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The Financial Situation

It has been frequently said that the strength that the Roosevelt regime had shown in foreign affairs more than offset in the public eye the evident shortcomings of its domestic policies. The foreign policies of the Administration, so it was often proclaimed, had been characterized by foresight, and time had proved them able and shrewd. This view appears now to be losing ground. There is still little disposition—openly at any rate—to question the wisdom of the long course of policy which finally gave rise to our participation in the present global conflict and, so far as the rank and file of the people are concerned, there may not be much disposition to call the President's earlier generalizations about war aims and post-war policies into dispute.

Our Foreign Policy

At the same time it is evident enough that doubt is arising in many quarters about the precise nature of our present policy and, more particularly, about the degree in which the President has been able to reach, or shows promise of being able to reach, working understandings with our allies in this war. Commenting upon this general state of affairs in the New York "Times" of March 26, Arthur Krock had this to say:

"The Secretary of State, Cordell Hull, sought all this week to allay and satisfy questions that have arisen in Congress and in the country with respect to our diplomacy and its specific application to various international problems that the war has posed and its victorious conclusion will multiply. The questions can be roughly summarized as follows:

"What are the present principles of our foreign policy and in what way have they been modified by events, or are likely to be?"

(Continued on page 1332)

Inflation And City Property After World War II

Babson Says Real Inflation Will Come 1950-1955

BABSON PARK, FLA.—During World War I, prices of city real estate remained almost stationary; but between 1910-1920 the value of farm lands doubled. After the last war, we had from 1920-1926 a great industrial boom and city land prices greatly increased. Farm workers migrated to city industrial jobs at that time and farm prices dropped. This resulted in a tremendous slump in the value of farm land and lower crop prices.

During World War II prices for city rents have increased about 8%; but with prices of agricultural products nearly 90% above pre-war levels, we again have greatly inflated farm land values. Will history repeat or reverse the relative position of farm and urban property?



Roger W. Babson

build new properties. There results an over-supply of homes, apartments, stores, hotels and offices. Rents fall and new construction no longer becomes profitable. The demand for land drops and sales prices fall. This is the real estate cycle.

In 90% of 280 cities real estate prices have risen about 12% in the past two years. In Chicago, it is reported that apartment buildings increased in sales prices about \$200 a room from 1936 to the middle of 1943. There has since been a further rise of 10-15%. Notwithstanding rent control, New York has seen a rising price for apartment buildings. In Boston there is a great demand for these properties at prices well above conservative values. In Miami, for similar structures, prices have increased 25-35% in the last three years.

What About Vacant City Land?

There has been very little price increase in vacant city land during World War II. Post-war demand for vacant land on which to

The News Behind The News

By PAUL MALLON

WASHINGTON, D. C. — Mr. Willkie is beating the bushes of Wisconsin in a hotter hunt for delegates than any Presidential candidate ever attempted before.

While he flails on with great publicity (12 or 14 Washington political writers were invited to accompany him), the other Republican candidates, his adversaries, are quietly plucking a greater bulk of delegates.

Their ease is such that hardly a paragraph on the press association wires heralds attention to them, and, in some cases, their pickings have been concealed behind the official announcements that the delegates are "uninstructed."

For instance, New Mexico has chosen eight delegates, supposedly unpledged. If my information is correct, the choices were made to read seven for Dewey and one for Willkie.

At the head of the delegation is Mrs. Ruth Hanna McCormick Simms of the old Illinois isolationist McCormick family and Cleveland's Hanna, who is certainly NOT pro-Willkie.

Florida has chosen 15 delegates just as softly. Those who make it their business to know such things line up the delegation prospects as: Dewey 5, Willkie 5, MacArthur 2, Bricker 3.

In North Carolina Dewey won the whole delegation of 25 by unanimous action of the State Convention.

In New Hampshire, where the results were more widely proclaimed, the results were not as (Continued on page 1333)



Paul Mallon

The Retailer's Stake In Reconversion

Chairman Of The Board Of The American Retail Federation Holds It Not Necessary To Wait For War's End For Reconversion, Since Peak Of War Production Has Been Reached, And Additional Civilian Goods Can Be Produced—He Urges Quick Settlement Of War Contracts And Early Decisions Of OPA In Fixing Prices On Products Again Coming Into The Market

Fred Lazarus, in an address before the annual meeting of the American Retail Federation, at the Waldorf-Astoria Hotel, New York City, on March 1, 1944, pointed out that "retailers cannot too strongly emphasize the fact that both the retailer and consumer desire only to consider reconversion problems insofar as they concern the economy after proper military provision has been made." On the basis



Fred Lazarus

of this understanding, he proposed an orderly disposition of government surpluses through the regular channels of distribution, and under the direction of a single authority.

"Retailers favor a plan that permits acquisition of surpluses by small as well as large units of distribution," he declared. Continuing his address, Mr. Lazarus said in part: "If, in 1943, we reached the rate of peak war production, and manufactured at the same time a nearly all-time high of civilian production, surely there can be no such thing as a reconversion

period separated from a war and a post-war period, insofar as it concerns the use of our productive facilities.

"So, we are reconverting today and certain plants will reach their post-war program long before others. Some will be in their post-war program before the German war ends. Many will be in their post-war program before the Japanese war ends. It is important, therefore, that we examine carefully certain trends and certain policies under which reconversion and post-war conditions are developing. We must see if they are consistent with what retailers would regard as being in the best interests of their customers, meaning of course, in the best public interest.

"We will finish this war with an enormous debt. A substantial portion of the assets of America will be mortgaged. But, we will have tremendous intangible wealth. We have approximately 55 million people who have been (Continued on page 1335)

From Washington Ahead Of The News

By CARLISLE BARGERON

Apparently the disclosure that our own boys shot down our own planes in the invasion of Sicily is leaving a profound impression on the country. Just as an example that these things are not unusual in war, there is the story of H.M.S. Illustrious off our shores shortly after we entered the war. The Illustrious had taken an awful pummeling at Malta. It came into Norfolk for repairs. The repairs took several months and it put to sea again. The second day out it misunderstood the signals of one of our cruisers. The cruiser opened up and sent the Illustrious back to dry dock for a longer time than it had spent before, not to mention the loss of British lives.

There is at least one known incident of an allied pilot shooting down an Allied transport plane with British and American passengers. There is another instance of American flyers going across the channel to bomb German stores in France camouflaged to look like a French town. They blasted a real town and missed the stores. The moral is that war is a very crazy business.

The bane of existence for rapidly advancing American troops in the last war was the failure of their supporting artillery to keep ahead of them. If the artillerymen could have heard what the doughboys called them on such occasions they would have turned as red as a beet.

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War And Post-War

This is no time to talk about demobilization. The hour of our greatest effort and action is coming. We march with allies who count on us as we on them. The eyes of our soldiers, sailors and airmen must be fixed on the enemy. The only homeward road lies through the arch of victory. The armies of the United States are here; our own troops stand at their side in equal numbers and true comradeship; leaders are appointed in whom we have faith. We shall require from all classes the same cool, strong nerves, the toughness of fiber, which stood us in good stead when we were alone under the German blitz.

Here I must warn you that to deceive and baffle the enemy there will be many false alarms, feints and dress rehearsals. We may be the object of new forms of attack. Britain can take it; she has never flinched. When the signal is given, the whole circle of avenging nations will hurl themselves on the foe and batter out the worst tyranny which has ever sought to halt the progress of mankind.—Winston Churchill.

No one, least of all Mr. Churchill, we are certain, would assert that in prosecuting the war we should act as if there were to be no post-war years.

There is much which needs constant attention by reason of its bearing upon post-war matters.

There is, however, such a thing as permitting post-war considerations and particularly, post-war dreaming, to hurt the war effort.

The State Of Trade

Reports from the heavy industries the past week reflect a slightly lower tendency with electric power production off modestly, while scheduled output of steel is expected to show a moderate contraction the current week. Carloadings, however advanced beyond the previous week's figures with retail trade recording gains over last year's business.

Demands of the military upon our civilian economy for manpower and materials of war, so pronounced in months past, still continue unabated, though in a somewhat lesser degree, making plans for post-war business rather difficult to formulate at this time. In an effort to prepare industry for the post-war period, Charles E. Wilson, President of General Motors Corp., before the House Special Committee on Post-War Policy last week, urged an immediate start be made on reconversion rather than waiting until after an armistice. He felt that a minute portion of critical materials could be put to vital use by making them available at the present time for experimental purposes to plants which will resume civilian production when war demands are over. The sharp increase in war contract cancellations lends added weight to Mr. Wilson's contention.

On the financial front, profit-taking hung like a cloud over the stock market the past week, forcing stock averages to lower levels. Industrials dipped to 139.19 from 140.30 the previous Saturday, with railroads touching 40.13 against 40.21, and utilities off to 23.47 from 23.93 one week ago, as reported by Dow-Jones. Since many issues not included in the averages resisted the trend and not only made new highs for the year, but were the best in several years, the averages do not give the full story of the market's performance. In the new capital market, bond flotations moved sharply upward in the week. The first industrial offering of size in a month made its appearance, being the \$7,500,000 issue of Universal Pictures Co., Inc., debentures, and among the railroads, the first since January, represented by the \$2,200,000 issue of the Chesapeake & Ohio Railway.

Turning to the production of electricity, we note that output decreased to 4,400,246,000 kilowatt hours in the week ended March 18, from 4,425,630,000 kilowatt hours in the preceding week, as reported by the Edison Electric Institute. The current figures represent a gain of 11.5% over a year

ago total of 3,946,836,000. Consolidated Edison Company of New York reports system output of 206,171,000 kilowatt hours in the week ended March 19, and compares with 170,032,000 kilowatt hours for the corresponding week of 1943, or an increase of 21.3%.

Carloadings of revenue freight for the week ended March 18, totaled 786,442 cars, the Association of American Railroads announced. This was an increase of 4,909 cars, or 6/10ths of 1% above the preceding week this year, and an increase of 18,308 cars, or 2.4% above the corresponding week of 1943.

We learn from the same source that based on advance reports from the country's Class I railroads, whose revenues represent 81.5% of total operating revenues, estimated railroad operating revenues in February, 1944, were 9.3% more than in the same month of 1943. The foregoing estimate covers only operating revenues, giving no consideration to trends in operating expenses, taxes, or final income results. In addition, estimated freight revenues for the same period were greater than in the like period of 1943, by 6.1%, with estimated passenger revenues greater by 26.6%.

In the steel industry, according to "Steel" magazine, steel purchases have shown a tendency to ease the past week, due largely to the inability of mills to assure delivery of current orders until late in the year. The continued placement by government agencies of orders for sizable lots for nearby shipment, accompanied by directives for prompt delivery, has resulted in the deferment of other tonnages.

Production, "Steel" adds, "is running at a high point with tonnage movement from the mills at a record rate." Treating upon beehive coke production, "Steel," in its current issue had this to say: "Decline of beehive coke production, which has been progressing since the first of the year, has leveled off with about 1,000 ovens idle, and output now is well balanced with demand. Most of the suspended ovens providing mer-

chant coke for blast furnaces are now idle." Scheduled output of steel, according to the American Iron & Steel Institute, is placed at 99.1% of rated capacity for the week beginning March 27, equivalent to 1,775,200 tons of steel ingots and castings. This compares with operations at the rate of 99.2% and output of 1,777,000 tons a week ago, the latter figure representing a peak since Oct. 11, 1943.

Bituminous coal production slumped in the week ended March 18, from incomplete reports to the National Coal Association, approximating 11,920,000 tons, against 12,274,000 tons in the like 1943 period. Production for the year to date was approximately 138,655,000 tons, compared with 133,988,000 tons in the same period, one year ago.

Demand for paper continues to outstrip supply and the Office of War Information stressed the condition by calling for increased production combined with more drastic savings, including a step-up in the wastepaper salvage campaign. With respect to paper production for the week ended March 18, the American Paper & Pulp Association index of mill activity revealed that production was 92.2% of capacity, against 89.1% the previous week and 88.9% in the same period of 1943. Paperboard production for the week ended March 18, was unchanged from the previous week at 95% of capacity. According to pulpwood consuming industries, domestic pulpwood deliveries to the mills during February were 1,312,000 cords, representing an increase of almost 8% over those of January. This was more than 24% above receipts of the corresponding month last year, but the figures are a long way from the 14,000,000 cord goal set by WPB for the year 1944.

Last minute Easter trade kept ready-to-wear departments busy the past week filling requests and canceling outstanding orders, the delivery of which could not be executed, the New York "Times" reports. "Conditions in the cotton goods market continued very acute on many items, and requests from stores for practically everything in cotton goods, including piece goods, towels, sheets and bedspreads, were numerous," the report continued.

Looking into the department store sales in New York and Brooklyn, we note an increase of 20% in the week ended March 25, over the corresponding period of 1943. The same factors obtained the past week to uphold consumer demand, such as an early Easter and the rush to be ahead of the effective date for increased excise taxes.

Department store sales on a country-wide basis rose 17% for the week ended March 18, compared with the like week a year ago, the Federal Reserve Board reports, while sales for the four-week period ended March 18, rose by 4% compared with a similar period last year, and by 1% for the year to March 18, over a like period one year ago.

To show how production for war purposes has brought about a depletion in merchandise inventories to meet consumer demand, the Department of Commerce reports such inventories of 432 independent department stores in 34 States off 2% from a year ago. It was also revealed that a total of 439 independent dry goods and general merchandise stores in the same States showed a decline of 4% at the year-end. On Dec. 31, department stores had \$200,479,647 worth of goods on hand, or 11% of sales for the year, against \$204,171,777, or 13%, at the close of 1942. Manufacturers' inventories on Jan. 31, stood at \$18,000,000,000, a record high and a gain for the month of January, durable goods industries' inventories reached a peak of \$10,000,000,000, or \$200,000,000 in excess of a year

Writer Of "Why A New League Of Nations Will Not Ensure Permanent Peace" Replies

Editor, "The Commercial and Financial Chronicle":

Some friendly readers of "Why a New League of Nations Will Not Ensure Permanent Peace," published in your March 9 issue, have prevailed on the writer to reply to your correspondent, Mr. William Garfield Lightbowne, whose critical review appeared in the March 16 issue. Ordinarily, the writer would be disposed "to rest the case" and forego making any comment after reading Mr. Lightbowne's strictures, but for the fact that his principal contention is not in accordance with the facts. I beg leave to quote Mr. Lightbowne:

"Mr. Wilson devotes several columns to demonstrating (1) that man is by nature a quarrelsome and bloodthirsty brute; (2) that all great Powers, our own country included, are imperialistic and devoted first and foremost to the pursuit of their own selfish interests; and (3) that any attempt to set up a world organization to keep the peace is bound to fail because the nations lack the 'moral character' to live up to the high purposes of a League of Nations."

Is the United States An Imperialistic Country?

If my critic had read the article understandingly, he would not have erred in construing my statement that the United States is an imperialistic country for I clearly stated that the United States is the only Great Power in the world today which is a non-imperialistic country. To substantiate this fact, may I quote my exact words as on page 1021 of the March 9 "Chronicle":

"The United States is the only nation on record which has liberated another country (Cuba) and pledged independence to one of its possessions (the Philippines) and may in the course of time grant independence to the peoples of Hawaii and Puerto Rico if they desire to separate from our country. It should be recalled that the United States was the only nation in World War I not to demand reparations or territorial settlements and is the only Great Power in the world TODAY which is a non-imperialistic country."

The nearest the United States came to being imperialistic may be said to be the time when we broke our treaty with Colombia because of that country's stalling and hold-up tactics during the Panama Canal route negotiations which resulted in the United States taking over Panama for a payment of \$25,000,000.

The Writer Tosses The Ball Back To His Critic

My critic takes me to task for avowing a complete lack of faith in any world peace organization which can successfully and permanently prevent war. After criticizing the two peace-making proposals which I advanced, Mr. Lightbowne says: "Therefore, says Mr. Wilson, 'Why chase rainbows?' To sentimentalize, moralize or dogmatize about peace is dangerous and will be fatal to America in the world to come." Nevertheless, after this com-

ago, while nondurable goods inventories rose \$150,000,000 above those of last year, but were well below the June, 1942, peak.

Of interest to business and industry was the proposal of Chairman Eccles of the Federal Reserve Board on Friday, last, urging Congress to extend price and stabilization control legislation for a period of two years after the war. Inflation, according to Mr. Eccles, usually comes after a war rather than during the war and that is just the time when it would be fatal to break the controls.

pletely pessimistic, not to say cynical, review of history, he ends his thesis on an entirely different note by quoting the words of Jesus, 'Blessed are the Peacemakers, for they shall be called the Children of God.' Was this astounding juxtaposition of ideas intended as sarcasm, or is Mr. Wilson merely naive?"

If I wished to twit the gentleman, I would toss the ball back to him by saying he is naive in thinking it is possible today to establish universal and everlasting peace on this earth. "Naive" is a rather fancy \$64 word and, like the words "materiel," "communiqué" and other wartime parlance, is being worked to death these days by moderns who like to display the latest fashions in lexicology. On the other hand, I do not know why Mr. Lightbowne used such tame words in saying I was either sarcastic or naive when other kind-hearted individuals might have chosen such bedeviling epithets as isolationist, pacifist, iconoclast and misanthrope, any one of which would, if true, make an Indian blush with mortification.

The Curse Of Imperialism, The Most Pregnant Cause Of World Wars

Mr. Lightbowne devotes much of his critique to describing the horrors, magnitude and military science of modern war and then adds—"This is total war, and it is to this prospect that Mr. Wilson would consign mankind without a struggle to avert it." To this I would retort that Mr. Lightbowne has missed the point and purpose of my article which was primarily a presentation of reasons to prove why the old League of Nations failed and why a new League of Nations will not succeed in enforcing permanent peace in an uncivilized world because wars will continue until the end of time unless the Great Powers abandon the curse of Imperialism. At great length, I gave a recital of the facts gleaned from records of the Great Powers to prove that there can be no effective enforcement of World Peace nor can a real League of Nations function in the future under present conditions. Modestly speaking, I and 136 million other Americans are as much concerned about the preservation of peace and the future welfare of mankind as any one else on this Globe but if we are not adolescents or wishful thinkers we are forced to acknowledge the cold facts of history and whatever our personal predilections for a future peaceful world, we must look at the world with cold-blooded realism and not close our eyes to the moral character of the Great Powers and the conditions that will continue to exist while Imperialism endures.

Shall We Be A Victim Of Power Politicians?

Mr. Editor, may I be pardoned if I transgress upon your valuable space to say to your readers that I want to see my country win World War II, but more than that I want to see my country Win the Peace. I do not want to see my country made the pawn for Great Britain which is an adept in playing one nation against another, a method by which Britain has held the balance of power in Europe for over 300 years. I do not want to see my country mixed up with Britain, France,

Russia, Japan or Germany in their intrigues and machinations to dominate Europe, China, Africa or any other part of the world. And mark these words:—Britain will not sit idly by if Russia succeeds in dominating Europe in the years after this War is concluded.

For Free And Above-Board Diplomacy

Mr. Editor, I want my country to go to the Peace table with open eyes and a full realistic knowledge of past and present records, policies and purposes of the Great Powers, both our Allies and Germany and Japan, and not be tricked by the trained statesmen of Europe into peace settlements and commitments which will afterwards be inequitable both to the American people and all mankind.

In an open-minded manner, ex-President Hoover and Hugh Gibson in "The Problems of Lasting Peace" call for a full and free discussion of Peace proposals viz:

"The purpose of this war, the most terrible of three centuries, is to make a lasting Peace. We must first win the war. But we will not win lasting peace unless we prepare for it. And we can prepare only by full and free public discussion, by the cold surgery of analysis."

Recalls How Lloyd George And Clemenceau Outsmarted Wilson

The same old gang of diplomats will gather around the Peace table and the representatives of our nation will be dined and wined, flattered, cajoled, bluffed and bidden to be good fellows, internationalists, one of the big "3" directing the affairs of the world when in truth our role would only be that of meddlers, and muddlers in Europe's political problems and future wars.

Here, in a word, is the reason for writing "Why A New League of Nations Will Not Ensure Permanent Peace" and I shall, God willing, continue to do everything with my pen to defeat the ulterior motives of any and all foreign countries to entangle the United States in their aggrandisements.

George Washington's Sage Advice

I wish, Mr. Editor, every reader of the Chronicle would read again the prophetic utterance of George Washington:

"Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalry, interest, humor or caprice? It is our true policy to steer clear of permanent alliances with any portion of the foreign world."

We are in for a tough, hard war. Over a million lives of our boys may be the price we will pay before the Church bells ring out the Peace hour. The casualties of the U. S. armed forces in World War I totaled 350,000 killed, wounded and missing or about 8% of the mobilization of 4,500,000 men. Twenty-six years ago I prophesied Germany would start another war within 25 years. This statement from my March 9th article may be worth repeating to your readers: " . . . We may see Britain and France allied with Germany in a future war to defeat the Russian menace of European Communism". Twenty-five years for this tragedy to materialize is a safe guess and if our country is drawn into it, as seems likely, you can surmise which side we will be obliged to take.

Mr. Lightbourne infers that I am against a world organization devised to preserve peace. I am for any international peace agency that will prevent another world war even though it is for only a short period of time, but it is too much to expect that world peace will be permanent. This country will not be found wanting in rendering sensible and sincere inter-

national cooperation but it would be unwise for us to form alliances or enter into secret or unwritten agreements with any Power great or small.

Who Should Represent Us At The Peace Table

One of my correspondents writes to ask for the names of the gentlemen I would choose to represent our country at the Peace Conference. My preference would include Herbert C. Hoover, who knows Europe's diplomatic pitfalls better than any other American and who "has their number"; Alfred E. Smith whose homespun and practical political and administrative experience will see through diplomatic subterfuges; Thomas W. Lamont, America's leading banker statesman; ex-Chief Justice Charles Evans Hughes, Wendell L. Willkie, Hugh Gibson, ex-Minister to Belgium, Eric Johnston, J. Herbert Case and of course Bernard M. Baruch and Cordell Hull.

To this list I would add Senator Robert A. Taft, Senator Tom Connally, Senator Alben Barkley, Senator Burton F. Wheeler, Senator Walter F. George, Congressman James W. Wadsworth, Hatton W. Sumner, Sam Rayburn and J. Reuben Clark, Jr., a recognized authority on international law and whose recent brilliant address before the Los Angeles Bar Association was printed verbatim in the "Chronicle" of March 16.

Should The President Stay In Washington?

Whoever is President of the United States during the Peace Settlements will be in a better position to deliberate and advise our Peace delegation if he stays home in the White House and does not repeat the mistake Woodrow Wilson made by attending the Versailles conference in person. Joe Stalin, considered to be the most realistic of European leaders, will most likely stay at home directing and passing judgment on his peace delegation's moves from the Kremlin, Moscow. Our President can get the country's reactions to the Peace negotiations with greater accuracy if he remains in Washington.

Secretary Lansing On Pres. Woodrow Wilson's Mistakes

Mr. Editor, I think it is quite pertinent to quote former Secretary of State Robert Lansing on this point:

"The principal subjects, concerning which President Wilson and I were in marked disagreement, were the following: His presence in Paris during the peace negotiations and especially his presence there as a delegate to the Peace Conference; the fundamental principles of the constitution and functions of a League of Nations as proposed or advocated by him; the form of the organic act, known as the "Covenant", its elaborate character and its inclusion in the treaty restoring a state of peace; the treaty of defensive alliance with France; the necessity for a definite program which the American Commissioners could follow in carrying on the negotiations; the employment of private interviews and confidential agreements in reaching settlements, a practice which gave color to the charge of 'secret diplomacy'; and, lastly, the admission of the Japanese claims to possession of German treaty rights at Kiaochau and in the Province of Shantung."

How To Organize The World For Peace

In concluding his critique, Mr. Lightbourne poses this statement: "So let us have done with the defeatist attitude that because a thing never has been done, therefore it never can be done. New times require new measures. Let us strive rather to measure up to the tasks which

Living Costs Down In Industrial Cities

The cost of living for wage earners and lower-salaried clerical workers in February declined in 51 of 63 industrial cities surveyed by the National Industrial Conference Board. Living costs were higher in 10 of the cities and remained unchanged in two of them, says the Board, which on March 27 also said:

"The largest decline, 2.3%, occurred in Newark. There was a drop of 1.0% or more in Memphis, Philadelphia, and Wilmington, Del. Nowhere else was the decline as great as 1.0%. The largest increase, 0.7%, occurred in Cleveland. For the United States as a whole, the cost of living was 0.5% lower.

"Living costs were higher this February than in February, 1943, in 57 cities. Denver recorded the largest increase during the 12-month period with an advance of 4.1%. The smallest was shown in Buffalo, where it rose only 0.2%. Four cities, Detroit, Philadelphia, Portland (Ore.) and Rockford, showed declines while two others showed no change. The cost of living for the United States as a whole stands 1.5% higher than a year ago and 20.2% above January, 1941.

N. Y. State Safe Deposit Group Names Officers

Vernon J. Irvin of the Rochester (N.Y.) Savings Bank, has been elected President of the New York State Safe Deposit Corp., Genesee group. The Rochester "Times Union" of March 7 reporting this added:

"He succeeds Herbert F. Ryan of the East End Office of the Lincoln-Alliance Bank & Trust Co., who automatically becomes Chairman of the Board.

"Other new officers are: Vice-President, Miss Emma J. Vayo, Rochester Trust & Safe Deposit Co.; Secretary, Miss Jean F. Woodside, Rochester Savings Bank, and Treasurer, William J. Flynn, West End office, Lincoln-Alliance Bank & Trust Co."

destiny has laid upon our generation. And the foremost of these is the problem of organizing the world for peace."

Ex-President Theodore Roosevelt, who was not a sentimentalist or dreamer, had the answer for that and I give it now: "Speak softly and carry a big stick, you will go far."

"Si Vis Pacem Para Bellum."

The above Latin quotation, "If you wish Peace, prepare for War," carries more significance to the exponents of Imperialism and is the only language the Great Powers understand and respect.

A Navy And Air Service As A Preventative Of War

Finally, Mr. Editor, may I utter a hope that when this fateful and horrible war is ended, we will maintain a two ocean navy—equal to the combined navies of any two powers, and that we will maintain an air service equal to the combined forces of any two Powers. That, I think, would sum up Theodore Roosevelt's 100% Americanism in concrete form. And for the next hundred years this, in my opinion, is the best insurance our country can buy.

To my friend and fellow American, Mr. Lightbourne, I propose a toast:

"The U. S. of America—our Country, the home of individual liberty and representative Government—but Our Country First, Last and All the Time."

I think we can both subscribe to that sentiment.

ALEXANDER WILSON.

Summit, N. J. March 29, 1944.

Favorable Reconversion Points

In his annual Year End Review, Henry H. Heimann, Executive Manager on leave of the National Association of Credit Men, names the following as points favorable for a start on reconversion to eventual peacetime production:

(1) The farmer will undoubtedly be prosperous throughout 1944, war or no war.

(2) To the extent critical material shortages are relieved, the vast backlog of civilian needs will fill the gap of any let-down in certain types of war production.



Henry H. Heimann

(3) The year just ahead will see the peak of liquidation of small business, with a rising psychology in favor of the efficiently operated small business enterprise.

(4) There will be in preparation a large program in home construction.

(5) Railroads will come into the market for replacement before the

close of the war or as quickly as critical shortages are overcome.

(6) There will be credit in abundance for the deserving.

(7) Foreign trade will present broad possibilities as the press of hostilities slacken.

On the other side of the calendar, Mr. Heimann points to several basic problems which can cause no end of difficulty for the industrial world. Among these are the need for fair and equitable settlements of terminated war contracts; a renegotiation policy that is fair-minded and far-sighted to the end that manufacturers may start now to set aside funds for reconversion to peacetime production; labor must take up a full partnership in the team with industry; there must be a change in the attitude of government toward business, with the recognition that the old fable about killing the goose that lays the golden egg applies to the government's taxing policy.

Industry Representatives To Participate In Forum On Surplus War Materials April 12

Clifton E. Mack, Treasury Procurement Chief, To Be Guest Speaker

The Utilization of Surplus War Materials, considered by many as post-war number one business problem, will be the subject of an all-day forum at the Hotel Pennsylvania, New York, on April 12. Several Trade Associations in cooperation with the New York Board of Trade will present industry's point of view. A series of papers will be read at the morning and afternoon sessions by Chairmen of the various industry groups, which are:

- Textiles and Apparel.
- Electrical, Radio & Allied Equipment.
- Chemicals, Pharmaceuticals, Drugs, etc.
- Raw Materials.
- Machinery, Machine Tools, etc.
- Food Products.
- Office Equipment & Supplies.
- Automotive & Aeroplane Equipment.

Fred J. Emmerich, Vice-President of Block International Corp., is Chairman of the Board of Trade's Committee. Clifton E. Mack, Director U. S. Treasury's Procurement Division, will be the guest speaker at the luncheon session. Mr. Mack, sometimes called the largest civilian purchaser in the world, occupies the position of head of the Federal Government's central peace-time purchasing agency with more than 5,000 on his staff. In the Utilization of Surplus Materials, Mr. Mack changes his role to that of salesman.

It was pointed out at the New York Board of Trade headquarters that plans should be set up immediately as there are sure to be surpluses even before the termination of the war. The Board's announcement, issued March 23, also said:

"Victory day over Germany, in all probability, will make possible the liquidation of enormous stocks purchased by the Government with billions of dollars of taxpayers' money. This vast stockpile must be utilized without disrupting the nation's economy and throwing hundreds of thousands out of work. With this in view, invitations have been extended to leaders of labor to participate."

John B. Glenn, Vice-President of the New York Board of Trade, and President of the Pan American Trust Co., states that "warehouses, filled with manufactured products, will present problems akin to but even more serious than those of a decade ago, when we had surpluses of wheat, corn and other agricultural commodities. We should do something

more intelligent than slaughtered pigs, plowed-under cotton and burned-up coffee. Then we could store a million bushels of wheat in a granary but what are we going to do with the hundreds of thousands of bulldozers, typewriters, jeeps, radios, planes, parts and equipment, and the more than 50,000 categories of things we have bought for our armed services?" He added:

"Some will say immediately, 'Sell them and reduce the national debt.' The answer is not quite so obvious. Even if our Government could sell them, dollar for dollar, for what they cost, the proceeds will not pay off much of our expected \$250,000,000,000 of debt. But such a course would definitely ruin some industries and create unemployment and we would be faced with certain economic collapse. We must come out of this war with an economy 'full-steam-ahead' if we are to save our own skins, much less, promote a better world order."

Treasury Cites New York Postal Employees

The presentation to Postmaster Albert Goldman of New York of a Fourth War Loan Citation and an Equipment Certificate in recognition of the achievement of approximately 18,000 postoffice employees of Manhattan and the Bronx in purchasing \$2,028,718 in War Bonds during the Fourth War Loan, was announced on March 22 by John W. Richmond, Deputy Manager of the War Finance Committee for New York. The employees exceeded their quota by over \$100,000, and provided funds for the purchase of six medium bombers, five ambulance planes and the equipment for a 1,000-bed general hospital. It is pointed out that the Fourth War Loan showing of these employees far exceeds the totals of \$623,000 in the Second, and \$1,385,834 in the Third War Loans.

The Financial Situation

(Continued from First Page)

"What definite steps have been taken by the Administration, beyond the few general moves that are on the record, to stress and enforce these general principles with our allies as they bear on visible problems?"

"Has the over-all international peace organization endorsed at Moscow by the United States, Great Britain and Russia been abandoned in favor of piece-meal arrangements on various topics now deemed to have importance in the post-war world?" (Language in a letter addressed to the Secretary by 24 'freshmen' Republican members of the House.)

"The Secretary of State answered the first question by issuing 17 extracts from speeches he has made in the last two years. These, he said, constituted the general principles of our foreign policy, past, present and future—so far as the Administration is concerned. But to the other two questions, estimated in Congress and elsewhere as the most important ones, Mr. Hull, according to two groups on Capitol Hill with whom he met, did not give the replies that were being sought."

But regardless of the effort put forth, a number of recent developments have repeatedly raised the question whether the Administration has succeeded in reaching any very definite or practical understandings with Russia and Great Britain, or if it has, whether those understandings are consistent with the fine talk in which the President and Mr. Churchill used to be fond of indulging. The action of Russia in respect of the present Italian regime without previous knowledge on the part of either Great Britain or the United States has attracted a good deal of attention, as have the repeatedly indicated attitude of Russia toward territorial questions in eastern Europe. These and other similar incidents or developments from day to day are, however, only the more obvious indications of deviations in policy, social or economic concepts and aims on the part of at least three of the United Nations—or deviations of all of them from the general philosophy embodied in the so-called Atlantic Charter, if a consistent scheme of things can be said to be embodied therein.

Mr. Churchill Disappoints

It had been hoped by a good many that Mr. Churchill would have something to say on Sunday last which would serve to clarify the situation, and perhaps to give hope to those who are beginning at length to wonder if they have not heretofore erred in attributing something close to

perfection to the foreign policy of the Roosevelt Administration. It was not to be so, however. Mr. Churchill did not even refer to such matters as these. In these respects his address left matters precisely where they stood before.

But in another way the address of Mr. Churchill was perhaps of unusual significance, certainly of very substantial interest, if not to all Englishmen, at least to all close students of international affairs in other lands. For the first time, the Prime Minister felt called upon to address himself quite pointedly and at some length to his critics who, one must conclude, are becoming rather more numerous and influential. What is more, they, if one may judge from what Mr. Churchill himself had to say on the subject, are complaining not so much about the way the war is being conducted as about post-war matters. "Now I must say that one might have expected His Majesty's Government would receive many compliments upon the remarkable progress they have made not only with the war but with the preparation for the social and domestic welfare at the armistice or peace," Mr. Churchill complained.

"Last Oct. 1 I thought the time had come to ask the King to appoint Lord Woolton to be Minister of Reconstruction, with a seat in the War Cabinet. His was a record which rightly commanded respect. However, there is a large number of respectable and even eminent people who are not at all burdened with responsibility who have a lot of leisure on their hands and who feel quite sincerely that the best work they can do at the present time of hard effort and anxiety is to belabor the Government with criticism and condemn them as unprofitable servants because they are not, in the midst of this deadly struggle, ready at any moment to produce fool-proof solutions for the whole future world as between nation and nation, as between victors and vanquished, as between man and man, as between capital and labor, as between the state and individual, and so forth and so on.

"The harshest language is used, and this national Government which has led the nation and the empire and, as I hold, a large part of the world, out of mortal danger, through the dark valleys into which they had wandered, largely through their own folly, back onto the broad uplands where the stars of peace and freedom shine, is reviled as a set of dawdlers and mud-
dlers unable to frame a policy

or take a decision or make a plan and act upon it."

The beautiful post-war world which, according to some trusting souls, was being designed by enlightened thinkers under the leadership of the New Deal, somehow now begins to recede into the distance and, so far as many observers are concerned, to take on a less colorful and enticing appearance. Of course, observers who had cut their eye-teeth have never been convinced that Mr. Churchill was much taken in by the fine phrases of President Roosevelt, but was, on the contrary, quite determined when the time came, to look after British interests—as indeed he should do. But whatever the Prime Minister may think, or have thought, it is now becoming evident that the British people themselves have ideas on the subject which may or may not be in the least consistent with the Atlantic Charter or any of the other glittering generalities of the earlier days of the war.

To Be Expected

All this is, of course, as was to be expected. There never has been any good reason to expect the other nations to fall into line behind the President of the United States—even if anything definite, concrete and tangible could be read into his vague platitudes on world politics. If there ever was a realist in this world, it is Mr. Stalin. Nor is Mr. Churchill a day dreamer of the Wallace type. Both of them have the interest of their far-flung empires at heart, both have considerable experience in looking after those interests, and both have been reared and have long had their being in the atmosphere of the familiar world politics of the past century. That all this could be swept aside by clever arguments and manipulations by the President of the United States could scarcely be believed by any experienced observer. It has always been but a question of time before the gullible followers of the Roosevelt foreign policy—if such it may be called—would be badly disillusioned.

Most of all, let us hope it will not get in the way of winning the war quickly and decisively.

ILO Conference Delegates Announced By Roosevelt

President Roosevelt stated on March 17 that the International Labor Office would have a place in the post-war organization of the United Nations as he announced the names of the two delegates and an alternate who will represent the United States at the ILO conference at Philadelphia next month. Advice to this effect from Washington appeared in the New York "Times" of Mar. 18, these advices adding:

"Secretary Perkins and Senator Elbert D. Thomas of Utah, a member of the Senate Foreign Relations Committee and Chairman of the Senate Committee on Educa-

NY Bankers Assn. To Forego Annual Convention To Avoid Interfering With Essential Travel

Officers To Be Elected By Mail Ballot In May

The New York State Bankers Association, official organization of the State's 700 commercial banks, will forego its annual convention for 1944 "to avoid interfering with essential travel and necessary wartime activities," according to an announcement made March 26 by E. Chester Gersten, President. The decision was made by the Association's Executive Committee in spite of the fact that the convention would have marked the Association's 50th anniversary, President Gersten pointed out. The Association's convention, held in June, normally attracts 1,000 to 1,500 delegates and guests.

"The Executive Committee, composed of five up-State bankers and two New York City bankers, decided against a 1944 convention," Mr. Gersten said, "because it was their belief that it would entail the use of transportation facilities already excessively burdened with necessary war traffic and would further result in added congestion in hotels and public dining rooms, already sorely handicapped by shortages of material and manpower."

The Association, which has not

held a convention since 1942, will elect officers by mail ballot during the last two weeks in May.

Members of the Executive Committee are E. Chester Gersten, President, Public National Bank & Trust Co., New York City; C. George Niebank, President, Bank of Jamestown; E. Burnham Guild, President, First National Bank & Trust Co., Walton; John P. Myers, President, Plattsburg National Bank Trust Co.; Robert C. Tait, Vice-President, Genesee Valley Trust Co., Rochester; Laurence G. Magner, President, Schenectady Trust Co.; Ernest H. Watson, President, First National Bank, New Rochelle, and Eugene W. Stetson, President, Guaranty Trust Co., New York City.

Poland Asks If Atlantic Charter Applies In Boundary Dispute With Russia

Five members of the exiled Polish National Council have raised the question as to whether the provisions of the Atlantic Charter apply to Poland in her boundary dispute with Russia, said an Associated Press dispatch from London on March 21, appearing in the New York "Sun," which also had the following to say:

The Councilmen from the Vilna and Lwow areas wrote to each of the 63 members of the British Parliament who on March 9 presented a motion criticizing the Churchill government for statements conveying the impression that the Atlantic Charter did not apply to Germany or any other enemy country.

The letters said it seemed strange that members of Parliament should "confine their indignation to the proposal to transfer German territories to Poland and Russia," and added, "For those statements of his Majesty's Government also contain the inference that Poland may lose half her territory to Russia, territory with a population which has never been freely consulted."

Declaring that silence on Poland seems to imply that "Poland has no right to claim that the Atlantic Charter be applied to her," the letters said: "Thus it appears that Poland, who was the first to oppose Hitler and who ever since has fought Germany at a most appalling cost, is to be more harshly treated than Germany."

Short-Paid Air Mail For Armed Forces Abroad

Postmaster Albert Goldman made known on March 25 that the Post Office Department advises that the collection of postage due on short-paid military air mail greatly delays its delivery and places an unnecessary burden on the Postal Service. It was further stated in the announcement:

"Air mail sent to and by members of the armed forces outside the continental United States who receive their mail through APO's or Fleet Post Offices, care of the postmasters at New York, N. Y.;

tion and Labor, will be the delegates, with Adolph A. Berle, Assistant Secretary of State, as alternate.

"Controversy developed between the AFL and the CIO regarding representation of American Labor, because only one delegate for labor can be recognized. The AFL has insisted that its nominee represent all of American labor.

"The President said he expected to have the name of the delegate and alternate representing employers within a few days. He emphasizes that, in his opinion, the conference is very important."

San Francisco, Calif.; New Orleans, La.; Miami, Fla., or Presque Isle, Me., is subject to postage at the rate of 6 cents a half ounce or fraction thereof. This rate will also apply on and after March 26, 1944, to air mail sent to or by members of such forces whose address is an APO or Fleet Post Office in care of the Postmaster at Seattle, Wash., or an APO in care of the Postmaster of Minneapolis, Minn.

"It is therefore very important that the postage on all mail for members of the armed forces both here and abroad be fully prepaid, such mail which is short-paid will be immediately returned to the senders, if known, for the deficient postage."

Personnel Directors To Discuss Problems Of Reconversion

Problems that will confront personnel specialists during the reconversion period will be discussed at a dinner meeting at the New York University Faculty Club, 22 Washington Square North, at 6:30 p.m., this evening (March 30) when leading personnel specialists from industry and government will address students in the University's special wartime program for training personnel specialists.

Sterling Mudge, personnel officer of the Socony-Vacuum Oil Co. and Regional Director of the War Manpower Commission's Training Within Industry (TWI) program, and Frank Shugert, personnel director of the Elastic Stop-Nut Corp. of Union, N. J., will be the principal speakers at the dinner.

A panel consisting of Helen Hyde, personnel officer of R. H. Macy & Co.; James Rossell, Regional Director of the United States Civil Service Commission; L. D. Sanford, Vice-President of the Bengel Associates, and Charles W. Ufford, Vice-President of Barrington Associates, will discuss informally the recommendations made by the two principal speakers.

Estimate Of 1944 Income Must Be Filed By Inter-American Trade Taxpayers By April 15

The announcement that mailing has begun of the forms to be used by an estimated 15,000,000 taxpayers in filing their Declarations of Estimated 1944 Tax, which are due not later than April 15, was made on March 18 by Joseph D. Nunan, Jr., Commissioner of Internal Revenue, at Washington.

The forms (Form 1040ES) are similar in appearance and general content to the form used for the 1943 declarations last September and December. They are being mailed to all persons who filed declarations last fall. Others who are required to file this year may obtain copies from any Collector of Internal Revenue, says the Treasury Department's announcement, which also states:

"The declaration form itself is a printed slip 3 3/4 by 8 inches. It is accompanied by two alternative worksheets. One is a simplified worksheet which may be used to approximate his 1944 tax by any taxpayer whose income does not exceed \$10,000. The other is a more detailed worksheet for the use of taxpayers whose income exceeds \$10,000 and also for persons with smaller incomes who prefer to make a more precise calculation of their 1944 tax than can be made from the simplified worksheet."

"These declarations," Commissioner Nunan said, "are a step in the pay-as-you-go system of income-tax collection." He further said:

"Approximately 50,000,000 of us have just filed our annual income tax returns for 1943. That took care of last year's tax."

"Now it's time to look ahead and see that we keep up with this year's tax. For most taxpayers, the tax that is withheld from their wages is sufficient to keep them substantially paid up. Those taxpayers have nothing further to file until their annual returns are due in the early months of 1945."

"But there are about 15,000,000 of us who will owe some tax in addition to what is taken out of wages. There are two reasons for that."

"First, we must remember that the tax that is withheld from wages is always at the lowest tax rate. The withholding is not suf-

ficient to meet the total tax of wage-workers who earn enough to be liable for the higher tax rates which apply to their higher incomes.

"Second, many of us have income from sources where no tax is withheld—rents, royalties, dividends, interest, business or professional earnings, property or stock transactions, etc."

"For both these groups, the law requires a declaration to be made for the purpose of estimating and paying currently any tax that is due over and above the tax that is withheld from wages."

Thus, the Treasury Department indicates, a declaration is required on or before April 15 from all citizens or residents of the United States who expect to have during 1944—either alone or together with a wife or husband—

"1. Wages subject to withholding exceeding \$2,700 for a single person or \$3,500 for a married couple living together.

"2. Or, more than \$100 income from all other sources if the total of such income plus wages subject to withholding is (a) \$500 or more for a single person, or (b) more than \$624 for a married person, or (c) \$1,200 or more for a married couple living together.

"The first quarterly instalment of estimated tax shown to be due on the declaration should be made at the time the declaration is filed and the remainder should be paid on or before June 15, Sept. 15, and Dec. 15.

"Farmers, who receive more than 80% of their income from farming, may, if they desire, postpone the filing of declarations until Dec. 15. However, if they do wait until Dec. 15, the entire amount of the estimated tax must be paid at that time."

Expansion Conference

Further development of hemisphere economic resources which, it is pointed out, is now going forward on a large scale to meet war-time needs, will be considered in the First Conference of Commissions of Inter-American Development scheduled to be held in New York May 9 to May 18. Announcement of this was made in Washington by Nelson A. Rockefeller, Chairman of Inter-American Development Commission, from which we quote:

"Post-war development of new industries and inter-American trade, particularly, will be a theme for discussions and recommendations. The conference will bring together many prominent leaders in various business fields interested in fostering economic development and inter-American trade throughout the hemisphere."

"The Inter-American Development Commission and the national commissions established by it in each of the 21 American republics constitute an international organization of financial and business leaders under the sponsorship of the governments of those republics. The purposes and functions of the system of commissions were confirmed and enlarged by resolution of the Inter-American conferences held in Havana in 1940 and in Rio de Janeiro in 1942."

"The Inter-American Development Commission consists of five members appointed by the Inter-American Financial and Economic Advisory Committee, a permanent committee created by the Panama meeting of the foreign ministers of the American republics in 1939. The Vice-Chairman of the Development Commission is J. Rafael Oremano, former Minister of Costa Rica."

Result Of Treasury Bill Offering

The Secretary of the Treasury announced on March 27 that the tenders for \$1,000,000,000, or thereabouts, of 91-day Treasury bills to be dated March 30 and to mature June 29, 1944, which were offered on March 24, were opened at the Federal Reserve Banks on March 27.

The details of this issue are as follows:

Total applied for, \$1,976,692,000.
Total accepted, \$1,000,649,000 (includes \$53,167,000 entered on a fixed-price basis at 99.905 and accepted in full).

Average price, 99.905+, equivalent rate of discount approximately 0.375% per annum.

Range of accepted, competitive bids:

High, 99.910, equivalent rate of discount approximately 0.356% per annum.

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

(45% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on March 30 in the amount of \$1,016,983,000.

that we should have a people's House of Representatives.

"We must select a man who believes this nation should be governed by written laws enacted by Congress and not by Executive orders issued by bureaucrats. We must select a man who believes in a sound fiscal policy and who fears public debt as he would the black plague.

"We must select a man who believes in the free enterprise system and who understands that our prosperity and happiness depend upon free men, a free agriculture and an abundance of private jobs."

Clayton, FSPA, Tells House Committee He Has Power To Stop "Dumping" Of Surplus Supplies

W. L. Clayton, Federal Surplus Property Administrator, stated on March 20 that he had the power and intended to use it to put a stop to loose disposition of excess government-owned materials and to bring about coordination among the numerous agencies involved. This was indicated in Associated Press advices from Washington March 20, which further stated:

As an example, he said that when his agency is fully organized he would see to it that one Government unit does not throw a particular surplus on the market while some other agency is buying, or trying to buy, the same thing.

Mr. Clayton testified before the House Banking Committee which is considering a measure giving the Reconstruction Finance Corporation additional authority to dispose of surpluses.

Representative Crawford, Republican, of Michigan, asserted that "the Government had been dumping Air Corps gasoline cans, worth \$7 to \$10 each" for a dollar each and asked Mr. Clayton whether he felt he had authority to "absolutely dictate" to the Government agencies on where to sell surpluses, when and for how much.

"I certainly do," the Administrator replied, "and we not only have the authority, we intend to exercise it."

His agency, Mr. Clayton said, has the right to fix minimum prices for sale of surpluses. In the disposition of excess wool recently that authority was exercised.

The News Behind The News

(Continued from First Page) clear. The only two instructed delegates are for Dewey. Willkie claims six of the others who are unpledged, including the former isolationist leader in the Senate, George Moses, whose designation in this way at least raises doubts. But accept Willkie's claim, and three New Hampshire delegates are doubtful, if not for Dewey.

The grand total of delegates chosen thus far, according to my count, runs:

Dewey 39, Willkie 12, MacArthur 2, Bricker 3, doubtful 3.

The inescapable conclusion must be that while Willkie is running away with the publicity, Dewey is running away with the delegates. When you consider that Wisconsin has only 24 delegates, the current discrepancy between headlines and heads must be apparent. Mr. Willkie's overwhelming difficulties, even if he happens to win Wisconsin, are likewise evident.

But why did Mr. Willkie choose Wisconsin and invite in the Washington political writers to witness? Wisconsin is old LaFollette territory, the primary stronghold of isolationism in the United States. LaFollette, the elder, voted against the last war, and led the fight against the Treaty of Versailles. Why, then, fight here in the toughest sector?

Apparently, there was no place else to fight. In Michigan, he would run into Dewey as favorite son; in Illinois, into even worse difficulties: Ohio is Bricker's; in Nebraska, he can only run against Stassen; California has been neutralized, and so on. Thus, even the choice of a locale for this fight is hardly a sign of strength.

Technically, however, Willkie has a strong advantage in Wisconsin. Dewey has only 16 delegates entered in his name, which means he has already lost 8 of the 24 before he starts. Furthermore, he did not choose his delegates, nor did his people. In fact, he tried to stop the movement, and what is left of his candidacy there

Donald D. Conn Denies Rickenbacker Charge

Donald D. Conn, Executive Vice-President of the Transportation Association of America, asserted on March 23 that "there is no truth whatsoever" in a charge by Capt. Edward V. Rickenbacker that the Association was leading an assault on air transportation independence. We quote the foregoing from an Associated Press dispatch March 23, appearing in the New York "Sun," which had the following to say in the matter:

Capt. Rickenbacker, head of Eastern Airlines, Inc., made the statement last night at the annual dinner of the Wings Club in New York. He charged that the Association, which he called "a vast propaganda organization," was fostered by the railroads.

In reply, Mr. Conn said:

"This Association is as much interested in the economic development of air, highway and water transportation as it is of railroads. The Association believes that the American public is primarily interested in adequate and efficient services, but under the system of private ownership.

"Obviously Mr. Rickenbacker's statement is designed to convey the impression that this Association speaks for the railroads. It does not and never has. Rather, it seeks to interpret the best interests of the whole public in the future of transportation and from that standpoint only is not in accord with the special privileges sought by a few investors in a few 'for profit' airlines."

Holcomb Named Envoy To South Africa

Nominations For Other Posts Announced

Gen. Thomas Holcomb, who retired recently as Commandant of the Marine Corps, was nominated on March 9 by President Roosevelt to be American Minister to the Union of South Africa. His appointment was one of a number of diplomatic nominations sent to the Senate, all of which were confirmed by the Senate on March 20. Others it was noted in the Associated Press included:

Leland B. Morris of Pennsylvania, who has been Minister to Iceland, to be Ambassador to Iran, and Louis G. Dreyfus Jr., of California, envoy to Iran, to be Minister to Iceland.

Avra M. Warren of Maryland, now Ambassador to the Dominican Republic, to be Ambassador to Panama, and Ellis O. Briggs of Maine, Consul at the Embassy in Cuba, to be Ambassador to the Dominican Republic.

Kenneth S. Patton of Virginia, Consul-General at Calcutta, to be Minister to New Zealand.

William L. Beaulac of Rhode Island, Counselor of Embassy at Madrid, to be Ambassador to Paraguay.

Orme Wilson of New York, a foreign service officer in the State Department, to be Ambassador to Haiti.

only represents a local movement in his behalf.

Offhand, therefore, you would expect that Willkie would get the bulk of the delegation when the polls close April 4. Then his real troubles have begun.

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Senator Johnson Breaks Ties With Roosevelt; Views Fourth Term As One Of Defeat, Frustration

In formally breaking with President Roosevelt, Senator Edwin C. Johnson (Democrat) of Colorado, alleged that "history will name the fourth term, if it ever materializes, as 'the term of defeat and frustration.'" The Senator, who in recent months has been an open critic of the Administration, enunciated his views in a speech at North Park College, Chicago, on March 21, at which time he said:

"In the approaching election the people's liberty and the people's freedom will either regain some lost ground or slip a little closer to the apparently inevitable precipice of one-man rule. It would be wrong to say that this Republic stands at the crossroads tonight. It has long since passed the crossroads. It has already traveled too many miles down the wrong road. The choice in November will determine whether we shall keep going down that wrong road or retrace our steps and get back on the right road.

"Should the present running row between the Executive and the Congress persist, America will find herself in a war crisis and a post-war crisis, and her Government in a hopeless deadlock."

Senator Johnson termed as "the greatest tragedy of American political history," the "President's decision four years ago to seek a third term," which he said will be known in history as "the term of appeasement."

"It launched," he is quoted as saying, "the 1940 campaign by appealing the internationalists with the appointment of two old line Republicans (Frank Knox and Henry L. Stimson) as Secretaries, respectively, of the Navy and the War. It appeased the nationalists by assuring them 'again and again' that no mother's son would 'be sent to fight in a foreign war.'"

United Press advices from Chicago also report Senator Johnson as follows:

The New Deal appeased Japan, he said, by selling her all the war material she could pay for.

"It appeased China, with money and credit, and, after the election, appeased Great Britain by going to war. It has been appeasing every one everywhere ever since with lend-lease at a cost to the American taxpayers of billions."

From the United Press accounts we also quote:

He (Senator Johnson) said that unless candidates for the Presidency—"and all of them—give the people assurance that they can provide dynamic leadership and at the same time cooperate fully with Congress as a coordinate branch of the Government, the voters must reject them in the name of survival. The consequences of further conflict in the Government are too awful to contemplate."

"In seven and one-half months," he continued, "these United States will select a President for the most perilous period of her history. We must select a man who believes in a republican form of government, who is opposed to the concentration of power in Washington and who hates despotism with all his heart. We must select a man who believes in the institution of Congress and especially who believes

Individuals' Liquid Savings In 1943 Reached Record Figure of \$37.7 Billion According to SEC

Finds No Disposition On Part Of Individuals To Curtail Spendings In Spite Of Appeals

Making public on March 19 its quarterly analysis of the volume and composition of saving by individuals¹ in the United States covering the fourth quarter and full year of 1943, the Securities and Exchange Commission states that "the rate of liquid saving by individuals during 1943 was the highest on record, amounting to \$37.7 billion.² This compares with liquid saving of \$29.5 billion in 1942, \$10.6 billion in 1941, and \$4.0 billion in 1940. According to the Commission "the large increase in the public's saving during 1943 was mainly a reflection of the higher level of income in the hands of individuals after payment of taxes." "The ratio of liquid saving to income after taxes," it says, "has remained relatively constant since the middle of 1942 in contrast to the rapid increase in the proportion of income saved prior to that time."

The Commission also states that "it is noteworthy that during this 18-month period individuals did not show any disposition to curtail the proportion of their income after taxes spent on goods and services in spite of patriotic appeals and the 'normal' tendency on the part of individuals to save a larger proportion of their earnings as income increases. In the latter part of 1943, individuals for the first time since the beginning of the war actually decreased somewhat the proportion of their income which went into saving." The SEC's announcement continues:

"During 1943 individuals added \$15.8 billion to their currency and bank deposits, \$13.8 billion to their holdings of U. S. Government bonds, \$3.8 billion to their equity in Government insurance, \$3.1 billion to their equity in private insurance, mostly life insurance, and \$600 million to their investment in savings and loan associations. They also paid off \$800 million of consumer indebtedness other than mortgages and \$100 million of mortgage debt. At the same time individuals reduced their holdings of corporate securities by \$300 million.

"The composition of saving in 1943 was not notably different from the preceding year. Cash on hand and in banks was again the largest component of individuals' saving, with U. S. Government securities a close second. Together these two types of saving accounted for the greater part of saving in both 1942 and 1943. Practically all of the \$8.2 billion growth in the rate of saving from 1942 to 1943 was attributable to these two forms with each accounting for about half of the increase. For the past year and a half individuals have been saving close to 25% of their income after taxes in the form of cash and deposits and U. S. Government securities. Though there has been relatively little variation in this ratio since the middle of 1942, the comparative importance of cash and deposits and U. S. Government securities separately has varied widely depending on the timing of the various War Loan drives.

"In view of the magnitude and potential volatility of individuals' accumulation of cash and deposits, there has been particular interest in this component of saving since the beginning of the war. The substantial growth in individuals' cash and deposits during 1943 reflected a very considerable increase in savings deposits amounting to about \$4.5 billion as contrasted to a rise of only \$900 million in 1942. On the other hand,

the increase in currency of approximately \$4.8 billion in 1943 was only moderately larger than the \$4.3 billion increase in 1942. Individuals' demand deposits showed the same increase in each of the two years, amounting to roughly \$6.4 billion. As previously noted in these releases, a substantial portion of individuals' saving in general, and demand deposits in particular, is attributable to owners of unincorporated businesses such as tradesmen, farmers, professionals, etc. With respect to demand deposits, a form of saving in which unincorporated business might be expected to hold a relatively larger share than in other forms, there is evidence that unincorporated businesses accounted for as much as half of the increase in such saving during the past two years.³

"One of the more significant changes in the composition of individuals' saving in 1943 as compared with 1942 was the much smaller reduction in consumer indebtedness other than mortgages. Individuals paid off \$800 million of such debt in 1943, mostly in the first quarter of the year, contrasted to \$2.8 billion in 1942.⁴ This tailing-off of debt repayment reflects the fact that the bulk of installment debt previously incurred for the purchase of automobiles and other durable consumers' goods has already been paid off. Consequently, the amount of saving in this form should be negligible in 1944.

"Of the remaining components of individuals' saving in 1943, only the growth in insurance and pension reserves was particularly important. The increase in individuals' equity in private insurance in 1943, amounting to \$3.1 billion, was \$700 million higher than in 1942, while the increase in Government insurance, amounting to \$3.8 billion, was \$1.3 billion higher than in the previous year. Both forms of saving were at an all-time high. The increase in Government insurance in 1943 reflected for the first time a marked rise in the National Service Life Insurance Fund, amounting to \$600 million, as well as a record \$2.5 billion increase in Social Security funds, and \$500 million increase in various Civil Service and Railway retirement funds.

"The pattern of individuals' saving in the fourth quarter of 1943 presents some significant contrasts to saving in previous quarters. In spite of a substantial rise in income after taxes to the highest point on record, total liquid saving in this final quarter, amounting to \$9.9 billion, was not much higher than in the preceding quarter and was actually somewhat lower than in the last quarter of 1942. In the fourth quarter of 1943 individuals added the unprecedented sum of \$6.1 billion to their cash and deposits and made net purchases of \$2.0 billion of U. S. Government bonds. This may be compared with the almost reverse position in the third quarter when, largely as a result of the Third War Loan drive, individuals increased their

Industrial Activity At High Level In February Federal Reserve Board Reports

The Board of Governors of the Federal Reserve System announced on March 25 that "industrial activity was maintained at a high level in February and the early part of March. Commodity prices and retail sales showed little change." The Board's summary of general business and financial conditions, based upon statistics for February and the first half of March, further says:

Industrial Production

"Output at factories and mines was at about the same rate in February as in January and the Board's seasonally adjusted index advanced one point to 243% of the 1935-39 average.

"Steel production continued to advance in February and in the first three weeks of March. Output of non-ferrous metals showed little change as curtailment of aluminum production offset increases in output of other metals. Magnesium production was ordered curtailed, beginning in March, by approximately 3,000,000 pounds per month or 7% of January output. Activity in the machinery, transportation equipment and other durable goods industries showed little change from January to February.

"Output of textile products was maintained at the January level and production of most manufactured food products declined less than is usual at this season. Butter and cheese production continued to increase seasonally in February. The volume of hogs slaughtered under Federal inspection declined 6% from the exceptionally high January level; a much larger decline is usual in this month. Chemical production continued to decline as output of small arms ammunition and explosives was further curtailed.

"Fuel production rose slightly in February to a level 10% above the same month last year. Output of bituminous coal and crude petroleum was maintained at a high level, and anthracite coal production increased 19% as a result of a seven-day work week in effect for the month of February.

Distribution

"Total retail sales in February continued about as large as in January and exceeded somewhat

the volume of a year ago. At department stores sales in February were about 10% smaller than last year when there was a buying wave in clothing. During the first three weeks of March department store sales exceeded the volume of a year ago, reflecting in part the earlier date of Easter this year.

"Freight carloadings, after allowance for seasonal changes, were maintained during February and the first two weeks in March in the unusually large volume reached in December and January.

Commodity Prices

"Prices of cotton and livestock increased somewhat from the middle of February to the middle of March while most other wholesale commodity prices showed little change.

"Retail food prices declined 1% from mid-January to mid-February owing chiefly to seasonal decreases in prices of eggs and citrus fruit. Retail prices of most other goods and services advanced slightly.

Bank Credit

"During the latter part of February and the first half of March the average level of excess reserves at all member banks fluctuated around \$1,000,000,000. Member bank reserve requirements increased by about \$400,000,000 as the result of private deposit expansion which, in turn, was the result of Treasury disbursements from war loan accounts which require no reserves. Money in circulation increased \$400,000,000 and the gold stock declined by \$130,000,000. Funds to meet these demands were supplied by additions to reserve bank security holdings and a temporary decline in Treasury deposits at the reserve banks. In the four weeks ended March 15, Government security holdings of

the Federal Reserve Banks rose by \$720,000,000, reflecting mainly substantial increases in bill holdings under repurchase option; note and certificate holdings also increased.

"At reporting member banks in 101 leading cities Government security holdings declined by \$540,000,000 during the four weeks ended March 15. Holdings of notes rose by \$1,500,000,000 while bonds and guaranteed obligations declined as the result of an exchange of maturing and redeemable issues for a new 1½% note issue. Holdings of bills also declined, reflecting principally sales to the reserve banks. Loans to brokers, dealers and others for purchasing or carrying Government securities, which had increased moderately during the Fourth War Loan Drive, fell by \$340,000,000 in the following four weeks. Commercial loans also declined somewhat.

"Adjusted demand deposits rose \$1,900,000,000 during the four weeks ending March 15, representing a gain of more than half of the funds withdrawn from such accounts during the drive. Government deposits at these banks fell by \$2,600,000,000 in the month following the drive."

Move To Revise Price, Ration Control

Senator Butler (R.-Neb.) on March 24, said that there is a movement under way within the Senate Banking Committee to revise the Stabilization Law by limiting price and rationing controls to about 45 essential goods and commodities. This is learned from Associated Press dispatches from Washington on the same day, which went on to say:

"Senator Butler, a Committee member, said that there is no logic or reason to Office of Price Administration efforts to control items for which there is no critical need.

"The Committee, considering a bill to extend the stabilization program for a year beyond the present expiration date, June 30, called Marriner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System, for testimony today as to the effectiveness of stabilization policies in the battle against inflation. Chairman Wagner (D.-N. Y.), said that his Committee, driving ahead with the hope of concluding hearings by April 7, would hear Eric Johnston, President of the United States Chamber of Commerce, next week.

He said that the Committee also hopes to hear from Chairman Donald M. Nelson of the War Production Board, Stabilization Director Vinson, the mayors of a number of cities and a group of beef cattle men, who will appear on Tuesday [March 28].

Air Mail To War Prisoners

Postmaster Albert Goldman at New York announced on March 25 that information has been received from the Post Office Department that, effective at once, the air mail rate for letters and post-cards, including air mail letter cards, addressed to American prisoners of war, or American civilians who are detained or interned in enemy or enemy-occupied countries, is 6 cents per half ounce or fraction.

The announcement also says: "In connection with the above, senders of air mail for prisoners of war or civilian internees in Germany are reminded of the restrictions concerning postage stamps containing slogans or patriotic themes intended to promote our war effort which are objectionable to the German Government and which will not be delivered to the addressee. These slogans or themes include such as 'For Defense,' 'Win the War,' and others of like character."

holdings of U. S. Government bonds by \$5.0 billion and their cash and deposits by \$2.9 billion. Individuals' indebtedness arising from the purchase of consumer goods rose by \$200 million in the fourth quarter, the first such increase

since the beginning of the war. "The above discussion of individuals' saving is based on data presented in the following table and chart. It is planned to present estimates of corporate saving in a subsequent release.

The attached table is included in the Commission's analysis

*GROSS SAVING BY INDIVIDUALS IN THE UNITED STATES 1940-1943 (Billions of dollars)

	1943				1942				1941				1940			
	Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	April	July	Oct.
Gross saving	15.8	25.0	38.7	45.9	10.8	11.4	11.6	12.2	4.0	10.6	29.5	37.7	9.0	9.2	9.5	9.9
Liquid saving	11.8	18.8	25.5	33.8	8.0	8.8	9.0	9.3	4.0	10.6	29.5	37.7	9.0	9.2	9.5	9.9
Gross saving by type:																
1. Currency and bank deposits	+ 3.0	+ 5.0	+ 11.5	+ 15.8	+ 3.8	+ 3.0	+ 2.9	+ 6.1	+ 2.0	+ 4.0	+ 11.5	+ 15.8	+ 3.8	+ 3.0	+ 2.9	+ 6.1
2. Savings and loan associations	+ .2	+ .4	+ .3	+ .6	+ .1	+ .2	+ .1	+ .2	+ .2	+ .4	+ .3	+ .6	+ .1	+ .2	+ .1	+ .2
3. Insurance and pension reserves:																
a. Private insurance	+ 1.7	+ 2.1	+ 2.4	+ 3.1	+ .8	+ .8	+ .7	+ .8	+ 1.7	+ 2.1	+ 2.4	+ 3.1	+ .8	+ .8	+ .7	+ .8
b. Government insurance	+ 1.2	+ 1.8	+ 2.5	+ 3.8	+ .8	+ 1.0	+ 1.0	+ 1.0	+ 1.2	+ 1.8	+ 2.5	+ 3.8	+ .8	+ 1.0	+ 1.0	+ 1.0
c. Total	+ 2.9	+ 3.8	+ 4.9	+ 6.9	+ 1.6	+ 1.8	+ 1.7	+ 1.8	+ 2.9	+ 3.8	+ 4.9	+ 6.9	+ 1.6	+ 1.8	+ 1.7	+ 1.8
4. Securities:																
a. U. S. Savings bonds	+ .9	+ 2.8	+ 8.0	+ 11.1	+ 2.6	+ 3.0	+ 3.4	+ 2.2	+ .9	+ 2.8	+ 8.0	+ 11.1	+ 2.6	+ 3.0	+ 3.4	+ 2.2
b. Other U. S. Government	+ .4	+ .8	+ 1.9	+ 2.7	0	+ 1.2	+ 1.6	+ .2	+ .4	+ .8	+ 1.9	+ 2.7	0	+ 1.2	+ 1.6	+ .2
c. State and local govts.	+ .1	+ .2	+ .1	0	0	0	0	0	+ .1	+ .2	+ .1	0	0	0	0	0
d. Corporate and other	+ .5	+ .3	+ .3	+ .3	0	+ .1	+ .3	+ .2	+ .5	+ .3	+ .3	+ .3	0	+ .1	+ .3	+ .2
e. Total	+ 2.0	+ 4.1	+ 10.3	+ 15.4	+ 3.4	+ 5.3	+ 6.3	+ 4.0	+ 2.0	+ 4.1	+ 10.3	+ 15.4	+ 3.4	+ 5.3	+ 6.3	+ 4.0
5. Non-farm dwellings:																
a. Purchases	+ 2.5	+ 3.0	+ 1.6	+ 1.0	+ .2	+ .2	+ .3	+ .3	+ 2.5	+ 3.0	+ 1.6	+ 1.0	+ .2	+ .2	+ .3	+ .3
b. Change in debt	+ .9	+ .9	+ .1	+ .1	+ .2	0	0	0	+ .9	+ .9	+ .1	+ .1	+ .2	0	0	0
c. Saving (a. minus b.)	+ 1.7	+ 2.1	+ 1.5	+ 1.1	+ .4	+ .3	+ .3	+ .3	+ 1.7	+ 2.1	+ 1.5	+ 1.1	+ .4	+ .3	+ .3	+ .3
16. Automobiles and other durable consumers' goods	+ 9.3	+ 11.4	+ 7.6	+ 7.2	+ 1.6	+ 1.9	+ 1.8	+ 1.9	+ 9.3	+ 11.4	+ 7.6	+ 7.2	+ 1.6	+ 1.9	+ 1.8	+ 1.9
17. Liquidation of debt, not elsewhere classified	+ 1.1	+ .6	+ 2.8	+ .8	+ .7	+ .2	+ .1	+ .2	+ 1.1	+ .6	+ 2.8	+ .8	+ .7	+ .2	+ .1	+ .2

*Includes unincorporated business saving of the types specified. Does not include corporate or government saving.

†Gross saving excluding purchases of homes as well as of automobiles and other durable consumers' goods.

‡Does not include net purchases by brokers and dealers or by other individuals financed by bank loans.

§New construction of one- to four-family nonfarm homes less net acquisition of properties by non-individuals.

¶Purchases. Based on Department of Commerce data on commodity flow currently being revised. The figures shown above include all new passenger cars sold in the United States.

**Largely attributable to purchases of automobiles and other durable consumers' goods, although including some debt arising from purchases of consumption goods. The other segments of individuals' debt have been allocated to the assets to which they pertain, viz., saving in savings and loan associations, insurance, securities and homes.

Note—Figures are rounded and will not necessarily add to totals.

The foregoing data have been compiled by the Commission from many different sources. Because of the nature of the figures, current data are necessarily estimates and, therefore, are subject to revision.

1. In this analysis individuals' saving includes unincorporated business saving of types specified in the attached table. Corporate and Government saving are not included.

2. This includes saving in Government insurance amounting to \$3.8 billion. It should be noted that part of the increase in liquid assets of unincorporated and receivables of unincorporated trade (net of retirement of notes and accounts payable). Although the amount of this increase is not known, it is believed to have been in the neighborhood of \$600 million in 1943 and \$400 million in 1942.

3. This does not include the reduction in consumers' indebtedness to unincorporated business, estimated at about \$250 million in 1943 and close to \$600 million in 1942.

The Retailer's Stake In Reconversion

(Continued from First Page)

taught how to work, 7½ million more than we had in 1940. This does not include the ten million or more in the armed service, many of whom were highly skilled before entering the military. All will have learned discipline and ability to collaborate and work with others. We will have new plants built largely at government expense, from which this miracle of production has arisen. We will have the 'know how' to make things much better than we did in the pre-war period. We have learned many shortcuts in production. Hundreds of thousands of people have developed added accomplishments, learning new ways to use their hands and their heads.

"If we can harness all these things together, so that we may make amounts of goods greatly in excess of that which we did in 1930 and 1940, and buy goods largely in excess of what we bought in 1939 and 1940, because so many more of us are working, we may be able to take care of this debt and develop a higher standard of living at the same time. It seems to me to be perfectly feasible, that people can earn good wages, and yet the unit price of things could decline.

"The estimates of post-war Federal Government annual expenses of 17 to 20 billion dollars, indicates the need of a national income largely in excess of that which we had in 1940-41. It becomes a basic requirement. We are going to get that larger national income if we work hard, all of us, and use all of the facilities developed for the war in our peacetime effort. However, we cannot wait to start this peacetime work until someone officially proclaims that we are in the post-war era. When each war order is completed or cancelled, certain plant manpower and materials become available. They must immediately be put to work, if we are to meet our obligations.

Seventeen to 20 billion dollars of governmental expense out of a national income of 135 billions is one thing to have. But 17 to 20 billion dollars of government expense out of 80 billion dollars of national income as we had in 1940, is distinctly another thing. Merely the need for this larger national income does not create it. It is only going to be developed by the work of those millions more people that have come into our production machine, by the broader use of all materials, and by availing ourselves of new plant capacities, which have been built for war production. All of these things must be made available quickly for peacetime production and certainly under private auspices.

"The War Production Board has ordered the manufacture of certain peacetime essentials, such as bath tubs and electric irons. These orders largely have been issued with quotas set for each manufacturer of the particular industry. The quotas were based on a percentage of each concern's output of 1941, to the total production of the item by the industry. There is a good deal of pressure on and in the War Production Board to follow such a procedure, or a slight modification of it, in the processes of reconversion. It would seem that the best interests of the country would oppose such a policy, even though one recognizes the fact that every manufacturer working on war goods wants to return to his peacetime market as soon as possible.

"The quota or allotment plan may have been good for the making of a few most important essentials. It is to be hoped that the industry committees of the War Production Board will not continue to recommend this pro-

cess of quota or cartelization as more and more production capacity becomes available. We cannot too strongly emphasize this very much discussed point. We must never forget that the greatest off-set to inflation is production. If the country is assured of large production, as quickly available as the war effort will permit, the danger of inflation rapidly disappears. Too frequently, we are likely to interpret fair play as being something to be decided by the players themselves, or to be decided on any basis other than that which is fair to the public itself.

"We must remember that in wanting a national income fully 50% greater than we had in 1940, that about half of that 50% is made up of an increase in the price level. The other half will have to be made up of units of production. Those units must come from these new plants, or enlarged old ones. How quickly is the Government going to release the former to provide industry with the opportunity to use it? We cannot afford to wait long. A fair plan can be developed now, as well as later. The George report and the suggestions that have come from Mr. Baruch's committee are fine assurances that the Government appreciates the importance of the problem, and the need for speed. Retailers should press for a decision upon some policy sufficiently fair to insure that the plant or overhead costs of goods produced in these plants will fit into the picture of a very much larger national production.

"Renegotiation of war contracts also has a very serious role in reconversion. I had lunch several months ago with the president of one of the large war companies. In 1939, this company had 400,000 square feet of space in production. By the middle of 1943, they had 26,500,000 square feet of space in production, 60 times their original space. They believe their present product will have only a limited call in the post-war period.

I asked what post-war plans they had made. This official said they could make no real post-war plans, as their concern might be ruined financially by an improper renegotiation decision, on any one of a dozen contracts, and that the renegotiation of contracts had taken so much of the time of the top officials of the concern, that they had no opportunity to think of anything except their present production, due to the Herculean efforts they are forced to make to remain in business and the difficulty of getting a proper settlement from the Government. I know nothing about the elements of these renegotiated decisions as they affect this concern, but the need for prompt, fair decision is, I am sure, not only evidenced in this instance, but in hundreds of others. Again, it means a good deal to see the recognition of this point by the Baruch office and the George committee.

There might be another serious bar to reconversion. That is the length of time taken by the Office of Price Administration to decide price matters with manufacturers, on those products that are again coming back to the market. Costs of labor and of material have changed radically since 1941. Overhead costs may vary a good deal if production is limited below plant capacity. The need for a general formula on new articles is, I am sure, recognized by OPA. It is to be hoped that it also will establish a time schedule in OPA operations sufficiently short not to hold up any manufacturer. Every day of unnecessary hold-up is a waste adding to inflationary pressure. We cannot afford waste,

either for our war effort or for our peacetime effort.

"A recent announcement by Mr. Nelson indicates the impending release, from War Production Board restrictions, of all small manufacturers. WPB calls a small manufacturer one employing less than 50 people. According to WPB statistics, this includes about 85% of the manufacturers in number. These use about 10% of controlled materials and account for a slightly higher percentage of output. The small manufacturers will have no limitation with regard to the uses of materials (with the exception of a very few highly critical ones) and will be permitted immediately to manufacture peacetime goods, once their war contracts are finished. They already have been released in certain non-critical manpower areas. As other areas become less critical, a greater number will be released. This policy is most constructive. It gives the small manufacturer an unusual opportunity. It increases civilian supply. It reduces the likelihood of inflation, and it will get many concerns promptly over the hump of reconversion.

"In the year just closed, the amount of goods and services available to civilian production was a great surprise to everyone. This was particularly astonishing when one considers that nearly all war goals were met. Most government experts estimated much smaller civilian supply. These estimates would seem to have great significance in developing reconversion methods. Our productive capacity is enormous. It is almost impossible for anyone to estimate it. Inasmuch as controls are based on government estimates of production, these controls become dangerous whenever they do not reflect actual conditions. They can cause great unemployment. The prompt lifting of limitation orders, therefore, becomes a very important part of the reconversion effort. Cannot manufacturers be trusted to direct their efforts to the most wanted goods? Would it not seem that it might be wise if WPB controls concerned themselves with war production?

"Our reconversion, therefore, becomes a problem of transference of work, from wartime to peacetime activity. It is a tough assignment to do this without unemployment interruption, but it can be done, if we all determine that it will be done. If someone desiring to work, cannot find work, then reconversion has gone wrong to the extent of that one person. Not only his wages are lost to him as income, but his spending power as a consumer is reduced and the product that he would have helped to make is lost also.

"Manufacturers, farmers, retailers, and labor cannot do this job alone. We must all press constantly to make sure that those in authority will keep the line moving rapidly from war to peace. There must be no red tape delay. As the war needs are satisfied, and they should be fully satisfied, retailers should urge full time employment under a fully competitive system of production and full time distribution under equally competitive conditions. The keystone to the whole peacetime economic structure is jobs and the essence of reconversion is work, by a force as great as we now are using in both war and peacetime production."

In another address on March 23, 1944, before the Forum Session of the National Industrial Conference Board at the Waldorf-Astoria Hotel, New York City, Mr. Lazarus reiterated his statement that it is not necessary to wait for the war's end to begin reconversion, and stated further that "There is no excuse for continuing a policy of commandeering everything after ample supplies are established or become possible." He added fur-

Inflation And City Property: Babson

(Continued from First Page)

mand for suburban home sites has increased slightly the price of land near some large cities. The fear of inflation has helped the sale of small farms but not yet the sale of city property. In most cities the assessed value of land has not been sufficiently deflated from the peak prices of the '20s to warrant interest.

It takes a generation to recover from a collapse in city real estate such as occurred in New York from 1929-1932. Improved real estate—that is land with buildings—still sells at prices below the reproduction cost, less depreciation. Hence, no income is left for the land. As a result, there is no pressing demand for new city space which in turn would absorb land values and lead to a land boom.

Basis for a Real Estate Boom

A population rise might boom city real estate. However, the nation's rate of growth, and particularly urban population, has been falling. The trend to the suburbs should increase after the war. Improved transit facilities may result in suburban living outpacing residential growth in the cities.

Well-managed cities with efficient traffic controls, handy subways and honest assessments may see a rising demand for city homes. New domestic conveniences and an increase in domestic employees may help cities regain their popularity. City real estate has been so long depressed there may be a natural swing in the other direction; but I now see no convincing signs thereof.

After the War

Individuals concerned over the national debt and over the value of their savings, now totaling \$50,000,000,000, may be drawn to tangible properties. This is now noted in the demand by city dwellers for small farms. City real estate may follow in turn. Much depends upon the people's attitude toward inflation. As a part of the inflationary process, city real estate may again boom; but John Q. Public has not yet got frightened.

I therefore now foresee no boom in either city or farm lands directly following the war. If, however, you plan to build a home in the suburbs of some city after the war you may well buy your land and make your plans now. Otherwise, perhaps, you better wait until the post-war slump.

Another thing: Although inflation should sometime help the price of all real estate, yet during the next few years inflation will be only gradual as it has been during the past. It will take a violent inflation scare to boost real estate prices, and such may not come until 1950-1955.

ther that "the only way to maintain full employment is to turn every available plant and workman to the job of producing goods for civilians the minute their war work has been completed."

Mr. Lazarus ended his talk with a strong plea for continuation of private enterprise and a free economy. "I believe that the pioneer spirit is one of our most precious national assets," he said. "If our servants, in Government, will recognize the existence of this spirit as our most powerful unifying force—if they will lay aside their schemes for a controlled economy with a bureaucrat sitting in on every move, if they will work to relax controls rather than perpetuate them, there is nothing in this wide world, either debt or the enemy, that we need fear."

Hurja Says Anyone Can Win But Willkie

Emil Hurja, former statistician for the Democratic National Committee, said, on March 23, he had predicted recently at a private forum of business men in New York City that any prominent Republican but Wendell Willkie could win the Presidency if President Roosevelt seeks a fourth term, according to an Associated Press dispatch from Washington on March 23, which went on to say:

Mr. Hurja, who now edits "Pathfinder Magazine," told a reporter he had supplied a political analysis to a group of business men who also heard talks by Senator Truman (D.-Mo.), A. D. Whiteside, former Vice-Chairman for Civilian Requirements of the WPB, and Upton Close, author and radio commentator.

The meeting, Mr. Hurja said, was arranged by the Mackay-Kroeger Industrial Service. Mr. Willkie later wrote each guest, Mr. Hurja said, protesting that it was unwise to gather for the purpose of condemning political figures.

Mr. Hurja said the meeting had no political flavor other than that given it by his talk. He said he referred to Mr. Willkie by name only in response to a question about what he thought of Mr. Willkie's chances. Mr. Hurja said he was expressing merely his private opinions.

Treasury 7/8% Certificates Offered For Issue Expiring

Secretary of the Treasury Morgenthau announced on March 22 an offering through the Federal Reserve Banks, of 7/8% Treasury Certificates of Indebtedness of Series B-1945, open on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness of Series B-1944, maturing April 1, 1944. Cash subscriptions will not be received. The Treasury Department's announcement says:

"The certificates now offered will be dated April 1, 1944, and will bear interest from that date at the rate of 7/8% per annum, payable semi-annually on Oct. 1, 1944, and April 1, 1945. They will be issued in bearer form only, with two interest coupons attached, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

"Pursuant to the provisions of the Public Debt Act of 1941, interest upon the certificates now offered shall not have any exemption, as such, under Federal tax Acts now or hereafter enacted. The full provisions relating to taxability are set forth in the official circular released today.

"Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington, and should be accompanied by a like face amount of the maturing certificates. Subject to the usual reservations, all subscriptions will be allotted in full.

"There are now outstanding \$5,251,000,000 of the Series B-1944 certificates."

D. M. Hobart To Address Special Libraries Association April 3

Donald M. Hobart, Director of the Research Department of The Curtis Publishing Co., will address a meeting of the Advertising and Financial groups of Special Libraries Association on Monday, April 3, at 6:15 at the Colonial Tea Room, 3 East 38th Street. Mr. Hobart will speak on "Business Looks to the Future"—a survey made by The Curtis Publishing Co. to determine the post-war plans of over 350 American manufacturers.

Russia And Italy Exchange Ambassadors—U. S. Not Considering Recognition Of Badoglio Govt.

Advices to the effect that Russia and Italy were exchanging Ambassadors, according to an announcement March 13 by Premier Pietro Badoglio's Government were contained in Associated Press accounts from Naples, Italy, on that day, which pointed out that this marked the first diplomatic recognition of the Badoglio regime by any of the United Nations. The Associated Press also said in part:

The Russian action was apparently taken without consultation with other Allied Governments, which, it is said, also have Marshal Badoglio's requests for exchanges of diplomats.

Diplomatic relations between Italy and Russia were severed on June 22, 1941, when Italy declared war on Russia on the day when Germany invaded her.

At Washington, on March 17, Secretary of State Hull made it clear that the United States will not consider extending diplomatic recognition to the Badoglio government in Italy.

We quote from Associated Press advices, which also said:

He also revealed that the United States had not been consulted by the Russian Government prior to Moscow's decision to exchange Ambassadors with the Badoglio regime.

There has been speculation that both Washington and London had possibly approved Russia's recognition of the Badoglio Government because, according to this theory, Washington and London secretly wanted to see the regime strengthened in power. At his press conference today Mr. Hull was first asked therefore, whether the United States had been consulted by Moscow. He replied that he had had some information on what was going on just about the time the Italians made the announcement, but that we had not been consulted by the Russians.

The State Department, he added, is assembling all the facts and circumstances involved in the diplomatic exchange.

Mr. Hull then indicated that Russia's recognition of the Badoglio regime should normally have come up in the first instance before the Allied Advisory Council on Italy.

Asked whether the United States should enter into such relations with Marshal Badoglio, Mr. Hull replied that under our policy that question is not arising. He declined to go into this policy, explaining that certain details are in process of development at this time, and that he did not think it would be effective to raise policy questions now.

Marshal Badoglio's message to Premier Stalin, according to the Naples press advices March 13, said:

"At the moment in which our two countries decide to exchange official representatives, I particularly wish to underline to you, Marshal Stalin, that all the Italian people are fully conscious of the imposing and victorious Soviet war effort. They are more than ever convinced of the necessity of restoring Italian and Russian relations on the basis of the constructive and friendly cooperation that was temporarily and tragically abandoned by the regime that today we are fighting together."

N. Y. State Factory Employment Continues Downward Trend

For the third successive month, factory employment in New York State has experienced a major decline. It decreased nearly 1% between January and February, according to a statement released on March 15 by Industrial Commissioner Edward Corsi. It is only the third time in 30 years that employment has decreased in the month of February. Payrolls were slightly lower for the State, although there was some increase in New York City. Sharp curtailment among war plants and decreases in lumber, furniture and leather goods were the principal factors causing the decline in total employment. Small employment increases occurred in the food, apparel, paper and chemical industries. Seasonal gains among clothing industries were apparent in payroll advances, with employment increasing only slightly. The Commissioner's report went on to say:

"The employment index for February of 156.9 (1935-1939=100) stood at its lowest point since January, 1943, and was 1% below the index for February of last year. The corresponding payroll index was 298.7, which represents a decrease of 0.3% from January and a gain of 8.8% over February of last year. Average weekly earnings advanced to \$47.12 in February from \$46.93 in January. The above statements are based on preliminary tabulations covering reports from 2,769 factories throughout the State. The Division of Statistics and Information under the direction of Dr. E. B. Patton is responsible for the collection, tabulation and analysis of these reports."

The Department statement also added:

"Most war industries in the State had fewer workers in February; declines were reported by plants manufacturing aircraft, tanks, ships, guns, ammunition, electrical equipment and scientific instruments. The only war plants to hire additional employees this month were those making communication equipment. Payrolls were lower in all war industries except communication equipment and scientific in-

struments. Wage rate increases accounted for a payroll increase in the latter. In the metals and machinery group as a whole, employment declined 1.8% and payrolls decreased 2.8%.

"Other industries which showed substantial employment losses during the month were lumber, furniture and leather. In the leather group, the greatest decrease was reported by the manufacturers of canvas and leather equipment, while the shoe industry had a very slight decline and the glove industry had an increase. Payrolls were 2.6% higher for the group.

"Employment increases were reported by producers of dairy goods, flour, baked goods and confectionery, while meat packers and sugar refiners had fewer workers. Beverage industries also had a slight decrease in employment but wage rate increases in breweries caused a payroll gain. For the food group as a whole, employment was 0.8% greater and payrolls were 1.6% higher.

"Seasonal gains in employment, and more especially in payrolls, were noted among various branches of the apparel industry. Those which showed increases were men's tailoring and neckwear, women's dresses, suits, coats and skirts and millinery. Firms making children's clothing had a slight decline in employment but payrolls increased. Factories producing men's shirts, women's blouses and underwear had declines. The net effect of these factors was an employment increase of 0.3% and a payroll gain of 6.5% for the clothing group. The paper and chemical indus-

Fill Vacancies On National Foreign Trade Board

The annual meeting of the members of the National Foreign Trade Council was held at the Council offices, 26 Beaver Street, New York City, on March 17th, at which vacancies on the Board of Directors were filled. The following now comprise the entire membership of the Board:

John Abbink, Business Publishers International Corp., New York, N. Y.; P. W. Alexander, Wessel, Duval & Co., Inc., New York, N. Y.; Willis H. Booth, Sierra Talc Co., Los Angeles, Calif.; M. W. Bowen, Socony-Vacuum Oil Co., Inc., New York, N. Y.; Theodore Brent, Mississippi Shipping Co., New Orleans, La.; B. C. Budd, Packard Motor Car Co., Detroit, Mich.; A. G. Cameron, Goodyear Tire & Rubber Export Co., Akron, Ohio; Charles R. Carroll, General Motors Overseas Operations, New York, N. Y.; James S. Carson, American & Foreign Power Co., Inc., New York, N. Y.; Reginald F. Chutter, Sharp & Dohme, Inc., Philadelphia, Pa.

W. W. Coleman, Bucyrus-Erie Co., South Milwaukee, Wis.; John C. Cooper, Jr., Pan American Airways System, New York, N. Y.; E. A. Emerson, The Armco International Corp., Middletown, Ohio; J. D. Fletcher, Caterpillar Tractor Co., Peoria, Ill.; J. G. Geddes, The National City Bank of Cleveland, Cleveland, Ohio; John L. Gillis, Monsanto Chemical Co., St. Louis, Mo.; W. L. Gray, The First National Bank of Boston, Boston, Mass.; G. C. Hoyt, International Harvester Co., Chicago, Ill.; E. F. Johnson, Standard Oil Co. (New Jersey), New York, N. Y.; Fred I. Kent, Bankers Trust Co., New York, N. Y.

H. D. Keresey, Anaconda Wire & Cable Co., New York, N. Y.; Elvin H. Killheffer, E. I. du Pont de Nemours & Co., Wilmington, Del.; P. A. Kinnoch, American Trust Co., San Francisco, Calif.; L. H. Lindeman, The Texas Co., New York, N. Y.; Robert F. Loree, Guaranty Trust Co. of New York, New York, N. Y.; A. E. Mallon, Pillsbury Flour Mills & Co., Minneapolis, Minn.; F. L. Marshall, Montgomery Ward & Co., Chicago, Ill.; Clark H. Minor, International General Electric Co., New York, N. Y.; F. W. Nichol, International Business Machines Corp., New York, N. Y.; F. E. O'Neil, Fulton Iron Works Co., St. Louis, Mo.

Frank C. Page, International Telephone & Telegraph Co., New York, N. Y.; Leigh C. Palmer, American South African Line, Inc., New York, N. Y.; P. W. Parker, Standard-Vacuum Oil Co., New York, N. Y.; Robert H. Patchin, W. R. Grace & Co., New York, N. Y.; Stanley Powell, California Packing Co., San Francisco, Calif.; Edward Riley, General Motors Corp., New York, N. Y.; Joseph C. Rovensky, The Chase National Bank of the City of New York, New York, N. Y.; Warren W. Shoemaker, Armour & Co., Chicago, Ill.; A. D. Simpson, The National Bank of Commerce, Houston, Texas; W. H. Stanley, Wm. Wrigley, Jr. Co., Chicago, Ill.

William S. Swingle, National Foreign Trade Council, Inc., New York, N. Y.; C. B. Thomas, Chrysler Corp., Detroit, Mich.; Eugene P. Thomas, National Foreign Trade Council, Inc., New York, N. Y.; Wilbert Ward, The National City Bank of New York, New York, N. Y.; R. F. Warner, Frazar & Co., New York, N. Y.; John W. White, Westinghouse Electric International Co., New York, N. Y.; George W. Wolf, United States Steel Export Co., New York, N. Y.; R. W. Woodruff, The Coca-Cola Co., Wilmington, Del.; C. M. Wynne, Overseas Industries, Inc., Chicago, Ill.; John A. Zellers, Remington Rand, Inc., New York, N. Y.

tries had employment and payroll advances of about 1%.

National Ass'n Of Bank Auditors And Comptrollers To Hold Planning Conference

Hugh E. Powers, Cashier of the Lincoln Bank & Trust Co. of Louisville, Ky., and President of the NABAC, has announced in a report to members, that their 20th anniversary meeting and post-war planning conference for all members, will be held in Cleveland, Ohio, on Sept. 19-20. The Hotel Cleveland will be the headquarters.

In his report, Mr. Powers stated that due to the growth of the Association and the additional work which falls to the organization committee, changes in the by-laws will be proposed and presented for approval of the membership at this annual meeting. If the proposal is approved, six directors will be elected, and the President will appoint a Vice-President for each State. President Powers also announced the creation of a Research Fund, which will increase the effectiveness of the work of the National Association of Bank Auditors and Comptrollers, and produce a material benefit to member banks and their individual representatives.

President Powers has named the following among those who are to direct the meeting: Convention Director, John C. Shea, Assistant Vice-President, Whitney National Bank, New Orleans, and First Vice-President of N. A. B. A. C.; General Chairman of the Convention Committee, Frank V. Grayson, Auditor, Federal Reserve Bank of Cleveland, and a past national President of N. A. B. A. C.; Vice-Chairman of the Convention Committee, Eugene J. Krause, Auditor, National City Bank of Cleveland and Vice-President of the Cleveland Conference of Bank Auditors and Comptrollers.

Mortgage Financing Activity Shows Continued Downward Movement In 1944

The Federal Home Loan Bank Administration announced that mortgage financing activity during 1943 continued to show the effect of wartime restrictions on the home financing industry. The downward movement in recordings which characterized the calendar year 1942 continued through 1943, reducing the total activity for the year to the lowest level since 1940. Although there was a steady rise from March through October,

with the volume in later months exceeding 1942 levels; the estimated total of \$3,861,400,000 in nonfarm mortgages of \$20,000 or less recorded during 1943 was 2% below the 1942 volume and 18% under the pre-war high in 1941. The announcement said that it is estimated that the number of instruments filed for public record during 1943 was 1,273,993, the lowest number since 1939, the initial year of the series. Although the number and total volume of mortgages recorded in 1943 declined, the average amount of the mortgages increased for the fourth successive year, rising from \$2,722 in 1939 to \$3,031 in 1943. This consistent increase is reflected in the averages of savings and loan associations, "individuals" and "others", while the remaining types showed minor fluctuations.

The Administration's announcement further stated:

"As compared with 1942, individual lenders showed the greatest increase in activity, 17%, followed by savings and loan associations with a 6% gain. The remaining classes of mortgagees declined, with insurance companies experiencing the sharpest decrease of 23%. Commercial banks lost 15%; mutual savings banks, 8%; and the miscellaneous group, 7%.

"Savings and loan associations and individual lenders increased their shares in the aggregate volume of financing in 1943 to bring the percentage of total for each of these groups to the highest figure since 1939. Despite the fact that "individuals" indicate a marked rise from 16% in 1940 to the current 22%, savings and loan associations maintained their leadership in the mortgage financing field, accounting for 32% of total volume. Banks and trust companies have been losing ground since 1939, and this year their proportion of the total was 20% compared to 25% of the 1939 volume. The remaining classes of mortgagees approximate their previous levels.

"Comparison of this month with the same month of previous years reveals the greatest volume of December activity recorded for any year except 1941. The 104,834 nonfarm mortgages recorded this month, totaling \$330,989,000, represent an increase of 25% over the December 1942 amount. With the exception of insurance companies, which declined 5%, all types of lenders participated in the rise. Individual lenders and savings and loan associations led

with increases of 41% and 34%, respectively.

"The December total, however, was 6% below November 1943, which was more than the normal seasonal decline. The greatest loss—19%—was suffered by mutual savings banks; savings and loan associations decreased 10%; "individuals" and "others", 7%; and insurance companies, 4%. Banks and trust companies showed a 3% gain over last month.

Swayzee In OPA Post

Appointment of Cleon O. Swayzee as Labor Relations Adviser to the Administrator of the Office of Price Administration and Director of its Labor Office was announced on March 21 by Price Administrator Chester Bowles. He succeeds Robert R. Brooks, who has been named Executive Assistant to the Administrator. The announcement states:

"For more than two years Mr. Swayzee has been Assistant Director of the Labor Office, working with Mr. Brooks and liaison officers from the American Federation of Labor, Congress of Industrial Organizations and railway labor organizations in developing the OPA-labor program.

"Besides assisting in organizing the 102 labor advisory committees now serving with OPA's 93 district offices, Mr. Swayzee aided in the recruitment of more than 4,500 union men and women for service on local War Price and Rationing Boards. He also helped develop the thousands of joint labor-management plant transportation committees that have been set up throughout the country to solve transportation problems of industrial workers.

"Before joining the OPA staff in March, 1942, the new Labor Office Director served as a consultant on labor relations and manpower problems for the War Production Board. . . .

"In his capacity as Director of the OPA Labor Office, he will continue the general supervision of district labor advisory committees and will be responsible for providing technical and administrative services to the National Labor Policy Committee, which is composed of nine representatives of the AFL, CIO and railway labor organizations."

Deaths of Representatives O'Leary And Cullen Cut Democratic Margin In House To Five

Representative James A. O'Leary, of New York, died on March 16, his death, it is stated, reducing the Democratic House membership to 215, the lowest, according to Associated Press Washington advices, since President Roosevelt took office, and narrowing the Democratic margin to five seats. These advices added:

"The Republican membership, including Representative-elect Gillespie, of Colorado, is 210. Four seats are held by minor-party Executive Department, a member members and there now are six of the Merchant Marine and Fish-vacancies to be filled by specialeries Committee and the Pension elections. Five of the vacancies Committee, resided in West New are in normally Democratic dis-Brighton, Staten Island; he was tricts."

Another recent death among "Times" of March 17 we take the Democratic Congressmen was that following:

of Representative Cullen, also of "A member of Congress since New York, whose death occurred 1935, Mr. O'Leary was the author Feb. 29. He was in his 76th year of many measures affecting the Mr. Cullen, whose home was in American merchant marine. A Brooklyn, represented the New Democrat, he represented the 11th York Fourth Congressional Dis-New York Congressional District, trict, having been elected as a which includes Staten Island, the member of the Sixty-sixth Con-extreme lower tip of Manhattan gress, which convened March 4, Island and Ellis, Bedloe and Gov-1919. He was a member of the ernors Islands. In domestic af- House Ways and Means Commit-fairs he usually supported Prestee, being ranked on that body dent Roosevelt's New Deal poli-only by its Chairman, Robert L. cies, but before Pearl Harbor he Doughton of North Carolina. frequently had taken the isola-

Representative O'Leary, who tionist position in foreign mat- mittee on Expenditures in the ters."

"Year Book" Of New York Stock Exchange Dividends On Listed Stocks, Membership, Etc.

The annual "Year Book" of the New York Stock Exchange, which has just been made available, shows that "during 1943, 687 of the 845 common stock issues listed on the Exchange paid cash dividends aggregating \$2,063,411,000 and 339 of the 392 listed preferred stock issues made cash disbursements aggregating \$344,577,000—a total of \$2,407,988,000. During 1942, 648 common stocks paid dividends amounting to \$1,997,461,000, and 336 preferred issues paid \$349,105,000—a total of \$2,346,566,000. As a result of 1943 disbursements, dividend paying common and preferred stocks listed on Exchange showed a typical yield of 6.1% and 5.4% respectively, based on year-end prices, says the "Year Book."

A record of common stocks listed on Exchange which have paid cash dividends consecutively for 25 to 96 years is contained in the report. The Pennsylvania Railroad Co. which made its first payment in 1848, heads the list, while the Continental Insurance Co. (N. Y.) and Corn Exchange Bank Trust Co. are next in line, with the payments of their first distribution in 1854.

With respect to the number of member firms of the Exchange it is shown that these firms totaled 540 on Jan. 1, 1944 as compared with 537 on Jan. 1, 1943; the number of branch offices rose during the year from 745 to 773 on Jan. 1, 1944 and non-member correspondents, which maintain direct wire connections with members, declined from 2,139 to 2,051. Branch offices (773) of member firms on Jan. 1, 1944 were located in 323 cities in 45 States, two territories and five foreign countries.

From the "Year Book" we take the following table showing the number of members of the Exchange, the number of stock exchange firms and the number of general and special partners of member firms as of Jan. 1, 1944:

Members of The Exchange:	
New York	1,182
Out-of-town	167
Total	1,349
Stock Exchange Firms:	
New York	406
Out-of-town	134
Total	540
Partners of Stock Exchange Firms:	
Members of The Exchange:	
General partners	798
Special partners	28
General and special partners	1
Total	827
Other Partners:	
General (allied members)	1,992
Special	263
General and special (allied members)	11
Total	2,266
Grand total	3,093

*96 memberships held in the names of deceased members.

As of Jan. 1, 1944, says the "Year Book" 810 members of the Exchange had been members for more than ten years. Of these, 264 had been members for more than 20 years; 45 for more than 40 years and six had held their memberships for more than 50 years.

During 1943, the "Year Book" reports, 107 applications to list 108 stock and 31 bond issues on the New York Stock Exchange were approved by the Exchange. Of these, 18 applications for 15 stock and three bond issues were by companies not previously represented on the Exchange's list. During 1943, 69 special offerings involving 1,046,879 shares with a market value of \$30,539,471 were announced; 61 of these offerings, embracing 927,613 shares with a market value of \$26,597,801, were distributed and eight were withdrawn. Of these latter offerings, 89,949 shares, valued at \$2,943,444 were distributed.

A table in the "Book" compares the solvency record of New York Stock Exchange members with that of all banks in the United States, national banks and commercial houses, the figures representing percentages of solvency during the indicated calendar years to the total number of Stock Exchange members, banks, etc., as of June 30 of each year. The solvency record of the Stock Exchange members in 1944 at 99.68% compares with 100% for the years from 1939 to 1943 inclusive; for banks the figure in 1944 is 99.03% and for commercial houses 99.14% in 1944.

According to the "Year Book" 29 of the 5,368 members of the New York Stock Exchange community who have entered the armed services have made the supreme sacrifice. The total of 5,668 serving as of Jan. 1, 1944, comprises 531 members and employees of the Exchange and 5,137 member firm partners and employees.

The "Year Book" of the Stock Exchange for 1943 was referred to in our issue of March 4, 1943, page 835. A month ago President Schram made available the Annual Financial Report of the Exchange, and reference to this appeared in our Feb. 10' issue, page 632.

From Washington Ahead Of The News

(Continued from First Page)

likely outcome would be a deadlock. Dewey would have accomplished just what he did four years ago. He went out over the country "discussing the issues," as the expression goes. He spent money and he worked hard. Then he and Taft, who had done likewise, deadlocked and an outsider, Willkie, got the bacon. Dewey doesn't intend to get burned any more.

He doesn't have to rely on the 1940 campaign alone to justify his judgment. He can go back as far as 1920. In that year Lowden and Wood fought out the pre-convention campaign, spent oodles of money and deadlocked each other in the convention. Harding came in as the dark horse without having done any pre-convention work. Came 1928 and the Republican aspirants with this lesson before them, all held back with the exception of the ineffectual Lowden. Hoover took advantage of their timidity and walked away with the nomination. This had its influence on the aspirants of 1940 to the extent that both Dewey and Taft put on vigorous campaigns only to have the lesson of 1920 repeated.

The judgment of Washington observers is that if ever a fellow was sitting pretty today it is Dewey. He is the "dark horse." Assuming, though, that he gets by with his present strategy, he will have to show some skilful strategy at the convention proper. If he shows enough strength to win on the first ballot then that is the time for his friends to make their play. But if he doesn't have this strength; if he has only about the same number as Willkie and Bricker for three or four ballots, he again becomes but a part of the deadlock. It would be much better if his friends keep quiet, if they keep him in the "dark horse" stage until they have worn Bricker and Willkie down.

In the meantime, however, the Governor is going to be up against a tremendous propaganda to draw him into the pre-convention campaign. It may, in fact, diminish some of his popularity. We have recently heard considerable feeling expressed in quarters not unfriendly to him at all, that no man is entitled to the nomination without getting out and telling where he stands. The New Dealers, who are constantly working on all of the potential nominees are, of course, using this line to a fare-you-well.

To experienced political observers it is all propaganda, pure and simple. There should be no informed person in ignorance of where any of them stand—Bricker, Willkie or Dewey—and nothing any of them say or do not say would change the understanding in the slightest. If anything, there is a clearer understanding of Bricker and Dewey, the one talking cautiously and the other not talking, than there is of Willkie, who is talking a lot. Willkie is certainly confusing when he makes the statements in Wisconsin: (1) that he lost the 1940 election because he had to lug the isolationist Republicans; (2) that the Republicans fought Roosevelt's giving of the 50 destroyers to Britain; (3) that the Republicans prevented the fortifying of Guam.

As to statement one, he ought to look back over the States he carried. They were not interventionist States; as to two, the Republicans never knew anything about giving the destroyers to Britain. When they did hear, it was a fait accompli and they did nothing; as to three, there never has at any time been before Congress a proposal to fortify Guam. There was one several years ago to deepen the harbor there, and even longer ago Admiral Hepburn,

Retail Store Traffic Men To Hold Conference In St. Louis April 12-14

Retail store traffic directors from various sections of the country will meet at the "First Wartime Conference" of the Traffic Group of the National Retail Dry Goods Association, at the Hotel Statler, St. Louis, Mo., on April 12-14, it was made known recently by Leonard Mongeon, manager of the group. The announcement stated that "inasmuch as this will be the first gathering of the sort held for almost two years, and because of the difficulties encountered by traffic men during that time—due to the acute manpower shortage and various Government restrictions—the St. Louis meeting will afford a unique opportunity to store traffic heads to compare notes and solve their most pressing problems." It is added that store traffic departments have in most instances done what would formerly have been regarded as impossible—in some cases managing to get merchandise from manufacturers to retail counters with less than half the normal operating staffs. Ways and means employed to accomplish these challenging tasks will be discussed at five panel sessions, and at the close of the conference delegates will visit various traffic, receiving and marking departments in St. Louis stores. Arthur D. Bibbs, Traffic Manager of The Halle Bros. Co., Cleveland, and Chairman of N. R. D. G. A.'s Traffic Group, will act as Chairman of all the conference sessions.

Brennan, Ireland's Minister At Washington Says U. S. Is Misinformed On Eire Situation

An official statement in which he said that he could not reconcile the uneasiness of the American government on the question of Axis espionage in Ireland "except by saying that the American government is grossly misinformed," was issued by Robert Brennan, Irish Minister at Washington, on March 17. Mr. Brennan, who further said, "we know the situation—we know that there is no successful espionage in Ireland," made his

comment following the request by the United States to neutral Eire "that the Irish Government take appropriate steps for the recall of German and Japanese representatives in Ireland" because of alleged espionage operations. Reference to the request and to Prime Minister de Valera's reply, defending the course of the Irish Government, appeared in our issue of March 13, page 1123. The New York "Herald Tribune" of March 18, reporting the issuance of the statement by Mr. Brennan at a press conference in the offices of the Consulate General of Eire in the Chrysler Building in New York, had the following to say in part:

First he issued the statement, in which he summarized the reasons why the Irish Government believes there could be no successful espionage in Ireland, and then he spoke informally and with great intensity to "get everything clear and put everything on the table."

Mr. Brennan said that the people of Eire received the note from the United States Government requesting the expulsion of the Axis diplomats almost as if it were an ultimatum. He said that Eire was determined to remain neutral in the conflict, "the first war in centuries that we have had the luxury of staying out of."

In his official statement, the Irish diplomat, who became Secretary of the Irish Legation in Washington ten years ago and Minister in 1938, reiterated previous statements and said:

"We know that the German Legation (in Ireland) has no means of transmitting to Germany any information they may obtain. They have no diplomatic pouch or diplomatic couriers. They have no telephonic communications. They have no wireless transmitter. They can communicate only by cable which passes through London. Therefore they can transmit no message that the British are unwilling to forward."

Mr. Brennan brought out newspaper files of March 11 in which Prime Minister Eamon de Valera of Eire informed the American Government that two German

now called back from retirement, in a report to the Navy, recommended the fortifying of Guam at some future date. The Navy never took the suggestion to Congress. The Administration was against fortifying Guam because on a clear day a Japanese mandated island is almost in sight and it was realized that any steps toward fortification meant war.

parachutists who dropped on Irish soil were quickly rounded up. Inclusive of the parachutists, Mr. de Valera said at the time, the total number of persons suspected of intention of espionage and now held in Irish prisons was ten foreigners and two Irish nationals.

Mr. Brennan expressed the opinion Great Britain would not blockade Ireland. "We supply England with more goods than we are getting from all the Allied nations put together," he said.

There are, Mr. Brennan said, three men and two women, clerks, in the German Legation at Dublin headed by the German Minister, Eduard Hempel, and three persons in the Japanese Consulate, including the Consul, Beppu Setsuya.

The Irish Dail gave solid support on March 15 to Prime Minister de Valera's refusal to close Axis diplomatic offices in Dublin and Labor Leader William Norton declared "liberty loving" nations should not employ "aggression and sanctions." Noting this, Associated Press advices from Dublin also quoted the speaker as follows:

"Eire's reply to the American note was the reply of a united nation striving to defend the right to maintain an honorable way of life," he said during a three-hour debate in which speakers asserted Eire was scrupulously observing neutrality.

It was further stated: "In an appeal possibly necessitated by reports that the Allies might kill export trade by imposing sanction, the Dublin radio asked Irish farmers to ignore rumors about prices which it said were being circulated to induce them to part with their meat animals cheaply."

House Approves Post-War Rivers And Harbors Work

Legislation authorizing post-war rivers and harbors work estimated to cost \$355,000,000 was approved by the House on March 23. According to the Associated Press, the measure was passed on a standing vote of 213 to 46 after the House eliminated from the bill the proposed \$66,000,000 Tennessee-Tombigbee Waterway by a roll-call count of 195 to 156. It was added that the measure, calling for nearly 300 projects, now goes to the Senate. It carries no funds.

Bacon Sees Unparalleled Post-War Prosperity

George W. Bacon, of Ford, Bacon & Davis, believes that this country will enjoy a post-war era of unprecedented prosperity.

Mr. Bacon, Chairman of the Board and a founder, was the central figure in a celebration, held on March 15 in its general offices at 39 Broadway, New York, of the company's 50th anniversary. Another founder, George H. Davis, now retired, was present when James F. Towers, President of the firm, presented Mr. Bacon with a commemorative medal on behalf of his associates. The occasion drew many leaders of the industrial, utility and banking

worlds. "Post-war prosperity in the United States, if not the world, will far exceed during its first quarter of a century any business activity for a like period the world has ever witnessed," ventured Mr. Bacon in addressing a gathering of more than 300.

Normal inventories having become non-existent during the war, Mr. Bacon said that in the post-war period "tens of billions of dollars of production and distribution are involved." He foresaw "credit facilities such as our people have never known" and vast sums to overcome "present enormous volumes of depreciated facilities and equipment of all kinds in the United States and beyond our

borders." New markets, he said, would result "from existing and expanding incomes, living standards and credit facilities."

This "post-war look," said Mr. Bacon, "spells unprecedented United States business prosperity in terms of our average family." He went on: "Educate and sell the other half of our fellow beings our industrialized United States and the costs of this war in treasure will disappear."

Mr. Bacon said that no other single purpose is so important to the industrial world, and "there lies our Job No. 1 for the next 50 years, so that raw material bases, natural and synthetic, may continue to meet the world's requirements."

Finland Rejects Russia's Armistice Terms

While affirming its continued desire for peace with Soviet Russia, the Finnish Government has firmly declared, it is announced, that it could not accept the armistice terms laid down by Russia. According to Associated Press advices from Russia, the declaration, embodied in a long communique giving the Finns' version of their attempts to get out of the war, all but extinguished hopes of further peace negotiations between Helsinki and Moscow, for the Russians, the bulletin said, have declined to modify their original terms.

These advices as given in the New York "Sun" of March 21 continued:

The Finnish stand apparently was predicted on the thesis that the Russian terms—which involved the withdrawal of Finnish troops from their present positions as well as internment of all German armed forces now in Finland—were not consistent with the demands of national security.

The communique said that the Finnish Government regretted that the Russians had not given Finland "an opportunity to express her own viewpoint before accepting the terms."

"Although Finland's Government still aspires seriously for re-establishment of peaceful relations, it, however, cannot accept in advance these terms, which deeply affect the existence of the whole nation without even getting any safe assurance of the interpretation and meaning of the conditions," the bulletin said.

The communique gave the Finnish public the first full picture of the Government's view of the peace problem, and was carried in full by the Finnish press.

It flatly described the terms which the Finnish peace envoy, Juho Kosti Paasikivi, obtained through the Soviet embassy in Stockholm as "hard" and entirely unacceptable.

Nevertheless, the communique said, the Government took the matter up with Parliament and received a vote of 105 to 80 authorizing it to pursue the negotiations.

A week ago,—March 16,—it became known that President Roosevelt had undertaken to urge Finland to withdraw from its association in the war with Germany, the President in his overtures being quoted as saying:

"It has always seemed odd to me and to the people of the United States to find Finland a partner of Nazi Germany, fighting side by side with the sworn enemies of our civilization.

"The Finnish people now have a chance to withdraw from this hateful partnership. The longer they stay at Germany's side the more sorrow and suffering is bound to come to them. I think I can speak for all Americans when I say that we sincerely hope Finland will now take the oppor-

but politically informed persons believed it was too late to have any effect.

From London on March 21 the text of a statement on the Finnish-Russian negotiations signed by the Soviet Information Bureau and broadcast that day, by the Moscow radio, as reported by the Soviet monitor, was given as follows in the New York "Times":

On March 1 the Information Bureau of the People's Commissariat for Foreign Affairs of the U.S.S.R. published the Soviet armistice terms offered by the Soviet Government to Finland.

On March 8 the Soviet mission in Stockholm received the reply of the Finnish Government. From this reply it appeared that the Finnish Government found it difficult to accept Soviet armistice terms without preliminary discussions.

The Soviet Government informed the Finnish Government that it considered the Finnish reply unsatisfactory.

The Soviet Government therefore brought to the attention of the Finnish Government the fact that the Soviet armistice terms in the six points given to J. K. Paasikivi were the minimum and the elementary ones and that only acceptance of these terms by the Finnish Government would make possible Soviet-Finnish discussions for cessation of hostilities.

The Soviet Government also stated that it would await a reply from the Finnish Government until March 18. On March 17 the Finnish Government gave a negative reply to the Soviet statement. By this action it has taken upon itself full responsibility for what will follow.

Randolph E. Paul Resigns

The resignation of Randolph E. Paul as General Counsel of the Treasury Dept. was made known on March 22. Mr. Paul's tasks since 1941 have had to do with the several revenue bills, and in his letter of resignation to President Roosevelt he stated that with the plan of the simplification of the tax "well on its way to enactment," he feels he can contribute "little more at present in this special field." The letter, addressed to the President by Mr. Paul, follows:

"I came to Washington in 1941 with a commitment to devote myself to the then forthcoming revenue bill. Since that time I have represented the Administration and the Treasury before Congress on three tax bills. The fourth one, a technical measure to simplify the individual income tax, is, I am glad to say, well on its way to enactment. I believe I can contribute little more at present in this special field and I should, therefore, like to submit my resignation as General Counsel of the Treasury.

"I take this occasion to express again my warm admiration for your steadfast courage in advocating the realistic tax programs which the times demand. It has been a great pleasure and satisfaction to work under your leadership and that of Secretary Morgenthau.

"Please believe me always at your service for any further contribution I can make to the war effort."

In reply the President said: "Dear Randolph:

"In view of your decision as expressed in your letter of March 22, I accept with great regret your resignation as General Counsel of the Treasury Department.

"The difficult labors you have performed during the last three years, particularly in the field of tax policy and in the formation and presentation to the Congress of a war-time revenue program, have been of the highest value to your country.

"You have my personal gratitude and good wishes."

Expansion Of Cooperatives After War Predicted At N. Y. U. Institute Meeting

A greatly expanded cooperative movement at the close of the war was predicted on March 9 by Murray D. Lincoln, President of the Cooperative League, in an address before the New York University Institute on Postwar Reconstruction in the auditorium, 37 West Fourth Street. Describing the present scope of the cooperative movement in the United States, Mr. Lincoln stated that last year "two-and-a-half million members of consumer cooperatives did a business of \$750,000,000.

"Last year," he said, "they bought a \$5,000,000 oil refinery in Kansas, they bought a \$1,000,000 farm machinery plant in Indiana. They own oil wells, lumber mills, feed mills, fertilizer plants and the fourth largest auto machinery company in America.

"I see a greatly expanded cooperative movement at the close of the war. This means cooperative marketing, cooperative purchasing, finance, housing, and medical care." He added:

"The presence of well developed, successful cooperative enterprises in many of our commercial fields will restore healthy competition and true free enterprise where monopoly controls now exist. This will be as true in the international field as in the

national. Government regulation of monopolies and cartels has not proven adequate to date. I fully expect the continuance of large-scale private enterprises such as we have now. Government, cooperatives and private profit enterprises will each provide checks and balances on the other."

Speaking at the same meeting, Roy F. Bergengren, managing director of the Credit Union National Association, said that his organization now represents "10,000 credit unions in the United States, allied with about 2,000 more credit unions in Canada in the same international organization, with approximately 4,000,000 members scattered from Honolulu to St. Johns, Newfoundland." Winslow Carlton, executive director of Group Health Cooperative, Inc., also spoke.

Gunnar Myrdal Pessimistic About America's Economic Future

Speaking on March 9 before the Swedish Society of Economists in Stockholm, Professor Gunnar Myrdal said that he feared a very hectic economic development in the United States after the end of the war in Europe. The economist and social welfare expert, who is also a member of the First Chamber of the Swedish Riksdag, recently returned from one of his frequent trips to the United States, where he had attended the publication of

his work, "An American Dilemma—The Negro Problem and Modern Democracy," published by Harper & Brothers in New York under the auspices of the Carnegie Foundation.

The speaker said that he expected shortages of goods in certain lines and over-production in others. A general depression may be prevented by the temporary abundance of buying power, he stated, but from within one-half to three years the situation may ripen into a crisis.

World-Wide Consequences of America's Economic Trend

The American economic trend will have serious consequences for the whole world, Professor Myrdal declared, adding that in

the United States foreign trade is not expected to play an important part in maintaining employment. "For the balance of world economy," the speaker continued, "it is calamitous that international trade is held to be so relatively unimportant. Efforts have been made through international organizations to build up a defense against this world danger, but from what I have seen of these negotiations, I am not too confident that they will bring results."

He admitted, in conclusion, that post-war planning is very much simpler and easier in Sweden but warned against over-optimism, since Sweden is so dependent upon the rest of the world.

Hershey Advises Draft Boards Occupational Deferments Under 26 Must Be More Exacting

Emphasizing the importance of meeting the calls of the armed forces for manpower, Major General Lewis B. Hershey, director of Selective Service, it was made known March 16, has written local board and appeal board members that occupational deferments, particularly with respect to registrants under the age of 26 years, must be more exacting. The announcement issued by the National Selective Service Headquarters added:

"Occupational deferments, the General asserted, are a temporary expedient to permit employers to obtain replacements and only those registrants whose individual efforts in a critical activity make them virtually indispensable should be considered for occupational deferment.

"Appraising the manpower situation as of Feb. 1, 1944, General Hershey pointed out that the armed forces face a deficit in their manpower requirements unless Selective Service meets its calls by July 1, 1944, when the combined desired strength of the Army, Navy, Marine Corps and Coast Guard has been fixed at 11,300,000.

"By the first of February, 1944, some 9,352,000 registrants had entered military service and, the General asserted, those men have the right to expect that the remaining registrants whose services are required by the armed forces will be made available."

With military man power needs running behind at the rate of 100,000 men a month, local draft

boards were urged on March 16 to step up the induction of fathers and to seek out men now needlessly deferred in industry and agriculture. This was reported in Associated Press accounts from Washington on March 16, which indicated that Gen. Hershey in a letter to all boards, had said:

"We must, in the future, make fathers available in increasingly greater numbers to meet induction requirements. At the same time we must secure men from other classes and particularly we must secure men, fathers and non-fathers, from the group now deferred in industry and agriculture."

It was also stated in the press advices that Mr. Hershey estimated the revised regulation limiting occupational deferments for men under 26 would mean the drafting of 200,000 to 250,000 out of about 380,000 now deferred in war industries.

Hull's 17-Point Program Of U. S. Foreign Policy

A 17-point program of American foreign policy enunciated by Secretary of State Hull, was made public in a statement issued by the State Department on March 21. Mr. Hull described as "the paramount aim of our foreign policy" the "defeat of our enemies as quickly as possible." He declared that "cooperation between nations in the spirit of good neighbors, founded on the principles of liberty, equality, justice, morality and law, is the most effective method of safeguarding and promoting the political, the economic, the social and the cultural well-being of our nation and of all nations." He also contends that "some international agency must be created which can—by force, if necessary—keep the peace among nations in the future."

We are giving further below in full the statement embodying the principles set out by Secretary Hull which, almost with their issuance, claimed Congressional interest. As to this, special advices from Washington March 22 to the New York "Times" said:

The Senate Foreign Relations Committee spent two hours with Mr. Hull behind closed doors, and a group of 24 first-term Republican members of the House, adherents of international cooperation, accepted an invitation from Mr. Hull to confer with him on Friday (March 24).

Senator Tom Connally of Texas, Chairman of the Foreign Relations Committee, said Mr. Hull gave the members a broad picture of foreign relations, "bringing us up to date all over the world."

Mr. Hull, who appeared at the Committee's request, said he had discussed "whatever they wanted discussed." Neither would disclose whether or not Mr. Hull's 17 points had entered the discussions.

Mr. Hull's invitation to the 24 "freshmen" members of the House to call upon him resulted from a letter they sent to him a week ago, requesting information "as to the objectives of American policy and the steps currently being taken in furtherance of these objectives."

Members of the group said, after a meeting today at which accepted the invitation, that the 17 points enunciated yesterday failed to answer the questions.

With respect to Mr. Hull's conference on March 24 with a group of Republican members of the House, Associated Press Washington advices stated:

Secretary of State Hull conferred with Republican Congressmen seeking specified data on United States foreign policy. Representative Clare Booth Luce, Connecticut, said afterward, "silence is still the State Department's settled policy," while others described the conference as helpful.

Text of State Department's Statement

As made public by the State Department, the statement on U. S. foreign policy follows:

Secretary of State Cordell Hull on March 21 informed press and radio correspondents that after returning from his recent trip to Florida he had noted a growing interest in the foreign policy of the United States and an increasing number of requests for information about various points in our foreign policy. He said that he was glad of this increased interest. The Secretary said that in addition to many statements and declarations by the President, he had himself made a number of basic statements on foreign policy during the past two years. He thought it would be a convenience and help to the public generally if there could be compiled a brief memorandum of a number of them. Accordingly, the following had been prepared:

Bases of the Foreign Policy of the United States

Our Fundamental National Interests—In determining our foreign policy we must first see clearly what our true national in-

terests are. At the present time the paramount aim of our foreign policy is to defeat our enemies as quickly as possible. Beyond final victory, our fundamental national interests are the assuring of our national security and the fostering of the economic and social well-being of our people.

International Cooperation—Cooperation between nations in the spirit of good neighbors, founded on the principles of liberty, equality, justice, morality, and law, is the most effective method of safeguarding and promoting the political, the economic, the social, and the cultural well-being of our nation and of all nations.

International Organization Backed by Force—Some international agency must be created which can—by force, if necessary—keep the peace among nations in the future. A system of organized international cooperation for the maintenance of peace must be based upon the willingness of the cooperating nations to use force, if necessary, to keep the peace. There must be certainty that adequate and appropriate means are available and will be used for this purpose.

Political Differences—Political differences which present a threat to the peace of the world should be submitted to agencies which would use the remedies of discussion, negotiation, conciliation, and good offices.

International Court of Justice—Disputes of a legal character which present a threat to the peace of the world should be adjudicated by an international court of justice whose decisions would be based upon application of principles of law.

Reduction of Arms—International cooperative action must include eventual adjustment of national armaments in such a manner that the rule of law cannot be successfully challenged so that the burden of armaments may be reduced to a minimum.

Moscow Four Nation Declaration—Through this declaration, the Soviet Union, Great Britain, the United States and China have laid the foundation for cooperative effort in the post-war world toward enabling all peace-loving nations, large and small, to live in peace and security, to preserve the liberties and rights of civilized existence, and to enjoy expanded opportunities and facilities for economic, social and spiritual progress.

Spheres of Influence and Alliances—As the provisions of the four-nation declaration are carried into effect, there will no longer be need for spheres of influence, for alliances, for balance of power, or any other of the special arrangements through which, in the unhappy past, the nations strove to safeguard their security or to promote their interests.

Surveillance Over Aggressor Nations—In the process of re-establishing international order, the United Nations must exercise surveillance over aggressor nations until such time as the latter demonstrate their willingness and ability to live at peace with other nations. How long such surveillance will need to continue must depend upon the rapidity with which the peoples of Germany, Japan, Italy and their satellites give convincing proof that they have repudiated and abandoned the monstrous philosophy of superior race and conquest by force and have embraced loyally the basic principles of peaceful processes.

International Trade Barriers—Excessive trade barriers of the many different kinds must be reduced, and practices which impose injuries on others and divert trade from its natural economic course must be avoided.

International Finance—Equally plain is the need for making national currencies once more freely exchangeable for each other at stable rates of exchange; for a system of financial relations so devised that materials can be produced and ways may be found of moving them where there are markets created by human need; for machinery through which capital may—for the development of the world's resources and for the stabilization of economic activity—move on equitable terms from financially stronger to financially weaker countries.

Atlantic Charter: Reciprocal Obligations—The pledge of the Atlantic Charter is of a system which will give every nation, large or small, a greater assurance of stable peace, greater opportunity for the realization of its aspirations to freedom, and greater facilities for material advancement. But that pledge implies an obligation for each nation to demonstrate its capacity for stable and progressive government, to fulfill scrupulously its established duties to other nations, to settle its international differences and disputes by none but peaceful methods, and to make its full contribution to the maintenance of enduring peace.

Sovereign Equality of Nations—Each sovereign nation, large or small, is in law and under law the equal of every other nation. The principle of sovereign equality of all peace-loving States, irrespective of size and strength, as partners in a future system of general security will be the foundation stone upon which the future international organization will be constructed.

Form of Government—Each nation should be free to decide for itself the forms and details of its governmental organization so long as it conducts its affairs in such a way as not to menace the peace and security of other nations.

Non-Intervention—All nations, large and small, which respect the right of others are entitled to freedom from outside interference in their internal affairs.

Liberty—There is no surer way for men and for nations to show themselves worthy of liberty than to fight for its preservation, in any way that is open to them, against those who would destroy it for all. Never did a plainer duty to fight against its foes devolve upon all peoples who prize liberty and all who aspire to it. All peoples who, with "a decent respect to the opinions of mankind," have qualified themselves to assume and to discharge the responsibilities of liberty are entitled to its enjoyment.

Dependent Peoples—There rests upon the independent nations a responsibility in relation to dependent peoples who aspire to liberty. It should be the duty of nations having political ties with such peoples to aid them to develop materially and educationally, to prepare themselves for the duties and responsibilities of self-government, and to attain liberty. An excellent example of what can be achieved is afforded in the record of our relationship with the Philippines.

Haskell OCD Director

The appointment by President Roosevelt of Lieut. Gen. William N. Haskell, retired, to be Director of the Office of Civilian Defense, succeeding James M. Landis, was recently announced. Mr. Landis several months ago left for Cairo as U. S. Economic Coordinator in the Middle East. In special Washington advices to the New York "Herald Tribune" March 10, it was stated that the President

Steel Output Slated To Be Slightly Lower— Buying Hampered By Long Wait For Delivery

"Steel" of Cleveland, in its summary of the iron and steel markets, on March 27, stated in part as follows: "Steel buying is somewhat slower than in recent weeks, attributed to inability to obtain delivery promises on current orders until late in the year. Government agencies continue to place fairly heavy lots for nearby shipment, directives to obtain prompt delivery causing other tonnages to be deferred."

"Demand is not curtailed and pressure for shipment is strong, production being at a high point and tonnage moving from mills at a record rate. Most emphasis is on flat-rolled steel, plates and sheets, but bars are gaining momentum after the lull early in the year. Aided by heavy demand for light sections for shipbuilding, structural steel deliveries are somewhat more extended."

"Pig iron production in February totaled 5,083,013 net tons, compared with 4,766,001 tons in the same month last year and 5,275,852 tons in January. During February production was at 96.3% of capacity, while in January it was at 93.4%."

"Blast furnaces depending principally on Lake Superior iron ore smelted 7,207,342 gross tons of ore in February, compared with 7,103,914 tons in the same month last year. Ore on hand at furnaces and on Lake Erie docks March 1 totaled 28,909,576 tons, compared with 32,743,294 tons a year earlier."

"Renewed activity in railroad equipment, which started with unusually heavy buying in February, is continuing, a number of inquiries being out and several

lots being placed with carbuilders. Office of Defense Transportation has asked allocation of 2,200,000 tons of steel rails for 1944, compared with 1,538,943 tons delivered in 1943. Rail mills are operating at capacity to meet deliveries on approved tonnages."

"Decline of beehive coke production, which has been progressing since the first of the year, has leveled off with about 1,000 ovens idle, and output now is well balanced with demand. Most of the suspended ovens provided merchant coke for blast furnaces now idle."

The American Iron and Steel Institute on March 27 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 99.1% of capacity for the week beginning March 27, compared with 99.2% one week ago, 97.5% one month ago and 99.5% one year ago. The operating rate for the week beginning March 27 is equivalent to 1,775,200 tons of steel ingots and castings, compared to 1,777,000 tons one week ago, 1,746,500 tons one month ago and 1,723,000 tons one year ago.

Factory Workers Hours And Earnings Higher

Declines in employment produced 5.8 million fewer hours of manufacturing work in the mid-week of January than in the mid-week of December, Secretary of Labor Frances Perkins reported on March 23. "In spite of this decline, there was an increase in the work-week from 44.8 to 45.1 hours, arising largely because of the abnormally high flu-induced absenteeism in December," she said, and added:

"In the mid-week of January, 616½ million hours of manufacturing time were worked, about 20½ million less than in November, 1943, the peak month. The decline in employment of 347,000 over this two-month period was primarily responsible for the decrease in total hours. However, the average number of hours per week also declined from 45.5 to 45.1."

"Five of the durable-goods groups reported fewer manufacturing hours per week in January than in December. The decline of 1½ million hours in the transportation equipment group and of 63,000 hours in the iron and steel group were due entirely to employment drops. However, the declines in the other three groups, namely, lumber, furniture and stone, reflected a shorter work-week coupled with declines in employment. The largest increase in total manufacturing hours occurred in the automobile group and took place in spite of a decline in employment. The average hours per week in this industry increased 4% between December and January. Similarly, the lesser increases in the ma-

chinery, electrical machinery and the non-ferrous groups all occurred because the work-weeks were lengthened sufficiently to more than offset declines in employment."

"While all but two of the non-durable groups showed declines in their total manufacturing hours, the largest declines occurred in the textile and food groups. In the textile group employment and average hours per week declined simultaneously while the decline of over a million hours in the food group occurred in spite of an increase in the work-week of from 45.5 to 45.9. Factory workers in the non-durable group as a whole put in 3½ million fewer man-hours per week in January than in December."

"Average weekly earnings in January amounted to \$45.15. The earnings in the durable-goods group where most of the war production is concentrated amounted to \$51.21 while the earnings in the non-durable group averaged \$35.91. The increase in weekly earnings of almost \$1 in the apparel group reflects the widespread wage-rate increases granted to the industries in this group. Weekly earnings in this group still average slightly less than \$29."

"The average hours per week in both anthracite and bituminous coal mining declined between December and January. Average hourly earnings in both these industries increased about one cent between December and January and are now five cents more than in November. The increase in hourly earnings in bituminous coal mining reflects the payment of portal-to-portal pay while the increase in the anthracite mining industry is the result of the 32.2 cents a day increase to anthracite miners. Both of these increases were effective in November."

told General Haskell he was "to lead in the . . . adjustment of our efforts to the task before us," without specifying the task. From the "Herald Tribune" we also quote:

"In a 400-word letter to General Haskell, Mr. Roosevelt acknowledged that the function of the OCD had changed since the danger of air raids on the United States evaporated, but he did not make it clear what he wanted the OCD to do now. He did say that "the Federal Government . . . cannot relax its responsibility to give the great volunteer armies of civilians the information they require as men and women engaged together in all our States and towns, in national defense at home."

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 March 18, 1944 is estimated at 11,920,000 net tons, a decrease from the preceding week of 290,000 tons, or 2.4%.

According to the U. S. Bureau of Mines, output of Pennsylvania anthracite for the week ended March 18, 1944 was estimated at 1,231,000 tons, a decrease of 19,000 tons, or 1.5%, from the preceding week.

The Bureau of Mines also reported that the estimated production of byproduct coke in the United States showed a decrease of 4,600 tons when compared with the output for the week ended March 11, 1944.

The total production of soft coal in the week ended March 18 is estimated at 11,920,000 net tons, a decrease from the preceding week of 290,000 tons, or 2.4%.

Cumulative production of soft coal in 1944 to date is 3.7% above that in 1943.

ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS (Data for Pennsylvania anthracite from Weekly Anthracite and Beehive Coke Report of the Bureau of Mines.)

Table with columns for Week Ended (March 18, 1944; March 20, 1943; March 18, 1944) and January 1 to Date (March 20, 1944; March 20, 1943; March 20, 1944). Rows include Bituminous coal and lignite, Total incl. mine fuel, and Daily average.

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

Table with columns for Week Ended (March 18, 1944; March 20, 1943; March 18, 1944) and Calendar Year to Date (March 23, 1944; March 20, 1943; March 23, 1944). Rows include Penn. anthracite, Total incl. coll. fuel, Commercial prod., and Byproduct coke.

ESTIMATED WEEKLY PRODUCTION OF COAL, BY STATES (In 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.)

Large table showing coal production by state for March 11, 1944; March 4, 1944; March 13, 1943; and March 13, 1937. States listed include Alabama, Alaska, Arkansas, Colorado, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, Montana, New Mexico, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, and Wyoming.

Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and on the E. & 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. *Less than 1,000 tons.

Proposal To Revive Crop Insurance Under Bill Introduced By Fulmer

A proposal to revive and expand Federal crop insurance was submitted to Congress on March 20 by Representative Hampton P. Fulmer, Chairman of the House Agriculture Committee.

The insurance program on wheat had been in effect five years and on cotton for two years before Congress last year ordered the Federal Crop Insurance Corporation liquidated because of heavy losses to the Government.

Under Representative Fulmer's bill, the wheat insurance program would be continued on the basis of per acre yield. Coverage would be up to 75% of the "normal yield" of counties in which the insured farmer lives.

tobacco and rice, however, the grower would be insured for 75% of the cost of investment in cases of total loss.

The Government would continue to bear the cost of administration through the insurance corporation. But if the premium collections were insufficient to pay the losses for any one year, the corporation could provide only enough additional funds to permit payment of within 15% of the maximum 75% than can be paid for total losses.

Premiums would be set by the corporation.

Electric Output For Week Ended Mar. 25, 1944 Shows 12.2% 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 Mar. 25, 1944, was approximately 4,409,159,000 kwh., compared with 3,928,170,000 kwh. in the corresponding week a year ago, an increase of 12.2%.

PERCENTAGE INCREASE OVER PREVIOUS YEAR. Table with columns for Major Geographical Divisions (New England, Middle Atlantic, Central Industrial, West Central, Southern States, Rocky Mountain, Pacific Coast) and Total United States. Rows show percentages for Mar. 25, Mar. 18, Mar. 11, and Mar. 4.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours). Table with columns for Week Ended (1944, 1943, 1942, 1932, 1929) and % Change over 1943. Rows list dates from Jan. 1 to Mar. 25.

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). Table with columns for 1944 Daily Averages, U. S. Govt. Bonds, U. S. Corporate Bonds, Corporate by Ratings (Aaa, Aa, A, Baa), and Corporate by Groups (R. R., P. U., Indus.). Rows list dates from Mar. 28 to Feb. 25.

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices). Table with columns for 1944 Daily Averages, U. S. Govt. Bonds, U. S. Corporate Bonds, Corporate by Ratings (Aaa, Aa, A, Baa), and Corporate by Groups (R. R., P. U., Indus.). Rows list dates from Mar. 28 to Feb. 25.

Davis Of WLB Declares Subsidies Help To Maintain Wage Scales

A warning to Congress that if subsidies are abandoned "we couldn't hold present wage scales," was given by Chairman William H. Davis of the War Labor Board.

This is learned from Associated Press Washington advices, March 23, which stated that he told the Senate Banking Committee that the Board, meanwhile, would continue to adhere to the "Little Steel" wage formula unless inquiries now under way should convince the members that it causes "gross inequities and injustice."

Mr. Davis departed from a prepared statement in which he said wage rates have been stabilized when Senator Danaher (R.-Conn.) asked him if it was his purpose to "ask Congress to up the 'Little Steel' formula," under which the Board limits average wage-scale increases to 15% above Jan. 1, 1941, levels.

"We have no such purpose," Mr. Davis replied.

He said the Board yesterday initiated inquiries into whether the "Little Steel" formula had held wages down to the point where it has created injustices.

Earlier, he declared that any attempt to limit "take home" earnings of workers might prove "disastrous to the war effort."

Mr. Davis contended that WLB decisions on wage increase demands have not disturbed the basic living cost structure, and added that increases in actual earnings, not subject to wage rate controls, are not "inconsistent with objectives of the stabilization program."

Introduce Bill Upping Federal Debt Limit

Legislation to increase the Federal debt limit to \$260,000,000, the highest in the history of the United States, was introduced in the House on March 23 by Representative Doughton (Democrat), of North Carolina, Chairman of the House Ways and Means Committee.

The limit now is \$210,000,000—raised from \$125,000,000 last March, it was pointed out in Associated Press accounts from Washington, which also stated:

"President Roosevelt, in his budget message to Congress early in the year, estimated the public debt would reach \$258,000,000 by June 30, 1945. Last Monday (March 20) the debt was \$184,648,000,000, compared with \$115,438,000,000 on the corresponding date last year and \$43,000,000,000 on July 1, 1940.

"Since July 1, 1940, Congress has authorized war expenditures aggregating \$327,000,000,000, much of which has not yet been used.

"The President has asked Congress to appropriate approximately \$99,000,000,000 for the fiscal year beginning July 1, of which about \$93,000,000,000 would be for war purposes."

Moody's Daily Commodity Index

Table showing commodity index values for Tuesday, March 21, 1944; Wednesday, March 22; Thursday, March 23; Friday, March 24; Saturday, March 25; Monday, March 27; Tuesday, March 28; and various weekly and monthly averages.

Trading On New York Exchanges

The Securities and Exchange Commission made public on Mar. 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 Mar. 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 Mar. 4 (in round-lot transactions) totaled 1,400,607 shares, which amount was 16.35% of the total transactions on the Exchange of 4,285,150 shares. This compares with member trading during the week ended Feb. 26 of 1,314,279 shares, or 15.18% of the total trading of 4,328,350 shares. On the New York Curb Exchange, member trading during the week ended Mar. 4 amounted to 473,860 shares, or 14.35% of the total volume on that exchange of 1,651,070 shares; during the Feb. 26 week trading for the account of Curb members of 344,825 shares was 13.91% of total trading of 1,239,195 shares.

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

WEEK ENDED MARCH 4, 1944			
A. Total Round-Lot Sales:	Total for Week	%	
Short sales	88,660		
Other sales	4,196,490		
Total sales	4,285,150		
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	344,850		
Short sales	50,010		
Other sales	302,720		
Total sales	352,730	8.14	
2. Other transactions initiated on the floor—			
Total purchases	223,640		
Short sales	5,300		
Other sales	222,430		
Total sales	227,730	5.27	
3. Other transactions initiated off the floor—			
Total purchases	129,256		
Short sales	3,900		
Other sales	118,501		
Total sales	122,401	2.94	
4. Total—	697,746		
Short sales	59,210		
Other sales	643,651		
Total sales	702,861	16.35	

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

WEEK ENDED MARCH 4, 1944			
A. Total Round-Lot Sales:	Total for Week	%	
Short sales	16,415		
Other sales	1,634,655		
Total sales	1,651,070		
B. Round-Lot Transactions for Account of Members:			
1. Transactions of specialists in stocks in which they are registered—			
Total purchases	103,660		
Short sales	3,995		
Other sales	126,690		
Total sales	130,685	7.10	
2. Other transactions initiated on the floor—			
Total purchases	73,470		
Short sales	4,250		
Other sales	60,955		
Total sales	65,205	4.20	
3. Other transactions initiated off the floor—			
Total purchases	43,695		
Short sales	2,850		
Other sales	54,295		
Total sales	57,145	3.05	
4. Total—			
Total purchases	220,825		
Short sales	11,095		
Other sales	241,940		
Total sales	253,035	14.35	
C. Odd-Lot Transactions for Account of Specialists—			
Customers' short sales	0		
Customers' other sales	58,932		
Total purchases	58,932		
Total sales	37,952		

*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's rules are included with "other sales."

§Sales marked "short exempt" are included with "other sales."

Wholesale Commodity Index Advanced 0.2% In Week Ended March 18, Labor Dept. Reports

During the week ended March 18 the Bureau of Labor Statistics' index for commodity prices in primary markets advanced 0.2%, principally because of much higher prices for grains, livestock, and cotton, the U. S. Labor Dept. announced March 23. It added that the general level for the nearly 900 price series now stands at 103.6% of the 1926 average. It is 0.3% above a month ago and 0.6% higher than the corresponding week of last year, said the Department, which further reported:

"Farm Products and Foods—Prices for farm products in primary markets rose 0.9% during the week. Sharply higher prices were reported for rye and wheat, for cows, hogs, and sheep, and for cotton. Markets for fruits and vegetables were mixed. Quotations for lemons, onions, sweet potatoes, and apples were higher, while prices for oranges, apples in New York market and white potatoes in Chicago were lower. Quotations for eggs averaged lower although increases were reported for the Chicago and New Orleans markets. In addition to these price changes, quotations for flour were slightly higher and cheese advanced fractionally at San Francisco. Compared with the corresponding week in March 1943, average prices for farm products were up by 1.7%, but for foods they were 2.3% lower.

"Industrial Commodities—Anthracite prices went down this week in a number of cities in addition to those where declines had occurred earlier in March, reflecting the discontinuance of the temporary upward price adjustment permitted by OPA during February to cover the beginning of the 7-day work week. The change, however, was not sufficient to affect the fuel and lighting materials group. In the building materials group, higher prices were reported for rosin and turpentine, for common brick in a few markets, and for second grade maple flooring. As a result the level for the group was fractionally above a week ago. Except for these changes, markets for other major industrial products continued to show relative stability and remained unchanged from the preceding week."

The following notation was contained in the Department's announcement:

Note—During the period of rapid changes caused by price controls, 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 (1) index numbers for the principal groups of commodities for the past 3 weeks, for February 19, 1944 and March 20, 1943, and the percentage changes from a week ago, a month ago, and a year ago and (2) percentage changes in subgroup indexes from March 11 to March 18, 1944.

WHOLESALE PRICES FOR WEEK ENDED MARCH 18, 1944 (1926=100)

Commodity Groups—	1944			1943			Percentage change to March 18, 1944 from—		
	3-18	3-11	3-4	2-19	2-11	2-4	2-19	2-11	2-4
All commodities	103.6	103.4	103.4	103.3	103.0	103.0	+0.2	+0.3	+0.6
Farm products	124.5	123.4	123.2	122.8	122.4	122.4	+0.9	+1.4	+1.7
Foodstuffs	104.6	104.6	104.5	104.1	107.1	107.1	0	+0.5	-2.3
Hides and leather products	117.6	117.6	117.6	117.7	118.4	118.4	0	-0.1	-0.7
Textile products	97.3	97.3	97.3	97.2	96.8	96.8	0	+0.1	+0.5
Fuel and lighting materials	83.6	83.6	83.7	83.7	80.8	80.8	0	-0.1	+3.5
Metals and metal products	103.8	103.8	103.8	103.8	103.9	103.9	0	0	-0.1
Building materials	113.8	113.7	113.7	113.7	110.4	110.4	+0.1	+0.1	+3.1
Chemicals and allied products	100.4	100.4	100.4	100.4	100.0	100.0	0	0	+0.4
Housefurnishing goods	105.9	105.9	105.9	106.2	104.2	104.2	0	-0.3	+1.6
Miscellaneous commodities	93.3	93.3	93.3	93.3	91.2	91.2	0	+0.1	+2.3
Raw materials	113.9	113.3	113.2	113.0	111.5	111.5	+0.5	+0.8	+2.2
Semimanufactured articles	93.5	93.5	93.5	93.5	92.9	92.9	0	0	+0.6
Manufactured products	100.6	100.6	100.6	100.6	100.6	100.6	0	0	0
All commodities other than farm products	99.2	99.2	99.2	99.2	98.8	98.8	0	0	+0.4
All commodities other than farm products and foods	98.2	98.2	98.3	98.2	96.6	96.6	0	0	+1.7

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM MARCH 11, 1944 TO MARCH 18, 1944

Increases		Decreases	
Livestock and poultry	1.9	Paint and paint materials	0.2
Other farm products	0.3	Brick and tile	0.1
Grains	0.2	Cereal products	0.1
Other foods	0.1		
Anthracite	0.6	Fruits and vegetables	0.2
Mixed fertilizers	0.2		

Civil Engineering Construction \$32,909,000 For Week Tops Week Ago By 12%

Civil engineering construction volume in continental United States totals \$32,909,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 12% higher than in the preceding week, but 56% lower than the volume reported for the corresponding 1943 week by "Engineering News-Record." The report made public on March 23 continued as follows:

Public construction is 18% above last week as a result of the 23% gain in Federal work, and is responsible for the increase over a week ago as private work is 25% lower. Compared with the 1943 week, however, public is down 49%, and private construction is down 79%.

The current week's construction brings 1944 volume to \$420,710,000 for the 12 weeks, a decrease of 50% from the \$839,041,000 reported for the period in 1943. Private construction, \$88,090,000, is 7% above last year, but public work, \$332,620,000, is down 56% due to the 59% decline in Federal work.

Civil engineering construction volumes for the 1943 week, last week and the current week are:

	Mar. 25, 1943	Mar. 16, 1944	Mar. 23, 1944
Total U. S. construction	\$74,130,000	\$29,415,000	\$32,909,000
Private construction	15,705,000	4,304,000	3,236,000
Public construction	58,425,000	25,111,000	29,673,000
State and municipal	4,356,000	2,874,000	2,299,000
Federal	54,069,000	22,237,000	27,374,000

In the classified construction groups, gains over last week are in bridges, commercial building and large-scale private housing, public buildings, earthwork and drainage, and unclassified construction. Earthwork and drainage is the only class of work to report an increase over the 1943 week. Subtotals for the week in each class of construction are: waterworks, \$172,000; sewerage, \$357,000; bridges, \$89,000; industrial buildings, \$1,628,000; commercial building and large-scale private housing, \$1,355,000; public buildings, \$14,903,000; earthwork and drainage, \$2,134,000; streets and roads, \$1,845,000; and unclassified construction, \$10,426,000.

New construction capital for the week totals \$2,044,000, a decrease of 40% from volume for the week last year. The week's new financing is made up of \$2,000,000 in corporate security issues, and \$44,000 in State and municipal bond sales. New construction financing for 1944 to date, \$177,233,000, is 183% above the \$62,718,000 for the 12 weeks of 1943.

Derieux In OPA Post

The appointment of James C. Derieux, former Regional Administrator at Atlanta, Ga., to the position of Deputy Administrator for field operations in the national headquarters of the Office of Price Administration in Wash-

ington, was announced on March 5 by Price Administrator Chester Bowles. At the same time, Mr. Bowles announced that Alexander Harris, former Assistant Regional Administrator at Atlanta, would succeed Mr. Derieux as Acting Regional Administrator.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on March 18 a summary for the week ended March 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 March 11, 1944	
Odd-Lot Sales by Dealers (Customers' purchases)	Total for Week
Number of orders	21,469
Number of shares	612,010
Dollar value	\$24,230,501
Odd-Lot Purchases by Dealers (Customers' sales)	
Number of orders	254
Customers' short sales	22,326
Customers' other sales	
Customers' total sales	22,580
Number of Shares:	
Customers' short sales	7,949
Customers' other sales	628,484
Customers' total sales	636,433
Dollar value	\$20,913,026
Round-Lot Sales by Dealers (Customers' purchases)	
Number of Shares:	
Short sales	170
Other sales	194,070
Total sales	194,240
Round-Lot Purchases by Dealers (Customers' sales)	
Number of Shares:	179,220

*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."

Cotton Spinning For February

The Bureau of the Census announced on March 18, that according to preliminary figures, 23,330,558 cotton spinning spindles were in place in the United States on Feb. 29, 1944, of which 22,513,390 were operated at some time during the month, compared with 22,217,994 for January, 22,596,322 for December, 22,623,406 for November, 22,599,426 for October, 22,631,338 for September, and 22,906,562 for February, 1943. The aggregate number of active spindle hours reported for the month was 9,665,632,766. Based on an activity of 80 hours per week, the cotton spindles in the United States were operated during February, 1944, at 123.3% capacity. This percentage compares, on the same basis, with 124.0 for January, 115.3 for December, 125.3 for November, 129.5 for October, 127.5 for September, and 135.9 for February, 1943. The average number of active spindle hours per spindle in place for the month was 414.

Greene To Join Internat'l Statistical Bureau, Inc.

Wil Greene, Deputy Director of the Textile, Clothing and Leather Division of the Office of Civilian Requirements, War Production Board, will join the International Statistical Bureau, Inc., on April 3, according to A. W. Zelomek, President of the Bureau. Mr. Greene will be Director of Textile-Apparel Research for the Bureau. It is announced that Mr. Greene has been with the War Production Board, first with the Office of Civilian Supply and then with the Office of Civilian Requirements, for the past two and a half years. Prior to that he was with Fairchild Publications as assistant Dry Goods editor of the Daily News Record for nearly 20 years.

Mr. Greene was also consulting editor to the International Statistical Bureau before his Government association.

Daily Average Crude Oil Production For Week Ended Mar. 18, 1944 Increased 4,100 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended March 18, 1944, was 4,385,275 barrels, an increase of 4,100 barrels over the preceding week, and a gain of 481,625 barrels per day in excess of that recorded for the corresponding period of last year. The current output was also 16,975 barrels per day more than the daily average figure recommended by the Petroleum Administration for War for the month of March, 1944. Daily output for the four weeks ended March 18, 1944, averaged 4,420,800 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 4,437,000 barrels of crude oil daily and produced 13,393,000 barrels of gasoline, 1,603,000 barrels of kerosene, 4,596,000 barrels of distillate fuel oil and 9,293,000 barrels of residual fuel oil during the week ended March 18, 1944, and had in storage at the end of that week 86,185,000 barrels of gasoline, 6,861,000 barrels of kerosene, 31,808,000 barrels of distillate fuel and 51,010,000 barrels of residual fuel oil. 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)

State	P. A. W. Recommendations	State Allowables	Actual Production		4 Weeks Ended	Week Ended							
			Week Ended	Change from Previous Week									
Oklahoma	328,000	327,000	329,400	+ 1,100	327,450	342,450							
Kansas	285,000	269,400	284,150	+ 24,650	274,050	315,400							
Nebraska	1,000		1,350	+ 50	1,350	2,350							
Panhandle Texas							92,850		96,100		88,600		
North Texas							142,600		141,650		137,000		
West Texas							340,900		348,250		218,100		
East Central Texas							118,600		116,700		99,800		
East Texas							365,100		374,200		323,400		
Southwest Texas							291,500		290,450		172,400		
Coastal Texas							513,800		514,800		353,600		
Total Texas							1,838,000	\$1,854,302	1,863,350		1,882,150	1,392,900	
North Louisiana									76,200		350	76,350	88,950
Coastal Louisiana									283,950			283,650	250,600
Total Louisiana							347,700	372,700	360,150		350	360,000	339,550
Arkansas							76,700	78,591	79,700	+ 400	79,300	70,800	
Mississippi							46,000		38,700	- 4,250	42,150	58,300	
Alabama									25				
Florida									50		50		
Illinois							215,000		207,700	- 19,200	215,000	229,500	
Indiana							13,600		11,850	- 3,450	13,350	13,750	
Eastern (Not incl. Ill., Ind., Ky.)							72,200		72,150	+ 3,500	91,950	78,350	
Kentucky							24,000		19,100	- 5,850	21,650	17,000	
Michigan							52,000		53,750	+ 250	53,000	55,700	
Wyoming							93,000		94,500	+ 2,000	93,500	90,050	
Montana							24,000		20,800	- 2,000	20,800	17,800	
Colorado							7,000		7,900	+ 200	7,800	6,850	
New Mexico							111,700		112,850	+ 50	112,900	92,400	
Total East of Calif.							3,534,900		3,557,475	+ 1,000	3,596,450	3,123,150	
California							833,400	\$833,400	827,800	+ 5,100	824,350	780,500	
Total United States							4,368,300		4,385,275	+ 4,100	4,420,800	3,903,650	

*P.A.W. recommendations and state allowables, as shown above, represent the production of crude oil only, and do not include amounts of condensate and natural gas derivatives to be produced.

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. March 16, 1944.

‡This is the net basic allowable as of March 1 calculated on a 31-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 20 days, the entire state was ordered shut down for 8 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 8 days shutdown 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, WAX OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED MARCH 18, 1944

(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	% Re-Porting	Crude Runs to Still Daily Average	% Operated	Gasoline Production at Refineries	Stocks of Gasoline	Stocks of Unfinished Fuel Oil	Stocks of Distillate Fuel Oil	Stocks of Residual Fuel Oil
District—									
*Combin'd: East Coast	2,448	90.0	2,268	92.6	6,806	37,080	14,416	15,316	
Appalachian—									
District No. 1	130	83.9	103	79.2	281	2,012	1,051	200	
District No. 2	47	87.2	53	112.8	153	1,268	349	147	
Ind., Ill., Ky.	824	85.2	769	93.3	2,676	20,056	5,481	2,943	
Okla., Kans., Mo.	416	80.1	351	84.4	1,158	8,187	1,562	1,256	
Rocky Mountain—									
District No. 3	8	26.9	10	125.0	28	77	20	28	
District No. 4	141	58.3	103	73.0	288	2,100	355	511	
California	817	89.9	780	95.5	2,003	15,405	8,574	30,609	
Total U. S. B. of M. basis March 18, 1944	4,831	87.1	4,437	91.8	13,393	86,185	31,808	51,010	
Total U. S. B. of M. basis March 11, 1944	4,831	87.1	4,387	90.8	13,068	86,559	32,705	51,362	
U. S. Bur. of Mines basis March 20, 1943			3,592		10,228	94,477	32,933	68,299	

*At the request of the Petroleum Administration for War, finished, 75,524,000 barrels; unfinished, 10,661,000 barrels. †At refineries, at bulk terminals, in transit and in pipe lines. ‡Not including 1,603,000 barrels of kerosene, 4,596,000 barrels of gas oil and distillate fuel oil and 9,293,000 barrels of residual fuel oil produced during the week ended March 18, 1944, which compares with 1,652,000 barrels, 4,243,000 barrels and 8,796,000 barrels, respectively, in the preceding week and 1,428,000 barrels, 3,956,000 barrels and 7,151,000 barrels, respectively, in the week ended March 20, 1943. Note—Stocks of kerosene at March 18, 1944 amounted to 6,861,000 barrels, as against 6,851,000 barrels a week earlier and 5,284,000 barrels a year before.

National Fertilizer Association Price Index Declines Fractionally

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public March 27, declined fractionally to 137.2 in the week ending March 25 from 137.3 in the preceding week. A month ago this index registered 137.0 and a year ago 135.9, based on the 1935-1939 average as 100. The Association's report added:

The all-commodity price index receded slightly after advancing steadily for three consecutive weeks. The farm products group declined to the level of a month ago as quotations for good and choice cattle and light and heavy hogs were lower. Prices for calves and lambs continued to advance. Higher prices were also quoted for rye and cotton. The foods group advanced fractionally as higher prices for potatoes and oranges were more than sufficient to offset lower prices for eggs and Wisconsin Dairies cheese. The textiles group continued to move into higher ground as cotton and brown sheetings advanced. The average of industrial commodities remained the same.

During the week seven price series advanced and six declined; in the preceding week there were nine advances and two declines; and in the second preceding week they were evenly balanced with three advances and three 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
		Week Mar. 25, 1944	Week Mar. 18, 1944		
25.3	Foods	137.9	137.7	138.4	137.7
	Fats and Oils	146.1	146.1	146.1	148.0
	Cottonseed Oil	159.6	159.6	159.6	155.8
23.0	Farm Products	157.0	158.5	157.0	201.7
	Cotton	202.1	200.9	199.0	164.8
	Grains	164.8	164.8	147.7	152.4
	Livestock	147.1	149.7	130.1	121.8
17.3	Fuels	130.1	130.1	131.4	130.4
10.8	Miscellaneous commodities	132.2	132.2	131.4	151.5
8.2	Textiles	152.2	152.0	151.8	151.5
7.1	Metals	104.4	104.4	104.4	104.4
6.1	Building materials	127.7	127.7	127.7	126.6
1.3	Chemicals and drugs	117.7	117.7	117.7	117.9
.3	Fertilizer materials	119.7	119.7	119.7	119.8
.3	Fertilizers	104.2	104.2	104.2	104.1
.3	Farm machinery				
100.0	All groups combined	137.2	137.3	137.0	135.9

*Indexes on 1926-1928 base were: March 25, 1944, 106.9; March 18, 107.0, and March 27, 1943, 105.9.

Non-Ferrous Metals—Allotment Of Foreign Lead For April Larger—Zinc Demand Gains

"E. & M. J. Metal and Mineral Markets," in its issue of March 23 stated:

"Consumers of lead asked for more foreign metal for delivery during April than for any month so far this year. Even should domestic lead supplies available for shipment next month be somewhat smaller, the combined shipments of domestic and foreign metal will be up, pointing to increased consumption of lead. Zinc showed greater activity as April certificates began to circulate in the market. Copper is going into consumption at the highest rate on record. There were no important price developments in non-ferrous metals during the last week."

The publication further went on to say in part:

Copper
Producers of copper were busy last week arranging for April shipments that promise to be virtually as large as those of March. Owing to the manpower situation at the mines, smelters, and refineries, which is expected to become more serious this summer, WPB is asking for full production wherever possible. Michael Schwarz, head of the Copper Division, believes that mine output this year will be less than in 1943. The industry is not so pessimistic, because new production will contribute a fair tonnage to this year's total.

Matahambre, operating in Cuba, will continue to sell 1,600 tons of copper monthly to the United States Government during April, May, and June at 13.9c a pound.

The brass mill industry of the United States produced 5,610,026,000 lb. of alloyed and unalloyed products in 1943, an all-time high, according to the Copper Division, WPB. Production, by months, in thousands of pounds, follows:

Month	Alloyed Products	Unalloyed Products	Totals
January	426,848	37,672	464,520
February	405,792	34,418	440,210
March	461,837	37,526	499,363
April	441,479	33,248	474,727
May	452,148	32,248	484,396
June	425,627	32,044	457,671
July	396,827	28,820	425,647
August	426,356	30,452	456,808
September	450,404	29,418	479,822
October	461,774	29,582	491,356
November	461,773	29,428	491,201
December	415,314	28,991	444,305
Totals	5,226,179	383,847	5,610,026

Zinc
Some consumers obtained certificates for April metal from the Zinc Division, which was reflected in an improved demand for zinc during the last week. The volume of business is expected to increase next week as additional requests are passed upon in Washington. Actual consumption of zinc has increased since the beginning of the year, and observers believe that March deliveries should approach 70,000 tons, against a monthly average of not much more than 63,000 tons for the first two months of 1944. However, with production continuing at around 80,000 tons a month, the demand-supply situation remains easy.

Tin
The position of tin in the post-war world is being subjected to wide study by various authorities

in London. The Tin Research Institute hopes to expand consumption to approximately 250,000 tons a year, a figure well above the average of normal pre-war years.

Quotations for tin were unchanged. Straits quality tin for shipment, in cents a pound, was as follows:

	March	April	May
March 16	52.000	52.000	52.000
March 17	52.000	52.000	52.000
March 18	52.000	52.000	52.000
March 20	52.000	52.000	52.000
March 21	52.000	52.000	52.000
March 22	52.000	52.000	52.000

Chinese, or 99% tin, continued at 51.125c. all week.

Quicksilver
Demand for mercurials has been slow ever since price uncertainty developed in the metal. To stimulate demand in what now appears to be a more stable market for quicksilver, makers of salts on March 21 revised their price schedules downward.

Quotations for quicksilver continued last week at \$130 to \$135 per flask, New York.

Silver
Domestic consumption of silver in 1943 totaled 118,000,000 oz., according to the War Production Board. About 71,000,000 oz. was accounted for by consumption in essential applications.

The London market for silver was unchanged at 23½d. The New York Official for foreign silver continued at 44¼c., with domestic metal at 70¾c.

Daily Prices
The daily price of electrolytic copper (domestic and export refinery), lead, zinc and Straits tin were unchanged from those appearing in the "Commercial and Financial Chronicle" of July 31, 1942, page 380.

Sen. George Proposes Simplifying Tax More

Senator Walter F. George of Georgia said on March 19 that the Senate Finance Committee intends to work out a further tax-simplification feature, one which would eliminate or ease the task of filing quarterly estimates on future income and taxes. This is learned from United Press advices from Washington, which also said:

"He declined to disclose the details, but said the plan was aimed at relieving the burden which falls on those whose incomes are 'almost impossible' to forecast. His proposal would particularly benefit professional and commission men whose income varies from month to month.

"Under the present law some 15,000,000 of the country's 50,000,000 taxpayers are required to file an advance estimate of their earnings and make quarterly payments on what they expect their tax will be. Such declarations must be made by persons whose tax payments are not covered by withholding taxes.

"Senator George said that many of the 15,000,000 had fairly stable incomes and therefore could file estimates once a year without facing the danger of greatly overestimating or underestimating. For these, he said, there was no great problem.

"But a large number are compelled to file revised estimates every three months because of fluctuating income. This group faced a difficult problem because it was almost impossible for them to forecast their income quarterly.

"He praised the progress made by the House Ways and Means Committee on tax simplification, saying, 'The general program commends itself, and rapid and splendid progress has been made'."

Revenue Freight Car Loadings During Week Ended March 18, 1944 Increased 4,909 Cars

Loading of revenue freight for the week ended March 18, 1944, totaled 786,442 cars, the Association of American Railroads announced on March 23. This was an increase above the corresponding week of 1943 of 18,308 cars, or 2.4%, but a decrease below the same week in 1942 of 10,212 cars or 1.3%.

Loading of revenue freight for the week of March 18 increased 4,909 cars, or 0.6% above the preceding week.

Miscellaneous freight loading totaled 377,061 cars, an increase of 4,048 cars above the preceding week, and an increase of 9,449 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 106,110 cars, an increase of 1,972 cars above the preceding week, and an increase of 7,281 cars above the corresponding week in 1943.

Coal loading amounted to 169,342 cars, a decrease of 3,134 cars below the preceding week, and a decrease of 4,270 cars below the corresponding week in 1943.

Grain and grain products loading totaled 44,958 cars, a decrease of 598 cars below the preceding week but an increase of 1,818 cars above the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of March 18 totaled 30,070 cars, a decrease of 117 cars below the preceding week but an increase of 321 cars above the corresponding week in 1943.

Livestock loading amounted to 14,587 cars, an increase of 330 cars above the preceding week, and an increase of 2,070 cars above the corresponding week in 1943. In the Western Districts alone loading of livestock for the week of March 18, totaled 10,729 cars, an increase of 572 cars above the preceding week, and an increase of 1,425 cars above the corresponding week in 1943.

Forest products loading totaled 45,551 cars, an increase of 1,614 cars above the preceding week and an increase of 5,397 cars above the corresponding week in 1943.

Ore loading amounted to 13,693 cars, an increase of 452 cars above the preceding week but a decrease of 3,619 cars below the corresponding week in 1943.

Coke loading amounted to 15,140 cars, an increase of 225 cars above the preceding week, and an increase of 182 cars above the corresponding week in 1943.

All districts reported increases compared with the corresponding week in 1943 except the Pocahontas and Southwestern. All districts reported increases compared with 1942 except the Eastern, Allegheny, Southern and Northwestern.

	1944	1943	1942
5 Weeks of January	3,796,477	3,531,811	3,858,479
4 weeks of February	3,159,492	3,055,725	3,122,942
Week of March 4	788,255	748,926	770,485
Week of March 11	781,533	769,045	799,356
Week of March 18	786,442	768,134	796,654
Total	9,312,199	8,873,641	9,347,916

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended March 18, 1944. During the period 74 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED MARCH 18

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Eastern District—					
Ann Arbor	244	248	570	1,536	1,408
Bangor & Aroostook	3,018	2,777	2,308	258	282
Boston & Maine	6,890	6,274	7,849	15,822	16,170
Chicago, Indianapolis & Louisville	1,480	1,349	1,630	2,342	2,176
Central Indiana	49	28	33	38	60
Central Vermont	1,060	1,093	1,256	2,894	2,598
Delaware & Hudson	5,523	6,119	6,607	14,778	12,283
Delaware, Lackawanna & Western	7,389	7,542	8,543	12,844	10,786
Detroit & Mackinac	233	216	274	129	134
Detroit, Toledo & Ironton	1,800	1,884	2,200	1,592	1,560
Detroit & Toledo Shore Line	318	341	334	3,490	3,812
Erie	13,018	12,923	14,015	18,805	19,916
Grand Trunk Western	3,945	3,468	4,359	9,711	8,787
Lehigh & Hudson River	173	172	213	3,089	4,495
Lehigh & New England	1,882	1,868	1,379	1,588	1,749
Lehigh Valley	8,688	6,699	8,936	16,251	13,513
Maine Central	2,335	2,584	3,139	4,349	4,601
Monongahela	6,209	6,625	6,493	411	394
Montour	2,524	2,512	2,307	31	20
New York Central Lines	47,087	50,578	45,802	59,261	55,425
N. Y., N. H. & Hartford	10,178	10,038	12,106	20,680	21,667
New York, Ontario & Western	1,223	1,074	1,154	3,638	2,402
New York, Chicago & St. Louis	6,532	6,365	7,172	17,396	17,872
N. Y., Susquehanna & Western	471	361	513	2,598	2,907
Pittsburgh & Lake Erie	7,991	7,798	8,442	7,959	9,096
Pere Marquette	4,711	4,629	5,149	8,734	8,145
Pittsburgh & Shawmut	712	629	538	14	7
Pittsburgh, Shawmut & North	295	328	420	229	273
Pittsburgh & West Virginia	970	840	805	2,649	3,444
Rutland	358	351	518	1,117	949
Wabash	5,857	5,032	5,832	12,738	12,954
Wheeling & Lake Erie	4,771	4,975	4,916	4,584	6,779
Total	157,934	157,720	165,814	251,555	246,338
Allegheny District—					
Akron, Canton & Youngstown	715	840	706	1,340	1,335
Baltimore & Ohio	41,752	40,065	41,494	29,331	30,192
Bessemer & Lake Erie	2,878	3,167	3,388	1,384	1,508
Buffalo Creek & Gauley	314	325	314	3	4
Cambria & Indiana	1,753	1,971	1,900	12	29
Central R. R. of New Jersey	6,725	6,846	8,411	21,781	21,113
Cornwall	479	636	103	67	96
Cumberland & Pennsylvania	191	290	303	13	8
Ligonier Valley	123	133	135	62	84
Long Island	1,260	843	793	4,162	5,075
Penn.-Reading Seashore Lines	1,602	1,681	1,857	2,603	2,879
Pennsylvania System	78,443	76,935	81,320	65,127	64,599
Reading Co.	14,830	14,504	16,166	31,148	31,940
Union (Pittsburgh)	20,144	20,601	20,752	4,002	4,609
Western Maryland	4,377	3,996	4,138	13,169	15,305
Total	175,606	172,833	181,780	173,582	177,984
Pocahontas District—					
Chesapeake & Ohio	28,535	28,757	27,017	12,434	13,447
Norfolk & Western	21,596	22,921	22,548	7,544	7,179
Virginian	4,599	4,804	4,456	2,442	2,762
Total	54,730	56,482	54,021	22,420	23,388

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Southern District—					
Alabama, Tennessee & Northern	374	265	351	359	333
Atl. & W. P.—W. R. of Ala.	834	781	1,056	2,462	2,503
Atlanta, Birmingham & Coast	778	611	797	1,619	1,819
Atlantic Coast Line	14,513	15,592	13,945	11,659	11,764
Central of Georgia	4,132	4,140	4,581	5,479	5,365
Charleston & Western Carolina	398	423	426	2,036	1,879
Clinchfield	1,571	1,725	1,638	3,357	3,387
Columbus & Greenville	263	324	301	254	175
Durham & Southern	130	121	197	1,005	533
Florida East Coast	3,996	3,227	2,818	2,089	1,590
Gainesville Midland	62	45	43	150	156
Georgia	1,296	1,148	1,380	2,778	3,005
Georgia & Florida	545	377	373	842	810
Gulf, Mobile & Ohio	4,207	3,500	4,169	4,632	5,773
Illinois Central System	27,897	25,643	27,765	18,690	18,692
Louisville & Nashville	24,246	25,136	23,967	12,614	11,209
Macon, Dublin & Savannah	212	188	204	1,073	1,017
Mississippi Central	238	201	264	702	410
Nashville, Chattanooga & St. L.	3,449	3,180	3,728	4,965	5,301
Norfolk Southern	996	1,241	1,349	1,800	1,729
Piedmont Northern	411	343	495	1,465	1,403
Richmond, Fred. & Potomac	430	430	501	11,834	11,549
Seaboard Air Line	11,111	10,883	11,358	9,444	9,355
Southern System	24,041	22,690	24,860	24,999	24,570
Tennessee Central	751	560	653	989	862
Winston-Salem Southbound	140	121	132	1,015	907
Total	127,051	122,895	127,361	128,311	126,106
Northwestern District—					
Chicago & North Western	14,921	13,275	16,693	14,591	13,029
Chicago Great Western	2,816	2,187	2,581	3,082	3,121
Chicago, Milw., St. P. & Pac.	20,014	18,266	20,085	10,863	10,401
Chicago, St. Paul, Minn. & Omaha	3,334	2,836	3,393	4,037	3,495
Duluth, Missabe & Iron Range	1,108	1,013	1,213	217	236
Duluth, South Shore & Atlantic	751	451	694	563	442
Elgin, Joliet & Eastern	8,645	9,057	9,900	12,761	11,723
Ft. Dodge, Des Moines & South	385	399	511	105	100
Great Northern	12,623	8,731	11,402	5,205	4,897
Green Bay & Western	464	466	533	952	814
Lake Superior & Ishpeming	281	181	943	62	38
Minneapolis & St. Louis	1,778	1,837	1,794	2,223	1,934
Minn., St. Paul & S. S. M.	5,236	3,557	5,188	3,736	2,903
Northern Pacific	9,641	8,177	10,235	5,547	4,469
Spokane International	107	91	116	535	539
Spokane, Portland & Seattle	2,466	1,852	2,778	2,874	3,394
Total	84,568	72,376	88,059	67,353	61,535
Central Western District—					
Atch., Top. & Santa Fe System	21,083	22,452	21,857	12,669	13,058
Alton	2,964	2,833	3,415	4,399	4,061
Bingham & Garfield	557	515	582	91	122
Chicago, Burlington & Quincy	18,136	18,536	15,301	12,427	11,937
Chicago & Illinois Midland	3,057	3,302	3,022	994	781
Chicago, Rock Island & Pacific	10,989	11,427	11,137	13,490	13,682
Chicago & Eastern Illinois	2,554	2,435	2,635	6,520	4,753
Colorado & Southern	746	696	799	2,052	1,993
Denver & Rio Grande Western	3,235	3,127	2,864	5,980	5,789
Denver & Salt Lake	740	681	477	13	13
Fort Worth & Denver City	698	1,115	981	1,630	1,823
Illinois Terminal	2,063	1,866	2,175	2,181	1,767
Missouri-Illinois	1,037	945	1,331	611	439
Nevada Northern	1,762	2,112	1,965	139	121
North Western Pacific	766	976	1,021	767	679
Peoria & Pekin Union	15	30	13	0	0
Southern Pacific (Pacific)	29,783	26,582	27,856	14,166	12,821
Toledo, Peoria & Western	402	213	186	1,906	1,985
Union Pacific System	14,703	13,716	15,410	16,177	13,925
Utah	617	612	466	6	8
Western Pacific	1,853	1,966	1,729	4,009	2,944
Total	117,760	116,137	115,222	100,227	92,761
Southwestern District—					
Burlington-Rock Island	553	799	689	317	197
Gulf Coast Lines	6,087	5,520	5,141	2,450	2,282
International-Great Northern	1,778	2,216	2,369	4,347	3,483
Kansas, Oklahoma & Gulf	255	321	329	1,089	1,120
Kansas City Southern	5,850	4,608	4,013	2,717	3,154
Louisiana & Arkansas	3,028	3,181	2,862	2,635	2,458
Litchfield & Madison	317	336	364	1,030	1,078
Midland Valley	654	699	547	473	270
Missouri & Arkansas	194	117	210	482	440
Missouri-Kansas-Texas Lines	5,601	6,184	5,252	4,893	6,810
Missouri Pacific	15,361	16,574	15,935	20,807	17,191
Quanae Acme & Pacific	121	83	165	265	261
St. Louis-San Francisco	8,043	8,512	8,330	9,823	8,644
St. Louis Southwestern	3,023	2,917	3,325	6,867	5,640
Texas & New Orleans	12,283	13,480	10,181	5,790	6,434
Texas & Pacific	5,728	4,602	4,531	7,833	7,193
Weatherford M. W. & N. W.	89	113	137	31	34
Wichita Falls & Southern	28				

Items About Banks, Trust Companies

The New York Cotton Exchange will be closed on Good Friday and Saturday, April 7 and 8, according to an announcement on March 25 by Eric Alliot, President of the Exchange.

William J. Fisher, General Commercial Representative of the New York Telephone Co., has been elected a member of the Advisory Board of the Brooklyn Office of the Chemical Bank & Trust Company of New York. Mr. Fisher is past President of the Brooklyn Rotary Club and has been active in civic affairs in Brooklyn for many years. At various times during the past 15 years he has served as Chairman for the campaigns to raise funds in Brooklyn for such worthy causes as the Boy Scouts of America, United Hospital Fund, Family Welfare Fund and the American Red Cross.

Grace National Bank of New York has called a special meeting of its stockholders for April 25, to consider increasing its capital stock from \$1,500,000 to \$2,000,000, it is announced by Chester R. Dewey, President of the bank. If approved by the stockholders 5,000 additional shares will be offered to the stockholders at \$150 per share in the ratio of one new share for each three shares presently held, it was further announced. In a letter to the stockholders announcing the proposal, Mr. Dewey stated that after giving effect to the proposed increase, the bank's capital funds would be approximately \$5,080,000 and said, "this increase of capital funds, consistent with the increased business which the bank has enjoyed in recent years, will enable us to take advantage of the larger volume of business which is presently available."

Mr. Harold Kingsmill, President of Cerro de Pasco Copper Corp., and a Director of Homestake Mining Co. and the American Metal Co., Ltd., was elected a Director of Grace National Bank of New York, on March 24.

P. C. Robertson, Vice-President of the Title Guarantee & Trust Co. of New York, announces that at a meeting of the Trustees of the company on March 21, Albert B. Ashforth, Jr., was elected a Trustee. Mr. Ashforth is Senior Vice-President of Albert B. Ashforth, Inc., and is presently a Lieutenant in the United States Naval Reserve, having been commissioned in August of 1942.

It is also announced that at the same meeting the following personnel changes were made:

Douglas McKee, Assistant Vice-President in the Jamaica office, was elected a Vice-President of the company; Frederick J. Kaiser was appointed Assistant Manager of the Jamaica office; Glenn N. Curnow was appointed Counsel in the White Plains office.

The election of G. Hilmer Lundbeck, Jr., Managing Director in the United States, of the Swedish American Line, as a Trustee of the Excelsior Savings Bank of New York, was announced March 22, by Reginald Roome, President of the bank. Mr. Lundbeck is a Director of the Utility Equities Corp., the First York Corp., and Southeastern Shipbuilding Corp.

Robert M. Catherine, President of the Dollar Savings Bank of New York, announced on March 22, that Cloyd Laporte, a member of the law firm of Root, Clark, Buckner & Ballantine, has been elected a Trustee of the bank.

Eugene McCabe, Assistant Secretary of the Banking Department of the Guaranty Trust Co. of New York, died on March 28 at the Beekman Street Hospital following a short illness. Mr. McCabe had been associated with the

Guaranty Trust Co. for the last 27 years and was a member of the company's Quarter Century Club. He was born in New York City in 1891 and attended public schools here. He was for many years active in political circles in his home district in Manhattan and was Treasurer of the Amsterdam Democratic Club.

Benjamin Ogden Chisolm, philanthropist and retired banker, died on March 20 at the age of 78. Mr. Chisolm, a former U. S. Representative on the International Prison Commission, retired several years ago as Secretary and a trustee of the Greenwich Savings Bank of New York, in which capacities he had served since 1891.

Hornblower & Weeks announce an offering of 250 shares of stock of the Citizens and Manufacturers National Bank of Waterbury, Conn. The price at which the stock is offered is \$165 per share; the stock carries \$1.50 dividend payable April 1 to stock of record March 27, 1944, to yield about 3.63%.

The capital stock of the bank has a par value of \$100 per share. Dividends are payable quarterly Jan. 2, April 1, July 1, Oct. 1. The bank's statement as of Dec. 31, 1943, showed capital, \$600,000; surplus, \$600,000; undivided profits of \$301,002; and deposits of \$23,764,000.

Directors of the Republic National Bank of Dallas, Texas, at a special session on March 23 unanimously approved a plan for increasing the capital and surplus from \$10,000,000 to \$12,500,000. The proposal will be submitted for action to a called meeting of stockholders on April 3.

Information contained in the Dallas "News" with regard thereto said:

"Issuance of 62,500 additional shares of common stock and offered ratably to present stockholders at \$30 a share, will provide \$1,875,000, Fred F. Florence, President, announced after the directors' meeting. Of this total \$1,250,000 will be allocated to the new capital stock, bringing the current total from \$5,000,000 to \$6,250,000. The surplus also will be increased to \$6,250,000 by assigning \$625,000 from the new funds and the transfer of another \$625,000 from the undivided profits account."

The same paper quotes Mr. Florence as saying:

"The directors and officers of Republic National feel that this plan to increase the capital structure is appropriate in view of the large increase in its deposits and the volume of its business. * * *

"We feel sure the action contemplated will receive the commendation of our depositors throughout the country and of the public generally. The proposed capital and surplus of \$12,500,000 will better enable us to handle the growing volume of business that is steadily being developed throughout the Southwest. It will provide the bank with a capital structure that will contribute even more substantially toward the maintenance of Dallas as the financial center of the Southwest."

The oldest bank in California, Wells Fargo Bank & Union Trust Co. of San Francisco; this month enters its 93rd year. On March 18, 1852, Henry Wells and William G. Fargo established the banking and express company bearing their names. R. W. Washburn and Samuel P. Carter were dispatched to San Francisco and opened the first office on Montgomery St., between California and Sacramento, in July.

The announcement from the bank further says:

"Wells Fargo & Co soon opened offices in the booming mining

Sen. Shipstead Urged To Defeat Maybank Bill By Gandrud Of Minnesota Bank

Measure Would Permit Member Banks To Absorb Exchange Charges

Defeat of the Maybank bill to permit Federal Reserve member banks to absorb exchange charges is urged by Oluf Gandrud, President of the Swift County Bank of Benson, Minn., in a letter addressed to Senator Shipstead under date of March 22. Mr. Gandrud has also indicated his views in a letter to State banks, dated March 25, in which he says:

"For a number of years I have been interested as the head of a State bank in the preservation of the dual banking system and the value of independently operated banks in the rural communities. Our bank is not a member of the Federal Reserve System and is not on the par list.

"I am very much concerned about the controversy now so prominent in connection with Regulation Q. I am disturbed because of the apparent misunderstanding on the part of country bankers as to the ultimate effect that the defeat of the Maybank Bill (S. 1642) will have upon the small banks. I am enclosing a copy of a letter I wrote to Senator Henrik Shipstead explaining my position, and because of my sincere interest in my own bank, I am sending you the enclosure which I hope will stimulate interest on your part to oppose the legislation for the benefit of your own bank as well as mine."

Reference to the bill, and the companion House measure, the Brown Bill, appeared in our issue of March 2, page 921, in which it was noted that the proposed legislation was opposed by the Governors of the Federal Reserve system. The bill seeks to prevent the Reserve System from enforcing Regulation 2, the purpose of which is to prevent check absorption of exchange charges by member banks. Mr. Gandrud, in his letter to Senator Shipstead, stated that "if we face this issue squarely it would be to the interest of all banks if exchange were entirely abolished and bank checks could be accepted for face value, then bank checks would become a true medium of exchange, just the same as currency. I am convinced that much bad relations towards banks is a result of this charging

exchange." We give herewith Mr. Gandrud's letter to Senator Shipstead:

March 22, 1944

Hon. Henrik Shipstead,
United States Senate,
Washington, D. C.

My dear Friend:

Since talking to you, quite a controversy has developed as to the merits of the Maybank Bill, known as S. 1642. I received a circular letter this morning from the Federal Deposit Insurance Corporation strongly endorsing the legislation. I would like again to bring to your attention some of the features of the bill that I discussed with you during our visit in Minneapolis, and prevail upon you to give serious consideration to the issues involved in this bill and hope that you will use your best effort to defeat this bill in the Senate.

You will remember that when Congress was considering the bill to create the Federal Deposit Insurance Corporation, there was considerable opposition on the part of larger banks—which would pay a large share of the insurance premium or fee—on the ground that they would not benefit by this legislation because their deposits were, by the nature of their business, kept in very liquid position. You and I may have our own ideas as to the merits of this statement, but I think we are agreed that the insurance of bank deposits was a direct and material benefit to small rural banks. To compensate for this additional expense, the larger banks were assured, by provision in the law that they would save the payment of interest on daily balances which before that time had been the custom throughout the country.

All banks in Minnesota have lived up to the letter of the law and no banks, as far as I know, have absorbed the exchange in our State, and the banks in Minnesota will lose nothing by the enforcement of Regulation Q of the Federal Reserve Board. The rural state banks may continue to charge exchange on cash letters as they have in the past. It does not look fair to me that some of the banks in other States should chisel on this arrangement by absorbing the exchange, which is nothing more than a subterfuge to pay interest on daily balances. To pass a law to legalize such subterfuge should be below the dignity of Congress.

This law would also be inconsistent in its application because it would permit correspondent banks to pay what amounts to interest on daily balances to state banks which charge exchange, by absorbing the exchange, whereas the small rural national banks would not be accorded the same right and privilege because they are not permitted to charge exchange. To pass a bill which will permit a very small minority of banks to take advantage of the vast majority, certainly appears inconsistent to me.

If in the opinion of Congress, a rural bank should be entitled to interest on their daily balances, in addition to the cooperation of the larger banks in maintaining the Federal Deposit Insurance Corporation by paying insurance fees or premium, then an amendment to the present Banking Act should be passed that will make it legal for correspondent banks to pay interest on daily balances

to all banks. That would be honest, straight, and above board business. If this bill is passed, I think it will have far reaching consequences. Because of the discrimination between state and national banks that this bill would provide, it is quite logical to believe that the final result would be that the banks, who are now enjoying the exchange on cash letters, would lose the privilege of charging exchange—because if it would come to a shown down, public opinion would never tolerate the charging of exchange on bank checks throughout the nation.

I think this legislation is a political issue and is prompted by certain individuals for political expediency. Having been a stockholder of a bank yourself, you are sufficiently informed to know that if we face this issue squarely, it would be to the best interest of all banks if exchange were entirely abolished and bank checks could be accepted for face value, then bank checks would become a true medium of exchange, just the same as currency. I am convinced that much bad public relations towards banks is a result of this practice of charging exchange.

I think we are also agreed that to transfer funds and pay a customer's check at a distant point is a real service to the maker of the check, and he should and will be willing to pay for that service if he were asked to do so. This service of transferring funds for a customer of a bank should be paid for by a service charge, which, in my opinion, would be the easiest service charge to sell to your customer because other agencies perform that service—like the post office through the post office money order or the express company through the express money order—making a charge far in excess of what would be necessary to make it a profitable business to the banks. For the banks to charge for this service would not be unreasonable because the customer still could exercise the privilege of going to the post office to buy his money order and pay a higher rate (especially now after the increased rates), or he may choose to use the much more convenient method of writing his own personal check and pay a smaller service charge on that check when it is charged against his account. Some States have already made it illegal for banks to charge exchange on bank checks. The State of Iowa did so a year ago.

This attack upon the Federal Reserve System I think is unjustifiable and whatever the ultimate object of this may be, I think it should be opposed. The Federal Reserve System is a democratic institution and if properly administered, is certainly a basis of a sound financial banking system. I think what we as small country banks should be most interested in is to exert our rights to see that the Federal Reserve System is operated in the interest of both small and large banks, and I think that the trend is definitely towards giving more consideration to the rural banks. I know that is true in the American Bankers Association.

Thanking you for your vigorous effort in opposing the continuance of paying subsidies and trusting that in your good judgment, you will use your best effort to defeat this Maybank Bill in the Senate, I am

Respectfully yours,

Oluf Gandrud, President.

An item reporting opposition by the New York Bankers Association to the proposed legislation was given in our March 16 issue, page 1122.