schairer, director of the United States Committee on Educational Reconstruction. Dr. Schairer disclosed that preliminary work in this direction has been done under the direction of Dr. Alonzo F. Myers of New York University, chairman of the commission for the International Education Office.

Emphasizing that Germany could not be permitted to continue to educate its youth along Nazi lines, Dr. Ase G. Skard, the Norwegian delegate, warned that it might be necessary to liquidate the German educational system.

A similar position was outlined by Prof. Paul Hana of Stanford. It is important, he said, that the United Nations take a vigorous stand in the re-education of German youth, and that they be denied the right to "educate for death" again. Only by so doing, he declared, would it be possible to keep the world at peace in the future. Prof. Antonin J. Obrdik,

formerly a sociology professor in Czechoslovakia, and now attached to the Czechoslovak Embassy, urged the educators to take a "realistic" view of the German youth who have been trained under Nazi methods. Soft words will not be enough to erase the damage done, he warned in urging a strict measure of control.

Immediate establishment of an International Office of Education, which could be of service to the nations of the world even before the war ends, was proposed by James Marshall, member of the New York City Board of Education. Mr. Marshall, who has been a pioneer working in this field, said that the international office should be organized on an independent basis and should not be tied in with any other political association or federation which might develop after the war.

NY Farm Credit School To Be Held Oct. 14-15

Representatives of several hundred New York State commercial banks will study wartime credit needs of agriculture at the Third Farm Credit School at Syracuse on Oct. 14 and 15, according to E. Chester Gersten, President of the Public National Bank and Trust Co. of New York City, and President of the New York State Bankers Association, which is sponsoring the school. It is stated in the announcement of the Association that the idea of presenting a short course in farm operation and finance for bankers originated with the Association, in March, 1941, when the first school was held at Ithaca. This school and the second, which also was held in Ithaca, in December of the same year, were attended by representatives from more than 300 up-State banks. The 1943 school, despite transportation problems, is expected to attract as large a crowd as its forerunners and to include discussion of even more important farmer-banker problems, according to Walter Wightman, Cashier of the Bank of North Collins, North Collins, and Chairman of the Committee on Agriculture.

Lectures and panel discussions on farm financing and the effects of the war on the farmer will feature the school's seven sessions. Among the chief speakers will be Dr. William I. Myers, head of the Department of Agricultural Economics and Farm Management, Stanley J. Brownell, Professor, Department of Animal Husbandry, New York State College of Agriculture; A. G. Brown, Deputy Manager, Agricultural Credit Department, American Bankers Association; Otis A. Thompson, Chairman, Agricultural Commission, A. B. A., and President, National Bank & Trust Co., Norwich; E. H. Thomson, President, Federal Land Bank; George Stebbins, President, Federal Intermediate Credit Bank, Springfield, Mass.; Warren Hawley, President, New York State Farm Bureau Federation; Charles H. Schoch, Deputy Superintendent, New York State Banking Department, and Nicholas A. Jamba, Vice President and Manager of the agricultural department, First National Bank & Trust Co., Norwich.

There will be three panel discussions, one on farm credit statements, the second on relationships of commercial banks and government farm credit agencies, and a third on agricultural bank advertising. The sessions will also include lectures on the artificial insemination program, a visit to the breeding barns at Syracuse University, case studies of individual farm loans, banking department standards as applied to farm credit, and the use of chattel mortgages in farm loans.

Freedom From Financial Worry

(Continued from first page)

best future of all the States. One correspondent suggests that Texas, in seventy-five years, will have a majority of the U. S. House of Representatives. With her climate, soil, oil, seacoast and airfields, this may be true. Next to Texas, the repliers prefer Illinois, Indiana, Iowa, Missouri, Kentucky, Tennessee, Virginia and the State of Washington, in this respective order. This means that either the land assessments in these States are low or else their people are getting land hungry. Hence, these States may be headed for a land boom. I also had a host of postal cards from people in Washington, D. C., who are frantic to buy property. They write that Washington is now having a temporary real estate boom.

Massachusetts leads all the States for the number of replies from those desiring to sell real estate. They claim assessments in Massachusetts are too high; they would be thankful for a chance to get out at present assessed values. Other Eastern States feel the same as do the people of Massachusetts. Incidentally, more postal cards have come from people in Florida, who desire to sell, than from people who desire to buy. This may mean that the coming Florida boom may not be "just around the corner." Due to its socialistic experiments, there is also an excess of sellers in Wisconsin. A land boom has already started in California.

Basing Dollars on Tax Bills

My study demonstrates two things: (1) That there is great injustice and non-uniformity in present land assessments, and (2) That we should talk about "tax bills" instead of "assessments." In fact, I wish again to forecast that THE TIME MAY COME WHEN THE AMERICAN DOLLAR WILL BE BASED ON LAND EXCHANGEABLE, EITHER WAY,

AT THE RATE OF FORTY TIMES THE TAX BILL. Such a dollar would mean something and encourage land owners. I repeat that the security of America is proportional to the percentage of people owning their own home and garden.

Although some of us conservatives may look upon Mr. Wallace as a dreamer, he, nevertheless, interprets the desires of a great many people. I am surprised at receiving so many postals upon which were written these words: "I would like neither to buy nor sell but to be able to retain the property I have earned and paid for by hard work." Yet the Roosevelt Administration has done much to help people along these lines. The Securities and Exchange Commission, the Federal Land Banks, the lowering of interest rates and various other legislation have been in their favor. Land owners, however, should now do their part by working their land, raising good families and going to church.

What Are Real Assets?

Just one more thought: Many postal cards have a P. S. saying that Henry George's ideas must some day be considered. Clippings of statements by England's Archbishop of Canterbury and other prominent men along these lines are also being sent to me. All of these things are signs that bonds, stock certificates and bank books are gradually losing their charm and that people are coming to think more of fertile land, good families and sane religion. Since last writing on this subject, I, therefore, have become quite an optimist; and I especially now thank all who sent me postal cards. The American people are okay if they will cut out propaganda and give them a chance to do some real thinking as to what are real assets.

Expansion Of Social Security System Would Help Meet Inflation Perils Declares Sen. Wagner

Senator Robert F. Wagner of New York in a speech over the Blue Network on Sept. 15, predicted that the Administration program for extension of the Social Security System to cover about 15,000,000 farm workers, domestic servants, farmers and professional and business men held the prospect of obtaining about \$5,000,000,000 in public savings in the first year to help meet inflation perils, said a special dispatch to the New York "Times" from Washington on Sept. 15, which also had the following to say:

Speaking for early Congressional action on a bill offered in June by himself and Senator Jas. E. Murray, Democrat, of Montana, and Representative John J. Dingell, Democrat, of Michigan, Mr. Wagner said there was "a manifest need" for such legislation to uphold the private enterprise system in the face of the shocks it may expect when war demobilization begins.

The bill, he noted, also would provide a national system of public employment offices to help an estimated 30,000,000 war workers and returning service men to find jobs in peacetime occupations, and Government unemployment insurance up to 26 or possibly 52 weeks for persons for whom jobs are not immediately available when peace comes.

The battle against inflation is an extra reason for quick action on the bill, the Senator said, holding that the difficulty was evident of meeting otherwise the Administration's objective of obtaining an additional \$12,000,000,000 in new taxes or new savings.

Roosevelt Message Criticized By Hoffman

Representatives Hoffman of Michigan and Gifford of Massachusetts, Republicans, sharply criticized President Roosevelt's war message to Congress, said

George R. Brown in a special dispatch to the New York "Journal-American" from Washington on September 18, in which he also further stated:

"I note," said Mr. Hoffman, "that the President tells us of the size of the war. That is something that most of us thought about before we got into this war.

"When we were playing around with the so-called Lend-Lease proposition he, having in his possession all the facts at the time, must have known that this was nothing but a gift from the American people to whoever wanted to come in and get it or whoever wanted to wait and have it sent to them.

"When he was talking about that many of us knew that the fighting of a battle or any war throughout the world would be a sizable task.

"He comes along at this late day, after we are in it and cannot get out even if we wanted to, and tells us that it is a sizeable war, which cannot be won in a few weeks or a few months.

"Some of us were told by our common sense and by our judgment that a world war would inevitably tax the resources and the riches of our nation. Many of us knew that men were going to die because that always happens in war.

"The President now seems to have discovered the fact that a world-wide war cannot be won either by fireside chats or by New Deal planning."

Roosevelt And Churchill Urge Italians To Strike At Germans Now In Italy

President Roosevelt and Prime Minister Churchill appealed on Sept. 11 to Premier Marshal Pietro Badoglio and the people of Italy, stating that "now is the time for every Italian to strike his blow" against the German soldiers in Italy.

The appeal urged the Italian people to help in the "great surge of liberation" and to win back for Italy "an honorable place in the civilization of Europe."

The text of the joint message of President Roosevelt and Mr. Churchill follows:

"It has fallen to you in the hour of your country's agony to take the first decisive step to win peace and freedom for the Italian people and to win back for Italy an honorable place in the civilization of Europe.

"You have already freed your country from Fascist servitude. There remains the even more important task of cleansing the Italian soil of the German invaders. Hitler, through his accomplice, Mussolini, has brought Italy to the verge of ruin. He has driven the Italians into disastrous campaigns in Egypt and the snows of Russia. The Germans have always deserted the Italian troops on the battlefield, sacrificing them contemptuously in order to cover their own retreat. Now Hitler threatens to subject you all to the cruelties he is perpetrating in so many lands.

"Now is the time for every Italian to strike his blow. The liberating armies of the Western World are coming to your rescue. We have very strong forces and are entering at many points. The German terror in Italy will not last long. They will be extirpated from your land and you, by helping in this great surge of liberation, will place yourselves once more among the true and long-proved friends of your country from whom you have been so wrongfully estranged.

"Take every chance you can. Strike hard and strike home. Have faith in your future. All will come well. March forward with your American and British friends in the great world movement toward freedom, justice and peace."

Judge Rules Against Secret OPA Hearings

Judge John P. Barnes of the U. S. District Court in Chicago ruled on Sept. 16 that Congress did not give the Office of Price Administration and other Washington bureau heads or appointees the powers of grand juries and that they are compelled by law to hold "open public hearings" instead of the "star chamber" proceedings for which OPA has been criticized.

The following concerning the case was reported in Chicago advices Sept. 16 to the New York "Times":

He (Judge Barnes) returned the decision in the case of 15 wholesale meat dealers brought into the U. S. District Court by Robert D. Johnstone, regional OPA counsel. Mr. Johnstone sought to compel the defendants to appear with their business records before an OPA hearing commissioner without lawyers or court reporter on a subpoena duces tecum, which did not give any information on the purpose, it was declared.

The suit set forth that the wholesalers had been subpoenaed to appear Aug. 24 and 25 before Harry Adelman, OPA attorney, for interrogation concerning their dealings with the Empire Packing Co. of Chicago. The suit alleged that as each dealer was called before Mr. Adelman, the OPA lawyer sought to exclude his counsel and court reporters from the questionings and that the hearings were abruptly terminated when lawyers protested their clients had a right to be represented.

"I am not going to compel the

respondents to attend what might be called a star-chamber session," said Judge Barnes. "I am going to order that the public be present, and that these hearings be held in a public place, and that neither the respondents' attorneys nor a court stenographer be entitled to interrupt the proceedings.

"The grand jury powers are defined by law and are exceedingly great. The statute under which the Administrator is proceeding does provide that he make studies and investigations, but nothing in it confers the powers of a grand jury. If Congress desired the Administration to have the powers of a grand jury it could easily have said so.

"We Americans, accustomed as we are to a system of law handed down from England, are distrustful of any secret meanings and proceedings. We are accustomed to have our court proceedings, except grand jury proceedings, in the open and are suspicious of proceedings conducted otherwise."

Unified Bank System Urged By Eccles

Expressing opposition to the dual banking system, Marriner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System, advocated on Sept. 17 a unified banking system "with well-regulated branch banking limited to trade areas."

Mr. Eccles' views, voiced at the conference of the National Association of Supervisors of State Banks at Cincinnati, were in direct opposition to the statements of several other national fiscal leaders, who strongly supported the dual system of State-chartered and national-chartered banks.

The following regarding Mr. Eccles' talk was reported in the Cincinnati "Enquirer" of Sept. 18:

Mr. Eccles said the American banking system has had a "piecemeal growth." He said the system "has not been developed in accordance with any comprehensive plan based on the country's banking needs taken as a whole" but rather "it reflects the cumulative efforts of public authorities to meet recurrent emergencies and to deal with specific problems and competitive conditions."

Mr. Eccles expressed the opinion that "the dual banking system as now constituted, is outmoded and that economic forces—not mere debate—will compel its adaptation to the financial needs of modern economic life."

He stressed the importance of close coordination between Government and the financial system and said: "It is difficult to see how the basic functional powers of the Federal Government can effectively be employed to effect economic stability so long as the nation's banking machinery is a hodge-podge of some 52 different jurisdictions, laws, and supervisory agencies."

He attributed the high mortality rate among banks to the system under which they function and recommended a unified system with branch banking to accommodate the more thinly populated areas.

However, Mr. Eccles concluded, "I do not care what system, whether dual or unified, prevails, or how many banking authorities there are, if the system, whatever it may be, best serves the public interest and preserves private banking in this nation."

Big Banking Chains Opposed By Delano

Opposition to the creation of big banking chains as "threatening the self-sufficiency" of small communities was expressed on Sept. 17 by Preston Delano, Comptroller of the Currency.

In a speech at the annual meeting and war conference of the National Association of Supervisors of State Banks at Cincinnati, Mr. Delano said that earnings of banks with less than \$500,000 resources were declining, while those of larger banks were holding steady or rising. He described the small banks as "guardian outposts of our financial system," according to the Associated Press, which further indicated his remarks as follows:

"There has developed a disturbing disposition on the part of many small institutions willingly to forego their independence and become members of groups and chains which represent concentrated control of credit. It is understandable that this should happen but it is also extremely regrettable from the standpoint of the national good and our hope for a vigorous American individualism.

"The Office of the Comptroller of Currency is anxious that whenever possible the independent bank shall continue to do its important job in our economy. We are opposed to the building up of great banking systems and chains which, by their very size and power, threaten the financial self-sufficiency of our small communities, and thus the independence of their industries, their agriculture and their individuals."

August War Expenditures

War expenditures by the United States Government amounted to \$7,529,000,000 in the month of August, an increase of \$783,000,000 over July, or 12%. Compared to expenditures in the peak month of June, August expenditures showed a 2% decrease, according to release made public on Sept. 16 by the War Production Board, which added:

The average daily rate of expenditures for war purposes in August was \$289,600,000 compared to \$249,900,000 in July, and \$295,700,000 in June, or a 16% increase over July, and a 2% decrease from June. The daily rate is based on the 26 days in June and August, and the 27 days in July on which checks were cleared by the Treasury.

From July 1, 1940, through August 31, 1943, war expenditures by the United States Government amounted to \$124,000,000,000.

These figures include checks cleared by the Treasury and payable from war appropriations and net outlays of the Reconstruction Finance Corporation and its subsidiaries for war purposes.

Forced Savings May Be In New Tax Program

Five billion dollars of compulsory savings may be called for in the Administration's new \$12,000,000,000 tax program, said a United Press dispatch from Washington on Sept. 20, which went on to say:

The program is almost complete and will soon be reviewed by President Roosevelt, War Mobilization Director James F. Byrnes and Economic Stabilization Director Fred Vinson, and if they agree on the terms, it will be submitted to Congress.

Henry Morgenthau, Jr., Secretary of the Treasury, is opposed to compulsory savings on the premise that the voluntary war bond sale program would suffer,

Proposes Coupling World Currency Plan With Credit Machinery For Post-War Rehabilitation

International currency stabilization should be coupled to credit machinery that will help hard-hit nations finance wealth-producing imports, Representative Charles S. Dewey, Rep. Ill., declared on Sept. 3 in an address before the Executives' Club of Chicago. The prerequisite of a stable currency, Mr. Dewey asserted, is a sound internal economy for importing countries.

Mr. Dewey, Assistant Secretary of the Treasury in the Coolidge Administration and one-time financial adviser to the Polish government, described the plan which he proposed to the House Foreign Affairs Committee for financing the rehabilitation of the United Nations on a long term credit basis through an International Bank, or "nothing more than an international Reconstruction Finance Corporation."

The following regarding his talk is from the Chicago "Journal of Commerce" of Sept. 4:

The institution would have an international capitalization of about \$5,000,000,000, to be paid in by the participating nations in gold or commodities, the latter to be accepted by the international bank at their present Lend-Lease value.

"As the chief source of this credit will probably be the United States, it is not a proposition that we should accept without full realization of the obligations we are undertaking," Mr. Dewey said.

The use of gold as the chief means of settling international balances of trade is the most desirable method, Mr. Dewey declared. However, stockpiles of critical materials under the control of an international bank, he said would have a stabilizing effect upon the prices and availability of such commodities, and would prevent international cartels from holding down their production for national reasons or to increase their value.

"It is my belief," Mr. Dewey said, "that the united effort to stabilize currency and to place devastated countries in a financial position whereby they may develop their own wealth on a sound basis, should go hand in hand, the one supporting the other, rather than relying solely on an international currency stabilization fund, experiences with which type of operation immediately following the last war were not too successful.

"This is one practical angle of our foreign participation that we can consider today and which, in turn, should prove beneficial to us here in America, in supporting any policy of plenty through which we will provide jobs and

constant employment here at home."

Aspects of the Treasury proposed International Stabilization plan were criticized by Mr. Dewey. He declared that, in practice, when all international trade is balanced out, there is great likelihood that the total demand for dollars will be such that the dollar account in the fund will become exhausted.

The Treasury plan conceives that over a period the debit and credit balances of the various nations will come into balance through the development of international trade. To remedy such a condition as Mr. Dewey envisions, the Treasury plan provides that the directors of the fund make recommendations designed to increase the fund's holding of the currency being exhausted, and the "member countries agree that they will give immediate and careful attention to recommendations made by the fund."

This remedy, Mr. Dewey asserted, would be "a direct invasion of the rights of the Congress which under the Constitution has the sole authority to decide all monetary and tariff matters, and I doubt very much whether the American citizens would agree to entering into any contract that would permit an international group to dictate our monetary or tariff policies.

"Of course it is provided that any country may withdraw from the fund. Such an action on our part would have most disastrous economic effects on the other members. It will be far wiser for us to give the whole matter consideration and figure out in advance just how much it might cost us before accepting the proposition."

District Court Of Appeals Rules War Agencies Beyond State Courts' Jurisdiction

The Ninth District Court of Appeals held on Sept. 3 that State courts have no jurisdiction over Federal Agencies created by wartime conditions. In reporting the decision, Associated Press Akron (Ohio) advices said:

"The decision was given by the three-judge court in reviewing an appeal by the City of Akron

but the Administration is reported ready to give the plan a chance. President Roosevelt is also said to favor a \$6,000,000,000 cradle-to-grave social security program which may be lumped with proposals for the new revenue bill.

Compulsory savings, with post-war rebate provisions, plus the projected social security levies, would raise \$11,000,000,000 of the Government's goal, leaving \$1,000,000,000 to be raised by other means.

Senator Walter F. George, Democrat, of Georgia, said today that the Senate Finance Committee, which he heads, is reexamining the social security program and that there "might be very good reasons" why the rate of contributions should be doubled Jan. 1.

Court of an injunction suit seeking to restrain the Akron Transportation Co. from carrying out Office of Defense Transportation orders to reduce service on ten city bus routes.

"The ruling upheld an earlier decision by Common Pleas Judge Ray B. Watters. Presiding Judge Perry H. Stevens said the Appellate Court unanimously agreed that State courts have no jurisdiction in attacking the validity of decrees issued by the Office of Defense Transportation."

"The ODT recently ordered the Mass Transportation System to shorten nine city bus routes and eliminate a tenth. Mayor George B. Harter instigated the injunction suit, declaring inadequate service would result from the order."

Competitive Bidding In Rail Securities

Majority Of Briefs Filed With ICC Oppose Such Procedure

The Interstate Commerce Commission has instituted an investigation to determine whether competitive bidding shall be required in the sale of railroad securities and, if so, to what class or classes of securities it should be applicable and under what conditions. Railroad officials, bankers and brokers have expressed their views in briefs filed with the Commission on or prior to Sept. 15.

The present investigation by the Commission represents the first complete presentation of views on this subject since 1926, when the ICC requested competitive sale of rail equipment issues, but until now has adhered to the policy of allowing railroads to sell their securities through private negotiations or at competitive biddings as they saw fit. The present issue was raised by Halsey, Stuart & Co., Inc., and Otis & Co., who contended that some railroad bond issues have been sold to "favored" New York bankers regardless of the bids of other investment houses. The ICC on Sept. 20 agreed to hold a public hearing on the question. Interested parties were directed to file their printed briefs within 20 days. The date for the hearing will be fixed later.

In the briefs now submitted, the opponents of a compulsory rule argued that competitive bidding would force concentration of rail security distribution into the hands of a relatively few underwriters; remove the advantages of responsible sponsorship, and would prevent railroads from securing advantages of direct sales to institutions or to stockholders. Those in favor of mandatory competitive bidding maintain generally that it will result in lowering the cost of raising rail capital, benefiting investors, the railroads and rail labor, will widen the market for securities, also will break the "monopoly in private negotiation," which it was alleged, has resulted in such unwise rail financing to the detriment of the carriers and investors.

Among those filing briefs opposed to the competitive biddings were: the Association of American Railroads, representing substantially all of the class one carriers; the Investment Bankers Association; the National Association of Security Dealers, Inc.; the Metropolitan Life Insurance Co.; the Erie RR.; New York Central RR.; Louisville & Nashville RR.; Maine Central RR.; Boston & Maine RR.; The First Boston Corp.; Kuhn, Loeb & Co.; the Great Northern Ry., and Morgan Stanley & Co.

Briefs in favor of the competitive rule were filed by Halsey, Stuart & Co., Inc., and Otis & Co., and the Chesapeake & Ohio Ry. and New York, Chicago & St. Louis RR. Previously the Commission had received a brief from the Association of Railway Labor Executives favoring competitive bidding.

Opposing Adoption of Rule

Jackson E. Reynolds in a letter to the Commission, dated Sept. 13, opposing the competitive rule, stated:

Most railroad systems have been built up, expanded, and integrated since the turn of the century. This was necessary to meet the expanding public demand for railroad services in that period. The need was met by a variety of methods. At one time the method might be the acquisition of a complementary line by lease or purchase of its stock, subject, of course, to existing encumbrances. Other expedients were running rights, operating agreements, paired track arrangements and joint construction. Common use of terminal yards and stations for freight and passenger service was generally involved.

The financial structure of the integrated system became un-

ly as Function One and Function Two came to be met superficially. In the light of the foregoing considerations, it is my settled conviction that it would be a grievous mistake to require railroads to market their bonds through the medium of competitive bidding. Such a change from the existing method would be a change for the worse, not the better.

My conviction is not weakened by any belief that the proposed method would produce higher prices to the railroads, in the long run, for I entertain no such belief. Inferences to the contrary from certain episodes during the present agitation for change are without warrant. Such episodes have occurred after Function One and Function Two, above described, have been performed at great expense in time and money, and only Function Three remains to be performed.

At this stage certain bidders, ready to reap the advantage of this expense incurred by others, raise a hue and cry to be permitted to submit bids on the perfected issue. Of course they can make a high bid under such circumstances. They are moved also by an additional incentive to further increase their bids. This incentive is to break up the relationship between the railroad and its chosen banker, established through the years of association, and garner the benefits of that rupture. Manifestly such conditions will no longer prevail once competitive bidding has become the established procedure.

Thereafter one of two things will happen. One possibility is that Function One will be performed by no banker, which would be bound to result in a lower price for the issue. The other and more likely possibility is that this Function will be attempted by each of several bidders, although it is difficult to see how they could do anything effective in "designing" the security. This would result in multiplying the cost in proportion to the number of bidders. At once these multiplied costs to cover a course of successful and unsuccessful bids will be reflected in a general lowering of bids in the future to offset such added overhead of the bidders.

My conviction is not weakened by the irrelevance that under quite dissimilar circumstances municipal bonds and equipment notes are sold by competitive bidding. In both cases the type of paper offered is of a very simple character; in the first case supported by the power of taxation and in the second by the pledge, with adequate margin, of a uniform, tangible kind of property readily saleable.

The existing procedure insures as no other can the ability of the railroad to meet its maturing obligations by the sale of a refunding issue on fair terms predicated upon the then current market for the character of bond offered.

In the first instance the railroad considers the terms available and exercises its honest judgment as to their fairness. This judgment is then subject to the authority of this Commission to approve or disapprove.

I respectfully urge that this present procedure be continued and that the proposed procedure for competitive bidding be not adopted.

Investment Bankers' Brief

The Investment Bankers Association, in its brief stated it would be a mistake to adopt a compulsory competitive bidding rule for the following reasons:

(1) There is no feasible substitute for the work of the investment banker in the setting up of an issue, the contacting of investors through their day-to-day touch with the market, and the development of substantive provisions of capital structures, in-

dentures and the terms of the securities.

(2) Compulsory competitive bidding would force the concentration of distribution into the hands of relatively few underwriters and dealers. This would be greatly to the detriment of the small investor, who must largely rely on broad facilities of distribution to provide him with equal opportunities to participate in purchases of attractive new issues of securities.

(3) The requirement of compulsory competitive bidding would not relieve the Commission of its duties under Section 20a. To meet its statutory responsibilities the Commission would still find it necessary to examine the reasonableness of the price and spread after the bids had been received and to require the rejection of bids if the prices were not in the public interest.

(4) Compulsory competitive bidding for securities on the auction block is not the best available means for judging the reasonableness of prices and spreads, as is proved by the wide variations between bids. In a falling market, if a carrier received no bid or an unsatisfactory bid, it might then be difficult to sell the issue on a negotiated basis.

(5) The underwriting of corporate securities by investment bankers is, in fact, competitive; and the competition of the market by which every issue must be judged and the review power of the Commission assure fair prices to the carrier and to investors.

(6) Upon the assumption that compulsory competitive bidding would result in increased prices to carriers and that the increased prices to carriers in periods of rising markets would be of sufficient importance to warrant making a drastic change in the method which has been evolved for the distribution of railroad securities, then the decreased yields to investors would be correspondingly great. If it is argued that this is not necessarily so but that the difference would come from the underwriter's spread, then the underwriter making the least investment, and contemplating the cheapest distribution methods, could afford to pay the highest price and would of necessity have to sell the security at as little cost as possible. The investor and the issuer would then suffer in several ways:

(a) Skimpier and cheaper investigations by underwriters would increase the investor's danger of losing money;

(b) The purchase of securities at the highest possible price through compulsory competitive bidding would tend to bring about high-speed selling;

(c) Issuers would be compelled to sell securities, without regard to the manner in which the securities were to be distributed by the purchasing underwriters;

(d) The disappearance of the small dealer from the distributing mechanism and the sale of railroad securities in large blocks to large institutions might seriously impair the carriers' ability to refund their outstanding issues and to obtain needed capital.

(7) Compulsory competitive bidding is disadvantageous to the investor and its alleged advantages, if realized, would be achieved at too great a cost to the carriers and to the country as a whole.

(8) Compulsory competitive bidding would eliminate competition in the quality of the services which investment bankers can render, as well as competition between the two methods of selling securities by negotiated sales or competitive bidding.

(9) It tends to remove flexibility from the capital market and to introduce a rigid mechanism not easily alterable in time of stress.

Other Briefs

Among other briefs filed opposing the plan of competitive bidding, was that of Morgan Stanley & Co., which asserted that sale of securities was part of the whole financing policy of a corporation, not a mere formula whereby one banking group pitted its guess against that of another group.

"The investment banker, if he be worth his salt," said the brief, "must do much more than buy and sell at a profit; he must know the business of his client and the details of that client's financial position and problems; he must consider what security will be soundest and best fitted to the client's needs over a period of time and not merely what will bring the highest price; he must have in mind the most desirable distribution of securities and not only the cheapest method; he has a real responsibility to the investing public for the securities that are sold under his sponsorship, and, as a third party to the transaction, he must act for the benefit of both issuer and investor."

Opposing the adoption of a rule by the Commission, requiring competitive bidding, the Association of American Railroads argued:

(1) Competitive bidding will not in all instances result in a railroad receiving higher prices for its securities and will not improve the marketing of such securities.

(2) It would prevent railroads from securing advantages of direct sales to the investing public, or to stockholders, or to large institutions and would render impracticable sales when immediate action is required.

(3) It is not necessary to require competitive bidding for the production of the issuing company or the investor, since the ICC polices the price at which securities are sold, as well as the spread between the price paid to the carrier and the price at which the purchaser sells.

In opposing extension of competitive bidding, the National Association of Securities Dealers, Inc., said that there is no additional class or classes of railroad securities to which compulsory competitive bidding could be applied without grave detriment to the railroads or the public. If such bidding were extended to additional classes of railroad securities, no regulations could be prescribed which would be effective to minimize and much less to avoid the disastrous consequences to the railroads and the public inherent in the proposal now under examination by the Commission, the Association's brief said.

Urging Adoption of Rule

Claiming that private negotiation of railroad issues operates to perpetuate monopolistic control in the field of railroad financing, to the detriment of the carriers and of the public, Halsey, Stuart & Co., Inc., and Otis & Co. filed a brief urging the extension to practically all railroad issues of the requirement of compulsory competitive bidding. They also request, in the brief, that a public hearing be held immediately so that such issues as there may be can be squarely presented and the entire subject thoroughly aired.

The banking firms argue that competitive bidding is now a standard, even the predominant, method of sale of corporate securities to the general public, and that its advantages as demonstrated in practice include the widening of the market, a lower cost of raising capital, and essential protection of the public interest.

"There is only one issue before the Commission," the brief declares in hitting out at the system of private negotiation. "Will it raise railroad financing to the standard of other public enterprise by adopting competitive bid-

ding, or will it continue the monopoly of two underwriters?"

In support of its contention that competitive bidding is an established and successful practice for marketing corporate securities, the brief points out that of the total corporate debt issues publicly offered during 1942 and the first six months of 1943, about two-thirds of the total number and over one-half the total dollar volume was sold by competitive bidding. Of 40 corporate debt issues aggregating \$489,390,000 sold in 1942, 22 aggregating \$246,940,000 were sold by competitive bidding, while in the first half of this year 12 out of 26 corporate debt issues publicly offered were sold by competitive bidding, representing a dollar volume of \$150,160,000 out of a total of \$275,993,000.

"A candid examination of the results of competitive vs. 'negotiated' sales," the bankers declare, "must lead to the conclusion that the former are superior from every standpoint, both public and private."

Noting that competitive bidding has been widely adopted for corporate securities requiring approval of public authorities, the brief stresses the fact that the ICC is now the only Federal agency which permits companies under its supervision to raise capital without competitive bids. It recalls the reasons and circumstances leading to the adoption by the SEC of compulsory competitive bidding under Rule U-50 for the sale of securities issued by the vast number of corporations subject to its jurisdiction under the Public Utility Holding Company Act of 1935. The brief states that while the rule has been in effect over two years, and up to Aug. 31, last, 34 security issues aggregating \$681,355,361 had been sold under it, Halsey, Stuart & Co., Inc., and Otis & Co. are advised that there has been no request addressed to the Commission to change the rule in any respect.

"No utility company under the SEC has complained that it has been injured by competitive bidding," the brief continues. "No underwriter has claimed that the competitive bidding rule has prevented him from rendering proper banking advice to any utility."

The brief cites the ICC as authority on the effectiveness of competitive bidding for railroad equipment trust obligations in widening the market for these securities and lowering the cost of money to the railroads. A study of competitive bidding for public utility securities under the Holding Company Act, it says, demonstrates that there, too, it has resulted in a lower cost of raising capital.

One result of competitive bidding that has contributed to lower costs has been a reduction in underwriting costs to the issuers or the so-called "spread," according to the brief. It cites figures to show that for equipment trust certificates, the average spread dropped from \$1.80 per \$100 in 1925, before competitive bidding was required, to \$0.66 and \$0.64 in 1927 and 1928, while following adoption of the SEC rule underwriting spreads on utility bonds dropped to around one point and even as low as .336, in contrast to an average of 2.49 points for underwriting utility bonds and a spread of two points for high-grade utility bonds.

Charging that failure by railroads to adopt competitive bidding voluntarily is mainly due to the monopolistic position of two banking houses, the brief contends that this is not compatible with the public interest and that competitive bidding is required to cope with it. After outlining the methods by which it alleges these two houses—Morgan and Kuhn, Loeb—have established and maintain this control, the brief stresses "The obvious conflict of interest between the banker and the issuer on the one hand, and between the

banker and the investor on the other hand" as representing "particularly a situation where the full play of economic forces should operate in order to achieve a just result."

"The conflict of interest between banker and railroad issuer extends beyond the question of price to the character of the security to be issued, the time of issuance and other such matters," the brief continues. "In all these respects the monopolistic banker exercises an undue influence over the carriers."

"The elimination of traditional banker control and influence over the financial policies of railroads will prevent the recurrence of the financial abuses which have characterized their relationships in the past. This is not only in the public interest but is consistent with the objectives of public regulation of the railroads expressed in the Interstate Commerce Act. In addition, competitive bidding will help instill public confidence in financial transactions of railroads."

As to the argument of opponents of competitive bidding that such a practice will deprive the issuer of continuing relations with an investment banker, which are required in times of stress, the brief points out that such contentions were completely discredited during the subsequent depression when "Railroad upon railroad was forced to turn to the RFC for rescue, as the traditional bankers expressed their inability to be of assistance, and the market prices for railroad securities found no support in the fact that these bankers had originally sponsored them."

The bankers declare that experience has demonstrated that the obligation of a regulatory commission to protect the public interest with respect to security issues cannot be discharged without the aid afforded by competitive bidding. If "fair and adequate price" means the greatest economy by the railroad in raising capital, they contend, no method exists to determine or enforce it other than competitive bidding. Another aspect regarding the determination of a fair and reasonable price cited by the bankers as disturbing is the very real conflict of interests which results from the heavy representation on the directorates of American railroads of persons who not only pass judgment on whether the proposed price to the railroad for its securities is fair and reasonable, but at the same time are also directors and officers of financial institutions which are the biggest buyers of the debt securities of railroads.

The brief maintains that the traditional arguments against competitive bidding have been shown in practice to be without substance, asserting that competitive bidding affords the investor the best opportunity to judge the fairness of the offering price of new securities.

In its brief in favor of competitive bidding the Chesapeake & Ohio Ry. asserted that it is "vitaly interested" in the adoption by the Commission of a rule which will:

- (1) Require each railroad to follow sound fiscal policies by realizing for itself the monetary advantages inherent in the offering of securities at competitive bidding;
- (2) Go far in dispelling accusations and the stigma of financial domination and, by removing the justification for such charges, avoid drastic legislative correctives which might prove disastrous to the entire industry; and
- (3) Serve the interest of the public and the industry in general by assisting in procuring the lowest possible railroad transportation costs."

Private Enterprise Urged To Provide Post-War Jobs For Veterans In New York State

(Continued from first page)

serve to avert possible tax increases and to finance deferred State construction projects.

"3. The development, under the stimulus of the Post-War Public Works Planning Commission, of plans for deferred and necessary construction projects—both State and local—to afford an important additional source of useful employment immediately after the war.

"4. Cooperation of the State's agricultural agencies with the farmers of the State to increase production to meet the food crisis during the war and after.

"5. Improvements in housing conditions, highway facilities and other requirements of modern living through programs of the State's Housing, Public Works, Public Service and Health agencies.

"6. Availability of a State unemployment insurance reserve of a half billion dollars to tide over people over a period of unemployment if it occurs. Men returning from the armed services are protected by unemployment insurance benefits which have been preserved for them in their absence.

"7. A program of vocational training, including special technical education for returning members of the armed forces.

"These are some of the measures the State and its people are taking to meet post-war problems. The first step, as outlined in these pages, deals with the State's program in promoting industrial production and employment.

"When peace comes, new industries will be born. Labor will go forward to new high standards. The farmer will be able to enjoy benefits long beyond his reach. There is no limit to our opportunity for independence and security as individuals and for prosperity as a nation.

"Your State Government stands ready to cooperate in every legitimate field of public effort. At the same time it is mindful of the fact that governmental action can never take the place of the private endeavor of the people—employers and employees alike. Only the productivity of our system of free enterprise can provide that better life to which we all aspire. Business must take the lead."

The booklet outlines the new horizons expected to open to business after the war, including electronics, light metals, plywood, plastics, radio communication, the expanding mineral development in New York State and air transportation. It points to the advances during the war in inventions and industrial management, the millions of war veterans and civilian men and women trained to new skills, the pent-up demand for goods unobtainable during the war, and the record-breaking reservoir of purchasing power in the hands of the people.

"All together," it says, "these factors can and will write a new chapter in the American standard of living."

Copies of the booklet are being sent to businessmen, particularly manufacturers, and to labor groups, chambers of commerce and trade associations throughout the State, with the invitation to enlist the aid of the field representatives of the Division of Commerce in formulating plans that will not be "too little and too late." Assistance to small business is emphasized in the program of the Division of Commerce which includes the following:

Cooperating with the Committee for Economic Development, labor groups, chambers of commerce and others interested in re-employment and post-war development.

Technical advice to individual manufacturers seeking to expand for the future.

Spotting areas of threatened unemployment.

Surveys of war-boom communities to anticipate the impact of the war's end.

Appraising opportunities for employment in non-manufacturing industries.

Promoting the State's natural resources for industrial production.

Helping specific industries convert to peacetime production.

Obtaining estimates from firms as to how many persons they will employ after the war.

Keeping an up-to-date inventory of available plant facilities.

Providing the services of industrial engineers and business consultants to aid in the development of new products, new processes, new markets and in traffic problems.

Surveys of aviation as an aid to the development of business.

Working with industry to obtain materials as they become available for civilian use.

Assistance through the Washington office of the Division of Commerce in dealing with Federal agencies.

Conducting a systematic campaign to encourage business in the State to expand and business outside the State to branch out in New York.

From Washington

(Continued from first page)

have a resolution pending which would put the Senate on record as assuring our participation, or something like that, in world affairs in the future. Only one of them, Lister Hill of Alabama, has any influence in the Senate. A second one, Hatch of New Mexico, put over the Hatch bill regulating campaign expenses and participation of Government employees in politics, which hasn't either regulated the expenses or the participation. The two Republicans, Burton and Ball, have neither experience or influence. But the resolution was the latter's idea on orders from Governor Stassen, as a part of the Willkie campaign. Their colleagues and the White House have looked upon their enterprise as amateurish, and with some annoyance. Burton, Ball, and to a lesser extent, Hatch, did most of the barnstorming. Hill, and Hatch for that matter, went in on the thing with the knowledge that it was right up the New Deal's propaganda alley and couldn't do any political harm, but Hill hasn't done much work. The other three barnstormers, particularly Burton and Ball, didn't have a very happy time. For one thing, they found a lot of their auditors had made Cook's tours of Europe, which they had not, and asked them embarrassing questions about points of interest, to say nothing of those who expressed open skepticism of their hifalutin' ideas.

But the bottom seems to have recently dropped out of the whole racket, and a political racket, with various politicians, New Dealers and Republicans, jockeying for advantage, was all it was. Just why, we don't know, except the logic was not there to support the racket. It seemed a little ridiculous for these controversialists to be telling a generation of Americans who had twice participated in a world war, that we should become "aware" of world affairs, that we should express a "concern" in world affairs.

The returning Congressmen report that they found relatively little interest in these high academics. Their constituents wanted to win the war, win it quickly,

were assuming, in spite of the propaganda from Washington, that we were going to win it quickly; then they wanted the boys home; in the meantime, how about gas, about food, about drafting pre-Pearl Harbor fathers, other little problems like that.

It can be also that the Republicans at Mackinaw Island, in spite of their detractors, did something to take the heart out of the racket. Yes, indeed, these Republicans were for practically anything to enforce peace in the future, but we must hold onto our "sovereignty." That word has sort of embarrassed the world-minders, in spite of their attempted comeback. For the first time in this internationalist propaganda the Republicans, with that word, have come off the defensive. Bricker, in a speech at Philadelphia a few days ago, quickly captured the new spirit. There was no defensiveness in his speech. It should immeasurably help his campaign, which was certainly not going well. He went way back to show this country's participation in world affairs and insisted that whatever its participation in the future, it should be in the Constitutional way.

But your correspondent is of the opinion that that word "sovereignty" has given even the Administration pause. And what has probably had more to do than anything else with the bottom dropping out of the internationalist-controversy racket, is the word that has seeped out, that all Roosevelt himself has in mind by way of joint cooperation of nations, is the permanent cooperation of the chiefs of staffs of this country, Britain—and, oh yes, Russia and China; or shall we say, cooperation of the chiefs of staffs of the good-doing nations against the evil-doing ones. Shucks, that's easy. It's effective, too, but a simple thing like that makes our world-minders look like fools.

Orders Freer Hand For OWI On War News

President Roosevelt has informed the War, Navy and State Departments that the Office of War Information should be given full access to military information in order that the public may be more fully informed.

The President sent letters to Secretaries Stimson, Knox and Hull restating the powers originally conferred on the OWI when the agency was created in June, 1942.

The following was reported in Associated Press Washington advices of Sept. 7:

"The Presidential letters to Secretaries Stimson, Knox and Hull make it clear that OWI men are to have full access to military information and pictures, except the most secret matters, and that OWI will participate, in an advisory capacity, in the decisions as to their release.

"The letters confirmed the agreement reached at a conference with the President a week ago, in which OWI Director Elmer Davis, Secretary Knox, the Acting Secretary of War, John J. McCloy, and State Department officials participated.

"OWI attaches frequently have criticized the tendency of the armed forces to present the war to the public as one in which 'nobody gets hurt.' They have voiced the opinion that the public should realize that battles produce wounded and crazed men, and that readers should see pictures of blasted American ships and planes as well as those of the Axis."

Agricultural Department General Crop Report As Of September 1, 1943

Crop prospects in the United States declined less than 1% during August. Indications on Sept. 1 were that crop production would be 7% less than last year but still 4% higher than in any previous season, according to the U. S. Crop Reporting Board of the U. S. Department of Agriculture.

The outlook still is for near-record crop yields on the largest acreage in 10 years. The corn crop is now forecast at 2,985,000,000 bushels. This would be nearly 6% below the record production of last season but would be the second largest corn crop in 23 years. There will be record crops of beans, peas, soybeans, peanuts, rice, potatoes, flaxseed and grapes. There will be large crops of hay, oats, barley and grain sorghums and about average crops of wheat, rye, cotton, tobacco, sweetpotatoes and of the two sugar crops combined.

Compared with a month ago, production prospects for grain sorghums declined 18%, sweetpotatoes 12%, cotton and peanuts 6 to 7% and oats, barley, hay, sugarcane and tobacco 2 to 4%. Crop prospects declined drastically in the South Central States but improved in the North where rainfall was adequate and warm weather helped late-planted corn and soybeans in their race against early frost.

The reductions in crop prospects during August were due primarily to drought. The combination of low rainfall and high temperature hurt crops in a huge irregular area that extended from southern New England to central North Carolina, from northern Georgia to central New Mexico, from central Illinois to southwestern Mississippi and from central South Dakota to the Rio Grande. In the two worst areas, one covering most of Arkansas and eastern Oklahoma, and the other centering in Maryland and extending into surrounding States, the summer rainfall was less than half of normal and crop yields were seriously reduced.

As a result of drought in the main producing States sorghums harvested for grain are now expected to yield less than 14 bushels per acre, which is 3 bushels less than prospects a month ago. Sweetpotatoes are expected to yield 78 bushels per acre, which is 10 bushels less than were expected a month ago and 5 bushels below average. Corn prospects declined 23% in Nebraska and substantially in Kansas, in the New Jersey to Virginia area and locally in southern portions of Illinois and Missouri.

As a result of continued dry weather pastures and prospects for feed crops in most of the Southern States were poorer than on any previous September 1 since 1936, and there were beginning to be reports of liquidation of livestock from individual farms short of feed. During the first week of September, however, rains brought relief in most of the area from the Ohio Valley southwestward into Texas. These rains will permit farmers in this area to go ahead with preparation for fall-sown crops and will help crops still growing, including sorghums in the Southwest, and some lespedeza, soybeans, peanuts and sweetpotatoes and uncut fields of tobacco and corn. The rains should also revive fall pastures and materially ease the roughage situation in much of the drought area but in western Kansas, western Oklahoma, New Mexico and parts of Texas more rain is urgently needed. In these States and Nevada and Wyoming the condition of ranges was substantially below average on Sept. 1.

The aggregate production (in tons) of the eight major deciduous fruits (apples, peaches, pears, grapes, cherries, plums, prunes, apricots) is 16% below the 1942 total and 11% below the 10-year (1932-41) average. During August the California grape crop improved and the California and

United States grape crops are indicated about 1% larger than any on record. Improvement in apple prospects during August in the Pacific Coast States was more than offset by a decline in prospects in the Eastern States. The United States apple crop is 28% smaller than last year and 24% below average. Citrus crops made good progress during August in all areas except Texas, where lack of moisture retarded development. The total tonnage of all citrus fruits from the bloom of 1943 should about equal the large crop from the bloom of 1942 and considerably above the levels of several years ago. Conditions on Sept. 1 indicate a combined tonnage of deciduous and citrus fruits about 11% smaller than last year but about 6% larger than the 10-year average. Production of tree nuts (walnuts, pecans, almonds, filberts) in 1943 is indicated to be 10% more than in 1942 and 21% larger than average.

Nationally the feed supply is large but not well distributed. Measured in tons, the farm supply of hay and feed grains are each larger than in any recent year except 1942. In proportion to the units of livestock to be fed the hay supply is equal to the average during the last six seasons, a period of large hay production. Feed grain supplies per unit of livestock appear low compared with the heavy supplies of post-drought years, but if supplies are closely utilized about the usual quantity per head of livestock can be fed. Conditions are, however, quite different from what they were a year ago. The surplus supplies of both hay and grain have disappeared so that the liberal and sometimes wasteful feeding practices then in evidence will not be able to continue. The uneven distribution of the supply would ordinarily result in increased shipments of feed and livestock but transportation problems are troublesome and price ceilings on feeds tend to increase the proportion of the feed fed on the farms where produced. Probably there will be more than the usual tendency for each area to adjust livestock to the feed supply available locally.

Commercial truck crops made only fair progress during August. Hot, dry weather in southern New England and in the Middle and South Atlantic States from southern New Jersey and southeastern Pennsylvania to North Carolina and Tennessee reduced market supplies, impaired quality and delayed planting of late crops. In the Rocky Mountain States crops made rapid progress, with ample rainfall and about normal temperatures. Timely rains in the Pacific Northwest during the last week of August were beneficial to fall crops.

Unfavorable conditions continued in all Texas truck crop areas. Moisture conditions of near-drought proportions by Sept. 1 threatened to interrupt fall-crop seeding and planting operations. Irrigation water was very low in all sections and transplanted crops in the irrigated districts of Laredo, the Winter Garden and San Antonio sections were making slow progress. Fall crop plantings in California mostly have been completed under favorable conditions and are making satisfactory progress.

Combined production of all commercial truck crops for the fresh market in 1943 is now indicated to be about 9% less than in 1942, but 2% above the 10-year (1932-41) average. Snap beans,

carrots, kale, and tomatoes are the only crops showing increases over last season. The reduction from 1942 is especially pronounced for onions, cabbage, cantaloupe, celery, and watermelons.

Indicated combined production of fresh-market crops in areas from which the bulk of market supplies will come during the next few weeks is 3% less than corresponding production in 1942 but is 12% greater than the 1932-41 average. Beets, carrots, eggplant, green peas, and tomatoes show increases over the corresponding 1942 production. Much lighter supplies of onions, celery, and cucumbers are indicated with more moderate reductions for other crops.

The gathering of truck crops for processing continued active throughout August. Prospects at the end of the month were favorable for an aggregate tonnage, exceeding the 5 million ton mark, of eight important processing vegetables, green lima beans, beets, kraut, cabbage, snap beans, sweet corn, green peas, pimentos, and tomatoes. The September 1 prospective production of 5,105,240 tons falls by 6% to meet the record high aggregate tonnage of 5,452,590 tons harvested in 1942, but exceeds the 10-year (1932-41) average production of 3,104,120 tons by 64%.

Corn: A bumper corn crop of 2,985,267,000 bushels is in prospect on September 1, a gain of 111 million bushels over the August 1 forecast. While the outlook is for a smaller crop than the record of 3,175,154,000 bushels produced in 1942, it would be, nevertheless, the second largest crop produced since 1920 and the fourth largest corn crop ever produced in the U. S. A crop of this size would exceed the 10-year (1932-41) average of 2,349,267,000 bushels by 636 million bushels, or 27%. The average, however, includes the two drought years, 1934 and 1936, when production was only 1,448,920,000 bushels and 1,505,639,000 bushels, respectively. The indicated yield on September 1 is 31.7 bushels, compared with 35.5 bushels in 1942—the record yield—and 24.9 bushels, the 10-year (1932-41) average.

Although corn production is larger than indicated a month ago, fairly marked changes in prospects occurred in the different sections of the country. Further deterioration of the crop continued during the month in areas which began to show the effects of high temperatures and inadequate rainfall in July. Abnormally light rainfall and continued high temperature in August caused further damage in the Southern sections where decreased yields were apparent on August 1 and, in addition, reduced prospects materially in Middle Atlantic States and parts of the Great Plains where corn was suffering, but generally holding out a month ago. The above normal temperatures were highly beneficial to corn in the important northern States where soil moisture supplies were generally adequate or rainfall timely enough to promote rapid development of a crop that made an unusually late start this season. While progress in these northern States has been exceptionally good, the crop is unusually varied in stages of growth—some just tasselling (in the extreme north), some well-dented, and much of the crop still in the filling stage. The crop will need good maturing weather and a late killing frost to prevent a sizable tonnage of soft corn, or corn of low quality and light weight. Harvest for grain has started in the south, while silo filling is in progress in the north. In some of the drought areas corn is being cut for fodder in order to salvage as much feed as possible from the damaged crop.

In the Corn Belt States, prospects show an increase of 132 million bushels over the August

1 forecast despite the marked deterioration of the Nebraska and Kansas crops. In these two States, prospects declined 63 million bushels but the increase in output for Iowa alone was enough to offset this loss. In Nebraska, moisture reserves were exhausted by mid-August. The resulting sharp deterioration was sudden, occurring in just a few days when abnormally high temperatures were experienced. In Kansas, late corn was seriously damaged, although early corn was made before adverse weather conditions prevailed. The South Dakota crop was hit by drought in the central section of the State but the gain in eastern counties was more than enough to offset this loss. Bumper crops are in prospect for other Corn Belt States. Production in Iowa, Wisconsin and Minnesota are all-time records. Near-record crops are indicated for Illinois, Indiana and Ohio. While yields per acre for these States are below those of a year ago, the acreage is substantially higher. Notwithstanding the generally favorable promise for the Central and Eastern Corn Belt States, the crop is extremely varied and still late. There are areas that suffered from drought in southern Illinois, southwest Indiana, and the south half of Missouri, while in northwest Ohio, parts of Michigan, and a few adjoining counties in Indiana progress has been retarded all season by too much rain. But throughout Iowa, a good share of Minnesota, Wisconsin, central Illinois and Ohio and most of Indiana, corn prospects are excellent and only dimmed by fear of damage from early frost.

In the North Atlantic States, corn prospects were reduced because of dry weather in Pennsylvania, New Jersey, and Connecticut. In New Jersey yield prospects declined 6.0 bushels during the month with corn suffering most damage in the central and southern parts. Yield prospects were higher in New York, but the crop varies greatly, with lateness a predominate feature.

In the South Atlantic States, production prospects were down 9 million bushels due to drought damage in Delaware, Maryland, and Virginia where yields were lower than last month by 5.5 bushels, 7.0 bushels, and 3.5 bushels respectively. In other States of this region yields were unchanged from a month ago and better than average.

In the South Central States, September 1 prospects were below those of August 1, with production the smallest since 1939. Continued high temperatures and severe drought caused extensive damage, particularly to late corn. The area of severe drought centers in Arkansas and Oklahoma and extends into surrounding States. Much of the early corn in Texas, Oklahoma, and Louisiana escaped damage from hot weather and good yields are reported. Harvest of early corn is under way.

Net prospects are higher than a month ago in the Western States. Higher yields in Mountain and Pacific Coast States offset damage from dry weather to the dry land crop in Colorado and Wyoming. Irrigated corn is exceptionally promising in Colorado and promises a record yield.

Wheat: The 1943 production of all wheat is placed at 834,957,000 bushels, practically the same as estimated on August 1st. This is 15% less than the all wheat production of 981,327,000 bushels in 1942 but 13% above the 10-year (1932-41) average of 738,412,000 bushels. All wheat acreage harvested this year is about 1% larger than last year although 9% below the ten-year average.

The production of all spring wheat is larger and winter wheat less than the 1942 and the 10-year average production for these crops.

The indicated production of all spring wheat is 301,100,000 bushels, compared with last year's 278,074,000 bushels, and the average of 183,231,000 bushels. All spring wheat yield per acre is estimated to be 18.8 bushels. This compares with 20.2 bushels for 1942 and the average of 11.4 bushels. Soil moisture and climatic conditions have been largely fair to very good for both the yield and quality of all spring wheat, particularly in Minnesota, the Dakotas and Montana. Threshing was about a third completed in North Dakota by September 1st and considering the larger-than-usual crop has made fair progress in other major spring wheat States. The yield in Washington is above average but less than the high yield in 1942.

Durum wheat production prospect is 36,387,000 bushels. This is nearly 19% below the 1942 crop of 44,660,000 bushels although well above the average of 26,992,000 bushels. The prospective production of other spring wheat is 264,713,000 bushels on a 20% larger acreage than harvested in 1942. Production is also up sharply from both the 1942 crop of 233,414,000 bushels and the average of 161,240,000 bushels.

Oats: Continuing the decline in oats prospects indicated a month earlier, a further decrease during August reduced prospective production to 1,145,060,000 bushels. This is nearly 16% below the excellent 1942 crop but 12% above the 1932-41 average. The indicated yield at 30.2 bushels compares with 35.9 in 1942 and the 10-year average of 28.1 bushels per harvested acre.

The decline in prospective production from a month earlier, amounting to about 44,500,000 bushels, or 4%, was largely due to lower yields reported in most Northeastern, Middle Atlantic and North Central States, which more than offset slightly improved prospects in Maine, Wisconsin and most Western States. Iowa, Nebraska and Kansas showed no changes in yield. Yields from Wisconsin and Illinois westward were mostly better than average, from Michigan and Indiana eastward mostly poorer than average.

Causes contributing to the lower yields than anticipated a month earlier were—drought in the Middle Atlantic States; lateness of planting combined with unfavorable conditions for growing and harvesting which resulted in short straw and light grain in Northeastern States; and hot, dry weather at the time heads were filling in North Central States. Harvest is practically complete, but some threshing remains in northern sections.

Barley: The indicated production of 333,282,000 bushels of barley on September 1 this year is 22% less than the record crop of 426,150,000 bushels produced in 1942, but 37% more than the 10-year (1932-41) average production of 243,373,000 bushels.

Yields, after completion of harvest, are below earlier expectations in all important producing areas. In Minnesota, Nebraska and North and South Dakota yield prospects are from one-half to four bushels less than on Aug. 1.

The September 1 indicated yield per acre for the United States is 22.1 bushels compared with 23.1 bushels indicated a month ago. The reduced prospects are the result of damage from lodging, loss of grain in the shock, blight, rust and heat. For the country as a whole the 1943 indicated yield is 3.3 bushels less than last year but 0.7 bushel above the 10-year average yield of 21.4 bushels.

Buckwheat: Buckwheat prospects improved during August, and September 1 conditions indicate a 1943 crop of 8,472,000 bushels—173,000 bushels above

August 1 indications. This production is 27% more than the 1942 production of 6,687,000 bushels, and 21% above the 10-year (1932-41) average production of 7,029,000 bushels. The 1943 acreage of 493,000 acres for harvest is 30% above the 378,000 acres harvested in 1942 and 16% above the 10-year (1932-41) average.

September 1 conditions indicate a yield per acre of 17.2 bushels as compared with 16.8 bushels a month earlier and 16.6 bushels for the 10-year (1932-41) average. Yield prospects improved slightly during August in New York and Michigan but held steady in Pennsylvania. An early frost would do considerable damage.

Rice: Prospective production of rice at 71,217,000 bushels exceeds by 7% the record crop of 1942. Such a crop would exceed the 1932-41 average by about 50%. The total varies only slightly from that forecast in previous months of 1943, but represents shifting yield situations within the rice area.

In the Southern rice area production of 59,062,000 bushels is now in prospect, nearly 8% more than in 1942. Shortage of water in Arkansas has made weed control difficult, reduced yields and resulted in some loss of acreage. Cutting of early varieties was started the last week of August, earlier than usual. In Louisiana the crop was produced under difficulties because of occasional shortages of irrigation water, scarcity of labor, and weeds. Despite this prospects improved in August. Harvest of early varieties was well along, with fair to good yields; late varieties are nearly ready for harvest. Effects of the July tropical storm in Texas were offset by conditions ideal for salvaging the damaged crop and for maturing and harvesting the major portion of the production.

California rice prospects have been reduced as the result of cool weather throughout most of the season. The average yield of 55 bushels per acre is 1 bushel below that of 1942 and 14.9 bushels below the 1932-41 average. Expansion in acreage to include low yielding and "second year" land has reduced the average yield to a lower level in recent years. Production indicated now at 12,155,000 bushels is about 5% above that of 1942 only because of the larger acreage. Harvest is not expected to be started before October 1.

Potatoes: The potato crop continued to improve under the favorable weather conditions that prevailed in most of the important late areas during August. Total production in the United States for 1943 is now placed at 460,512,000 bushels, compared with 371,150,000 bushels in 1942 and the 10-year (1932-41) average of 363,332,000 bushels. The indicated production is larger than any crop of record, exceeding the previous record of 427,249,000 bushels in 1928 by 33 million bushels.

Most of the improvement in the production outlook occurred in the 18 surplus late States where the September estimate is 19,419,000 bushels above the August estimate. Each State of this group, except Pennsylvania, Nebraska, and California show prospective production equal to or in excess of the August estimate. Growing conditions during August were particularly favorable in Maine and Colorado. On September 1 nearly all vines in Maine were green, had a good set of tubers, and showed relatively little late blight. In Colorado, the San Louis Valley and west-central areas had frequent rains and good growing conditions. Wisconsin, Minnesota, North Dakota, Idaho, and Washington show rather sub-

Moody's Bond Prices And Bond Yield Averages

Moody's computed bond prices and bond yield averages are given in the following table:

MOODY'S BOND PRICES† (Based on Average Yields)										
1943— Daily Averages	U. S. Govt. Bonds	U. S. Corpo- rate Rate*	Corporate by Ratings*				Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Sept. 21	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
20	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
18	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
17	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
16	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
15	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
14	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
13	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
12	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
11	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
10	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
9	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
8	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
7	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
6	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
5	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
4	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
3	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
2	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
1	120.55	110.88	119.00	116.41	111.07	98.73	103.13	113.70	116.41	
Aug. 27	120.34	111.25	119.20	116.80	111.44	98.88	103.13	112.89	117.00	
20	120.20	111.25	119.20	116.80	111.44	99.04	103.30	113.89	117.20	
13	120.29	111.25	119.20	116.80	111.62	99.04	103.30	113.89	117.20	
6	120.19	111.25	119.20	116.80	111.62	99.04	103.30	113.89	117.20	
July 30	120.18	111.44	119.41	117.00	111.62	99.04	103.30	114.08	117.20	
23	120.51	111.25	119.20	116.80	111.44	99.20	103.30	114.08	117.00	
16	120.46	111.25	119.20	116.80	111.44	99.20	103.13	114.08	117.20	
9	120.73	111.07	119.20	116.61	111.25	98.88	102.80	114.08	117.00	
2	120.75	110.70	118.80	116.22	111.25	98.25	102.46	113.70	116.61	
Jun 25	120.41	110.70	118.80	116.22	111.07	98.09	102.46	113.70	116.61	
18	120.15	110.52	118.60	116.02	111.07	97.94	102.30	113.50	116.41	
11	119.99	110.52	118.60	116.02	111.07	97.94	102.30	113.50	116.41	
4	119.92	110.34	118.40	115.82	111.07	97.78	102.30	113.50	116.02	
May 28	119.82	110.34	118.20	115.82	110.88	97.78	102.30	131.31	115.82	
Apr. 30	118.36	109.79	118.00	115.43	110.34	97.00	101.31	113.12	115.63	
Mar. 26	116.93	109.60	117.80	115.43	110.52	96.23	100.65	113.12	115.63	
Feb 26	117.11	109.24	117.60	115.43	110.15	95.47	100.00	112.93	115.43	
Jan. 29	117.04	108.70	117.60	115.04	109.79	94.56	99.04	112.56	115.43	
High 1943	120.87	111.44	119.41	117.00	111.81	99.36	103.47	114.27	117.40	
Low 1943	116.85	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46	
High 1942	118.41	107.62	117.20	114.27	108.88	92.64	97.47	112.19	114.66	
Low 1942	115.90	106.04	115.43	112.75	107.09	90.63	95.32	109.60	112.75	
1 Year ago										
Sept. 21, 1942	117.59	107.27	117.00	113.70	108.52	92.06	96.85	111.62	114.08	
2 Years ago										
Sept. 20, 1941	118.88	107.44	118.00	114.85	108.70	91.34	96.69	111.81	115.43	

MOODY'S BOND YIELD AVERAGES† (Based on Individual Closing Prices)										
1943— Daily Averages	U. S. Govt. Bonds	U. S. Corpo- rate Rate*	Corporate by Ratings				Corporate by Groups			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Sept. 21	1.80	3.12	2.70	2.83	3.11	3.83	3.56	2.97	2.83	
20	1.80	3.12	2.70	2.83	3.11	3.83	3.56	2.97	2.82	
18	1.80	3.12	2.70	2.83	3.11	3.83	3.56	2.97	2.82	
17	1.80	3.11	2.69	2.82	3.11	3.83	3.56	2.97	2.82	
16	1.80	3.11	2.69	2.82	3.10	3.82	3.56	2.96	2.82	
15	1.80	3.11	2.69	2.82	3.10	3.82	3.56	2.96	2.81	
14	1.81	3.11	2.70	2.83	3.10	3.82	3.56	2.96	2.81	
13	1.81	3.11	2.69	2.82	3.10	3.82	3.56	2.96	2.80	
12	1.81	3.11	2.69	2.82	3.10	3.82	3.56	2.96	2.80	
11	1.81	3.11	2.69	2.82	3.10	3.82	3.56	2.96	2.80	
10	1.81	3.11	2.69	2.82	3.10	3.82	3.56	2.96	2.80	
9	1.82	3.11	2.69	2.82	3.09	3.82	3.56	2.96	2.80	
8	1.82	3.11	2.69	2.82	3.09	3.82	3.56	2.96	2.80	
7	1.83	3.11	2.69	2.82	3.09	3.82	3.56	2.96	2.80	
6	1.83	3.11	2.69	2.82	3.09	3.82	3.56	2.96	2.80	
5	1.83	3.11	2.69	2.82	3.09	3.82	3.56	2.96	2.80	
4	1.83	3.10	2.69	2.81	3.08	3.82	3.55	2.96	2.80	
3	1.83	3.10	2.69	2.81	3.08	3.82	3.55	2.96	2.80	
2	1.83	3.10	2.69	2.81	3.08	3.82	3.55	2.96	2.80	
1	1.83	3.10	2.69	2.81	3.08	3.82	3.55	2.96	2.80	
Aug. 27	1.83	3.10	2.69	2.81	3.09	3.82	3.56	2.96	2.80	
20	1.84	3.10	2.69	2.81	3.09	3.82	3.56	2.96	2.79	
13	1.83	3.10	2.69	2.81	3.09	3.81	3.55	2.96	2.80	
6	1.84	3.10	2.69	2.80	3.08	3.81	3.55	2.96	2.79	
July 30	1.84	3.09	2.68	2.80	3.08	3.81	3.55	2.95	2.79	
23	1.81	3.10	2.69	2.81	3.09	3.81	3.55	2.95	2.79	
16	1.82	3.10	2.69	2.81	3.09	3.80	3.55	2.95	2.80	
9	1.80	3.11	2.69	2.82	3.10	3.80	3.55	2.95	2.79	
2	1.80	3.13	2.71	2.84	3.10	3.82	3.58	2.95	2.80	
Jun 25	1.82	3.13	2.71	2.84	3.11	3.87	3.60	2.97	2.82	
18	1.84	3.14	2.72	2.85	3.11	3.88	3.61	2.98	2.83	
11	1.87	3.14	2.72	2.85	3.11	3.88	3.61	2.98	2.83	
4	1.87	3.15	2.73	2.86	3.11	3.89	3.61	2.98	2.85	
May 28	1.88	3.15	2.74	2.86	3.12	3.89	3.61	2.99	2.86	
Apr. 30	1.98	3.18	2.75	2.88	3.15	3.94	3.67	3.00	2.87	
Mar. 26	2.08	3.19	2.76	2.88	3.14	3.99	3.71	3.00	2.87	
Feb 26	2.06	3.21	2.77	2.88	3.16	4.04	3.75	3.01	2.88	
Jan. 29	2.06	3.24	2.77	2.90	3.18	4.10	3.81	3.03	2.88	
High 1943	2.08	3.31	2.81	2.96	3.23	4.25	3.93	3.07	2.93	
Low 1943	1.79	3.09	2.68	2.80	3.07	3.79	3.54	2.94	2.78	
High 1942	2.14	3.39	2.88	3.02	3.33	4.37	4.05	3.19	3.02	
Low 1942	1.93	3.30	2.79	2.94	3.23	4.23	3.91	3.05	2.92	
1 Year ago										
Sept. 21, 1942	2.04	3.32	2.80</							

Weekly Coal And Coke Production Statistics

The Solid Fuels Administration for War, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended Sept. 11, 1943 is estimated at 11,550,000 net tons, as compared with 12,010,000 tons in the preceding week. This decrease of 460,000 tons, or 3.8%, was due to the partial holiday observance of Labor Day, Sept. 6. Output in the corresponding week last year amounted to 10,683,000 tons. Total estimated production of soft coal to date exceeded that for the same period last year by 1.8%.

The U. S. Bureau of Mines estimated that the total production of Pennsylvania anthracite for the week ended Sept. 11, 1943 was 1,190,000 tons, a decrease of 64,000 tons (5.1%) from the preceding week. When compared with the output in the corresponding week of 1942, however, there was an increase of 27,000 tons or 2.3%. The calendar year 1943 to date shows an increase of less than 0.1% when compared with the same period of 1942.

The Bureau of Mines also reported that the estimated production of byproduct coke in the United States for the week ended Sept. 11, 1943 showed a decrease of 200 tons when compared with the output for the week ended Sept. 4, 1943. The quantity of coke from beehive ovens increased 1,200 tons during the same period.

ESTIMATED UNITED STATES PRODUCTION OF COAL WITH COMPARABLE DATA ON PRODUCTION OF CRUDE PETROLEUM (In Net Tons—000 Omitted.)

	Week Ended			January 1 to Date		
	Sep. 11, 1943	Sep. 4, 1943	Sep. 12, 1942	Sep. 11, 1943	Sep. 12, 1942	Sep. 1, 1937
Bituminous coal and lignite—	11,550	12,010	10,683	408,912	401,510	304,122
Total, incl. mine fuel—	\$2,026	2,002	2,137	1,896	1,881	1,425
Daily average—						
Crude petroleum—						
Coal equivalent of weekly output—	6,974	6,784	6,251	232,261	220,636	201,688

*Total barrels produced during the week converted into equivalent coal assuming 6,000,000 B.T.U. per barrel of oil and 13,100 B.T.U. per pound of coal. Note that most of the supply of petroleum products is not directly competitive with coal. (Minerals Yearbook, Review of 1940, page 775). †Revised. ‡Subject to current adjustment. §Labor Day, Sept. 6, weighted as 0.7 of a normal working day.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE (In Net Tons)

	Week Ended			Cal. Year to Date		
	Sep. 11, 1943	Sep. 4, 1943	Sep. 12, 1942	Sep. 11, 1943	Sep. 12, 1942	Sep. 14, 1929
Penn. anthracite—	1,190,000	1,254,000	1,163,000	42,461,000	42,449,000	48,710,000
Total incl. coll. fuel—	1,142,000	1,204,000	1,116,000	40,762,000	40,751,000	45,203,000
Commercial production—						
By-product coke—						
United States total—	1,242,600	1,242,800	1,217,400	44,097,100	43,228,900	
Beehive coke—						
United States total—	162,900	161,700	145,200	5,473,600	5,762,100	4,871,600

ESTIMATED WEEKLY PRODUCTION OF COAL, BY STATES (In Thousands of Net Tons)

(The current weekly estimates are based on railroad carloadings and river shipments and are subject to revision on receipt of monthly tonnage reports from district and State sources or of final annual returns from the operators.)

State—	Week Ended			Sept. 4, 1943	Sept. 4, average 1937	Sept. 1, 1937
	Sep. 4, 1943	Aug. 28, 1943	Sep. 5, 1942			
Alabama	383	385	363	155	247	406
Alaska	5	5	6	3	2	**
Arkansas and Oklahoma	92	88	93	93	86	96
Colorado	153	147	149	132	113	214
Georgia and North Carolina	1	1	1	††	††	**
Illinois	1,503	1,509	1,267	1,010	959	1,587
Indiana	536	515	497	423	290	550
Iowa	43	43	50	37	60	117
Kansas and Missouri	161	149	164	133	112	168
Kentucky—Eastern	939	952	947	897	801	713
Kentucky—Western	314	320	261	178	166	248
Maryland	35	37	34	31	27	40
Michigan	5	3	5	10	2	27
Montana (bituminous and lignite)	99	96	78	55	52	68
New Mexico	37	37	34	21	33	56
North and South Dakota (lignite)	36	32	35	27	24	**27
Ohio	648	662	683	583	478	861
Pennsylvania (bituminous)	2,905	2,971	2,804	2,625	2,159	3,585
Tennessee	128	128	148	139	97	119
Texas (bituminous and lignite)	3	3	7	6	26	26
Utah	110	110	120	95	75	103
Virginia	404	416	392	380	283	245
Washington	25	28	42	30	38	58
West Virginia—Southern	2,233	2,296	2,175	2,073	1,825	1,474
West Virginia—Northern	1,035	1,031	940	781	518	857
Wyoming	171	169	158	133	107	165
Other Western States	1	1	††	††	††	**4
Total bituminous and lignite	12,010	12,130	11,453	10,050	8,580	11,814
Pennsylvania anthracite	1,254	1,296	1,248	1,262	808	714
Total all coal	13,264	13,426	12,701	11,312	9,388	12,528

*Includes operations on the N. & W.; C. & O.; Virginia; K. & M.; B. C. & G.; and on the B. & O. in Kanawha, Mason, and Clay counties. †Rest of State, including the Panhandle District and Grant, Mineral, and Tucker counties. ‡Includes Arizona, California, Idaho, Nevada, and Oregon. §Data for Pennsylvania anthracite from published records of the Bureau of Mines. ¶Average weekly rate for entire month. **Alaska, Georgia, North Carolina, and South Dakota included with "Other Western States." ††Less than 1,000 tons.

Civil Engineering Construction \$43,332,000 For Week

Civil engineering construction volume for the week in continental U. S. totals \$43,332,000. This volume, not including the construction by military engineers abroad, by American contractors outside the country, and shipbuilding, is 79% below the total for the corresponding 1942 week, and compares with \$36,606,000 for the holiday-shortened preceding week as reported by "Engineering News-Record" on Sept. 16, which added:

Private construction is 26% lower than in the week last year, and public work is down 81%. State and municipal work is 8% above last year, but Federal volume declines 84%.

The current week's total brings 1943 construction to \$2,365,700,000, an average of \$63,938,000 for each of the 37 weeks of the period. On the weekly average basis, 1943 construction is 68% below the \$7,484,907,000 reported for the 38-week period in 1942. Private construction, \$302,953,000, is 33% lower than a year ago, and public

construction, \$2,062,747,000, is down 70%, when adjusted for the difference in the number of weeks.

Civil engineering construction volumes for the 1942 week, last week, and the current week are:

	Sept. 17, '42 (five days)	Sept. 9, '43 (four days)	Sept. 16, '43 (five days)
Total U. S. Construction	\$206,028,000	\$36,606,000	\$43,332,000
Private Construction	8,415,000	6,699,000	6,218,000
Public Construction	197,613,000	29,907,000	37,114,000
State and Municipal	6,072,000	2,266,000	6,579,000
Federal	191,541,000	27,641,000	30,535,000

In the classified construction groups, gains over the short preceding week are in sewerage, bridges, industrial buildings, earthwork and drainage, streets and roads, and unclassified construction. Bridge construction is the only class to top a year ago. Subtotals for the week in each class of construction are: waterworks, \$309,000; sewerage, \$939,000; bridges, \$676,000; industrial buildings, \$828,000; commercial building and large-scale private housing, \$4,891,000; public buildings, \$16,709,000; earthwork and drainage, \$1,256,000; streets and roads, \$8,874,000; and unclassified construction, \$8,850,000.

New capital for construction purposes for the week totals \$333,000, and is made up entirely of State and municipal bond sales. New construction financing for the 37 weeks of 1943, \$2,929,488,000, is 68% below the \$9,527,250,000 reported for the 38-week 1942 period.

Non-Ferrous Metals—Quicksilver Order Modified—October Copper Restrictions Released

Editor's Note—At the direction of the Office of Censorship certain production and shipment figures and other data have been omitted for the duration of the war.

"E. & M. J. Metal and Mineral Markets," in its issue of Sept. 16 stated:

"The War Production Board last week modified its conservation order for quicksilver on definite indications that the supply situation in the metal has eased appreciably. Those in close touch with the developments in quicksilver regarded the supply picture as easier for several months past. Lead, magnesium and tungsten also are metals more comfortably placed in so far as supplies are concerned. Authorities in Washington still look upon copper and zinc as critical. Exports of tin concentrate from Bolivia have increased, reflecting improved shipping conditions." The publication further went on to say in part:

Copper

"Though only a few certificates for October metal came through Sept. 15, the notices are in the mail and the trade is set for the usual monthly rush for copper. WPB is making it easier for retailers and repairmen to obtain small amounts of copper wire. This, however, is not viewed as a move to ease any of the restrictions on use of the metal for civilian purposes.

"A new edition of the conservation chart for brass and bronze castings has been issued by the Conservation Division of WPB. This has been prepared to guide engineers and designers in specifying less critical grades of material, replacing the down-grading chart issued by the Division last January. Carter S. Cole, of the Conservation Division, stated that engineers have utilized the previous chart in making specification changes that have made efficient use of our supplies of secondary and scrap material.

Lead

"The expected increase in the sales volume for lead occurred last week, so that WPB officials and others can take necessary action on Sept. 20 in reference to the allocation of foreign metal. Sales for the week were 57½% in excess of sales in the preceding seven-day period. Consumption of lead for other than war purposes has increased during the summer period, the industry believes, and the trend continues upward. Battery makers have been doing better. Quotations remain unchanged.

Zinc

"The market situation in zinc remains unchanged. Producers appeared more hopeful that renegotiation of contracts in so far as the basic materials are concerned will be dropped. This, of course, includes zinc.

"General Preference Order M-11-a, relating to the distribution of zinc oxide, has been amended by WPB to further tighten the controls. The amended order now prevents the shipments of lead-

free zinc oxide except to fill orders rate AA-5 or higher. The revised order also limits inventories of the person accepting delivery of zinc oxide to 45 days' supply on the basis of his current method and rate of operation. The amended order was issued Sept. 13.

Tin

"Improved shipping conditions are reflected in the latest figures on exports of tin concentrates from Bolivia. The quantity that left the country during July amounted to 3,990 metric tons of tin contained in the concentrates, of which total Patino contributed 2,229 tons. Exports for June amounted to 2,975 tons, and for July last year 3,480 tons. Figures covering the first seven months of the current year show exports of 22,389 tons of tin, which compares with 22,895 tons in the same period last year. Production statistics for Bolivia are not available.

"The price situation continues unchanged. Straits quality tin for shipment was as follows, in cents per pound:

	Sept.	Oct.	Nov.
Sept. 9	52.000	52.000	52.000
Sept. 10	52.000	52.000	52.000
Sept. 11	52.000	52.000	52.000
Sept. 13	52.000	52.000	52.000
Sept. 14	52.000	52.000	52.000
Sept. 15	52.000	52.000	52.000

"Chinese, or 99% tin, continues at 51.125¢ a pound.

Quicksilver

"WPB last week amended the conservation order for quicksilver, permitting freer use of the metal because of an appreciable easing of the supply situation. With a 'ceiling' and 'floor' regulating the price of quicksilver, the market took the news calmly. Quotations continued at \$196@198 per flask, New York.

Silver

"Correcting an earlier release on the use of foreign silver in the manufacture of brazing alloys and solders, WPB now prohibits processing of any foreign silver up to one month's supply on hand July 29. Manufacturers could have used up this quantity up to Aug. 29, WPB contends, because the order limiting use of foreign silver for the purposes named was not issued until Sept. 6.

"The silver market in London during the last week was unchanged at 23½d. per ounce. The New York Official for foreign silver was unchanged at 44¼¢.

Daily Prices

The daily prices of electrolytic copper (domestic and export, re-

NY Savings Banks To Buy \$600 Million In War Bonds

Savings banks in New York State will purchase over \$600,000,000 of Government Bonds during the Third War Loan Drive this month, according to August Ihlefeld, President of the Savings Bank Trust Co., and executive officer of the Savings Bank team of the War Finance Committee's Banking & Investment Division. In addition, the savings banks will conduct an intensive advertising and selling campaign to stimulate the purchase of War Bonds by their depositors.

"During the first seven months of this year, the savings banks of this State sold over \$150,000,000 of War Bonds directly to individuals, and this figure will be greatly swelled by their drive for subscriptions during the period of the Third War Loan," Mr. Ihlefeld said.

Savings banks are addressing "A Message To Our Depositors" in an advertisement which will appear in 140 newspapers in the State, explaining the need for every person in the country to buy an extra \$100 War Bond during the Third War Loan Drive. It is pointed out that the amount of bonds purchased by the savings banks and sold to their depositors will make an important contribution toward reaching the State's quota of \$4,709,000,000 in the September drive.

On July 1 of this year, the savings banks of New York State had 46½% of their total deposits invested in Government Bonds, and by the end of the Third War Loan Drive this figure will have risen to about 50%. Virtually all of new deposits in savings banks are going into Government Bonds. Furthermore, the savings banks have been selling corporation bonds and investing the proceeds in Government securities, it was said. The savings banks of the State have deposits of about six billion dollars, and their depositors number six million.

The 132 New York State savings banks form one of the 17 teams organized by the Banking and Investment Division of the War Finance Committee for New York.

C. B. Baldwin Heads Relief For Italy

The State Department announced on Sept. 4 the appointment of Calvin B. Baldwin to direct United States economic operations in Italy when that country is liberated.

As a result of this assignment, Mr. Baldwin has resigned as head of the Farm Security Administration, a post he held for three years. From 1935 to 1940 Mr. Baldwin was Assistant Administrator of the Resettlement Administration, which the FSA replaced.

Mr. Baldwin is now named area director to deal with economic affairs in Italy "whenever the United States civilian agencies enter the country to assist in connection with its supply and other economic problems."

President Roosevelt on Sept. 6 accepted the resignation of Mr. Baldwin as FSA head, thanking him for "the high standard of public service" which he had given. In his letter, the President cited Mr. Baldwin's eight years given "to the rebuilding of the family farm as the keystone in our national agriculture structure."

finery), lead, zinc and Straits tin were unchanged from those appearing in the "Commercial and Financial Chronicle" of July 31, 1942, page 380.

Daily Average Crude Oil Production For Week Ended Sept. 11, '43 Increased 118,500 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Sept. 11, 1943 was 4,353,950 barrels, a gain of 118,500 barrels over the preceding week and 451,500 barrels per day more than produced in the corresponding week of 1942. The current figure, however, is 198,150 barrels less than the daily average figure recommended by the Petroleum Administration for War for the month of September, 1943. Daily output for the four weeks ended Sept. 11, 1943 averaged 4,251,000 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,216,000 barrels of crude oil daily and produced 12,606,000 barrels of gasoline; 1,414,000 barrels of kerosine; 4,162,000 barrels of distillate fuel oil, and 8,350,000 barrels of residual fuel oil during the week ended Sept. 11, 1943; and had in storage at the end of that week 71,928,000 barrels of gasoline; 11,095,000 barrels of kerosine; 39,401,000 barrels of distillate fuel, and 67,011,000 barrels of residual fuel oils. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*P. A. W. Recommendations Begin, September	*State Allowables, Sept. 1	Actual Production Week Ended Sept. 11, 1943	Change from Previous Week	4 Weeks Ended Sept. 11, 1943	Week Ended Sept. 12, 1942
Oklahoma	347,000	358,000	327,200	+ 2,250	326,900	370,200
Kansas	300,000	290,000	290,450	+ 27,150	289,850	272,650
Nebraska	2,000		11,800		1,800	3,450
Panhandle Texas			104,000	+ 2,600	100,350	90,000
North Texas			140,600	+ 100	140,500	136,600
West Texas			332,500	+ 31,700	287,500	205,600
East Central Texas			130,200	+ 100	130,050	86,200
East Texas			380,000	+ 3,850	374,550	362,400
Southwest Texas			262,250	+ 9,950	248,150	164,200
Coastal Texas			482,800	+ 3,500	477,750	310,900
Total Texas	1,909,000	1,946,153	1,832,350	+ 51,800	1,758,850	1,355,900
North Louisiana			82,100	- 100	82,400	97,300
Coastal Louisiana			278,500	+ 5,000	272,250	240,250
Total Louisiana	375,000	399,000	360,600	+ 4,900	354,650	337,550
Arkansas	80,100	80,052	76,650		76,500	72,500
Mississippi	50,000		49,150	- 2,400	50,750	73,350
Illinois	222,800		227,450	+ 16,100	214,550	276,000
Indiana	13,800		14,000	+ 900	13,750	17,450
Eastern (Not incl. Ill., Ind. and Ky.)			86,600	- 4,200	75,450	83,300
Kentucky	25,500		22,500	+ 1,700	22,300	11,900
Michigan	60,100		59,100	+ 3,550	56,200	65,800
Wyoming	98,800		98,950	+ 7,750	97,300	86,900
Montana	23,300		21,350		21,350	21,700
Colorado	6,500		6,950	+ 200	7,000	7,450
New Mexico	116,600	116,600	165,050		105,500	97,650
Total East of Calif.	3,717,100		3,567,650	+ 109,700	3,472,250	3,153,750
California	835,000	835,000	786,300	+ 8,800	778,750	748,700
Total United States	4,552,100		4,353,950	+ 118,500	4,251,000	3,902,450

*P.A.W. recommendations and state allowables represent the production of all petroleum liquids, including crude oil, condensate and natural gas derivatives recovered from oil, condensate and gas fields. Past records of production indicate, however, that certain wells may be incapable of producing the allowables granted, or may be limited by pipeline prorations. Actual state production would, under such conditions, prove to be less than the allowables. The Bureau of Mines reported the daily average production of natural gasoline and allied products in June, 1943, as follows: Oklahoma, 27,000; Kansas, 4,900; Texas, 106,400; Louisiana, 19,300; Arkansas, 4,000; Illinois, 11,500; Eastern (not including Illinois, Indiana or Kentucky), 6,000; Kentucky, 2,200; Michigan, 100; Wyoming, 2,000; Montana, 300; New Mexico, 5,400; California, 46,000. Oklahoma, Kansas, Nebraska figures are for week ended Sept. 9, 1943.

†This is the net basic allowable as of Sept. 1 calculated on a 30-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 3 to 7 days, the entire state was ordered shut down for 9 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 9 days shut-down time during the calendar month. ‡Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE, STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED SEPT. 11, 1943

(Figures in Thousands of Barrels of 42 Gallons Each)

Figures in this section include reported totals plus an estimate of unreported amounts and are therefore on a Bureau of Mines basis—

District	Daily Refining Capacity	Potential % Reporting	Crude Runs to Still, Daily Average	Gasoline Production			Stocks of Gas Oil and Distillate Fuel	Stocks of Residual Fuel Oil
				at Refineries	Finished and Unfinished	Total		
*Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana - Arkansas and Inland Texas	2,444	88.7	2,158	88.3	6,119	30,885	17,810	17,319
Appalachian								
District No. 1	130	83.9	103	79.2	307	1,359	701	340
District No. 2	47	87.2	48	102.1	180	934	123	173
Ind., Ill., Ky.	824	85.2	749	90.9	2,603	14,096	5,932	3,356
Okl., Kans., Mo.	416	80.1	329	79.1	1,177	5,992	2,265	1,656
Rocky Mountain								
District No. 3	8	26.9	8	100.0	30	60	20	29
District No. 4	139	57.7	107	77.0	336	1,218	396	735
California	817	89.9	714	87.4	1,854	17,384	12,154	43,403
Tot. U. S. B. of M. basis Sept. 11, 1943	4,825	86.4	4,216	87.4	12,606	71,928	39,401	67,011
Tot. U. S. B. of M. basis Sept. 4, 1943	4,825	86.4	4,214	87.3	12,343	71,402	38,673	67,675
U. S. Bur. of Mines basis Sept. 12, 1942			3,737		11,268	80,224	44,216	79,019

*At the request of the Petroleum Administration for War. †Finished, 61,538,000 barrels; unfinished, 10,390,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,414,000 barrels of kerosine, 4,162,000 barrels of gas oil and distillate fuel oil and 8,350,000 barrels of residual fuel oil produced during the week ended Sept. 11, 1943, which compares with 1,269,000 barrels, 4,361,000 barrels and 8,703,000 barrels, respectively, in the preceding week and 1,265,000 barrels, 4,215,000 barrels and 8,094,000 barrels, respectively, in the week ended Sept. 12, 1942. ¶Note—Stocks of kerosine amounted to 11,095,000 barrels at Sept. 11, 1943, against 10,725,000 barrels a week earlier and 12,245,000 barrels a year before.

Electric Output For Week Ended Sept. 18, 1943, Shows 16.0% Gain Over Same Week Last Year

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Sept. 18, 1943, was approximately 4,358,512,000 kwh., compared with 3,756,922,000 kwh. in the corresponding week last year, an increase of 16.0%. The output for the week ended Sept. 11, 1943, was 18.0% in excess of the similar period of 1942.

PERCENTAGE INCREASE OVER PREVIOUS YEAR

Major Geographical Divisions—	Sept. 18	Sept. 11	Sept. 4	Aug. 28
New England	4.7	6.2	5.9	7.1
Middle Atlantic	14.4	19.1	15.6	19.9
Central Industrial	13.5	15.1	14.3	16.4
West Central	9.0	10.3	11.9	13.0
Southern States	20.0	23.3	26.1	23.0
Rocky Mountain	19.0	18.5	17.7	17.6
Pacific Coast	23.8	22.4	22.4	22.9
Total United States	16.0	18.0	18.4	18.7

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended—	1943	1942	over 1942	1941	1932	1929
July 3	4,110,793	3,424,188	+20.1	2,903,727	1,341,730	1,592,075
July 10	3,919,398	3,428,916	+14.3	3,178,054	1,415,704	1,711,625
July 17	4,184,143	3,565,367	+17.4	3,199,105	1,433,993	1,727,225
July 24	4,196,357	3,625,645	+15.7	3,220,526	1,440,386	1,732,031
July 31	4,226,705	3,649,146	+15.8	3,263,082	1,426,986	1,724,728
Aug 7	4,240,638	3,637,070	+16.6	3,232,242	1,415,122	1,729,667
Aug 14	4,287,827	3,654,795	+17.3	3,238,160	1,431,910	1,733,110
Aug 21	4,264,825	3,673,717	+16.1	3,230,750	1,436,440	1,750,056
Aug 28	4,322,195	3,639,961	+18.7	3,261,149	1,464,700	1,761,594
Sept 4	4,350,511	3,672,921	+18.4	3,132,954	1,423,977	1,674,588
Sept 11	4,229,262	3,583,408	+18.0	3,322,346	1,476,442	1,806,259
Sept. 18	4,358,512	3,756,922	+16.0	3,273,375	1,490,863	1,792,131
Sept 25		3,720,254		3,273,376	1,499,459	1,777,854

Steel Operations At New High—War Output In Full Stride—Plate Program Expanded

"The week brought brighter prospects that Congress might enact a bill providing for substantial post-war reserves, despite Army and Navy condemnation of allowing such reserves to come out of re-negotiation or as deductions from taxes," "The Iron Age" states in its issue of today (Sept. 23), further adding: "A poll by 'The Iron Age' of the powerful House Committee on Ways and Means, as well as inquiry among business inter-ests who appeared before the Committee, reveals that a majority of the members and business representatives think that the Government should provide reserves in lieu of a post-war WPA for industry.

"With output of war goods in full stride, changes in the program as the result of the invasion of Italy have not been noted yet, except for perhaps a strengthening of the amphibian truck program. These invasion units accounted for themselves so well in Italy that production schedules are likely to be enlarged. A good proportion of the steel required will be in sheets and plates, which will complicate further the very tight situation prevailing in those products. Some orders for sheet steel were being returned to customers this week because of a new increase in the tonnage of plates which are to come off wide strip mills during the next six months. Plate mill schedules are so high now that there is no safety factor in the event of breakdown, strike or other unforeseen developments. Tin plate production for fourth quarter and possibly the first of next year will feel the effects of the expanded plate program. This week it appears November and December schedules for tin plate have been cut 10%, indicating fourth quarter output of about 511,000 tons. First quarter production of 630,000 tons now is indicated, a decline from original estimates.

"Despite the rather plentiful supply of electric furnace alloy steel, there has been no stampede by consumers to switch to its use. The differential of \$10 per ton above open-hearth alloy steel (about 62% of total alloy steel production is from open hearths) is one reason.

"The steel-expansion program seems to be moving toward its finish rather irregularly. Some of the new furnace capacity and other units will be or already are available for operation ahead of the necessary equipment for handling and processing the steel. Somewhere between 80,000 and 90,000 tons of ingots per month are believed by some experts to represent a surplus for interchange. As mentioned previously, freight costs on these ingots have

more conservative in their buying in an effort to avoid excess inventories on all strictly military items. Developments in the various theaters of war the past few weeks have been both favorable and unfavorable but in no way have changed the war production picture.

"Plate buying has slowed up lately, although earliest delivery schedules continue extended about six months. Maritime Commission has not fully specified against its fourth quarter directive, and has still more to specify for first quarter. The delay is due in part to revisions necessary in getting the Victory ship program in full swing. A supplemental high octane gasoline expansion program will take 150,000 tons, including heads which are estimated as 10% of the total. A large chemical container program is also being considered.

"Cold-drawn steel bar producers are processing an increasing percentage of bessemer steel.

"Iron and steel scrap supplies are ample for immediate needs. In an increasing number of instances mills are more selective in accepting material. Flow of industrial scrap to mill yards is off slightly, reflecting order cutbacks and cancellations. New scrap drive gets under way Oct. 1."

MBA Studying Insured Farm Mortgage Idea

Noting the growing Congressional sentiment favoring plans to expedite acquisition of farms and homes by returning veterans as "most heartening and constructive post-war planning," the Mortgage Bankers Association of America, in an announcement on Sept. 7, said it was expanding its continuing study of insurance for farm mortgages in anticipation of the introduction of a bill by Senator Bankhead (Dem., Ala.) when Congress reconvenes. Senator Bankhead has announced he will introduce a bill calling for insurance for farm mortgages in some manner similar to that in effect for FHA city residence loans. The measure is expected to carry special privileges for servicemen but will not be limited to them.

It is noted that the idea for insurance of farm mortgages originated with the farm loan committee of the Mortgage Bankers Association early in 1941, and has been the subject of a continuing study since that time. It is not known what provisions the Bankhead measure will carry because Senator Bankhead will not prepare the bill until he returns to Washington this month. The Mortgage Bankers Association two years ago drew a preliminary bill calling for insurance of farm mortgages. According to Charles A. Mullenix, Cleveland, Association President, the organization's farm loan committee, headed by S. M. Waters of Minneapolis, will meet later this month for further study of the plan in the light of the contemplated Bankhead measure.

Finn Peace Feelers Stopped By Nazis

German protests appeared to have forced Finland to call off recent efforts to extend feelers on the chance of getting out of the war by a separate peace, according to a United Press Stockholm dispatch of Sept. 17 to the New York "World Telegram" which also said.

"It was learned reliably that the Nazis protested strongly to Finland about an official statement made available to three foreign correspondents at Helsinki last Saturday."

Trading On New York Exchanges

The Securities and Exchange Commission made public on Sept. 18 figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended Sept. 4, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Sept. 4 (in round-lot transactions) totaled 856,020 shares, which amount was 15.71% of the total transactions on the Exchange of 2,723,610 shares. This compares with member trading during the week ended Aug. 28 of 963,940 shares, or 16.49% of total trading of 2,922,750 shares. On the New York Curb Exchange, member trading during the week ended Sept. 4 amounted to 176,675 shares, or 13.05% of the total volume of that exchange of 673,000 shares; during the Aug. 28 week trading for the account of Curb members of 194,530 shares was 15.83% of total trading of 614,570 shares.

Total Round-Lot Stock Sales on the New York Stock Exchange and Round-Lot Stock Transactions for Account of Members* (Shares)

		Total for week	Per Cent
WEEK ENDED SEPT. 4, 1943			
A. Total Round-Lot Sales:			
Short sales		75,060	
Other sales		2,648,550	
Total sales		2,723,610	
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases		250,920	
Short sales		34,000	
Other sales		204,900	
Total sales		238,900	8.99
2. Other transactions initiated on the floor—			
Total purchases		114,710	
Short sales		11,900	
Other sales		67,300	
Total sales		79,200	3.56
3. Other transactions initiated off the floor—			
Total purchases		88,580	
Short sales		11,300	
Other sales		72,410	
Total sales		83,710	3.16
4. Total—			
Total purchases		454,210	
Short sales		57,200	
Other sales		344,610	
Total sales		401,810	15.71

Total Round-Lot Stock Sales on the New York Curb Exchange and Stock Transactions for Account of Members* (Shares)

		Total for week	Per Cent
WEEK ENDED SEPT. 4, 1943			
A. Total Round-Lot Sales:			
Short sales		4,030	
Other sales		668,970	
Total sales		673,000	
B. Round-Lot Transactions for the Account of Members:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases		53,200	
Short sales		2,245	
Other sales		45,045	
Total sales		47,290	7.46
2. Other transactions initiated on the floor—			
Total purchases		15,000	
Short sales		800	
Other sales		9,350	
Total sales		10,150	1.87
3. Other transactions initiated off the floor—			
Total purchases		23,325	
Short sales		200	
Other sales		26,510	
Total sales		26,710	3.72
4. Total—			
Total purchases		91,525	
Short sales		3,245	
Other sales		80,905	
Total sales		84,150	13.05
C. Odd-Lot Transactions for the Account of Specialists—			
Customers' short sales		0	
Customers' other sales		33,421	
Total purchases		33,421	
Total sales		21,241	

*The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners.
 †In calculating these percentages the total of members' purchases and sales is compared with twice the total round-lot volume on the Exchange for the reason that the Exchange volume includes only sales.
 ‡Round-lot short sales which are exempted from restriction by the Commission rules are included with "other sales."
 §Sales marked "short exempt" are included with "other sales."

Wholesale Commodity Index Unchanged During Week Ended Sept. 11, Says Labor Department

The U. S. Department of Labor announced on Sept. 16 that commodity prices in primary markets were steady during the week ended September 11. The Bureau of Labor Statistics' comprehensive index of nearly 900 price series remained unchanged from the level of the preceding week, 102.8% of the 1926 average.

The Department's announcement added:
Farm products and foods. There was very little movement in prices for farm products and foods during the week. The index for the farm products group dropped 0.1%, while that for foods advanced 0.1%. Prices were lower for oats and wheat, for cows and sheep, and for cotton, alfalfa seed, and onions. Quotations were higher for rye, hogs, hay, and apples at Chicago. Potatoes were quoted at lower prices at Boston and Chicago, but higher at New York. Slightly higher prices for certain fresh fruits and vegetables, for

flour and for eggs in some markets were responsible for the increase in the foods group.

Industrial commodities. Except for higher prices for certain building materials, particularly gum and oak lumber and asphalt, and a rise of over 7% in newsprint paper, there were no changes in industrial commodity markets during the week.

The following notation is made:
 During the period of rapid changes caused by price control, materials allocation and rationing, the Bureau of Labor Statistics will attempt promptly to report changing prices. Indexes marked (*), however, must be considered as preliminary and subject to such adjustment and revision as required by later and more complete reports.

The following tables show index numbers for the principal groups of commodities for the past 3 weeks, for August 14, 1943 and September 12, 1942, and the percentage changes from a week ago, a month ago, and a year ago.

Commodity groups—	(1926=100)				Percentage changes to Sept. 11, 1943 from—			
	9-11 1943	9-4 1943	8-28 1943	8-14 1943	9-12 1942	9-4 1942	8-14 1942	9-12 1942
All commodities	102.8	102.8	102.9	102.7	99.2	0	+0.1	+3.6
Farm products	123.2	123.3	124.0	122.9	107.2	-0.1	+0.2	+14.9
Foods	104.8	104.7	105.5	105.1	101.6	+0.1	-0.3	+3.1
Hides and leather products	118.4	118.4	118.4	118.4	119.0	0	0	-0.5
Textile products	97.0	97.0	97.0	96.9	96.7	0	+0.1	+0.3
Fuel and lighting materials	81.7	81.7	81.8	81.7	79.6	0	0	+2.6
Metals and metal products	103.8	103.8	103.8	103.9	103.9	0	0	-0.1
Building materials	112.5	112.2	112.1	112.1	110.3	+0.3	+0.4	+2.0
Chemicals and allied products	100.2	100.2	100.2	100.2	96.2	0	0	+4.2
Furniture and furnishings	104.2	104.2	104.2	104.2	104.1	0	0	+0.1
Miscellaneous commodities	92.6	92.4	92.4	92.4	88.6	+0.2	+0.2	+4.5
Raw materials	112.2	112.3	112.8	112.3	101.6	-0.1	-0.1	+10.4
Semimanufactured articles	92.8	92.8	92.8	92.8	92.7	0	0	+0.1
Manufactured products	100.1	100.0	100.0	100.0	99.3	+0.1	+0.1	+0.8
All commodities other than farm products	98.5	98.4	98.4	98.4	97.5	+0.1	+0.1	+1.0
All commodities other than farm products and foods	97.4	97.3	97.3	97.3	95.7	+0.1	+0.1	+1.8

National Fertilizer Association Commodity Price Average Advances

The wholesale commodity price index, compiled by The National Fertilizer Association and made public on Sept. 20, was again higher last week as farm products and food prices continued their upward trend. In the week ended Sept. 18, this index stood at 135.8% of the 1935-1939 average. It registered 135.5 in the preceding week, 135.1 a month ago and 129.3 a year ago. The Association's report continued as follows:

The increase in the general level of the all-commodity index was due primarily to higher prices for farm products and foods. Sharp rises in quotations for grains, especially oats which reached a new 23-year peak, were responsible for the advance in the farm products group. Rising prices in eggs, potatoes, and edible tallow effected an increase in the foods index number. The slight decrease in lint cotton was not sufficient to change the textiles group. The miscellaneous commodities group has advanced to a new high for this year due to a marked increase in price quotations for paper news rolls which more than offset the slight reduction in price of cottonseed meal. All other group indexes remained at the previous week's level.

During the week 10 price series included in the index advanced and 3 declined; in the preceding week there were 6 advances and 3 declines; and in the second preceding week there were 10 advances and 4 declines.

WEEKLY WHOLESALE COMMODITY PRICE INDEX						
Compiled by The National Fertilizer Association						
1935-1939=100*						
% Each Group Bears to the Total Index	Group	Latest Preceding		Month Ago	Year Ago	Year Ago
		Week	Week			
		Sep. 18, 1943	Sep. 11, 1943	Aug. 21, 1943	Sep. 19, 1942	Sep. 19, 1942
25.3	Foods	139.4	139.0	138.5	131.8	131.8
	Fats and Oils	146.5	146.0	145.6	140.9	140.9
	Cottonseed Oil	162.4	162.4	160.7	153.9	153.9
23.0	Farm Products	157.4	156.7	154.9	139.4	139.4
	Cotton	193.5	193.6	192.7	178.9	178.9
	Grains	152.3	148.7	146.8	116.2	116.2
	Livestock	153.2	153.1	151.2	138.4	138.4
17.3	Fuels	122.8	122.8	122.8	119.3	119.3
10.8	Miscellaneous commodities	131.4	131.0	131.0	126.7	126.7
8.2	Textiles	150.5	150.5	150.1	147.6	147.6
7.1	Metals	104.4	104.4	104.4	104.4	104.4
6.1	Building materials	152.5	152.5	152.5	151.5	151.5
1.3	Chemicals and drugs	127.7	127.7	126.6	120.7	120.7
.3	Fertilizer materials	117.7	117.7	117.7	117.9	117.9
.3	Fertilizers	119.8	119.8	119.8	115.3	115.3
.3	Farm machinery	104.1	104.1	104.1	104.1	104.1
100.0	All groups combined	135.8	135.5	135.1	129.3	129.3

*Indexes on 1926-1928 base were Sept. 18, 1943, 105.8; Sept. 11, 105.6; and Sept. 19, 1942, 107.9.

We also give below the Association's comments on the report for the preceding week (Sept. 11, 1943).
 The weekly wholesale commodity price index, compiled by The National Fertilizer Association, was unchanged last week. This index, in the week ended Sept. 4, 1943, stood at 135.5% of the 1935-1939 average, the same as in the preceding week. It registered 135.0 a month ago and 129.2 a year ago.

Advancing prices in grains, livestock, and wool were sufficient to counter-balance declines in other items, and hold the commodity price index to the level of the preceding week. Italy's surrender did not have any significant effect on the commodity price level but may have been the cause of a noticeable decline in cotton. Foods and farm products edged up fractionally, with rising prices in grains, eggs, and hogs more than off-setting lower quotations for cotton and sheep. The textiles group remained at the same level with a rise in wool and a decline in cotton. This index is .5% higher than a month ago and 6.3% higher than a year ago.

Although the index remained at the same level last week, 6 price series advanced and 3 declined; in the preceding week there were 10 advances and 4 declines; and in the second preceding week there were 12 advances and 3 declines.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Sept. 18 a summary for the week ended Sept. 11 of complete figures showing the daily volume of stock transactions for the odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

STOCK TRANSACTIONS FOR THE ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON THE N. Y. STOCK EXCHANGE

Week Ended Sept. 11, 1943		Total for Week
Odd-Lot Sales by Dealers:		
(Customers' purchases)		
Number of orders		12,733
Number of shares		351,296
Dollar value		13,022,816
Odd-Lot Purchases by Dealers:		
(Customers' sales)		
Number of Orders:		
Customers' short sales		115
Customers' other sales		13,892
Customers' total sales		14,007
Number of Shares:		
Customers' short sales		3,800
Customers' other sales		362,622
Customers' total sales		366,422
Dollar value		11,171,472
Round-lot Sales by Dealers—		
Number of Shares:		
Short sales		110
Other sales		99,210
Total sales		99,320
Round-Lot Purchases by Dealers—		
Number of shares		100,130

*Sales marked "short exempt" are reported with "other sales." †Sales to offset customers' odd-lot orders, and sales to liquidate a long position which is less than a round lot are reported with "other sales."

No Manpower Shortage In Agriculture Says Dr. Conrad Taeuber

Dr. Conrad Taeuber of the Bureau of Agricultural Economics in addressing 191 members of the Agricultural Economic Association at St. Louis on Sept. 15, advanced the thesis that there was no manpower shortage in agriculture, and that in fact there was a large agricultural "under-employment"; this was reported by Bernhard Ostrolenk in a special dispatch to the New York "Times" from St. Louis on Sept. 15, and which also gave other remarks of Dr. Taeuber as follows:
 "There are workers on farms able to work who are productively engaged for less than full time throughout the year or whose labor is so inefficiently applied that the product falls far short of any reasonable standard for agriculture," he said. "A considerable number of farm operators are not now producing the volume of agricultural commodities which represent a reasonable return for a full year's productive effort."

Lumber Movement—Week Ended September 11, 1943

According to the National Lumber Mfrs. Ass'n, lumber shipments of 463 mills reporting to the National Lumber Trade Barometer were 4.3% below production for the week ended Sept. 11, 1943. In the same week new orders of these mills were 8.3% less than production. Unfilled order files in the reporting mills amounted to 103% of stocks. For reporting softwood mills, unfilled orders are equivalent to 40 days' production at the current rate, and gross stocks are equivalent to 36 days' production.

For the year to date, shipments of reporting identical mills exceeded production by 8.6%; orders by 10.4%.

Compared to the average corresponding week of 1935-39 production of reporting mills was 15.3% greater; shipments were 19.8% greater; and orders were 17.3% greater.

Revenue Freight Car Loadings During Week Ended Sept. 11, 1943 Declined 66,404 Cars

Loading of revenue freight for the week ended Sept. 11, 1943 which included Labor Day holiday totaled 834,671 cars, the Association of American Railroads announced on Sept. 16. This was an increase above the corresponding week of 1942 of 19,774 cars, or 2.4%, but a decrease below the same week in 1941, which did not include Labor Day holiday of 79,985 cars or 8.3%.

Loading of revenue freight for the week of September 11, decreased 66,404 cars, or 7.4% below the preceding week.

Miscellaneous freight loading totaled 367,461 cars, a decrease of 31,143 cars below the preceding week, and a decrease of 11,545 cars below the corresponding week in 1942.

Loading of merchandise less than carload lot freight totaled 93,242 cars, a decrease of 8,647 cars below the preceding week, but an increase of 13,964 cars above the corresponding week in 1942.

Coal loading amounted to 170,100 cars, a decrease of 7,112 cars below the preceding week, but an increase of 16,615 cars above the corresponding week in 1942.

Grain and grain products loading totaled 47,768 cars, a decrease of 6,509 cars below the preceding week, but an increase of 2,372 cars above the corresponding week in 1942. In the Western Districts alone, grain and grain products loading for the week of Sept. 11, totaled 34,482 cars, a decrease of 4,236 cars below the preceding week but an increase of 1,336 cars above the corresponding week in 1942.

Live stock loading amounted to 16,501 cars, a decrease of 1,095 cars below the preceding week, but an increase of 1,165 cars above the corresponding week in 1942. In the Western Districts alone, loading of live stock for the week of Sept. 11, totaled 12,451 cars, a decrease of 934 cars below the preceding week, but an increase of 856 cars above the corresponding week in 1942.

Forest products loading totaled 41,788 cars, a decrease of 5,654 cars below the preceding week and a decrease of 4,503 cars below the corresponding week in 1942.

Ore loading amounted to 83,338 cars, a decrease of 6,004 cars below the preceding week but an increase of 662 cars above the corresponding week in 1942.

Coke loading amounted to 14,473 cars, a decrease of 240 cars below the preceding week, but an increase of 1,044 cars above the corresponding week in 1942.

All districts reported increases compared with the corresponding week in 1942, except the Northwestern but all districts reported decreases compared with 1941 except the Southwestern.

	1943	1942	1941
5 weeks of January	3,530,849	3,858,479	3,454,409
4 weeks of February	3,055,640	3,122,942	2,866,565
4 weeks of March	3,073,426	3,174,781	3,066,011
4 weeks of April	4,149,708	3,350,996	2,793,630
5 weeks of May	3,151,708	4,170,548	4,160,060
4 weeks of June	4,307,406	3,385,655	3,510,557
5 weeks of July	4,307,406	4,185,135	4,295,457
4 weeks of August	3,554,446	3,487,905	3,581,350
Week of September 4	901,075	887,960	797,791
Week of September 11	834,671	814,897	914,656
Total	29,694,620	30,439,298	29,439,986

The following table is a summary of the freight loadings for the separate railroads and systems for the week ended Sept. 11, 1943. During this period 73 roads showed increases when compared with the corresponding week last year.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS)—WEEK ENDED SEPT. 11

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
Eastern District—					
Ann Arbor	165	294	588	1,380	1,183
Bangor & Aroostook	884	765	983	374	166
Boston & Maine	5,756	5,349	9,182	13,806	12,707
Chicago, Indianapolis & Louisville	1,299	1,358	1,696	1,991	1,890
Central Indiana	28	23	17	50	69
Central Vermont	879	883	1,539	2,356	2,677
Delaware & Hudson	5,842	6,084	7,119	10,429	10,311
Delaware, Lackawanna & Western	6,948	6,952	9,809	12,085	9,562
Detroit & Mackinac	183	408	297	103	284
Detroit, Toledo & Ironton	1,923	1,682	2,447	1,382	1,076
Detroit & Toledo Shore Line	286	269	350	2,255	2,099
Erle	12,824	11,150	15,226	18,628	15,308
Grand Trunk Western	3,173	3,844	5,614	7,554	8,289
Lehigh & Hudson River	184	158	160	2,523	3,149
Lehigh & New England	1,652	1,896	1,875	1,790	1,917
Lehigh Valley	7,949	7,896	10,511	13,512	13,147
Maine Central	2,075	1,974	3,338	2,549	2,308
Monongahela	5,916	5,633	6,587	519	421
Montour	2,234	2,283	2,557	271	32
New York Central Lines	50,856	45,475	53,942	53,710	51,411
N. Y., N. H. & Hartford	8,695	7,986	12,566	17,689	17,721
New York, Ontario & Western	1,526	993	1,223	2,560	2,127
New York, Chicago & St. Louis	6,268	7,548	7,507	14,816	15,112
N. Y., Susquehanna & Western	500	313	543	1,966	2,305
Pittsburgh & Lake Erie	7,258	7,249	8,677	8,572	7,720
Pere Marquette	4,767	4,826	6,341	7,160	5,681
Pittsburg & Shawmut	917	653	788	15	22
Pittsburg, Shawmut & North	411	333	459	332	186
Pittsburgh & West Virginia	1,194	925	1,167	2,551	3,153
Rutland	297	325	625	1,107	805
Wabash	5,105	5,316	6,297	12,662	12,084
Wheeling & Lake Erie	6,022	4,600	5,673	4,442	4,734
Total	154,016	145,443	185,708	221,140	209,656

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
Allegheny District—					
Akron, Canton & Youngstown	698	701	749	1,104	1,219
Baltimore & Ohio	41,766	38,859	43,276	28,689	23,826
Bessemer & Lake Erie	6,838	6,439	6,891	2,026	2,555
Buffalo Creek & Gauley	316	263	276	3	4
Cambria & Indiana	1,695	1,773	1,895	7	10
Central R. R. of New Jersey	6,509	6,816	8,778	21,584	19,270
Cornwall	650	696	701	46	43
Cumberland & Pennsylvania	215	236	325	7	17
Ligonier Valley	142	138	118	45	48
Long Island	1,558	884	964	4,126	3,684
Penn-Reading Seashore Lines	1,887	1,868	2,313	2,822	2,655
Pennsylvania System	81,657	77,425	93,615	63,927	62,144
Reading Co.	14,560	13,129	18,057	26,597	26,790
Union (Pittsburgh)	21,182	20,346	19,322	7,443	7,065
Western Maryland	4,219	3,813	4,611	11,778	12,455
Total	183,892	173,386	201,891	170,194	161,785
Pocahontas District—					
Chesapeake & Ohio	28,688	26,765	30,792	13,858	11,811
Norfolk & Western	22,057	22,058	25,099	6,366	6,456
Virginian	4,825	4,546	4,831	2,193	2,034
Total	55,570	53,369	60,722	22,417	20,301

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
Southern District—					
Alabama, Tennessee & Northern	279	339	411	384	411
Atl. & W. P.—W. R. R. of Ala.	651	776	968	2,308	3,045
Atlanta, Birmingham & Coast	690	640	880	1,108	1,185
Atlantic Coast Line	11,045	10,384	11,029	9,672	9,459
Central of Georgia	3,639	3,579	4,565	4,220	3,879
Charleston & Western Carolina	332	330	439	1,382	1,312
Clinchfield	1,583	1,688	1,641	2,431	2,463
Columbus & Greenville	355	472	376	166	198
Durham & Southern	79	88	217	462	699
Florida East Coast	1,187	884	454	1,383	1,497
Gainesville Midland	43	29	52	109	80
Georgia	1,018	1,384	1,226	3,104	2,862
Georgia & Florida	358	343	361	560	591
Gulf, Mobile & Ohio	3,992	4,035	4,483	4,311	4,562
Illinois Central System	27,449	26,892	28,567	17,272	18,870
Louisville & Nashville	24,652	23,914	26,849	11,366	11,313
Macon, Dublin & Savannah	182	171	179	612	590
Mississippi Central	279	313	227	496	874
Nashville, Chattanooga & St. L.	3,111	3,716	3,570	4,729	4,788
Norfolk Southern	1,054	1,167	1,471	1,324	2,219
Piedmont Northern	324	308	516	1,171	1,106
Richmond, Fred. & Potomac	587	358	449	9,861	8,061
Seaboard Air Line	8,812	9,349	9,950	7,830	7,192
Southern System	22,135	21,354	25,052	22,784	22,615
Tennessee Central	1,145	510	563	1,064	898
Winston-Salem Southbound	110	90	154	994	992
Total	115,091	113,119	124,848	111,103	111,461

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
Northwestern District—					
Chicago & North Western	19,884	18,884	23,628	14,204	13,648
Chicago Great Western	2,376	2,276	2,285	2,860	3,278
Chicago, Milw., St. P. & Pac.	19,326	18,792	24,431	9,017	8,551
Chicago, St. Paul, Minn. & Omaha	4,125	3,781	4,330	3,949	4,142
Duluth, Missabe & Iron Range	29,221	30,663	23,718	291	509
Duluth, South Shore & Atlantic	1,268	803	1,296	615	1,299
Elgin, Joliet & Eastern	8,436	9,456	10,606	11,207	9,923
Fr. Dodge, Des Moines & South	377	443	790	73	109
Great Northern	24,292	29,711	26,905	5,968	5,715
Green Bay & Western	470	416	636	948	865
Lake Superior & Ishpeming	1,784	2,159	2,244	60	49
Minneapolis & St. Louis	2,180	1,861	2,134	1,955	1,977
Minn., St. Paul & S. S. M.	7,407	7,623	8,346	2,763	3,119
Spokane International	11,529	12,017	12,274	5,740	5,312
Northern Pacific	218	312	182	563	657
Spokane, Portland & Seattle	2,280	2,464	2,841	3,092	3,129
Total	135,673	141,542	147,647	63,305	62,282

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
Central Western District—					
Atch., Top. & Santa Fe System	21,784	20,741	22,736	12,871	12,603
Alton	3,093	2,889	3,576	3,889	4,364
Bingham & Garfield	492	560	657	105	113
Chicago, Burlington & Quincy	18,339	18,331	18,991	12,201	11,406
Chicago & Illinois Midland	2,930	2,702	2,951	690	936
Chicago, Rock Island & Pacific	11,349	11,641	14,180	10,890	11,494
Chicago & Eastern Illinois	2,152	2,569	2,906	6,109	4,319
Colorado & Southern	804	844	883	2,171	1,915
Denver & Rio Grande Western	4,110	3,925	4,502	6,945	6,148
Denver & Salt Lake	759	782	1,010	16	20
Fort Worth & Denver City	1,618	1,205	1,006	2,209	1,432
Illinois Terminal	1,580	1,914	1,996	1,955	2,377
Missouri-Illinois	1,231	1,316	1,196	433	380
Nevada Northern	2,148	2,197	1,910	150	90
North Western Pacific	942	1,185	1,205	715	660
Peoria & Pekin Union	17	6	9	0	0
Southern Pacific (Pacific)	29,578	31,122	31,337	13,397	10,776
Toledo, Peoria & Western	293	261	372	2,019	1,547
Union Pacific System	16,052	14,946	18,623	17,567	14,803
Utah	541	488	535	7	4
Western Pacific	2,035	2,223	2,628	4,059	3,990
Total	121,937	121,847	133,209	98,398	89,383

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1943	1942	1941	1943	1942
Southwestern District—					
Burlington-Rock Island	447	697	159	261	162
Gulf Coast Lines	5,537	4,305	3,109	2,884	2,531
International-Great Northern	2,455	2,655	2,191	3,500	2,614
Kansas, Oklahoma & Gulf	248	324	214	1,078	1,

Items About Banks, Trust Companies

Guaranty Trust Co. of New York announces the appointment of Howard C. Judd as an Assistant Trust Officer.

Arthur S. Kleeman, President of the Colonial Trust Co. of New York announces the appointment of Arnold J. Colombo as Assistant Secretary and Assistant Treasurer. Mr. Colombo is at the 79 Madison Ave. office.

Federation Bank & Trust Co. of New York announces the recent election to its Board of Directors of William P. McDonald, President of William P. McDonald, Inc., General Contractors. Mr. McDonald is also President of the General Contractors Association.

James T. Lee, President of the Central Savings Bank in the City of New York, has announced the following promotions:

John W. Davis has been promoted to be Manager of the Safe Deposit Department. In 1927, Mr. Davis was appointed Director of School Savings in this bank and organized the department, which serviced 19 schools. Prior to that time he was with the American Savings Bank of New York.

John E. Armitage and Arthur J. Edison were named Assistant Managers of the Depositors Department of the bank. Both Mr. Armitage and Mr. Edison were first employed by the bank as Junior Clerks, Mr. Armitage in 1921 and Mr. Edison in 1925. They worked in various departments of the bank and received A. I. B. training in preparation for their new positions.

Persons having claims against the closed Integrity Trust Co., Philadelphia, either as a depositor or a creditor must file them before Nov. 10 or be barred from sharing in any distribution of the assets, according to a notice by William C. Freeman, Pennsylvania Banking Secretary and receiver of the trust company. When the business and property of the Integrity Trust were taken over in January, 1940, it is stated in the notice, there were no depositors, according to the records of the company, but that in the event that there are any claims they must be presented for settlement before the date indicated above.

The election of Robert D. Ferguson as Vice-President of the Peoples-Pittsburgh Trust Co. is announced by L. H. Gethoefer, Chairman of the Board of Directors of the company. Mr. Ferguson, a member of the law firm of Patterson, Crawford, Arensberg & Dunn, will be in charge of trusts. He was formerly connected with the institution for about a year in 1938 doing special trust work.

Sidney B. Congdon, President of the National City Bank of Cleveland, announces the promotion of several of the bank's officers, according to the Cleveland "Plain Dealer" of Sept. 14, which states that rising from Assistant Vice-President to Vice-President were R. B. Blyth, L. B. Devine, Fred A. Hart, E. C. Stumm and L. C. Williams and John A. Fangbener, who formerly was an Assistant Cashier. Advanced from Assistant Cashier to Assistant Vice-President were W. H. Freytag, J. W. McHaffie, H. D. Moore and R. O. Wendling. Newly elected officers include F. J. Barnum, H. W. Gildenmeister, C. E. Kitzerow and P. M. Minter, Assistant Cashiers.

George W. Blauvelt and William A. Hobbs, trust investment officers.

Oscar L. Cox, President of the Union Bank of Commerce, Cleveland, has advised stockholders

that the Board is proceeding with its study of the proposal to consolidate with the National City Bank of Cleveland but that, while the work has progressed well, delays have been encountered in developing certain tax features, "as to which," says Mr. Cox, "it was believed advisable to secure an advisory opinion from the Internal Revenue Department under procedures established for that purpose." His letter to the stockholders Sept. 14 also said:

"In view of the importance of the basic decision involved, no conclusion should be reached or attempted until this work can be completed and the fully developed alternatives can be weighed under the normal business procedures for reaching a decision in such matters."

Mr. Cox further revealed that C. W. Banta is no longer Executive Vice-President of the bank, following action by the Board. Harry F. Burmester and Harry E. Hills, who have been Vice-Presidents of the bank since its organization, have each been elected a Senior Vice-President.

Admission of the Hamler State Bank of Hamler, Ohio, and the Farmers Bank of Sunbury, Ohio, to the Federal Reserve System was announced on Sept. 11 by Matthew J. Fleming, President of the Federal Reserve Bank of Cleveland. Member banks in the Fourth Federal Reserve District now total 702.

The Hamler State Bank, which was capitalized in 1921 at \$30,000, has seen its deposits rise from \$352,000 five years ago to \$823,000 today.

The Farmers Bank, founded in 1872 as a private bank and never reorganized, was incorporated Dec. 12, 1933, with a capital of \$35,000. Its deposits have increased from \$544,000 in 1938 to about \$950,000.

Bruce Barton To Aid Third War Fund Drive

Bruce Barton, well-known publicist and member of the firm of Batten, Barton, Durstine & Osborne, will serve as Chairman of the Business Editors Liaison Division of the Committee on Public Information of the New York Committee of the National War Fund, it was announced Sept. 8 by Arthur W. Page, Vice-President of the American Telephone and Telegraph Co., Committee Chairman. Mr. Page announced also that Miss Dorothy Shaver, Vice-President of Lord & Taylor, has accepted the Vice-Chairmanship of the Public Information Committee, and the following have accepted the chairmanship of the respective bureaus: Mrs. Henry Breckinridge, space solicitation; Harold A. Lafount, radio; and Victor S. Schwab, direct mail.

New York's five boroughs will be called upon to raise almost \$17,000,000 for support of the USO and 16 other major war-related organizations serving our own armed forces and the civilian relief of the United Nations. The local goal includes the budget of the New York City Defense Recreation Committee presently serving upwards of a million service men a month.

The campaign will start about Oct. 1 and continue until Dec. 7, second anniversary of Pearl Harbor.

Simultaneously, the membership of the Public Information Committee was announced as follows: P. F. Carl, Jr., N. Y. Telephone Co.; Thomas W. Hughes, Fifth Ave. Association; William Mapel, Publishers Association of N. Y.; James A. McCarthy, Hotel Association; W. A. Wentworth, Borden Co.; J. E. McCarthy, President Fifth Ave. Coach Co.; Frederick T. Wood, Fifth Ave. Coach Inc.

British Air Transport Committee Protests American Plans For Post War Airlines

A statement made by the Joint Air Transport Committee of the British Air Transport, takes exception to the United States air lines post-war plans and expresses fear that they are intended for immediate post-war application and that if this was so "there is not a single one of the European countries among the United Nations which will not for some little time after the war be in a gravely embarrassed position to join in

of free and open competition" with the United States. We give below the complete text of the Joint Air Transport Committee's statement:

Arising from the recent conference of United States airlines in Washington, two statements of policy have now been issued. The representatives of fifteen airline companies urge that there should be free and open competition on the international air routes, whilst three companies assert the need for a single combine.

The Joint Air Transport Committee is only interested in, and would only express itself upon, these developments in so far as they touch upon the British problem.

The majority statement enunciates Five Principles, of which the first reads: "Free and open competition—world-wide—subject to reasonable regulation by appropriate Governmental agencies." The reports received did not specify at what date these proposals should become operative, though it is to be feared that they are intended for immediate post-war application. If this assumption is correct, the Committee suggests that such a proposal might well have further consideration. Because of sacrifices made in the common cause, there is not a single one of the European countries among the United Nations which will not for some little time after the war be in a gravely embarrassed position to join in "free and open competition" with the United States. After a period of years this healthy competition may well be possible and desirable, but until then it is suggested that it would be wiser to adopt the Joint Committee's proposal for regulated competition, with each State having its fair allotted quantum, and the United States and the British Empire having parity in terms of a mutually acceptable yardstick.

The question of freedom of transit in peaceful flight—world-wide—should, it is felt, be determined on its merits. That issue is likely to be obscured by the introduction by the fifteen airlines of the contentious question of the future availability to United States flag carriers of air fields which, through geographical fortuity, the United States have considered it wise to construct, during the war, on Allied territory. It is to be hoped that the American air lines will give further consideration to this particular point.

Reports of the minority statement issued by Pan-American Airways, United Airlines and American Export Air Lines speak

of the fear that the "global airlines after the war will be crowded with Government-dominated and Government-owned companies of other countries, notably the British Empire, thus making it difficult for the highly competitive United States airlines to operate profitably. They believe it would be in the United States' interests if America had one strong system operating in the entire field, or at least in specific zones, rather than have a number of American companies competing with each other and with strongly subsidised British, Dutch, French and Swedish lines."

In the light of these fears the Joint Committee, which is broadly representative of British trade and industry (but excluding aircraft manufacturers and airline operators) and has no interest in these questions other than the development on a sound basis of strong, economical and efficient British air transport services, feels obliged to record that there has recently been a number of wholly independent pronouncements by important British organizations against the policy of national monopoly in international air transport. Further, on 28th July the Government assured the House of Commons that it had given to the United States Government no indication, formal or informal, that monopoly was to be the basis of British policy.

In these circumstances it would create a most vicious circle if each nation were to propound a policy of monopoly on the erroneous assumption that that was, or would be, the policy of other countries. It becomes increasingly manifest that it is a matter of urgency for the Government to proceed on the basis of the Joint Committee's statement published on 24th May where it was urged that a unified British Empire policy should be adopted without delay, with subsequent early discussion with the United States of America and our other Allies. Since that date, over two months ago, no satisfactory evidence has been forthcoming that these negotiations are urgently in hand. The two statements by the American airlines show yet again the grave danger of the British Empire continuing to have no recognized policy.

Canada Freezes Men In High Priority Work

Canada's Labor Minister Mitchell announced in Ottawa on Sept. 20, new control measures to keep employees of high-priority industries at their present jobs, according to a Canadian Press dispatch from Ottawa on the same day which had the following regarding the new order:

The latest man-power regulations, which practically amounted to "freezing" male workers in "A" and "B" priority industries, require that men in these categories now may not be released by their employers and may not give notice of separation to their employers without first obtaining the written permission of a selective service officer.

The order is effective today. The Minister's announcement said the two top priorities include, "all war industries and essential civilian services, including the delivery of fuel in cities, food processing and meat packing plants and many other services."

The publication of newspapers and the dissemination of news are

also included in the priorities which come under the order.

No estimate was available of the number of workers who come under the Government's latest man-power action, but officials said the effect would be "very widespread." It is understood a further announcement will be made giving more details of the types of employment which fall within the provisions of the order.

The Labor Department said instructions being issued to selective service officers will permit the issuance of the necessary permit to change employment "in cases where obvious hardship or unfairness would result from refusal to grant a permit."

Explaining the action, Mr. Mitchell said: "Many thousands of firms fall within categories 'A' and 'B.' While every effort will be made to avoid imposing hardship on any individuals, the need of preventing avoidable labor turnover in industries highly important to the war effort is greater than ever, and the new rules are expected to give substantial assistance in that direction."

Turkey Defends Her Position As Neutral

The Turkish newspaper "Aksam" answered the Russian magazine "War and the Working Classes," which said that if Turkey would enter the war the inevitable catastrophe in Germany would be accelerated, according to Associated Press advices from Ankara on Sept. 15, and which also added:

"It is easy to say that Turkey's neutrality is to the advantage of Germany," "Aksam" retorted, "and to want to push Turkey into the war, but difficult to perceive who would be favored if we left our neutrality and, even more, where and how Turkey would enter the war and against whom she would direct her invasion. Soviet Russia had to enter the war in self-defense. Turkey's loyal policy during the hard war has been a most solid wall of security for Russia."

"Aksam" recalled that when Sukru Saracoglu, then Foreign Minister, went to Moscow to negotiate a mutual-aid pact with Russia in 1939, "he found himself in the presence of the German Minister, went to Moscow to negotiate with empty hands."

It took the position that if the pact with Turkey, allied to France and England, had been signed by Russia it would have prevented the war.

Result Of Treasury Bill Offering

Secretary of the Treasury Morgenthau announced on Sept. 20 that the tenders for \$1,000,000,000, or thereabouts, of 91-day Treasury bills to be dated Sept. 23 and to mature Dec. 23, 1943, which were offered on Sept. 17, were opened at the Federal Reserve banks on Sept. 20.

The details of this issue are as follows:

Total applied for, \$1,498,766,000.
Total accepted, \$1,005,381,000 (includes \$77,181,000 entered on a fixed-price basis at 99.905 and accepted in full).

Range of accepted bids:
High, 99.924 Equivalent rate of discount approximately 0.301% per annum.

Low, 99.905 Equivalent rate of discount approximately 0.376% per annum.

Average price, 99.906 Equivalent rate of discount approximately 0.374% per annum.

(65% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Sept. 23 in amount of \$1,006,051,000.