

# The Commercial and FINANCIAL CHRONICLE

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## The Financial Situation

The past week or 10 days have been particularly rich in post-war discussions and proposals. The meetings of the American Federation of Labor and of the Academy of Political Science have contributed their full share of such public outgivings, and may have stimulated the output even where they were not directly responsible.

Philip Murray, President of the Congress of Industrial Organizations, writing to the British Trade Union Congress, suggests, apparently, a sort of motorized column to accompany, or immediately follow, the occupying forces upon the continent of Europe to make certain of permanent peace. Senator Taft warns his party that "the thing we have got too do as quickly as possible is to bring the Federal budget into balance and start paying off the enormous war debt. We cannot go on with deficit spending in peacetime if the nation's financial stability is to be maintained."

### Prices and Wages

Edwin G. Nourse, of the Brookings Institution, in an argument against post-war price policies based upon the "what-the-traffic-will-bear" theory, repeats the now familiar warnings that "unless productive capacity is aggressively used to produce more adequate consumers' goods than the masses have hitherto enjoyed, a popular demand for extensive government economic control is likely to arise." Relieving the monotony somewhat, however, he does take pains to include labor as well as management as being under the necessity of giving careful thought to these matters. "If unions seek to raise money wages," he warns, "without regard to whether the high price is accompanied by enlarged production, the result will be simply price inflation rather than real gains. While a small group within the economy can profit by wage policies which enforce scarcity prices (Continued on page 1636)

## The War Behind The War

By CHARLES HODGES\*

The Second World War is approaching its climax. At the same time, there is more and more of an effort to draw a dividing line—a dividing line between winning the war and winning the peace. I do not believe that war and peace can be separated. They are actually inseparable parts of the same thing—an organic process of destruction and reconstruction.



Charles Hodges

There seems to be in Washington—at least one definite line of policy which our diplomacy persistently follows. This is to defer decisions on post-war problems and peace planning until after the war has been won. This is not only wishful thinking on the part of the State Department; it is a dangerous attitude which ignores international realities. Our peace

objectives actually grow out of the war. We are making peace as we go along in this Second World War. We've reached a critical period and we'll have to move rapidly if we want a real peace between peoples instead of a truce in power politics.

Unless we formulate a definite American foreign policy in this year of decision, we will be confronted with a Third World War. That is a war we may well lose, for we will not be as fortunate next time in having allies to take the edge off the attack. I believe that this Third World War will hit us through Latin America unless far-seeing statesmanship takes hold right now.

I don't share the optimism that Secretary of State Hull's radio talk inspires in many of us.

From his over-publicized, platitudinous seventeen points to the

\*Remarks made by Mr. Hodges, who is Mutual Network's Foreign Affairs Expert and Professor of International Politics at New York University, at a luncheon meeting of the Foreign Affairs Forum of the New York Society of Security Analysts, April 11, 1944.

(Continued on page 1641)

## Senator Thomas Of Oklahoma Proposes Bill To Keep U. S. Obligations Valued At Or Above Par

### Professor Spahr Points Out Its Inflationary Tendencies And Analyzes The Amount of Government Securities Banks Can Absorb In View Of Reserve Requirements

Senator Elmer Thomas (Dem.-Okla.), on March 13, introduced a bill (S. 1769) which would authorize banks, trust companies and insurance companies, "for purposes of any requirement of Federal law or regulation," to value their holdings of U. S. Government obligations, both direct and guaranteed, at par value wherever the market value thereof happens to be less than the par value.



Sen. E. L. Thomas



Dr. Walter E. Spahr

The text of the bill, which has been referred to the Senate Committee on Banking and Currency, is as follows:

"Be it enacted, etc., That whenever the market value of any interest-bearing bond, note, or other evidence of indebtedness, which is a direct obligation of the United States or which is fully guaranteed by the United States as to principal and interest, and which is owned by a banking institution, a trust company, or an insurance company, is less than the par value thereof, such bond, note, or other evidence of indebtedness shall be deemed, for the purposes of any requirement of Federal law or regulation, to have a value equal to the par value thereof plus any accrued interest thereon."

Commenting on this proposal, Professor Walter E. Spahr, in the April 1 issue of "Monetary Notes," published by the Economists' National Committee on Monetary Policy, characterizes it as "a new inflation bill."

"The offering of such a bill," states Prof. Spahr, "is undoubtedly the next logical step to be taken by a government that has encouraged and invited a huge Federal debt by profligate waste and spending, and now has to face the harsh fact that a day inevitably arrives when the people may no

longer be able or willing to absorb the volume of Government securities pressed upon them, and may, instead, begin to dump them in the open market.

"When that day arrives, the banks will be forced to absorb all

they can; and, what they absorb, if the Thomas bill becomes law, will be carried at par.

"A question that will remain is this: What will happen after the banks have absorbed all they can, considering reserve requirements? Item 2, below, is devoted to this issue. Here we are concerned with the implications of the Thomas bill.

"What the Thomas bill does is to put the Government in a position, by law, to declare as true what may actually be false. In this way it adopts a policy for itself that it would not tolerate for private citizens. The banks' assets are to be declared to be of greater value than they actually are, should Government securities decline in price in the open market. To that extent, the banks' assets will be water and not equal in value to the banks' liabilities.

"Such a program may, for a time, bolster the market value of Government securities, and for this reason this step is the logical one to expect, considering the fiscal measures and philosophies our Government has been pursuing.

"But this attempt to ward off the approaching day of reckoning has great limits and risks, and the question arises as to whether it is not better to face realities now (Continued on page 1640)

## Says World Morality Needed To Ensure Lasting Peace

### A Comment On "Why A League Of Nations Will Not Ensure Permanent Peace"

Editor, "Commercial and Financial Chronicle":

I read with considerable interest Mr. Alexander Wilson's article, "Why A New League Of Nations Will Not Ensure Permanent Peace," which appeared in your issue of March 9, and that of Mr. William Garfield Lightbowne, given in your columns of March 16, under the caption, "Holds World Peace Body Offers Only Assurance Against Wars." It is my thought that you might be interested in giving the views of a member of the feminine sex on the subject matter of these discussions, namely, world peace objectives, which prompts my making the following observations:

Defeatism is saying that no matter what I do, no matter how I do it, I will never achieve my goal. Nothing can be accomplished by thinking along these lines; it is so negative a philosophy as to be incapable of bringing about even minor changes. Not only does it not build, it destroys; it destroys hope, ambition and the very spirit of man.

Realism, however, is another thing. Realism is saying that if I have only enough bricks for a two-story house I can't build a three-story house until I obtain more bricks. It does not say that I can never build a three-story house, only that I cannot do it under present conditions and things must be changed before I can reach my goal of a three-story house. This is true realism, and is not to be confused with the erroneous conception of real-

ism which seems to be so widespread today, the one in which "ruthlessness is confused with realism."

I do not believe Mr. Wilson is a defeatist, but a realist. I do not believe that when man has only enough bricks for a two-story house and you tell him that he won't be able to build a three-story house until he obtains more material you are to be considered a defeatist. You are telling him the truth and when he gets to the second floor he will see your point. Then he will have to get more bricks, and maybe the price will be higher, and maybe they won't match exactly, and maybe it will look like a very patched-up job. I wouldn't like to be the man who had assured him with a cheerful smile and a hearty, booming voice that, "of course, he could build a three-story house." He will feel betrayed and will probably make very cutting remarks about big bags of wind and rose-colored glasses. He'll be wishing he'd spent a little more time in getting all the ma-

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## Matthew Woll Upholds Atlantic Charter And Moscow Declaration

Vice-President Of A. F. Of L. Advocates Immediate Setting Up Of A United Nations Commission To Enforce The Announced Principles—Recommends An International Labor Office As Part Of Permanent "Community Of States"

In the opening address before the American Federation of Labor Forum at the Commodore Hotel, New York City, on April 12, Matthew Woll, Chairman of the organization's Post-War Planning Committee, urged the immediate creation of a United Nations Commission, which would supervise during the transition period the enforcement of the principles of the Atlantic Charter and the Moscow Declaration "pending the establishment of an all embracing community of States." His remarks announcing this viewpoint follow:



Matthew Woll

"We must declare clearly and unequivocally that, in full accord with the laboring masses of our Allies, we want a world in which the relations between peoples and States shall be determined not by force but by consideration of the principles of national freedom and self-determination of nations; a world in which international conflicts shall be adjusted by amicable and only by amicable means, in the manner formulated by the President of the United States and the Prime Minister of Great Britain in August, 1941, in the document that has come to be known as the Atlantic Charter. That document was subsequently signed and accepted by all the United Nations, including China and Soviet Russia. It received added emphasis in the joint declaration of the four great powers at the Moscow Conference in October, 1943.

"We of organized labor are neither jurists nor scientists but we interpret and accept the Moscow Declaration whole-heartedly at its face value. This declaration provides that none of the Allied nations shall seek any territorial aggrandizement; that no territories shall be transferred to any other State without a clear and democratic expression of the will of their people; that every people shall be accorded the right and opportunity to determine its form of government. We continue to support these principles and we object to any abandonment or modification of the Atlantic Charter to meet the demands of any particular State, however powerful it may be.

"Organized labor is composed of simple folk who demand that nations, like individuals, shall be obliged to follow the procedure of law, arbitration and abandonment of force in the settlement of conflicts and grievances. For this purpose there must be created an over-all international organization, which would embrace all nations, without exception, great and small, and which would accord equal protection to the strong as well as to the weak in their just demands and needs. If the matter at issue involves territories and frontiers, it should be decided by a plebiscite of the population of the territory in question, in accordance with the principles laid down in the Atlantic Charter, and not by the unilateral use of force on the part of the stronger party. We cannot recognize the right of one contesting party, however strong and

however great the service it has rendered to the common cause, to settle territorial differences in any other way than by the democratic process prescribed by international agreement and obligatory upon all, the strong and the weak alike. If, proceeding from a false 'realism' we accept the violation of the principles of the Atlantic Charter, we shall undermine the very foundation upon which we seek to establish the edifice of the future community of nations, and all our declarations concerning the rights of peoples, and all our assurances concerning the equality of all before the law will be rendered unconvincing and hypocritical. The proposed new order would then be founded, as before, upon force, upon the balance of power, upon military alliances, upon division of the world into spheres of influence, with all the inevitable consequences with which we are so familiar. "The danger would then arise that the peace that will crown this terrible, bloody war would be only an interlude preparatory to another, even more terrible world catastrophe. For this reason it is necessary to set up at once a United Nations Commission, which would supervise, during the transition period, the enforcement of the aforesaid principles, pending establishment of an all-embracing community of States.

"Good neighborly economic cooperation in mutual trust and help is needed for relief and reconstruction in the period of transition from the war to a peace economy and for permanent security of employment and greater welfare thereafter. The United Nations should immediately begin relief activities designed to save the lives of the millions now starving in Axis-occupied countries. Nations that have been devastated by the war should be supplied with the materials and equipment necessary for reconstruction as soon as possible. With the aim of pursuing policies designed to assure the maximum utilization of manpower and creation of opportunities for full employment, an economic council of the United Nations should be established to coordinate the activities of the various international agencies which have been or will be instituted to carry out common economic tasks. Labor should be assured adequate representation in all these bodies.

"All States affiliated with the proposed international organization—the Community of States—should be required to become and remain members of the International Labor Organization and to abide by its laws and regulations. "And there are few things more important to the peace and security of the world than the close and continued cooperation of the American labor movement with the democratic labor movements of all countries.

"Such, we of the American Federation of Labor are deeply convinced, are the foundations upon which a stable and enduring peace can be built, a peace that would assure to the peoples and the workers of the world a constructive, orderly epoch of social and economic progress.

"We are convinced that the program we offer corresponds in full measure to the interests of all peoples, without exception. The

## Extraterritorial Rights In China Waived By Canada

Canadian press advices from Ottawa April 14 announced that on that day Canada had concluded a treaty with China formally relinquishing extraterritorial rights and other privileges which, under treaty provisions, Canada together with other nations previously exercised in China. The press advices from Ottawa, as given in the New York "Times," continued:

"Announcement of completion of the treaty was made tonight by Prime Minister W. L. Mackenzie King. It provides that not later than six months after the cessation of hostilities the two Governments will enter into 'a comprehensive modern treaty of friendship, commerce, navigation and consular rights.'

"The treaty completed today was signed by Premier King and by Dr. Liu Shih-shun, Chinese Ambassador to Canada. In its terms it is similar to the British extraterritorial treaty concluded on behalf of the United Kingdom, Northern Ireland and India on Jan. 11, 1943, and the United States treaty with China concluded on the same date.

"The first formal treaty ever signed by Canada with China, it provides that all international agreements that authorize any British or Canadian authority to exercise jurisdiction in China over Canadian nationals are abrogated.

"The Canadian Government agrees to cooperate with the Chinese Government in arrangements, as far as Canadian interests are concerned, for the abandonment by foreign Governments of special privileges held by them in Peking, Shanghai, Amoy, Tientsin, and Canton."

road to progress, to the welfare of all, to the lifting of work and living standards and to the expansion and maintenance of human freedom cannot be the road of new imperialistic conquests and territorial expansion, which must inevitably provoke the fear and envy of others, and would, in the final analysis, lead inevitably to the crystallization of two hostile blocs. This, in turn, would only accentuate the race for armaments and would open a new era of unprecedented militarization.

"The danger of any such development after the end of the present terrible war can be averted only by the close and honest cooperation of the great nations who will be the victors in the conflict. For with the destruction and elimination of the German military machine together with that ruling caste which, after each defeat, seeks to rebuild that machine for new wars; after the destruction of the naval and military power of Japan, after the achievement of the military objectives set at Teheran, the danger of new conflicts can arise only from within the victorious coalition. To avert that danger must be the chief and most important purpose of future policy. However, this purpose can be achieved only if the cooperation so solemnly promised in Moscow and Teheran will find expression not in mere declarations and hopes but in a real community of aims and methods.

"The aim of the United Nations must be the creation of an international order based upon the principles of the Atlantic Charter and accepted by all the Allies. The method must be the method of democratic procedure; clear expression of the will of the peoples, political, religious and cultural liberty, including freedom of labor organization.

"We call upon all peoples, upon all workers in the Allied countries as well as in the countries suffering under the heel of the conquerors, to join us in this program, not in lip service only but in aggressive, militant, determined action."

## Dewey Scores Bureaucratic Govt. Masquerading As Liberalism.

Says New York State Has \$163,000,000 In Trust For Post-War Use-Tax Simplification And Workable Soldier Vote Formula Cited Among Year's Accomplishments

During the course of his radio address of April 14, in which he reported to the citizens of New York State on the second year of his



Gov. Thos. E. Dewey

administration, Governor Thomas E. Dewey took occasion to deliver a stinging rebuke to what he characterized as "that type of personal government which talks fine phrases of liberalism while seeking to impose its will and its whims upon the people through centralized bureaucracies issuing directives from a distance." By way of contrast, the administration of the government of New York State, Mr. Dewey stated, has been freed of the "accumulated cobwebs of 20 years" and is now "filled with a spirit of teamwork between the legislative and executive branches . . . in cooperation with the people of the State and its local governmental units which are closest to the people."

The objective of his administration, Mr. Dewey said, is "to establish and maintain a genuinely competent and progressive government," as contrasted with that personal type of government "to which he had previously alluded.

The Governor disclosed that at the start of the current fiscal year on April 1, last, the State had an accumulated surplus in its Treasury of \$163,000,000, the result of "abnormal wartime conditions and of good State housekeeping." This money, he declared, has been deposited in a post-war reconstruction fund which the Legislature created at his suggestion as Chapter 1 of the Laws of 1944. The existence of the fund, the Governor noted, had been the target of various pressure groups bent on raiding "this war-time surplus." After stating that "many suggestions of pleasant and useful ways in which we might spend it" were received, Mr. Dewey stated, as follows:

"But it seemed to me, and to the Republican leaders of the Legislature, that this money was not really ours to spend. Rather, it was a fund to be held in trust for the million young men and women of our State who are in the armed forces, for the millions of war workers who, when hostilities end, will be changing over to peace-time jobs. When that time comes a great responsibility will fall upon the State, which it must be ready to meet without delay—to help industry convert to peace production and to contribute its own part through immediate launching of needed and deferred public works. . . .

"When the day of reconversion comes, New York State will approach it, not merely with blueprints and bond issues to create new debts: we will have, ready for instant use, a minimum of \$163,000,000 cold cash. Moreover, the State Department of Commerce is working intensively with business, big and small, all over the State, for the new industries and quick changeovers which will provide the great bulk of opportunity and employment for our people."

Among other subjects discussed by Mr. Dewey was the action taken by the State Legislature to establish a "simple, workable formula" which will facilitate voting by members of the armed forces,

continuance of the 25% reduction in State personal income tax payments and the adoption of a simplified form on which to file returns. Referring to the soldier-vote legislation, Mr. Dewey said: "Your State Administration also took the lead in proposing a simple, workable formula for soldier voting. Under the new State law, adopted at this last session, every member of the armed services desiring to vote has simply to send in his name and his home address. He will then receive in the mail a ballot and self-addressed envelope.

"This soldier ballot will not be the blank piece of paper which was sponsored in Washington. Nor will it, as the National Government tried to do, deprive the soldier of his constitutional right to vote for every office to be filled. It will give every man and woman in the armed services, by the simple act of signing his name once, a valid vote for every candidate from President down to the local officers in his hometown. Under this New York law, voting is simpler for a soldier on foreign service than it is for citizens here at home, and the honest ballots cast by real soldiers will not be cancelled by the frauds which other proposals would have permitted."

## Business Failures Lower

March business failures are lower in both number and amount of liabilities involved than in February, 1944 and March, 1943. Business insolvencies in March, according to Dun & Bradstreet, Inc., totaled 96 and involved \$1,460,000 liabilities as compared with 132 involving \$3,108,000 in February and 410 involving \$7,282,000 in March a year ago.

The decrease in the number of failures and the amounts involved in March from February took place in all of the divisions of trade into which the report is divided, without a single exception.

Manufacturing failures last month numbered 28, involving \$801,000 liabilities, compared with 32 in February with \$2,032,000 liabilities. Wholesale failures decreased from 10 to 5 and liabilities from \$107,000 in February to \$68,000 in March. In the retail trade section insolvencies were lowered from 49 to 43 and liabilities from \$391,000 in February to \$303,000 in March. Construction failures numbered 11 with \$115,000 liabilities in March, which compares with 19 with \$209,000 liabilities in February. Commercial service failures numbered 9 in March as compared with 22 in February and liabilities \$173,000 in March as against \$369,000 in February.

When the country is divided into Federal Reserve Districts, it is seen that the Cleveland and Atlanta Reserve Districts had more failures in March than in February, the Minneapolis Reserve District had only one, the same as in February; the Dallas Reserve District again did not report any failures, while all the remaining districts reported fewer failures. When the amount of liabilities is considered, it is found that the Cleveland, Richmond, Atlanta and Minneapolis Reserve Districts had more liabilities involved in March than in February, while the remaining districts, with the exception of the Dallas Reserve District, which did not have any, had smaller amounts of liabilities involved in March than in February.

## The State Of Trade

Much study and consideration is now being given to business and industry in the post-war period and the past week's news reflects to a degree the aims and tentative plans for coping with the multiplicity of knotty problems that will arise to plague mankind with the cessation of hostilities.

The task of reconversion and its attendant effects upon our economic structure are presently receiving respectful attention. Unemployment will without doubt present a serious problem if industry is unable to go through the process of reconversion in a speedy and orderly manner and at the same time keep pace with military demobilization.

At present industrial activity is showing signs of tapering off in some quarters, with fears being raised that this trend may grow more pronounced before the year expires, making for uneasiness all around. Credence is given to this state of mind by the observation of Brig. Gen. Leonard P. Ayres, economist and Vice-President of the Cleveland Trust Company, that our latest manpower crisis was "largely verbal," adding that "probably it will prove to be true that the peak of industrial production in this war period was reached last October and that the worst of our labor stringencies are behind us."

According to General Ayres' index, industrial production was 40.7 above the normal level last October and declined to 35.2 above normal in December. It rose moderately to 37.7 in January and to 38.7 in February. October was set as the indicated wartime peak production month by General Ayres, since 12 of 15 components of the production index, to quote the General, "have already reached peaks from which they have turned downward, and it seems improbable that most of them can regain their previous high volume."

High-ranking officials of the automobile industry, discussing with WPB officials the problems expected when reduced demand for munitions will permit return to civilian production, agreed that it would be inadvisable to resume manufacture of passenger cars until the government can authorize production of a minimum of 2,000,000 civilian vehicles. They expressed the belief that any smaller number would make reconversion uneconomical. The WPB commenting on the meeting stated that the industry felt a serious unemployment problem would develop with the decline of war production unless the change-over to peace production is "properly planned."

Turning to industrial activity the past week, in the field of electric production, results show that output of electricity declined to 4,361,094,000 kilowatt hours in the week ended April 8, from 4,408,703,000 kilowatt hours in the preceding week, as reported by the Edison Electric Institute. The current figures, however, represent a gain of 12.3% over a year ago total of 3,882,467,000.

Consolidated Edison Company of New York reports system output of 198,500,000 kilowatt hours in the week ended April 9, and compares with 173,400,000 kilowatt hours for the corresponding week of 1943, or an increase of 14.4%.

In the steel industry, it is noted that production of steel ingots and steel castings in March closely approximated the all-time record of last October, according to "Steel" magazine, in its current issue. Total output for last month was 7,804,704 net tons compared with 7,819,061 tons in October, 1943. In the previous week, demand for steel was well maintained, despite occasional gaps in rolling schedules as a result of changing requirements. These changes tended toward confusion in the delivery situation, but other pressing tonnage and delivery in major steel products is serving to take up the slack, be-

## Shippee Named To ABA Credit Policy Group

Lesler E. Shippee, Executive Vice-President of the Hartford-Connecticut Trust Company of Hartford, Conn., has been appointed to membership on the Credit Policy Commission of the American Bankers Association, it is announced by A. L. M. Wiggins, President of the Association. The Credit Policy Commission is a group whose membership is representative of the various committees of the Association dealing with credit problems. Mr. Shippee is Vice-President of the Connecticut Bankers Association. He began his banking career with the Windham County National Bank in Danielson, Conn., in 1914. After World War I he became associated with the Columbia Trust Co. in New York City, for the period 1919-1920. From 1922-1927 he was Deputy Bank Commissioner in Connecticut, and was Commissioner from 1927-1931. He joined the Hartford-Connecticut Trust Co. in 1931 as Vice-President, and was made Executive Vice-President in 1936.

Mr. Shippee is director of a number of corporations. In addition he is General Chairman of the Post-War Economic Development Council for Metropolitan Hartford. He is a director of the Hartford Chamber of Commerce and the Connecticut Chamber of Commerce, treasurer of the Hartford Community Chest, treasurer and director of the Governmental Research Institute, Inc., and treasurer and director of the Hartford Better Business Bureau.

ago for New York City as reported by the Federal Reserve Board was 17% for the week ending April 8.

Department store sales on a country-wide basis rose 23% for the week ended April 8, compared with the like week a year ago, as taken from the Federal Reserve Board's index, while sales for the four-weeks' period ended April 8, advanced 22% compared with a similar period last year, and by 6% for the year to April 8, over a like period in 1943.

Much is heard these days about the interference of government in the affairs of business, but in the retail trade merchants are not entirely opposed to regulations by the government as may be noted by their recent action.

Endorsement by 30 national and 18 State retail trade associations, representing more than half a million stores was given the extension of the Price Control Act for one year, according to the American Retail Federation in announcing a poll of its members. The Federation stated, however, that amendments were asked that would better protect retailers. One such amendment sought, the Federation pointed out, would limit the power to control profits to Congress through tax legislation.

War spending in these days is on an unprecedented scale and is causing taxpayers much concern and interest as to when the rising tide of debt will subside. The following will afford them some inkling as to the proportion reached in previous months.

War expenditures of the United States as disclosed by the OWI last week, reached a record monthly high in March and amounted to \$7,948,000,000, the former monthly record being \$7,808,000,000 disbursed in February. Expenditures for the first quarter of this year averaged \$7,724,000,000 monthly, an increase of 6.1% over the monthly average of \$7,283,000,000 for the fourth quarter of 1943. The average daily rate in March declined to \$294,400,000, as against \$312,300,000 during the month of February.

## From Washington Ahead Of The News

By CARLISLE BARGERON

The British press seems to be crying its collective heart out over the Wisconsin primary result and the withdrawal of Willkie. It means, they sob, that we are returning to our traditional isolationism, or rather the Republican party is. Unless FD is reelected the post-war world is lost. In this country, the Leftist press is screaming that the Republicans can't possibly escape their isolationist supporters now, and other editors are soberly cautioning that no isolationism can be read into the Wisconsin results, and that a disservice is being rendered by giving the world the impression that it was an isolationist victory. Mr. Hull, sounding a high note of world collaboration, pleads that both political parties stand together on it, that we not again fall into disunity among ourselves as we did so ignominiously before.

There is such an awful breast-beating about our collaborating "in the future," in fact, that nobody stops to ask whom we are to collaborate with. Russia? Stalin has taken the stand from the very beginning that he intends to go his own way in eastern Europe, and if there is one thing clear in all of the world mess, it is that he is determined to do it. From Mr. Hull's recent speech we gather that he is willing to let Stalin do this if he will only "collaborate" in doing it. The end would be the same but it would look much better if Stalin instead of saying plainly what he intends to do, would at least give the appearance of "collaborating." Apparently, he is so perverse as not to be willing to give the appearance of "collaborating" unless he can really collaborate in our Latin-American policy.

Mr. Hull will really accomplish something politically if he sells the Republicans on agreeing to his collaborationist policy. This would mean that after Stalin had done what he wants to do, we then agree to enforce the situation which he has brought about. If the Republican politicians subscribe to this they will be estopped from criticizing our post-war foreign policy, and there are those who insist that it should not be an issue in the campaign, but they will also have let themselves in for the charge that they have been wrong on foreign affairs in the past and that this is responsible for the mess we are in, which is a tune the New Dealers certainly intend to ring.

Notwithstanding this, we are inclined to think Mr. Hull will be successful. There is a tremendous "collaborationist" yearning among the Republican politicians. It is doubtful if there is so much of this yearning among the rank and file of people.

In the attitude of these Republican politicians there is a mixture of helplessness and of patriotism. When the politicians get into trouble, when the problems become too arresting, their inclination is to set up a commission, and now, after this country is in its second World War in a generation, so to speak, and the people are asking why, the tendency is to set up a commission, which is to say, an international tribunal of some kind.

But about the patriotic aspects of the Republicans in this matter, there is the disposition among them not to rock the boat while we are at war. We see no such tendency on the part of the New Dealers not to rock it. They carry on their class war; they get up a merry agitation about whether we should recognize De Gaulle and Badoglio, the so-called liberal or anti-liberal elements of Greece and Yugoslavia. They go along just as they were going before the war. The attitude of the Republican politicians—and we mean the Republican Congressmen and Senators and Governors, etc.; the professionals—is to present a united front to

the enemy... It would be nice if the New Dealers would play ball with them on this score. But the fact that they won't is not likely to dissuade the Republicans.

This being the manifest case, one wonders why the British are moaning so audibly over Mr. Roosevelt's prospective defeat. An anti-collaborationist trend, they say, when we have just read how Mr. Hoover and Ramsay McDonald sat over the Rapidan logs and discussed splitting up the world into two spheres, the reduction of navies and whatnot. How in the name of Heaven can you have any more collaboration than that?

The point is that we have always been "collaborating"; we'll be doing it to our dying day. The only possible difference on this "collaborationist" business between a Republican and New Deal administration is that the former will not scatter money around the world so freely as will the New Deal; that, instead, it will be finding out where some of the money has already gone. You can't escape wondering if that is what the British are worried about. If we ever move in and collaborate to the extent of "helping" them administer their possessions, "helping" them invest in and develop those possessions—oh, boy, what collaboration that would be.

## Latin American Problems Discussed

Export, import and transportation problems in Latin America were discussed on April 13 by representatives of W. R. Grace & Co. at the Round Table on Latin America, held at the New School for Social Research in New York City. John T. Kirby, Vice-President of W. R. Grace & Co., made the introductory remarks, which were followed by a general discussion.

Harold J. Roig, President, Pan American-Grace Airways; R. Ranney Adams, Executive Vice-President, Grace Line; Chester R. Dewey, President, Grace National Bank, and other executives of W. R. Grace & Co. and affiliated companies participated in the general discussion. Dr. Hans Staudinger, dean of the Graduate Faculty of Political and Social Science of the New School, acted as moderator, and Dr. Frederick Haussmann, chairman of the Round Table series, took part in the discussion.

Others who took part in the discussion and who put leading questions were the following:

Frank Tannenbaum of Columbia University and M. Vidal Guardiola, industrialist—discussion of the industrial development of the company in Peru and Chile and the cooperation of the company with the national economy of these countries.

Professor Henry Jordan, New York University—trade problems.

Jose Weissberger—transportation, shipping and air line problems.

Among others taking part in the discussion were Emilio Godoy, Charles Ney, William Flatow, George Horner, Walter Lindeman and Roy Russell, all from W. R. Grace & Co. and qualified through experience to discuss export and import problems in general and a few specific commodities, such as sugar, coffee, ores, metals, cotton and wool.

## A New Kind Of World?

A thorough analysis of the mistakes of the unhappy past, a study of current developments, and an examination of future possibilities have led us to the following conclusions as regards some of the basic problems involved in the future prevention of aggression and war:

1. The major nations together with the other law-abiding States should create an international organization for the maintenance of peace and security.

2. The major nations—and, in due course, all nations—should pledge themselves not to use force against each other or against any other nation, except on the basis of arrangements made in connection with such an international organization.

3. Each of the major nations, and any other nations to be agreed upon, should accept special responsibility for maintaining adequate forces and for using such forces, on the basis of arrangements made in connection with the international organization, to prevent or suppress all disturbances of the peace.

Our basic thought is that a general international organization of sovereign nations, having for its primary objective the maintenance of peace and security, should comprise effective agencies and arrangements for the pacific settlement of international controversies; for joint use of force to suppress disturbances of the peace, and for fostering cooperative effort among nations for the progressive improvement of the general welfare.—Breckenridge Long, Assistant Secretary of State.

Such schemes in the past have regularly been wrecked on the rocks of stubborn nationalism.

Obviously, they must always fail in a world composed of individual nations determined each to push its own interest to the limit.

Is there any reason to suppose another kind of world has come into being now?

## The Financial Situation

(Continued from first page)

on others, the advancement of workers' interests generally as consumers can come only from expansion rather than restriction of production. Labor as well as capital may price itself out of a market."

Dean Donald K. David, Dean of the Harvard Business School, is certain that "during the past year there has been a growing appreciation on the part of business leaders and of the public at large of the great importance of preparing currently for the resumption of normal industrial operations based on civilian requirements. The transition to successive phases of our war effort will inevitably involve the demobilization of certain portions of our armed forces. As these men return to this country they are going to want jobs—honest jobs, not relief work or the dole. And these jobs should be provided by private enterprise if we are to maintain sound economic and political conditions in this country. However, reasonably full employment in private enterprise without a serious delay is impossible unless we have effectively anticipated the intrinsic problems in the reconversion of the country's productive facilities. Any sound analysis of these problems raises questions of raw materials, of financial resources, of taxation, of mar-

keting methods, as well as many others."

### Public Policies

Henry E. Bodman, Counsel to the Automotive Council for War Production, being a practical man of affairs, addresses himself with greater particularity to problems which he and his clients are well aware will quickly and threateningly face business when the time comes to reconvert on a major scale. Says he:

"Legislative and administrative settlement procedures should be established without delay. These should include (1) provision for the prompt clearance of industrial plants; (2) for the prompt settlement of war contracts which will be final and conclusive except for collusion or fraud; (3) sufficient advance payments to free the working capital of war contractors so that civilian production can be resumed; (4) partial final settlements without waiting for approval of the entire claim, and (5) the protection of war contractors against insolvency of other war contractors to or for whom goods or services have been furnished in furtherance of the war effort."

Robert Gaylord, President of the National Association of Manufacturers, is likewise of a practical turn of mind, and in what he has had to say

during the past week, although perhaps somewhat weakened by phrases of little clear or definitive meaning, contributes in a concrete way to current post-war discussion. He says that "if business wishes to remain in private hands it must make its contribution to the country worth while. It must see that it is truly competitive, that it treats fairly the investors and labor who share in making it valuable, that it learns to avoid depressions which penalize all of us.

"Labor's part is no less important. If it wishes to be free and to choose its employment where it will and without restrictions, it must see that it produces effectively. There is no more place for monopoly in labor than there is for it in management. Specifically, this means that restrictions that are presently being placed on production in some places must be removed. It means that time-wasting and expensive regulations that make work for some but do not make for lower costs must be abolished.

"Nor are all detrimental government restrictions a matter of law," he said. "Some are by regulation, such as the present Treasury Department regulations which interfere with setting up adequate depreciation reserves. Unless business can scrap existing equipment as rapidly as economically possible so as to replace it with modern facilities that will produce better goods at lower prices, we will not make the strides to a better country that free enterprise permits."

### Labor's Responsibility

There is some evidence that the American Federation of Labor joins with the President of the National Association of Manufacturers in this general view of the situation, for at one point its official post-war program has this to say:

"In addition to its responsibility for craftsmanship and discipline of members and selection of officers to represent the union and negotiate contracts protecting members' rights and interests, the union must assume the responsibilities accompanying the establishment and maintenance of maximum levels of production and employment. This implies the unreserved cooperation necessary for full employment with review and revision of rules and practices which were developed to protect workers in a depressed and severely fluctuating economy."

Unfortunately, however, the same document contains this passage:

"For all wage-earners the American Federation of Labor proposes . . . restoration

of shorter work week without material reduction in weekly earnings. During the war wage-earners have contributed increased productivity to the war effort without compensation by increases in wage rates. Justice, therefore, requires that they return to normal hours without material change in weekly earnings."

Reduced to essentials, we have here a proposal which would increase hourly wages 10 or 15% in a number of industries over existing hourly earnings (swollen as these are with overtime penalty payments), and, of course, a much larger increase over the base wage rates existing now, and still more above those that existed immediately prior to the outbreak of war. Moreover, the increases thus provided would be divided in the most arbitrary way among the various groups of wage-earners. Such a suggestion can scarcely be regarded as cooperating to stimulate maximum production in the post-war world.

### Some Reservations

It would, of course, be unreasonable and in any event quite futile to expect uniform intelligence or constructiveness in such post-war discussion. Talk will, moreover, continue, regardless of its usefulness. The public, therefore, would do well to keep certain mental reservations "on tap," as it were, at all times. Some of them are:

(1) The post-war world will not be saved by glittering resolutions, no matter by whom adopted.

(2) Not much will be accomplished by talking vaguely about "responsibility" in the post-war world, by exhortation to "cooperate," or by effort to force prosperity as President Hoover did early in the 1929 depression.

(3) Indeed, "cooperation," no matter by whom or by whom demanded, is of much less importance than is commonly supposed. It is indeed quite possible to have too much cooperation. An ounce of competition is worth many pounds of cooperation.

(4) First and foremost, we must have wise public policies, which will leave as much as possible to the initiative, discretion and judgment of the individual.

### Money In Circulation

The Treasury Department in Washington has issued its customary monthly statement showing the amount of money in circulation after deducting the moneys held in the U. S. Treasury and by Federal Reserve Banks and agents. The figures this time are those of Feb. 29, 1944, and show that the money in circulation at that date (including of course that held in bank vaults of member banks of the Federal Reserve System) was \$20,823,585,532 as against \$20,529,050,611 on Jan. 31, 1944, and \$16,087,533,935 on Feb.

## Atlantic Charter Aims Require Sound Economic Policies

Dr. F. Cyril James, Principal and Vice-Chancellor of McGill University, Montreal, told the American Academy of Political and Social Science at Philadelphia on April 15 that the fulfillment of the Atlantic Charter will depend as much on the soundness of domestic economic policies as on recognition of international responsibility. We quote from an Associated Press dispatch from Philadelphia, on April 15, from which we also take the following:

Dr. James told the American Academy of Political and Social Science that the present war was caused in part by the "inefficiency" with which Western nations managed the reconstruction after the World War.

Failure to carry out the ideals reiterated from the Brussels Financial Conference in 1922 to the World Economic Conference in 1933 was due in part, he said, to the fact that there were serious internal economic difficulties within each of the Western nations involved. "Current suggestions that the period of reconstruction after this war will be different from any other period in human history are dangerous, since they invite the formulation of dreams that are not founded on reality," Dr. James said.

"When victory crowns the present struggle we shall have another opportunity. If the ideals of the Atlantic Charter are in very truth to be attained it is imperative that firm economic foundations should be laid for an enduring peace. Monetary stability and the liberation of world trade from its present fetters are still vitally important, but the attainment of these ideals will depend on the soundness of domestic economic policies as well as upon courageous recognition of international responsibility."

## Rule By "Bureaucratic" Mandate And Decree Condemned By Hawkes

Senator Albert W. Hawkes addressing members of the National Metal Trades Association at Syracuse, N. Y., on April 15 declared that Americans should "wake up and rearm" their government to make it their servant, not master, and condemned rule by "bureaucratic mandate and decree." A special dispatch to the New York "World-Telegram", from Syracuse, on April 15, from which we take the foregoing also quoted Senator Hawkes as follows:

If the people don't do this, he said, "the things for which we went to war will be lost."

Senator Hawkes declared that the three million persons on the public pay roll were "a menace to the rule by majority."

He demanded that Congress recover from the President "powers transferred to him unnecessarily," place a time limit on any future granted executive powers, exercise greater economy and efficiency in Government expenditures and see that "only qualified, efficient men, not political debtors, are appointed to Government jobs."

Senator Hawkes advocated preservation of State's rights, warning that the people of the states must not "feed the flames of centralized government" by wallowing in the trough of public expenditures. He urged Americans to "exercise their duties and responsibilities as free men" under the Constitution.

28, 1943, and compares with \$5,698,214,612 on Oct. 31, 1920. Just before the outbreak of the first World War, that is on June 30, 1914, the total was \$3,459,434,174.

## Hull In Pan-American Day Address Declares Inter-American Unity Respects Rights Of Others

Stressing the inter-American unity existing between the nations of America, Secretary of State Cordell Hull in an address on April 14, signaling the observance of Pan-American Day, took occasion to state that "our unity comes from a passionate devotion to human liberty and national independence which is so strong that it does not stop with the effort of each people to secure liberty for itself, but goes on to respect as no less valid the desire of other peoples to achieve the same liberty in accordance with their own traditions and historic institutions."

Secretary Hull, whose address was broadcast from Washington, noted that "as the years have gone on the true principles underlying inter-American unity have been made more specific as one inter-American conference has followed another"; in particular he made mention of the Montevideo conference in 1933, at which, he stated: "The American Republics affirmed their belief in certain essential principles upon which cooperation between nations and international order must be based." "Among them," he said, "was the principle that every nation, large and small, was equal before the law of nations. Another was the right of every nation to develop its own institutions, free from intervention by others." It was also observed by Mr. Hull that "we already see the beginning of a wider application of these basic principles. They were stated in the Atlantic Charter, the United Nations' Declaration, and the declarations made at Moscow."

In pointing out that "we citizens of this hemisphere have great opportunities before us," Secretary Hull stated:

"The community of action among the American nations, already highly developed, will at the end of the war be indispensable in the advancement of our economic well-being and in the establishment of an international organization to prevent the recurrence of world wars." "Together," he added, "we must foresee and prepare for the ever-greater common task of the peace."

Secretary Hull's address follows in full:

"Pan-American Day is an important anniversary to the nations of the Americas. We meet today to honor those whose vision and energy established and for more than 50 years have carried forward the Pan-American Union and all that it signifies. It is well to ask ourselves why it is that we can meet in the midst of the greatest war of history and why it is that we have so great an achievement to commemorate, for in doing so we may more clearly see the guideposts which point the true direction in which we may go forward to new cooperation among ourselves and new cooperation with other nations of the earth.

"Inter-American unity was not brought about by force and is not based upon the conception of a master race whose mission is to rule. It was not produced by nations with a homogeneous racial origin. It does not depend upon the words of a common language or a culture based on a common literature or common customs and habits.

"Were these the only sources of international unity and common action, the future for the world would be dark indeed. But inter-American unity proves that there are other sources more subtle and even stronger—sources which offer hope to a world which can find no hope in the factors which I have mentioned.

"Our unity comes from a passionate devotion to human liberty and national independence which is so strong that it does not stop with the effort of each people to secure liberty for itself, but goes on to respect as no less valid the desire of other peoples to achieve the same liberty in accordance with their own traditions and historic institutions.

"Although the language of Bolivar and San Martin was different from that of Washington and Jefferson, they were expressing the same purposes and principles and they led their countrymen along the same paths. These are the paths along which inter-American unity has developed, growing ever stronger as the American nations have come to understand one another and to have trust and confidence in one another's purposes and to work together for purposes so identical that they produced, not division and jealousy, but unity of thought and action.

"As the years have gone on, the true principles underlying inter-American unity have been made more specific as one inter-American conference has followed another. In the years between the world wars the trust and confidence between the American nations grew ever stronger, while elsewhere the growth of ambitions of conquest by force brought division and fear. It is the common pride of the American republics and the good fortune of all mankind that the torch of international cooperation has burned at its brightest in the affairs of this hemisphere precisely at a time when it was being blacked out elsewhere. It is natural that the history of an international association which has endured longer than any other should provide encouraging guidance for the future.

"At the Montevideo conference in 1933 the American republics affirmed their belief in certain essential principles upon which cooperation between nations and international order must be based. Among them was the principle that every nation, large and small, was equal before the law of nations. Another was the right of every nation to develop its own institutions, free from intervention by others.

"We already see the beginning of a wider application of these basic principles. They were stated in the Atlantic Charter, the United Nations Declaration, and the declarations made at Moscow. Specifically, it was agreed at Moscow that membership in the world security organization must be upon the basis of the sovereign equality of all nations, weak as well as strong, and the right of every nation to a government of its own choice.

"The Americans spoke with a united voice at Buenos Aires as early as 1936 and Lima in 1938 of the dangers to world peace which impended and took united action to defend the hemisphere against them. When the attack came, many of the American republics immediately sprang to the defense of the hemisphere. Shortly after the conference at Rio de Janeiro others took the same course.

"This chapter in our American history will ever be a gallant and glorious one. It teaches that unity of purpose, a common and passionate devotion to the maintenance of freedom, and mutual trust and confidence are the essential elements without which no amount of international organization and machinery can succeed. But it also teaches us and other nations that international organization and machinery are necessary.

"Successful as our common action has been, it has not been complete. And it took time, which may not always be available. Therefore, we learn that an international organization, whether in the field of inter-American cooperation or in the

broader field of world peace, must have the main supports. It must gather its greatest strength from the rightness and justness of the principles upon which it is founded and the mutual trust of its members. It must also have such an essential framework and machinery and such an acceptance of their obligations on the part of its members as will enable it to act promptly and effectively in times of crisis.

"Another guidepost for the future which our common experience before and during this war has raised is in the economic field. With the outbreak of the war the continent mobilized economically. The extent to which the products of the hemisphere have contributed to the growing success of the war against Germany and Japan cannot be overestimated. Millions of men and women throughout the hemisphere are devoting themselves unsparingly to the production of essential materials and to the forging of the weapons of our common victory. All this has been done under the great handicaps of the dislocations produced by the war.

"At the end of the war all of our countries will be faced by problems of immense gravity. Out of the experience of our association in peace and in war, we have learned that the expansion of material well-being can only come with an expansion of production and trade and hence an increase in consumption. We have learned, too, that no one nation can solve its problems by itself. An increase in production requires financing, a wise selection of the goods to be produced, and wise and fair commercial policies to enable goods to flow to their markets and necessary purchases to be made in return. All of this requires cooperative effort and the creation of international arrangements through which that effort may have concrete expression. But it requires something more than this. It requires the respect by each nation for each other nation of which I have spoken in the field of political relations.

"International cooperation in the economic field is the opposite of economic imperialism, by which one country seeks to exploit another. It is also the opposite of economic nationalism, by which each nation seeks to live unto itself.

"We citizens of this hemisphere have great opportunities before us. The community of action among the American nations, already highly developed, will at the end of the war be indispensable in the advancement of our economic well-being and in the establishment of an international organization to prevent the recurrence of world wars. Together, as I have said, we foresaw, pointed out and prepared against the dangers of war. Together we must foresee and prepare for the ever-greater common task of the peace. I believe that as in future years men of the Americas meet to commemorate this day they will see unfolded before their eyes ever-increasing evidence that the path along which inter-American cooperation has led is the path to human liberty and human welfare."

### Liberia Adheres To Atlantic Charter

Liberia, Negro republic on the West African coast, on April 10 adhered formally to the principles of the Atlantic Charter and the declaration of the United Nations, according to Associated Press accounts from Washington April 10, which also said:

Consul General Walter F. Walker of New York City signed the declaration at the State Department at noon. Liberia is the 35th signer.

## Critical Activities Approved By WMC To Determine Occupational Deferments

Paul V. McNutt, Chairman of the War Manpower Commission, made public on April 11 the list of critical activities and programs submitted to Maj. Gen. Lewis B. Hershey, Director of the Selective Service System, by the WMC Inter-Agency Committee on Occupational Deferments, to assist him in devising instructions to selective service boards on the handling of claims for deferment of registrants under 26.

At the same time, Mr. McNutt revealed that as Chairman of the War Manpower Commission he had recommended to General Hershey the inclusion of the production of coal in mines to be specified in certain States, medical, dental and osteopathic students without restriction, and certain preparatory students in these professional fields. The Committee, of which Mr. McNutt is ex-officio Chairman, had omitted these items, the one on coal by a close vote that reversed an earlier action.

"In my judgment, it would be a very serious error, from the viewpoint of the war effort as well as the public interest, to disregard the additional activities I am listing," Mr. McNutt wrote.

Mr. McNutt's letter to General Hershey is transmitting the Committee's, and his own recommendations follows:

"Enclosed is a copy of the list of critical activities and programs that have been approved by the War Manpower Commission Inter-Agency Committee on Occupational Deferment. The members of the Committee have been requested to submit at their next meeting, April 11, a list of plants, together with the estimated number of workers in each plant or activity on the approved list.

"Although not included in the Committee's recommendations, as Chairman of the War Manpower Commission, I am recommending to you, for your consideration, the inclusion of the production of coal in mines to be specified in the States of Pennsylvania, West Virginia, eastern Kentucky, Tennessee, Alabama, southern Wyoming, Washington and western Virginia.

"I am also submitting to you for similar consideration medical, dental and osteopathic students in good standing in recognized schools without regard to the two-year restriction suggested by the Committee. In addition, I urge your consideration of pre-medical, pre-dental and pre-osteopathic students who are within 24 months of completion of their course of study not to exceed 50% of the total average number of students in the respective professional schools in the years 1938-1939 and 1939-1940.

"You are familiar with the reasons why I am asking these additional recommendations to those approved by the Committee. In my judgment, it would be a very serious error, from the viewpoint of the war effort as well as the public interest, to disregard the additional activities I am listing."

The list of critical activities and programs submitted by the WMC Inter-Agency Committee on Occupational Deferments follows:

### 1. Office of Rubber Director

Research, piloting and production of synthetic rubbers, butadiene and styrene

Production of essential raw materials in three Government-owned plants operated by Rubber Reserve Co. (at Memphis, Naugatuck and Philadelphia)

Manufacture of reclaim rubber  
Manufacture of essential rubber goods permitted under Rubber Order R-1

Manufacture of rubber processing machinery

### 2. Army Service Forces

Rockets  
Radar

Critical components for trucks, heavy and light-heavy (2½-ton and heavier), including truck trailers and Class I and II tractors  
Research and development work

specifically assigned by the technical services

3. Army Air Forces  
Group I-IV Aircraft—only specified items.

4. Navy Department  
Landing craft  
Rockets  
Submarine  
Aircraft carriers  
High-capacity ammunition  
Radar  
Aircraft in Group I-IV  
Ships and aircraft maintenance including modification centers

5. War Production Board  
Component parts of approved critical programs when such production is not under the direct supervision of the services or other claimant agencies

6. Maritime Commission  
Combat-loaded transports  
Combat-loaded cargo vessels and tankers

7. Petroleum Administration for War  
Aviation gasoline program and synthetic rubber components  
Technical services vital to aviation gasoline program and synthetic rubber components  
Special technical services essential to production of crude petroleum

8. Office of Defense Transportation  
Great Lakes and inland waterways—(a) Only captains and chief engineers; (b) other licensed officers for 1944 navigation season  
Airlines—Flight personnel—ground personnel only outside the continental United States

(Railroads—Personnel engaged in railway and motor transport service directly related to the movement of war freight necessary to support the immediate war objectives the withdrawal of which would decrease the safety, speed and volume of movement so as to adversely affect such war objectives)

(a) Railway personnel engaged in assembly line, haul and break-up of railway freight trains

(b) Key personnel of those trucking companies whose equipment is more than 16,000 tons gross weight of vehicles.

(For hire—trucking—same as definition for railroads) see above

### 9. War Shipping Administration

Pharmacist mates  
Off-shore shipping (active seagoing personnel and men in training for service in the Merchant Marine—no more men under 26 are being recruited for training)

### 10. Board of War Communications

International radiotelegraph, radiotelephone and cable carriers outside the continental United States

### 11. War Food Administration

Special technical services essential to wet corn milling

### 12. Coordinator of Fisheries

Operation of commercial fishing vessels of 20 gross tons or over—captains only

### 13. National Roster

(a) Students graduating before July 1, 1944, in specified scientific and specialized fields

(b) Students in good standing in recognized schools—medical, dental, veterinary and osteopathic (this is restricted to students graduating within 24 months after July 1, 1944)

(c) Office of Scientific Research and Development

## AFL In Offering "Post-War Program" Urges "International Organization Of Peace"

Declaring that "the only safety from war is in the international organization of peace," the American Federation of Labor expresses it as its belief that "it is imperative that the United States do its full part to help develop a general system of mutual security." This view of the Federation is set out in its "Post-War Program" prepared by its Committee on Post-War Planning and approved by the Executive Committee of the AF of L.

The plan was made available in advance of the Conference under the auspices of the Federation scheduled for two days (April 12 and 13) at the Hotel Commodore, in New York, at which the proposals formed the basis of discussion. The plan sets out that "the program for the establishment of a lasting peace must provide for the continuing cooperation of the nations of freedom in the three great areas of their common interest, security, livelihood and justice. This cooperation," it is added, "does not involve the creation of a world government, but the acceptance of definite obligations to work together under agreed conditions and within the limits set by them. The basic principles are those of the Atlantic Charter and the other pronouncements of the United Nations, developed along the lines indicated in the first part of this statement."

As to "Security," the Federation's Plan has the following to say in part:

The program for the prevention of war has already been set forth in the Four-Nation Declaration signed by the Governments of the United States, the United Kingdom, the Soviet Union and China, i. e.:

"That their united action, pledged for the prosecution of the war against their respective enemies, will be continued for the organization and maintenance of peace and security."

"That they recognize the necessity of establishing at the earliest practicable date a general international organization, based on the principle of the sovereign equality of all peace-loving states, and open to membership by all such states, large and small, for the maintenance of international peace and security."

The substance of this declaration was incorporated into the (Connally) resolution of the United States Senate on post-war policy. Steps should now be taken to insure the speedy realization of these plans. These steps should include:

1. The calling of a United Nations Commission either to establish the "General International Organization," referred to in the Moscow Agreement, or to serve provisionally in that capacity.

2. The transformation of the wartime alliances of the United Nations into an organization for peace. The initial organization for policing will grow out of the military situation at the end of the war and will remain a primary responsibility of the Great Powers. It should be recognized, however, that this is a purely temporary necessity. The program for international security in the future will have to be worked out by the United Nations as a whole. For this purpose the General International Organization will need the advice of civilian as well as military experts.

We believe that the United States has much at stake in the maintenance of these foundation principles, and the American Federation of Labor pledges its full support in any steps to supplant tendencies toward unilateralism with genuine co-operative action which will broaden and deepen the mutual relations already achieved by the United Nations.

The principal recommendations contained in the Federation Post-War Plan were summarized as follows in the New York "Times" of April 12.

1. Transformation of the structure of the United Nations into an international organization for the

preservation of peace, with the participation of all nations, large and small. Pending establishment of such an organization, the United Nations are to serve as an interim substitute.

2. The proposed international organization is to use whatever means may be necessary, including an international police force, to prevent the outbreak of wars in the future.

3. Amelioration of international trade barriers to facilitate a freer interchange of goods and services between all nations based upon rejection of isolationism, expansionism and imperialism.

4. Rejection of any attempts by any nation to apply unilateral solutions to territorial and other problems affecting world peace.

5. Establishment of international organizations to deal with problems of health and social welfare, the prevention of epidemics and traffic in drugs.

William Green, President, and George Meany, Secretary-Treasurer, of the Federation, issued on April 12, in booklet form, the Federation's post-war program, which we reprint in full herewith:

### PART I

#### The Bases of Lasting International Peace

##### Guiding International Principles

I. *War is the Enemy.* The American Federation of Labor believes that war among the nations waged by the modern engines of death and destruction is the supreme enemy of the well being of the common people of the world. We recognize that our own movement of organized labor—a movement which is the product of the long struggle of workers for economic and social democracy—has no future of promise in a world living under the threat and burden of the war system. We consider that the elimination of war as an instrument of national policy is a condition essential to the perpetuation and the further development of our democratic way of life.

II. *Lasting peace must rest on social justice and include all peoples.* We reaffirm this principle set forth by Samuel Gompers at the close of the First World War in the Constitution of the International Labor Organization. This principle has now to be incorporated in the peace settlement at the end of the Second World War. We are in full accord with the way in which it is elaborated in the Atlantic Charter and the Four Freedoms set forth in President Roosevelt's message to Congress, Jan. 6, 1941. We note with satisfaction the Declaration of President Roosevelt, Prime Minister Churchill and Marshal Stalin at Teheran, in which they stated: "We shall seek the cooperation and active participation of all nations, large and small, whose peoples in heart and in mind are dedicated, as are our own peoples, to the elimination of tyranny and slavery, oppression and intolerance. We will welcome them as they may choose to come into the world family of democratic nations." It is our belief that these principles must be translated into policies and acts, both now and in the future.

III. *The only safety from war is in the international organization of peace.* The industry of war has now been taken over by modern science even more completely than the industries of peace. It is no longer a local conflict but spreads its disturbance over the lives of everyone everywhere. Labor is especially aware of its destructive power, which drafts so

many workers in the fighting forces and creates economic confusion at home. The conflicts of today have proved that we can no longer rely on our favored geographical position to maintain our national safety. Moreover, the vast majority of the workers of our country realize what it would mean to respond to this changed situation by engaging in that rivalry for power which is inherent in any effort to make ourselves secure through a program of national expansion and militarism. The outcome of such a policy is not security, peace, and a rising standard of living, but increasing suspicion, mounting military expenditures, imperialistic adventures and war. We believe, therefore, it is imperative that the United States do its full part to help develop a general system of mutual security.

IV. *Victory is not enough.* The total defeat of the Axis Powers is essential to clear the way for democratic international reconstruction; but to stop with that alone would not furnish us with any permanent guarantee of security. The United Nations must be ready and equipped to use whatever means are necessary to prevent the outbreak of war. This will surely require programs for policing and the use of armed forces, but we do not believe that the mere massing of force on the part of the United Nations will be sufficient to provide lasting security. In order to maintain international peace, political and military programs must be associated with a far-reaching economic program which will be designed, not to advantage certain nations at the expense of others, but to organize and utilize the new productive powers of industry and agriculture for the advancement of the standards of living of all peoples. World-wide economic health is essential to security. The American Federation of Labor is convinced that the acid test of the leadership of the United Nations will be whether they can organize the post-war world for this kind of economic and cultural progress.

V. *Prosperity can be achieved by a free people under a regime of social justice.* We have demonstrated during this war that a free economy can produce goods in unimagined abundance. In the years of peace a sustained high level of production and employment is also possible if there is assurance of economic justice within nations and between nations. To accomplish this, it will be necessary to get rid of that kind of exploitation which tends to concentrate income in the hands of the few and prevents the great mass of workers from having the purchasing power to buy the things they need for daily life. It also will be necessary to lessen the barriers between nations so that there may be a larger interchange of goods and services for all. The basic test of freedom is the welfare of the common man. We hold that under freedom society can be so organized that everyone will have an opportunity to earn his own livelihood.

VI. *Freedom of thought and expression must be safeguarded throughout the world.* This is the ultimate moral purpose, underlying all others, for which we are fighting the Second World War. Tyrannical governments which would crush out freedom of thought in their own lands endanger spiritual freedom everywhere. In the world community of today, we cannot be indifferent to cruelty and oppression because such indifference strengthens the arm of the oppressor. Mere verbal protests are not enough, and yet we must be careful not to interfere in the domestic affairs of other peoples which are properly their own concern. The growth of freedom throughout the world depends upon the growth of the public conscience without which laws and international agreements are of no avail. We hold that

labor organized in free unions has a high place in the development of the conscience of mankind and that in this field its vigilant and active service for the public good will be fundamental for the safeguarding of human rights in the post-war world.

VII. *Long-range plans must be made now.* While the full realization of these principles will have to await the establishment of final peace, we recognize that piecemeal and experimental procedures will have to be followed in the construction of these new world economic and political institutions. During the transitional period, however, the direction in which reconstruction must move if it is to meet the needs and the aspirations of the common people of all lands should be nevertheless definite and clear. The world-wide depression of the previous decade, and the world-wide war which followed have proved once again that we are members one of another. Poverty, unemployment, and widespread economic insecurity are not endurable in the midst of potential plenty. To organize the economic life of the world so that these possibilities are made actual is the ultimate aim of organized labor. It will be satisfied with no lesser program for the years of peace.

They must not be left as mere objectives and principles, however. The urgency of the situation requires that all of the great functional groups of our society—labor, business, agriculture, and the professions—unite to discover the concrete means by which these aims can be attained. We believe that the primary emphasis should be placed, not on the creation of a new sovereignty, but rather on the development of definite ways of working together in the international field to accomplish these purposes.

### PART II

#### International Program

The program for the establishment of a lasting peace must provide for the continuing cooperation of the nations of freedom in the three great areas of their common interest, security, livelihood, and justice. This cooperation does not involve the creation of a world government, but the acceptance of definite obligations to work together under agreed conditions and within the limits set by them. The basic principles are those of the Atlantic Charter and the other pronouncements of the United Nations, developed along the lines indicated in the first part of this statement.

##### 1. Security

The program for the prevention of war has already been set forth in the Four-Nation Declaration signed by the governments of the United States, the United Kingdom, the Soviet Union, and China:

"That their united action, pledged for the prosecution of the war against their respective enemies, will be continued for the organization and maintenance of peace and security."

That they recognize the necessity of establishing at the earliest practicable date a general international organization, based on the principle of the sovereign equality of all peace-loving States, and open to membership by all such States, large and small for the maintenance of international peace and security.

That for the purpose of maintaining international peace and security pending the re-establishment of law and order and the inauguration of a system of general security, they will consult with one another and as occasion requires with other members of the United Nations with a view to joint action on behalf of the community of nations.

The substance of this declaration was incorporated into the (Connally) Resolution of the United States Senate on post-war

policy. Steps should now be taken to insure the speedy realization of these plans. These steps should include:

1. The calling of a United Nations Commission either to establish the "General International Organization," referred to in the Moscow Agreement, or to serve provisionally in that capacity.

2. The transformation of the war-time alliances of the United Nations into an organization for peace. The initial organization for policing will grow out of the military situation at the end of the war and will remain a primary responsibility of the Great Powers. It should be recognized, however, that this is a purely temporary necessity. The program for international security in the future will have to be worked out by the United Nations as a whole. For this purpose the "General International Organization" will need the advice of civilian as well as military experts. The problem is one which will continually change with the progress of science. Therefore, this Commission of Experts should advise the United Nations concerning all the technical questions involved in armament and disarmament.

Unilateral action and regional understandings are only valid when in accord with the measures taken by the General International Organization and conform to the basic principles of the Atlantic Charter which bind the United Nations to "respect the right of all peoples to choose the form of government under which they live," and to make "no territorial changes that do not accord with the freely expressed wishes of the people concerned."

We believe that the United States has much at stake in the maintenance of these foundation principles, and the American Federation of Labor pledges its full support in any steps to supplant tendencies toward unilateralism with genuine cooperative action which will broaden and deepen the mutual relations already achieved by the United Nations.

##### 2. Livelihood

The program for economic and social welfare, like that in the sphere of security falls naturally into two parts; the provision for relief and rehabilitation during the war and transitional period, and the provision for long-range plans and policies capable of development under the conditions of peace.

1. *Emergency measures arising from the war.* The United Nations Relief and Rehabilitation Administration (UNRRA) is deserving of universal support. It should have an adequate representation from Labor on its staff. The aim of relief should be to make it possible for the peoples who have suffered in the war to become self-supporting. We do not believe that either they or the United States would profit from continuing charity after the restoration of normal conditions.

2. *Long-range planning.* A certain number of international functional agencies will be necessary to insure the consistent development of sound economic policies in a world which will be increasingly responsive to the advances in technology due to scientific discovery and invention. The frontiers of the world of labor are those of economic as well as political geography, and the economic barriers to freedom of intercourse must not be permitted to block the pathway to prosperity. These problems by their very nature cannot be solved in any single set of laws or agreements because the conditions with which they deal are forever changing. It is, therefore, necessary to maintain and create the pertinent institutions for dealing with them.

(a) The International Labor Organization (ILO) has abundantly justified its existence. It should be enlarged and strengthened as an instrument for raising the

standard of living of peoples in all countries and for safeguarding the rights of the working people.

(b) The Food and Agriculture Organization (FAO) which has now been planned receives the full support of Labor. There should be parallel organizations to deal with problems of health and social welfare, such as the promotion of child welfare, education, the prevention of epidemics, traffic in drugs and traffic for immoral purposes.

(c) In the world of commerce and industry there should be agencies to deal with such problems as (1) the stabilization of foreign exchange, (2) communications and transport on land, sea and in the air, (3) the commercial policy including cartels, (4) fiscal policies and foreign investments, (5) access to natural resources and raw material, (6) to coordinate these activities there should be a United Nations Economic Organization with consultative and advisory functions.

In each case there should be provision for objective studies of the facts which should be made available to the general public.

### 3. Justice

The program for the re-establishment and development of justice in international relations in the post-war world has a sound foundation in international law, but must be strengthened and developed with the growth of the common interest in the substitution of pacific means of settlement for force and violence among nations.

(1) The Permanent Court of International Justice should be adopted as the supreme judicial tribunal of the international organization.

(2) The scope of arbitration should include the settlement of economic as well as political disputes.

(3) For the settlement of political disputes conciliation is a ready and approved method for which the permanent political structure of the United Nations should be used as well as special bodies for specific problems.

(4) For the safeguarding of human rights, there should be a permanent international institute to study and report to both international and national bodies on the problem of developing the principles and procedures of international justice with respect to groups or individuals.

## PART III

### Post-War America

#### Guiding Domestic Principles

1. *Our immediate responsibility is to win the war.* From the beginning, organized labor has recognized that the winning of this war is essential to the promotion of the interests of the common man in our own country and in the world. We have given unstinted support to the war effort, even voluntarily suspending the exercise of the hard-won right to strike. The result has been an achievement of production without precedent in the history of mankind. Such deeds demonstrate that the American Federation of Labor wants no peace of appeasement. We will continue to support the war effort until a complete victory is won.

2. *Our long-time responsibility is the well being of all men: Our distinctive function is to promote the well being of workers.* In serving this purpose the American Federation of Labor has been both an expression and an organ of American democracy. There has been, there is, and there can be no lasting conflict between a movement created by the working people and democratic purposes and processes. Throughout the history of our country, the working people have asserted and fought for recognition of the worth and dignity of Labor; for the rights of the worker in his job; for a living wage and a rising standard of liv-

ing for all; for social security; for political freedom; for civil liberties; and for free public education. Confronted by the present period of profound social, economic, and political change, we reaffirm our historic commitment to these ends—to both democratic purposes and democratic means. We expect to be represented in both the domestic and international processes by which the post-war world will be organized.

3. *The well being of the worker depends upon his rights on the job.* The whole life of the worker is pervaded and molded by his job, by the physical conditions under which he works, by the length of his working day, by the adequacy of his pay, by the extent to which he is protected against arbitrary discharge, and by the nature of the strains under which he works. Only as he engages in an occupation recognized as useful by his fellows does the individual have an inner confidence that he is needed by and belongs to his community. The harmful spiritual consequences of enforced unemployment are no less real than its material deprivations. The essence of slavery—one of the most evil of all human degradations—is to be compelled to work at the dictation of another. The right to work and the right to quit work are among the most basic rights of free men. The free and independent mind, which is the moral foundation and source of our democratic way of life, decay and become corrupted in a society in which workers are insecure.

At long last and after more than a century of severe struggle, the right of the worker to unite with his fellows to protect and advance his interests has been made a part of the law of the land. This right has been given memorable expression in the National Labor Relations Act of 1937, which declares "employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection."

The American Federation of Labor is determined to defend this right against any and all forces that may challenge it.

4. *Unemployment is the entrenched enemy.* The war has shown the vast productive potential of America, once our material and human resources are mobilized for common purposes. In the short space of three years, we have increased the total productive facilities of our nation by nearly one-half. During this same period we have also doubled the total national income. This remarkable record in production calls for a revision of all former estimates of what is possible and desirable. Future productive capacity can provide better homes, better food and clothing, more adequate medical care, finer communities, and richer educational and cultural opportunities for all. We believe that our country can maintain its internal unity and strength and take its necessary part in promoting world security and economic and cultural advance, only as it creates means by which this higher level of production and employment is sustained. In order to preserve and extend our standards of living, American democracy must enter upon this bold and creative task. The American Federation of Labor refuses to tolerate the defeatism which holds that under a democratic regime of freedom, it is not possible to make this abundance actually available to our people.

5. *The stability of our democracy will require the provision of productive jobs and services for the millions demobilized from the armed forces and the war industries.* Demobilization allowances for returning soldiers, Federal interim placement benefits for all in the labor market, unemploy-

ment insurance and provisions for retraining are all necessary, but in and of themselves they do not touch the heart of the problem. In the last analysis the demobilized can have economic security only as they are employed in productive work. There is no substitute for a job. Close cooperation of private enterprise and government—Federal, State, and local—will be required to maintain production and employment during this difficult period of the shift from the war to the peace economy. The American Federation of Labor is eager to do its part to organize, and support a national rehabilitation, retraining, production and employment program adequate to meet the needs of all who have served on either the fighting or the home fronts.

6. *Free and independent organizations of the people are an indispensable means of checking concentration of economic and governmental power.* If the common people are to exercise effectual control over the conditions which determine their livelihood, two things are required. On the one hand, it is imperative that the trend toward private monopoly and the concentration of wealth be reversed. History has demonstrated that concentration of wealth and economic power in private, monopolistic hands undermines the very foundations of a free society.

In our interdependent industrial society, with its vast mass production enterprises, government regulation is necessary to care for the general public interest. It can, however, assume dangerous forms.

We contend that it is only as organizations of labor, farmers and other functional groups maintain their essential freedom that the danger of both industrial and political despotism can be averted. We therefore demand that in both industry and government more adequate means be provided whereby these functional groups can be directly represented in the formulation, administration, and the evaluation of over-all economic policies.

7. *The common good requires the cooperation of the great functional groups.* We recognize that organizations of business, of finance, of farmers, and of the various professions as well as of labor have their indispensable part to play in the development of our common modes of living. Each of these groups should press for the adequate recognition of its own peculiar interests. Fortunately, each of the major functional groups is beginning to understand that the impoverishment of other groups endangers its own security and prosperity.

The workers of the city and the workers of the country have deep mutual interests. The prosperity of the one ultimately requires the prosperity of the other. We believe that the welfare of the nation now requires more than ever the cooperation of farm and city workers.

Impoverished agricultural and industrial workers cannot provide an adequate and stable market for goods and services. All will suffer disaster, if the powerful organizations of finance, business, farmers, and labor seek merely to advance their own interests without regard for the consequences on the community as a whole. We believe that the cooperation of these functional groups in the development of a framework of controlling policies for the conservation of natural resources and the progressive organization of our productive powers is a primary need. The American Federation of Labor proposes to do its part to create means for joint consultation and cooperation.

8. *Free enterprise is an essential part of the democratic way of life.* As political freedom assures the individual basic civil rights which entail corresponding duties, so economic freedom assures economic rights which constitute

tract and entail their corresponding duties. We believe wholeheartedly in free enterprise as an essential in personal freedom. The right to start a business and the right to choose a job for the basis of a free life. Free enterprise and free labor are interdependent. Neither can last without the other. Our free economy rests on community of interests and it maintains itself through cooperative action mindful of the interests of all concerned. Experience has demonstrated that when the rights of free unions are impaired, free enterprise is no longer secure. By free enterprise we mean a progressive economy which provides incentives and opportunities for individuals and groups to take the initiative and to assume the risks involved in launching new forms of productive activity. Thus organized labor means by free enterprise bold initiative for the increase of the range and efficiency of production, not the disregard of the needs and rights of others.

We want a regime of economic freedom, but our enterprise system must demonstrate that it can function so as to husband and utilize, not to waste and dissipate our natural resources. We want free enterprise, but our productive system must be committed to the progressive raising of the national income and the maintenance of full employment. Such a system is necessarily opposed to all tendencies toward monopolistic restriction. We want free enterprise, but we also want an economy which will provide ample support for the health, educational, recreational and similar public services so essential to the welfare of the working people in our industrial society. Finally, we want a program of economic enterprise which will not be repressive, but will support the free exercise of civil and political liberties.

9. *Equality of opportunity is an authentic goal of American democracy.* Unfortunately this ideal of equality is now denied in many of our established policies and practices. It is denied wherever children or adults do not enjoy equality of educational opportunity. It is denied wherever individuals are deprived of their civil and political rights guaranteed by the Constitution. It is denied wherever workers, because of race, religion or sex, do not have an equal chance to get jobs, and to be promoted in their jobs. The American Federation of Labor is opposed to any and all of these forms of discrimination—whether in the sphere of politics, of education, or of work. We believe that the dignity and worth of each worker should be respected, and that our movement will be handicapped in its effort to promote higher levels of production and employment so long as any of these discriminations are permitted to exist.

10. *The preservation of our democracy demands vigorous support of the civil liberties and public education.* We live in a revolutionary age. America is in the process of making far-reaching adjustments in both her domestic institutions and her foreign relations. We believe that these changes in economy, government, and foreign affairs can and must be made by and for the people. This can be done intelligently and peacefully only as we keep open the avenues of education, association and organization, discussion, investigation, publication, and communication. In our fateful period, public enlightenment and free discussion define a social necessity, not a luxury. Those who would curb these basic democratic rights to protect narrow class privileges, and those who would abuse them in the slavish service of foreign governments and alien party lines strike at the very foundation of our freedom. The American Federation of Labor believing as it does in democracy as both means and end will con-

tinue to fight for these rights, and to expose and oppose all who would abridge or impair them for any reason whatsoever.

## PART IV

### Immediate Domestic Program

*What we do now determines our post-war adjustment.* We maintain that there must be close coordination of war mobilization and reconversion programs. Policies controlling both the letting of contracts and cut-backs vitally affect our peace-time economy and the potentiality of many industries. The issue has already been raised: Shall we have pools of unemployed or shall civilian industries begin resumption of production? Demobilization guided by Labor's dominant purpose can lead us directly into production at high levels or it can provide privileged security for some in an economy of scarcity. We demand that the United States choose production at high levels.

### War Mobilization and Reconstruction

1. The American Federation of Labor proposes that Congress authorize the establishment of an Office of War Mobilization and Adjustment with an Economic Commission composed of representatives of the basic economic functional organizations of workers, employers and farmers. Its Chairman shall be chosen from the general public. This Economic Commission shall make the policies to guide war mobilization, reconversion and reconstruction and reemployment. Representatives on the Commission shall be appointed by the President from panels submitted by the respective organizations of labor, farmers and business and approved by the Senate.

2. This office shall coordinate plans for production and reemployment and time demobilization of armies with work opportunities.

3. This office in order to facilitate employment after the war, shall be prepared to promote the effective and early resumption of private business by

- negotiation of contract cancellation.
- prompt settlement of claims.
- removal of government property from plants.
- disposition of government surplus property.

There must be over-all policies to assure free enterprise to small as well as big business to lead into maximum levels of production with high levels of employment at pay which makes possible steadily rising standards of living, and to promote competitive business to safeguard our home markets.

4. The machinery for demobilization and reconversion should, wherever possible, be existing agencies operating under guiding policies and in accord with the coordinated programs of the office and reporting to it.

5. The Office of War Mobilization shall make quarterly reports to a joint Congressional Committee.

6. The Chairman with the representative policy commission shall provide for effective mobilization of manpower, training and retraining, placement of workers and demobilized servicemen and women, and the reintegration of enlisted persons into the civilian work force.

7. Price control and rationing shall be continued until scarcities disappear.

### Veterans

For those in the armed services the American Federation of Labor proposes:

1. Demobilization pay to provide opportunity before adjustment to civilian life.

2. Hospitalization, medical care and rehabilitation for the injured.

3. Effective right to complete education and training interrupted by war service or to retraining.

(Continued on page 1644)

## Senator Thomas Of Oklahoma Proposes Bill To Keep U. S. Obligations Valued At Or Above Par

(Continued from first page)

than to face perhaps worse things later.

"The fact of the matter is that fiscal and financial realities have not been faced for quite some time, if ever, by the present Administration. Artificially low interest rates and bolstered bond prices should not have been adopted as a policy in the first place, and they should have been abandoned long ago. Monetary and fiscal authorities again and again have warned against the pursuit of these policies; they saw clearly enough that days like those now approaching would probably bring a reckoning. The Thomas bill is Exhibit No. 1, indicating that some one in Government circles realizes that the realities of life may soon overtake the policies of fiscal unrealities which have been and are being pursued by the present Administration.

"An important question now is this: Why not face the issue today rather than later? Sound policy involves the refunding of long-time Government bonds at higher rates of interest when and if the market rates of interest rise; and they probably would have risen long ago, and properly so, had it not been for a variety of Government policies which have kept the flow of people's savings into private enterprises at an extremely low level. Real, objective values, are the only true values in this world, and Congress and the Administration, especially Congress, should understand and face that fact. If Congress does not, the American people will pay, as they have been doing in subtle and obscure ways, a tremendous price for the Government's failure on this score.

"Another question of importance now is this: Has the Administration already run the American people so far beyond the danger signals that there is not now time to back up and get on the right track? Is it not possible that we may reach a stage, if indeed we have not already done so, at which all that can be done is to pile cushions in front of us and wait for the final impact, trusting that it will not be too disastrous?

"There appears to be room for reasonable men to disagree on this point. But the fact seems clear that, if the Thomas bill is passed, our Government will have taken the position that we have gone so far toward financial disaster that all we dare do now is to cushion it.

"2. How far away is the end of the run? The Thomas bill brings into sharp focus the question of just how much in Government securities the banks can absorb before the reserves of the Federal Reserve banks reach the legal minima of 40% gold certificates against Federal Reserve notes and 75% in gold certificates or other lawful money against their deposits. Since the excess reserves of member banks of the Federal Reserve System were down to approximately \$900,000,000 on March 22, it is clear that the commercial banks of this country cannot absorb many more Government securities without the member banks borrowing from the Reserve banks, unless the Reserve authorities lower the reserve requirements of these banks and thereby impair their liquidity still further. In the main, therefore, the question is, how much more in Government securities can the Reserve banks absorb?

"If we use the March 22 statement of condition of the Reserve banks, at which time the ratio of reserves against notes and deposits stood at 61.3%, and if we assume that these banks can keep their total reserves of \$19,766,447,000, and that the proportions between notes and deposits will

continue the same (46% deposits and 54% notes), then these banks can absorb an additional \$12,677,002,005 of bonds before the minima reserve ratios of 40 and 35% are reached. On March 22, the Reserve banks held \$12,242,749,000 of such securities. Thus the total that could be held would be \$24,919,751,000. The volume of Federal Reserve notes in circulation which, at that date, amounted to \$17,429,372,000, could increase by \$10,233,061,712 to a total of \$27,712,433,712. The volume of the Reserve Bank deposits which, on March 22, stood at \$14,793,187,000, could increase by \$10,011,023,043 to a total of \$24,804,210,043.

"How long it will require to pump \$12,677,002,005 additional Government securities into the Reserve banks no one can predict with accuracy. One year ago the Reserve banks held \$5,950,462,000 of such securities. A year later, on March 22, 1944, they held an additional \$6,292,287,000, a total of \$12,242,749,000.

"From here on, the rate of purchase by the Reserve banks may increase. Of course, the pressure in this direction can be reduced if the Board of Governors of the Federal Reserve System should lower the reserve requirements of member banks, thereby further impairing the liquidity of these banks—a measure that we can expect the Reserve authorities to take.

"The pressures in the other direction—that is, toward a more rapid purchase of Government securities by the Reserve banks—are several: There is the tendency of the reserves of the Federal Reserve banks to fall, despite the fact that the Reserve and Treasury authorities have, since Dec. 12, 1942, pumped approximately \$616,000,000 of fiat Federal Reserve Bank notes (National currency) into the reserves of the Federal Reserve banks. For the year ending March 22, 1944, the reserves of the Federal Reserve banks have declined \$1,066,000,000 while their holdings of Government securities have increased \$6,292,287,000, their deposits have gone up \$518,145,000, and the volume of Federal Reserve notes in circulation has expanded \$4,821,686,000.

"Also important on this side of the picture is the decline in gold holdings by the Reserve banks and Treasury during the last year or so. Since Jan. 6, 1943, the claims to Treasury gold, held by the Reserve banks, have declined from \$20,511,278,000 to \$19,151,325,000, as of March 22, 1944—a decline of \$1,359,953,000. During the same period the Treasury's gold stock declined from \$22,633,000,000 to \$21,600,000,000—a decline of \$1,033,000,000. On Jan. 30, 1943, gold earmarked for foreign account was \$2,749,900,000. On Jan. 31, 1944, gold held under earmark at the Reserve banks for foreign account was \$3,505,000,000—an increase of \$755,100,000.

"Further, foreign deposits in Federal Reserve banks and weekly reporting member banks were \$1,523,531,000 on Feb. 24, 1943. By Feb. 23, 1944, they were \$2,411,761,000—an increase of \$888,230,000.

"Still further, there are the questions of the obligations, if any, being created abroad by the Treasury through the use of Allied military currency; the activities of UNRRA and other agencies which will cause funds to be withdrawn from this country; the secret shipments of gold and silver to foreign countries, and so on.

"A simple and reasonably good way to get at the possibilities and probabilities in this picture was pointed out in 'Monetary Notes' for Feb. 29 and will be repeated here: If the combined reserve ratio in the Federal Reserve banks declines in the 16 months, follow-

## Says World Morality Needed To Ensure Lasting Peace

(Continued from first page)

terial together in the beginning instead of spending a lot of time now in the middle of his work finding the right materials to complete the job. And it's a safe guess that a house planned for in advance with all the tools and materials in readiness will, when finished, look better, last longer, and serve its purpose better than a house that had to be patched up in the middle of its construction.

To quote A. M. Sullivan, "There is by God's swift reckoning, a universe in everything." And I think that this example of the house contains in its small circumference all the problems, the truths and the solutions that exist in the larger international world in regard to achieving and maintaining world peace. We can't build world peace without the "materials" of disinterested justice, complete forgiveness, willingness to compromise, love of neighbor, and adherence to the moral law of God. They are the bricks that we must have to build our temple of peace. It is foolishness to say that we can build it without them. That these unselfish qualities exist in the world in only very small quantities even the most dew-eyed optimists will admit. The optimists expect us to build our temple without these materials. When you build something out of nothing the result is an illusion and that's what our last "peace" was, an illusion. It never really existed; it was just a truce.

But the optimists are afraid to face this fact. They want to give the impression of progress and activity even if the efforts are in vain and will come to naught. They aren't getting anywhere; they might just as well be doing nothing, but that frightens them. There's a skeleton in the closet but they don't want to pull it out and see it. They'll just make believe it isn't there.

It would be more honest to say that you can't build a three-story house with only enough bricks for two stories, but why be morbid; why be a nasty defeatist? We'll never be able to complete the structure but at least we'll have something to show these people who want to know what is being done about world peace. We'll only have two floors (no roof, of course, not enough material) and we'll never be able to use it, but don't you see, we're

ing Feb. 23, 1944, at the same rate that it declined during the 16 months preceding that date, it will be down, by June, 1945, to the 42% of May, 1920, which was the cracking point for the System, since at that level in 1920 8 of the 12 Reserve banks were paying tax penalties for deficiencies in reserves, and the rediscount rate was 6%, and a month later 7%.

"If the commercial and Federal Reserve banks become choked with Government securities to anything like the possible extent indicated, how are they going to finance reconversion and peace-time production in the United States, to say nothing of sending large sums of capital abroad?

"The limits to money and credit expansion, pointed out here, are limits from which the Thomas Bill S. 1769 cannot save this country. They are the limits toward which the present Government is heading the American people at express speed. Safety lies in cutting down this speed. Plans for spending and spending and spending must be brought to a halt. Every nonessential expenditure must be ended; and the word 'essential' must be made into an honest one. It must involve severe denials. Waste must be stopped."

doing something; we must be making progress. This is one of the most fatal policies one could possibly follow—it's known popularly as "kidding yourself."

We're thinking in a vacuum; we're working in a vacuum; we're making a temple out of moonbeams, but shhh! don't tell anybody. We're starting with nothing and ending with nothing, which seems to following logically enough but doesn't accomplish anything. It reminds me of an incident which occurred not long ago. A practical joker took a large empty box; wrapped it in colorful paper; tied it with a fancy ribbon and gave it to his friend for a birthday present. Upon seeing the expression on his friend's face when he found the box was empty he explained semi-seriously, "Shortages, you know. Can't get anything these days." The friend replied, "Yes, I know, but did you have to put it in a box?"

That's what we're doing, putting nothing in a box, wrapping it in sky-blue paper with the word "Peace" imprinted all over it, tying it with a large white ribbon and, with much ceremony, handing it to John Q. Public, saying in a hearty voice, "Here, John, I have a little box of peace for you. Thought you might like to have it." By the time John removes all the paper and ribbon that it has been buried in (say, 10 to 15 years later) he'll find that the box is empty. But, by that time, we'll be having another war (they're making them bigger and faster these days) and so he won't have much time to think about it. And at the end of that one he'll most likely get another "present." One thing you can say for this method is that at least it's consistent. "We did it before and we can do it again."

And, oh, do the optimists get annoyed at John's brother who, looking through the wrappings, sees that the box is empty and tells John so—the gloomy pessimist who says all this noise and activity isn't creating a just and lasting peace!

Well, I nominate this "pessimist," the author of "Why A League Of Nations Will Not Ensure Permanent Peace," as the bravest, sincerest person in the world today. Sincere, because he sees through the vague promises and rosy ideals being set forth today, and says so, and brave, because he isn't afraid to drag the skeleton out of the closet and give it a good shaking. And if we had a few million more sincere, brave people we'd really have the makings of a just and lasting peace.

Prime Minister Churchill says, "I am not here to preside over the liquidation of the British Empire"; Russia makes no pretense of being anything but all out for Russia, first, last, and always, and let the smaller nations beware; the United States has no territorial aspirations but it still does not seem able to make its wishes and ideals carry much weight with the power countries in Europe who have their own "interests."

These are the facts; these are things as they are. This is actually what we have to work with. Are proponents of a league of nations saying that we are going to build a just and lasting peace out of these materials? It's the same old dog-eared super-nationalism, imperialism, balance-of-power politics of the last war. Are we just to re-shuffle the bricks and build another peace temple and say, "Now this time it's going to stand and don't you

\*President of the Poetry Society of New York.

## Mar. Cotton Consumption

The Census Bureau at Washington on April 14 issued its report showing cotton consumed in the United States, cotton on hand, and active cotton spindles for the month of March.

In the month of March, 1944, cotton consumed amounted to 902,102 bales of lint and 115,502 bales of linters as compared with 811,274 of lint and 106,846 of linters during February this year, and 997,422 of lint and 109,172 of linters during March last year.

In the eight months ending with March 31, cotton consumption was 6,804,272 bales of lint and 875,216 of linters, compared with 7,500,302 of lint and 893,665 of linters in the corresponding period a year ago.

There were 2,290,201 bales of lint and 475,036 bales of linters on hand in consuming establishments on March 31, 1944, which compares with 2,551,174 bales of lint and 459,485 bales of linters on Feb. 29, 1944, and with 2,489,176 bales of lint and 475,036 bales of linters on March 31, 1943.

On hand in public storage and at compresses on March 31, 1944, there were 10,887,457 bales of lint and 81,347 bales of linters which compares with 11,518,942 bales of lint and 96,277 bales of linters on Feb. 29, and 11,463,831 bales of lint and 99,233 bales of linters on March 31, 1943.

There were 22,568,308 cotton spindles active during March, 1944, which compares with 22,513,390 active cotton spindles during February, 1944; and with 22,924,634 active cotton spindles during March, 1943.

dare say it won't." Well, it won't work.

It won't work until we throw away the old bricks and make new ones out of Christian charity, obedience to God's moral law, love and respect for our neighbor, an ardent desire to work for the good of the small nations as well as the large ones, a tough and unflinching policy toward all "smart alecks" in the international world who try to get ahead by walking all over the other nations and a courageous, proud support of the principle that "it's just as wise to be good as it is good to be wise."

If we want a lasting peace we ought to make it our business to see that the men at the peace table are men who really and truly believe in these principles above everything else. Otherwise, we're wasting our time. But, from past experiences, who may we expect to see at the peace conference? Prominent economists, international politicians, military leaders, lawyers, and a few misguided statesmen. They each have their own narrow field. Where are the men who will uphold these principles; who will look out for the interests of all men? They weren't there the last time; they haven't been mentioned by any prominent person so far, so it looks like they won't be there this time either. We want to build but we won't allow the builders to be present. I am speaking of such great, universal men as His Holiness Pope Pius XII whose Christian benevolence, kindness and charity toward all men of good will is known to all the world, and also the great men of the Protestant and Jewish faiths whose goodness and warm-heartedness the world can well use. These are the men who have an ardent interest in the welfare of all men and all nations.

It's popular to consider religion and goodness "sissified" today. Men say, "Oh, religion," like little children say, "Ugh, medicine." Ah, well, someday we'll learn.

But until we do learn, we shouldn't be wasting our time building castles in the air, or temples of peace as it happens to be in this case. It's beginning to get monotonous.

ELEANOR MARIE FLATT.  
New York, April 19, 1944.

## Bricker Looks For Unprecedented Prosperity After War—Urges Caution On Reconversion

In indicating that he did not think a business slump was inevitable after the war, Gov. John W. Bricker, of Ohio, seeking the Republican Presidential nomination, in addressing the Rotary Club at Seattle on April 12, added that, "I believe that we may well see in America such prosperity after the war as the world has not yet known." Associated Press advices from Seattle, from which we quote, further reported Gov. Bricker's remarks as follows:

"Contributing to this will be the unprecedented purchasing power, which is being built up through the accumulation of war bonds and the record savings bank deposits, together with the tremendous pent-up demand for goods." Reconversion of the country's industrial establishment from the production of war to peace goods, the Governor said, would present many problems and the Government's policy would determine whether the period would be short or long.

Earlier, at a press conference, Mr. Bricker reaffirmed his statements that the United States should retain airfields and outposts won during the present war as a measure of defense. He said the diplomatic service must be built up so that the people would know events affecting this country and then "such things as Pearl Harbor cannot happen again."

"I believe freedom of news around the world will contribute greatly to world peace," he added.

On April 10 at Spokane, Wash., Gov. Bricker in criticizing the radio address of Secretary of State Hull on the country's foreign policy (which was given in these columns April 13 page 1529) stated that Mr. Hull had left many questions unanswered in his talk, the Governor adding at the same time that the public "is fed up with the New Deal's back-room diplomacy." From Associated Press accounts from Spokane, we quote the following:

Governor Bricker, campaigning for the Republican Presidential nomination, declared in the statement that he did not "share Mr. Hull's apprehension over the effects of open discussion of our war aims and foreign policy."

"That's been the trouble so far," the Governor stated. "The people have been kept in the dark and a feeling of uneasiness about our war aims and foreign policy is evident throughout the country."

"We are told that there have been no secret agreements or commitments, political or otherwise. What then went on at Cairo, at Casablanca, at Teheran and Quebec? \* \* \* Why were reporters kept away from the Hot Springs International Food Conference by armed guards?"

"What about the disposition of our military installations, airfields and radio stations after the war? Are we going to keep them for our defense or give them away? \* \* \* These and other questions remain unanswered."

Governor Bricker itemized in a speech to the Spokane County Republican Convention the following benefits he said a Republican Administration would have on the various groups:

**Business**—A reduction in taxes, and the Government would give industry the "incentive to produce to the limit."

**The Farmer**—"He knows he will not be told what to sow or what price he will get."

**Labor**—"He knows his right to organize will not be violated."

**Soldiers**—"They know they will have a voice and a vote in their destiny."

**The Nations of the World**—"It will assure them that whatever America promises, she keeps; that what America promises must meet with the approval of the people."

In still another address, the view was expressed by Gov. Bricker that reconversion of industry to peacetime goods production should wait "until the last Jap is crushed into the

## The War Behind The War

(Continued from first page) Sunday talk, our Secretary of State resorts largely to pious hopes and ideals with which no one will quarrel. But foreign policy is a specific thing—a line of action for specific purposes at a given time. The main theme which runs through the Hull-Roosevelt foreign policy is a distrust of peoples.

What we really have are pieces of foreign policy—handled at an elderly, pedestrian pace.

Here's why . . . Our Secretary of State is not even a young old man. He has never stepped out of the nineteenth century which made him. A low tariff world remains his secret solvent of international difficulties—compounded with forthright legal righteousness.

This "before-the-war" mind—and I won't say which war—is compounded by his advisors. He is surrounded in the State Department by a lot of old young men, even as Washington goes. They are predominantly opposed to changing things; to bureaucrats, change upsets routine relationships. They have a static world outlook and our war-time world makes it unreal.

Mr. Hull's chief concern comes out if we apply a little psychoanalysis to his public views. The key to the whole thing is fear of "disorder" and "chaos". But for any war-time diplomacy, disorder and chaos is just where we have to start from to have an effectual foreign policy. That's the very consequence of World War 2. The war itself; political relationships, old ones wrenched out of recognition and new ones springing from the conflict itself; economic interests under war-time dictatorship—these all are compounders of chaos. The State Department has been reluctant to recognize these changes in the map of diplomatic strategy. The State Department has dodged its war-time duty—to use the war itself to advance America's world aims. Unless we utilize the disorder and chaos of the war for good ends, our enemies will use them to further bad ends.

It is obvious to me, as an observer at close hand of American diplomacy for a quarter of a century, that we must have a national foreign policy. There is no national policy in anything that President Roosevelt has done. Secretary of State Hull has only begun to reach the problem with his proposal for bi-partisan Congressional cooperation. These Congressional committees are not enough. We must go much further—we must set up a really effective national advisory council to be wholly representative of American interests. The proposal to take the politics of a presidential election out of our foreign policy by identical platform declarations should be followed out. It is close to treason for either Democrats or Republicans—the ins or the outs—to play politics with our American foreign policies. Our diplomacy must be reasonably satisfactory to both our major parties.

This is the only way to take American foreign policy out of presidential politics. We must get a non-partisan, well thought-out national policy and must have a truly national acceptance; otherwise American efforts to shape world events will go by default.

We haven't much time to work out this American strategy for peace. Right now the Germans are fighting a rear guard action in World War 2; they're already preparing their position for World War 3. The Nazis count upon divided councils here in America, upon a partisan foreign policy dominated by President Roosevelt, to repeat the tragic failure of the democracies in the First World

## SEC Amendment Provides Reports Of Holdings Of Insiders Public When Filed With Exchanges

The Securities and Exchange Commission announced on March 28 an amendment to Rule X-24B-3 under the Securities Exchange Act of 1934 and the repeal of Rule X-24B-4. The Commission's announcement said:

"Rule X-24B-4 required each national securities exchange after the receipt of a summary, prepared by the Commission, of reports filed under Section 16, to make available to the public a copy of such summary and the reports filed with the exchange which are included in such summary. By repealing Rule X-24B-4 and amending Rule X-24B-3 it is made plain that the original reports filed with the exchange are public when filed.

"Rule X-24B-3 as amended requires exchanges to make public reports filed under Section 16 in the same manner as they make public reports filed with them under Sections 12 and 13 of the Securities Exchange Act of 1934. The Commission will continue to prepare official summaries of reports filed with it under Section 16 and will make such summaries public as soon as possible after the tenth day of each month. Copies thereof will be furnished by the Commission without charge to each national securities exchange. It is anticipated that such exchanges will, after receipt thereof, make and keep them available to the public."

The text of the Commission's action follows:

The Securities and Exchange Commission, deeming it necessary for the exercise of the functions vested in it and necessary and appropriate in the public interest and for the protection of investors so to do, pursuant to the authority conferred upon it by the Securities Exchange Act of 1934, particularly Sections 16 (a), 23 (a) and 24 (b) thereof, hereby (1) repeals Rule X-24B-4 and (2) amends paragraph (a) of Rule X-24B-3 to read as follows: "Rule X-24B-3. Documents Filed by Issuers and Others Under Sections 12, 13 and 16.

"(a) Except as otherwise provided in this rule, each exchange shall keep available to the public, under reasonable regulations as to the manner of inspection, during reasonable office hours, all information regarding a security registered on such exchange which is filed with it pursuant to Sections 12, 13, or 16, or any rules or regulations thereunder. This requirement shall not apply to any information to the disclosure of which objection has been filed pursuant to Rule X-24B-2, which objection shall not have been overruled by the Commission pursuant to Section 24 (b). The making of such information available pursuant to this rule shall not be deemed a representation by any exchange as to the accuracy, completeness, or genuineness thereof."

Following the Commission's action as above, it was stated in the New York "Times" of March 30 that effective on that day, reports of changes in insiders' holdings of equity securities will be available at the New York Stock Exchange upon receipt. No longer will the public be required to wait a month after the close of the month in which the trades are made to permit the Securities and Exchange Commission to collate the individual reports and publish them in its official summary, said the "Times," which also had the following to say:

"Under the new rule, made possible by SEC amendments to Rule X-24B-3 implementing the Securities Exchange Act of 1934, many reports are expected to be

War. It is up to Americans to demand that our foreign policy be brought out into the open; that we formulate our diplomacy on a national non-partisan basis; and that we do this with a world perspective that assures the United States an effective role in making and maintaining the peace.

available a day or so after the trades involved are made. The rule always has required that the insider—a director, officer or 10% shareholder of a corporation—report within 10 days after the close of the month in which the trade took place, but in practice many men have sent the notification to the Exchange while it was still fresh in mind. The old system required a delay in public notification ranging from a minimum of a month to two months or a little more. For example, October trades were made available to the public on Dec. 3. February trades will be in the papers of March 31.

"The new system will reduce that range from a couple of days to a month plus ten days, so that the information about changes in insiders' holdings may possibly be of some use to investors in the market.

"When insiders' reports were required originally, there was doubt that exchanges had the right to make them public before the appearance of the SEC tabulations. The law was not specific, the SEC appeared to want the information to come to the public with a Washington date-line, and no issue was made of it. Although the Commission has been able gradually to cut down the time required to prepare its monthly tabulation, it has been faced with more and more criticism for delay. Again, it realizes that the sheer bulk of the monthly official summary—the coming one has 57 pages—forces the newspapers to report only the largest deals, so that official red tape has been defeating the purpose for which the law was drawn, that is, complete publicity. The new system will permit the papers to report the most important deals of each day, in theory, so that more details of insiders' trading will reach the public.

"While these reports are a matter of public record and available for public inspection immediately upon their filing, both at the exchanges and at the Commission," the SEC said yesterday, "the official summary appears to be the most practicable means of making the information available to the public." Accordingly the SEC is cutting down the period of advance release to the press."

## To Redeem 4% Issue Of Farm Loan Bonds

The call for redemption on May 15, 1944, of an issue of outstanding consolidated Federal farm loan bonds was announced on April 17 on behalf of the 12 Federal Land Banks by W. E. Rhea, Land Bank Commissioner. This is a 4% issue dated May 15, 1934, due May 15, 1964, which is redeemable on and after May 15, 1944. Approximately \$199,130,100 of bonds of this issue are now outstanding, the entire amount being held by the Federal Farm Mortgage Corporation. Land Bank Commissioner Rhea stated also that the 12 Federal Land Banks are arranging for the redemption as of their first callable dates of two issues of outstanding consolidated Federal Farm Loan 4% Bonds which are publicly held, one issue being dated July 1, 1934, due July 1, 1946, and redeemable on and after July 1, 1944, and the other issue being dated July 15, 1934, due July 15, 1964, and redeemable on and after July 15, 1944. It was announced that all three of these issues of consolidated Federal Farm Loan Bonds will be redeemed in cash without an exchange offering of securities.

ground." His viewpoints with regard thereto were dealt with in an address at a Republican dinner at Portland, Ore. on April 13, at which time, according to the Associated Press, he said:

"The theory that once the Nazis are beaten we can fight the Japs on a part-time basis is fallacious and dangerous," he stated in a speech prepared for delivery at the dinner. "The Jap is a cunning treacherous and powerful enemy. He has captured vast areas rich in natural resources and has had more than two years to exploit these gains.

"It has been suggested that as soon as the Germans are beaten the East Coast can convert its war plants to the production of peacetime goods, leaving the West Coast to finish off the Japs. I say that is wishful and dangerous thinking which will prolong the Japanese war. The defeat of the Japs is the responsibility of 130,000,000 Americans and we ought to have the full support of our Allies as well."

The American industrial machine is an integrated unit, and it is impossible, for example, to turn off production in the east, as if it were a water spigot, he continued.

"It may be," he added, "that we are producing too much of one thing or another that we can't possibly use in the military prosecution of the war. The factories should be converted first to something else needed for the war, or if that is not possible, then to the production of essential civilian goods.

"We cannot relax our efforts one iota so long as a single enemy soldier offers armed resistance. Our job in this country won't be finished until we've crushed the last Jap into the ground and victory is ours."

Earlier Mr. Bricker, the Associated Press said, emphasized that he would not be willing to accept Vice Presidential nomination at the Chicago convention in June. "I am not interested in anything but the Presidential nomination," he told the interviewers.

## Peterson Named To ABA Consumer Credit Group

R. A. Peterson, Vice-President of the Bank of America N. T. & S. A., San Francisco, has been named to membership on the Committee on Consumer Credit of the American Bankers Association, it is announced by A. L. M. Wiggins, President of the Association. Mr. Peterson has long been identified with the consumer credit business. He began his career in 1925 with the Retail Credit Company in San Francisco. Later he became Assistant Manager of the Commercial Credit Co. of Baltimore at San Francisco. Subsequently, he was named Vice-President and General Manager of Kemsley-Millbourne, Ltd., foreign subsidiary of the Commercial Credit Co., in Mexico City. From there he went to Chicago as regional manager of the Commercial Credit Co., and later he became division operations manager for the western division of that company.

Mr. Peterson joined the Bank of America on June 1, 1936, as district manager of instalment credit loan activities with headquarters in Fresno. Since June 1, 1941, he has been Vice-President in charge of all instalment credit loan activities of the bank with headquarters in San Francisco.

## Wiggins, Head Of ABA, Urges Changes In Bill To Consolidate Social Credit Agencies

Several important changes in the Cooley Bill, H. R. 4384, designed to consolidate the various social credit agencies of the Federal Government in the field of agriculture, were urged upon the Committee on Agriculture of the House of Representatives at Washington on March 31 by A. L. M. Wiggins, President of the American Bankers Association, in testifying on the bill.

Hearings on the measure were begun on March 29 and were adjourned March 31 until April 19 when representatives of the American Farm Bureau Federation, the National Council of Farmer Cooperatives, and the National Grange will testify. The advices from the ABA point out that the bill would abolish the Farm Security Administration, the Feed and Seed Loan Division of the Farm Credit Administration, the Regional Agricultural Credit Corporation, and transfer their functions to the Farmers' Home Corporation. It would repeal Title II of the Bankhead-Jones Act providing for rehabilitation loans and amend sections I and IV of that Act. Out of the current funds and assets of the abolished agencies, says the announcement, it would set up two revolving funds estimated at approximately \$800,000,000 into which the proceeds of all collections on such assets and on new loans would be paid. Further indicating the aims of the legislation, the ABA stated:

"The purpose of one of these revolving funds would be that of making short-term farm production and subsistence loans. All RACC, Feed and Seed, and FSA Rehabilitation loans would be placed in it. The other revolving fund would be for the purpose of making farm tenant purchase loans. The FSA farm tenant purchase loans would be placed in it. The operating and administrative costs of the Farmers' Home Corporation would be paid out of these revolving funds.

"The Farmers' Home Corporation would be authorized to make loans for the purchase of livestock, farm equipment and supplies, for 'other farm needs,' for 'refinancing of indebtedness,' and for 'family subsistence.'

"The corporation would not be permitted to make an original loan in excess of \$2,500 and a ceiling of \$3,500 would be placed on the total indebtedness of any one borrower to it. The corporation would not be permitted to make more than \$125,000,000 of loans in any one year.

"The interest charge on rehabilitation loans by the corporation would be 5%. The maturity of the loans would be limited to five years.

"Management of the corporation would be vested in a board of directors of three members appointed by the Secretary of Agriculture, which three directors would also be President, Vice-President, and Secretary of the corporation.

"Loans would be made by a county committee appointed by the corporation in each county, consisting of three individuals, two of whom must be farmers. They would be paid from \$3 to \$5 a day plus subsistence while engaged in the performance of their duty."

Mr. Wiggins addressed his testimony mainly to the rehabilitation loan provisions of the bill. He described the purposes of the bill as "threefold"; first, to liquidate part of the Farm Security activities; second, to consolidate the agencies in the field of social objectives, and third, to make a more or less permanent policy in the field of social lending in agriculture. From his remarks we quote:

"This committee should recognize that the philosophy which this bill represents is that every farmer, whether he is or is not a justifiable risk, is entitled to credit. It is a philosophy under which, if private credit and sound

credit are not available, government should provide such credit. I am sure that all of us recognize the danger in a philosophy of government that sets up the proposition that all men are entitled to credit.

"I think all of us recognize the seriousness and importance of this particular legislation as laying down a pattern of credit in the agricultural field of a supplementary character that might well, if not properly safeguarded, extend itself one way or another to the point that it might even jeopardize cooperative credit or private credit," he added.

"If, however, Congress determines there is a need for agricultural credit which can be supplied only by direct loans from a government agency, it should see to it that such credit is confined to the need so determined and is surrounded by proper safeguards and limitations."

Mr. Wiggins criticized the provision for the vesting of management in a board of three directors who would be appointed by and whose salaries would be fixed by the Secretary of Agriculture. "A great deal has been said before your Committee and other Committees about the desirability of removing administrative agencies from political control. I think it is desirable in this case," he stated. "We feel that this board should be appointed with staggered terms of office and not be subject to removal at the will of a political appointee." He also said:

"In the hearings before the Cooley Subcommittee on Nov. 17-20, 1943, the position of the American Bankers Association with respect to socialized and subsidized credit was stated. With particular reference to cooperative credit agencies it was emphasized that the Farm Credit Administration should be returned to an independent status under the management of a bi-partisan board. If this is desirable for cooperative credit, it is even more desirable, in fact, it is essential to have the supervision and control of direct loans to farmers placed in an independent agency managed by a bi-partisan board, in order to prevent political influences from dictating the lending policies of the agency."

Mr. Wiggins raised a question concerning the provision that the county agricultural extension agent shall call meetings of the county committee to pass on "these credits" and that he receive applications for loans, and suggested that at least one man on the county committee should be a man who has had some experience in credits. "There is no limitation as to whom you can have, but it seems to me that if you are setting up a credit agency, at least the qualifications of one member of the board should be a man who has had some experience in credits," he said. He also called for staggered terms for members of local committees. Mr. Wiggins also suggested that no employee of the Government or of Government agencies should be permitted to serve as a member of a county committee. He urged that the bill be amended to provide for Congressional review of the need for funds each year.

"I think that one of the most serious objections to this bill in its present form is that you create revolving funds," he said. "And I am convinced that the people of this country have been fooled and kidded more by revolving funds than by any other hiding of what

is going on with the taxpayers' money. I very much urge that these not be revolving funds at all."

Mr. Wiggins praised the provisions in the bill restricting loans to borrowers who are unable to get credit elsewhere by means of requiring the county committee to certify that the applicant has been unable to obtain credit sufficient to meet his needs at reasonable rates and upon reasonable terms from commercial banks, other private lending agencies, or from any other source. But he expressed himself as concerned with the provision of reasonable rates and reasonable terms from other sources. "There you open up the whole limitation to the construction of people who have different ideas as to what you may mean by reasonable rates and reasonable terms," he said.

Mr. Wiggins urged that a provision be put in the bill "to prohibit and forbid the advertising and solicitation of loans. We have had the experience of these representatives of various agencies going around the country soliciting, advertising for, and trying to get the business," he said. "I think that an institution that is set up here to provide a final resort should not be one that should actively go out and see how much business it can drum up."

He also questioned the provisions covering the purpose of the loans. "It seems to me that the particular provision of 'other farm needs and the family subsistence' should be carefully screened to be sure that under that some administrator cannot spend it to do things that you do not want him to do."

Mr. Wiggins stated that he regarded his last point as the most important of all. "Under this bill you are providing for loans not to exceed \$2,500 essentially and through accrual not to exceed \$3,500. In effect, what you are doing is raising the feed and seed loan from \$400 to \$2,500. The practical effect is that when this bill is passed there will be no more seed and feed loans, farm security loans, and so on. The practical effect will be that the fellow who has been getting a \$400 seed and feed loan is now going to get a \$2,500 one." In answer to the suggestion that this will depend upon whether the county committees will do it, Mr. Wiggins replied, "That is an open invitation for that fellow to come in and ask for \$2,500."

Mr. Wiggins urged the elimination of Section 8 of the bill for the consolidation of all field offices of agricultural credit agencies.

## Parkinson Acting Director Of Insurance In Illinois

Governor Dwight H. Green of Illinois, April 13, announced that he had accepted the resignation of Paul F. Jones, State Director of Insurance, effective April 15. Governor Green named Nellis P. Parkinson, present Chief Deputy in the Department, to serve as Acting Director. Mr. Jones is leaving the State service to return to his law practice and other private affairs in Danville. He offered his resignation several months ago but withdrew it temporarily at the urgent request of Gov. Green. Mr. Jones has served as Director since Jan. 20, 1941. Gov. Green, in announcing the resignation, said:

"I sincerely regret losing the services of Director Jones. He has served the citizens of Illinois faithfully and there has been marked improvement in insurance conditions since he has been directing the Department."

Mr. Jones was United States District Attorney under President Hoover and has served as City Attorney of Danville and Assistant States Attorney of Vermillion County. He is a member of the law firm of Lindley, Jones, Grant & Sabat in Danville.

## Price Stabilization Argued Before The SEC

After a long series of delays extending over more than two years, the Securities and Exchange Commission in Philadelphia, on April 11, listened to oral arguments in the case involving the right of the National Association of Securities Dealers to fine some 70 of its members for violation of a price stabilization covenant contained in an underwriting agreement for the offering of \$38,000,000 of bonds of the Public Service Commission

of Indiana. The main question at issue, as noted in the "Chronicle" of March 23, page 1204, was not the disciplinary action of NASD, but rather the legality, under the Sherman Anti-Trust Act, of any price-maintenance arrangements among security dealers. It was about two years ago that a representative of the Department apparently threw a bomb shell into a session of the SEC hearings by contending that the customary price stabilization provisions, which have been universally practiced since the turn of the century, was a violation of the Sherman Act and requested the privilege of the Justice Department to intervene in the proceedings. This request the SEC granted, and, in addition, issued a statement, which, in essence, expressed an inclination to accept the view of the Justice Department official. As the NASD contested the contention of the right of the Justice Department to intervene in the proceedings, both parties were asked to submit briefs, and the oral arguments, after several postponements, were held on April 11.

Raymond T. Jackson of Cleveland, Ohio, put in an appearance for the NASD. He argued that there is no violation of the Sherman Act in the price stabilization agreements as contended by the Justice Department. He pointed out that the usual covenant for a uniform offering price, which has long been traditional in security underwriting had been brought to the attention of Congress on several occasions, by investigating committees, such as Pujo Committee in 1912, and the Pecora investigating committee just prior to the passage of the Securities Act of 1933, and no legal or other objections were offered against it.

"In the long period which has elapsed since the passage of the Sherman Act in 1890, there has been no case in which it has been urged that this distributing arrangement, including the covenant for a uniform public offering price was in violation of the Sherman Act," Mr. Jackson argued.

He further pointed out that without uniform price agreements no selling group organized to distribute new securities could be formed, and if the traditional covenant is abolished, the costs of distributing new securities would be greatly increased. He hinted that the ultimate effect may be a serious handicap to corporate financing and a complete change in methods of security distribution.

Mr. Jackson further contended that the SEC has not been granted a statutory power to administer or enforce the Sherman Act. "If the Commission were to set aside the disciplinary action of the association under the Sherman Act, the Commission would obviously be required to find there had been a violation of the Sherman Act, and thus would be exercising jurisdiction to construe and enforce the Sherman Act," he said.

Pointing out that the underwriting agreement is "a joint venture for a certain business result" by collective action, it has greater freedom under the Sherman Act than a corporation might have, due to its temporary character.

Lawrence S. Apsey, special assistant to the Attorney General, presented the arguments of the Department of Justice. He contended that all uniform price agreements are, *per se*, a violation of the Sherman Anti-Trust Act.

"The respondents would have us believe," he said, "that there is something unique about the securities business which establishes it on some untouchable mountain top, which, of course, would make

things very rosy for those who live on the peak.

"Maybe it is because finance is a mystery to many people that the bankers have attempted to enshroud it in a veil of sanctity, and to contend that any tampering with the financial mechanism will cause the entire economic structure to come tumbling about our ears. If the securities business is unique, this is so rather in its potentiality for harm than in any presumption that it necessarily operates in the public good."

Mr. Apsey argued further that since the price agreements guarantee to the underwriters and dealers certain minimum profits, the profits must be presumed to be unreasonable.

"Such contracts establish an artificial market and thereby preclude any mechanism of a free and open market," he said. "They impose a schedule of prices and a minimum rate of commission and other charges. To construe the rules to require the observance of such contracts is to use the rules themselves to impose such schedules."

Continuing this argument, the Justice Department's Attorney announced that "no doctrine of anti-trust law is more firmly established by the Supreme Court than the principle that price-fixing agreements are unlawful *per se*."

"The respondents (NASD) would have us believe, that there is something unique about the securities business which takes it out of this rule and establishes it on some untouchable mountain top," the Department of Justice assistant said. "If the securities business is unique, this is so rather in its potentialities for harm than in any presumption that it necessarily operates for the public good. From the investors' point of view, it is clearly a 'dangerous instrumentality.'"

"Proponents of the anti-trust philosophy point out that it is the underwriters and dealers who are throwing the monkey-wrench into American economy by creating an artificial market and upsetting the natural course of events," he continued. "It is they who seek to substitute the fallible judgment, as to price, of a handful of underwriters with a financial axe to grind for the collective judgment of the investing public which might otherwise be registered in a free and open market."

Harold B. Teegarden, counsel on the staff of the SEC, argued along the lines taken by the Justice Department. He maintained that price agreements interfered with "a free and open market". Though admitting that there would be some price cutting by individual dealers comprised in an underwriting syndicate, the absence of a uniform price covenant would not have the "dire results" on security distribution predicted by the attorney of the NASD. He summarized his views by declaring that the price agreements "were clearly contrary to public policy, illegal and unenforceable—in other words, a social and economic evil."

Of course, he made no reference to the fact that the Treasury Department and the Federal Reserve Board on many occasions in both the distant and the recent past has entered the Government bond market with the express purposes of stabilizing the prices of these securities; and were therefore using the same traditional marketing device that has been practiced in security underwriting for more than a half century.

### Moody's Bond Prices And Bond Yield Averages

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

1944— Daily Averages	U. S. Govt. Bonds	Avge. Corpo- rate*	Corporate by Ratings*			Corporate by Groups*			
			Aaa	Aa	A	R. R.	P. U.	Indus.	
Apr. 18	119.86	111.62	118.20	116.61	111.62	101.31	105.17	113.70	116.41
17	119.86	111.81	118.40	116.61	111.62	101.31	105.17	113.70	116.41
15	119.86	111.62	118.20	116.61	111.62	101.14	105.17	113.70	116.41
14	119.86	111.62	118.20	116.61	111.44	101.14	105.17	113.70	116.41
13	119.90	111.44	118.20	116.61	111.44	100.98	105.00	113.70	116.22
12	120.02	111.62	118.20	116.80	111.44	101.14	105.17	113.70	116.41
11	119.94	111.62	118.20	116.80	111.44	101.14	105.00	113.70	116.41
10	119.83	111.62	118.20	116.61	111.44	101.14	104.83	113.70	116.41
8	119.81	111.44	118.20	116.61	111.44	100.98	104.83	113.70	116.22
7									
6	119.81	111.44	118.20	116.61	111.44	100.98	104.83	113.89	116.22
5	119.79	111.44	118.20	116.41	111.44	100.81	104.66	113.70	116.22
4	119.77	111.44	118.40	116.41	111.44	100.81	104.66	113.70	116.41
3	119.70	111.44	118.40	116.41	111.44	100.81	104.66	113.70	116.41
1	119.68	111.44	118.20	116.41	111.25	100.81	104.66	113.70	116.22
Mar. 31	119.68	111.44	118.20	116.41	111.25	100.81	104.66	113.70	116.22
24	119.86	111.44	118.20	116.61	111.44	100.81	104.66	113.89	116.41
17	120.14	111.44	118.20	116.61	111.25	100.65	104.66	113.70	116.41
10	120.26	111.44	118.20	116.41	111.25	100.81	104.48	113.70	116.41
3	120.44	111.25	118.20	116.61	111.25	100.49	104.31	113.70	116.41
Feb. 25	120.21	111.25	118.20	116.41	111.07	100.32	104.31	113.50	116.22
18	119.96	111.25	118.40	116.41	111.07	100.49	104.31	113.50	116.41
11	119.69	111.25	118.40	116.22	111.25	100.49	104.31	113.50	116.41
4	119.45	111.25	118.40	116.22	111.25	100.49	104.14	113.50	116.61
Jan. 28	119.47	111.07	118.20	116.22	111.07	100.16	104.14	113.31	116.41
21	119.58	111.25	118.40	116.41	111.07	100.16	104.31	113.31	116.41
14	119.57	111.25	118.60	116.41	111.25	99.84	104.14	113.50	116.41
7	119.69	111.07	118.60	116.41	111.07	99.36	103.80	113.50	116.22
High 1944	120.44	111.81	118.80	116.80	111.62	101.31	105.17	113.89	116.61
Low 1944	119.41	110.70	118.20	116.22	110.88	99.04	103.30	113.12	116.02
High 1943	120.87	111.44	119.41	117.00	111.81	99.36	103.47	114.27	117.40
Low 1943	116.35	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46
1 Year ago									
April 17, 1943	118.08	109.60	117.80	115.43	110.52	96.54	100.98	112.93	115.82
2 Years ago									
April 18, 1942	118.12	106.92	116.41	113.70	107.62	92.20	97.00	110.88	113.89

1944— Daily Averages	U. S. Govt. Bonds	Avge. Corpo- rate*	Corporate by Ratings*			Corporate by Groups*			
			Aaa	Aa	A	R. R.	P. U.	Indus.	
Apr. 18	1.82	3.08	2.74	2.82	3.08	3.67	3.44	2.97	2.83
17	1.82	3.07	2.73	2.82	3.08	3.67	3.44	2.97	2.82
15	1.82	3.08	2.74	2.82	3.08	3.68	3.44	2.97	2.83
14	1.82	3.08	2.74	2.82	3.09	3.68	3.45	2.97	2.84
13	1.82	3.09	2.74	2.82	3.09	3.69	3.45	2.97	2.83
12	1.81	3.08	2.74	2.81	3.09	3.68	3.44	2.97	2.84
11	1.82	3.08	2.74	2.82	3.09	3.68	3.45	2.97	2.83
10	1.82	3.08	2.74	2.82	3.09	3.68	3.43	2.97	2.83
8	1.83	3.09	2.74	2.82	3.09	3.69	3.43	2.97	2.84
7									
6	1.83	3.09	2.74	2.82	3.09	3.69	3.46	2.96	2.84
5	1.83	3.09	2.74	2.83	3.09	3.70	3.47	2.97	2.84
4	1.83	3.09	2.73	2.83	3.09	3.70	3.47	2.97	2.83
3	1.83	3.09	2.73	2.83	3.09	3.70	3.47	2.97	2.83
1	1.83	3.09	2.74	2.83	3.10	3.70	3.47	2.97	2.84
Mar. 31	1.83	3.09	2.74	2.83	3.10	3.70	3.47	2.97	2.84
24	1.82	3.09	2.74	2.82	3.09	3.70	3.47	2.96	2.83
17	1.80	3.09	2.74	2.82	3.10	3.71	3.47	2.97	2.83
10	1.81	3.09	2.74	2.83	3.10	3.70	3.48	2.97	2.83
3	1.80	3.10	2.74	2.82	3.10	3.72	3.49	2.97	2.83
Feb. 25	1.81	3.10	2.74	2.83	3.11	3.73	3.49	2.98	2.84
18	1.83	3.10	2.73	2.83	3.11	3.72	3.49	2.98	2.83
11	1.85	3.10	2.73	2.84	3.10	3.72	3.49	2.98	2.83
4	1.87	3.10	2.73	2.84	3.10	3.72	3.50	2.98	2.82
Jan. 28	1.87	3.11	2.74	2.84	3.11	3.74	3.50	2.99	2.83
21	1.86	3.10	2.73	2.83	3.11	3.74	3.49	2.99	2.83
14	1.86	3.10	2.72	2.83	3.10	3.76	3.50	2.98	2.83
7	1.85	3.11	2.72	2.83	3.11	3.79	3.52	2.98	2.84
High 1944	1.87	3.13	2.74	2.84	3.12	3.81	3.55	3.00	2.85
Low 1944	1.79	3.07	2.71	2.81	3.08	3.67	3.44	2.96	2.82
High 1943	2.08	3.31	2.81	2.96	3.23	4.25	3.93	3.07	2.93
Low 1943	1.79	3.09	2.68	2.80	3.07	3.79	3.54	2.94	2.78
1 Year ago									
April 17, 1943	2.00	3.19	2.76	2.88	3.14	3.97	3.69	3.01	2.86
2 Years ago									
April 18, 1942	1.96	3.34	2.83	2.97	3.30	4.26	3.94	3.12	2.96

\*These prices are computed from average yields on the basis of one "typical" bond (3% coupon, maturing in 25 years) and do not purport to show either the average level or the average movement of actual price quotations. They merely serve to illustrate in a more comprehensive way the relative levels and the relative movement of yield averages, the latter being the true picture of the bond market.

†The latest complete list of bonds used in computing these indexes was published in the issue of Jan. 14, 1943, page 202.

### Electric Output For Week Ended April 15, 1944 Shows 10% 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 April 15, 1944, was approximately 4,307,498,000 kwh., compared with 3,916,794,000 kwh. in the corresponding week a year ago, an increase of 10.0%. The output for the week ended April 8, 1944, was 12.3% in excess of the similar period of 1943.

Major Geographical Divisions—	Week Ended			
	Apr. 15	Apr. 8	Apr. 1	Mar. 25
New England	3.3	4.0	4.0	4.7
Middle Atlantic	6.1	9.1	11.1	11.4
Central Industrial	7.2	9.0	10.9	9.5
West Central	2.8	5.4	8.6	6.6
Southern States	10.7	13.2	13.4	11.1
Rocky Mountain	5.7	6.5	4.5	6.5
Pacific Coast	26.9	30.2	29.7	28.0
Total United States	10.0	12.3	13.3	12.2

Week Ended—	1944	1943	% Change over 1943			
			1942	1932	1929	1925
Jan. 1	4,337,387	3,779,993	+14.7	3,288,685	1,619,265	1,542,000
Jan. 8	4,567,959	3,952,587	+15.6	3,472,579	1,602,482	1,733,810
Jan. 15	4,539,083	3,952,479	+14.8	3,450,468	1,598,201	1,736,721
Jan. 22	4,531,662	3,974,202	+14.0	3,440,163	1,588,967	1,717,315
Jan. 29	4,523,763	3,976,844	+13.8	3,468,193	1,588,853	1,723,203
Feb. 5	4,524,134	3,960,242	+14.2	3,474,638	1,578,817	1,726,161
Feb. 12	4,532,730	3,939,708	+15.1	3,421,639	1,545,459	1,718,304
Feb. 19	4,511,562	3,948,749	+14.3	3,423,589	1,512,158	1,699,250
Feb. 26	4,444,939	3,892,796	+14.2	3,409,907	1,519,679	1,706,719
March 4	4,464,686	3,946,630	+13.1	3,392,121	1,538,452	1,702,570
March 11	4,425,630	3,944,679	+12.2	3,357,444	1,537,747	1,687,229
March 18	4,400,246	3,946,836	+11.5	3,357,032	1,514,553	1,683,262
March 25	4,409,159	3,928,170	+12.2	3,345,502	1,480,208	1,679,589
April 1	4,408,703	3,889,858	+13.3	3,348,608	1,465,076	1,633,291
April 8	4,361,094	3,882,467	+12.3	3,320,858	1,480,738	1,696,543
April 15	4,307,498	3,916,794	+10.0	3,307,700	1,469,810	1,709,331
April 22		3,925,175		3,273,190	1,454,505	1,699,822
April 29		3,866,721		3,204,602	1,429,032	1,688,434

### Steel Production Again At Record High Level Single World Police Reconversion And Manpower Problems Active For Peace Dropped

"Production of all items urgently needed for the invasion proceeded at high speed over the nation this week, but still the problems of contract cancellation and reconversion, manpower and surplus property remained very active," says "The Iron Age" in its issue today (April 20), which further adds:

"The automobile industry's conference at Washington on April 17 seemed to emphasize WPB's lack of legislative power to deal with the broad problems. Automobile men were requested to return in 60 to 90 days with plans for restricted production of 2,000,000 cars and subsequently for unlimited production, and to have in hand much other data.

"Last week Donald M. Nelson, Chairman of the War Production Board, appeared to be veering toward a little more determination on the wildly booted reconversion and civilian goods questions. He formally announced his new reconversion policy committee and said that the restrictive order confining new or increased civilian production to Group 3 and Group 4 labor areas would be modified. There was even talk that WPB will attempt to get the 2,000,000 electric irons originally programmed.

"Meanwhile, in Canada, officials of the Wartime Prices and Trade Board are reported to have agreed on principles which will result in the smoothing of the conversion problem. In the main, it is planned that industries will make their own decisions about civilian output, while no attempt will be made to judge between the relative urgency of consumer needs. No advance information of an intended relaxation will be given manufacturers, nor will there be postponement of these orders so as to provide equality of opportunity for manufacturers.

"Steel ingot production is holding at its high level and delivery promises and rolling mill schedules seem to be growing tighter steadily. On some leading items mill books are closed virtually through next October. Some of the leading steel companies find their order volume 8% to 10% ahead of a month ago.

"Like numerous other steel consuming industries, can makers are worried over the outlook for their raw material supplies. First quarter tin plate allocations were cut below stated requirements and the shortage hasn't been made up. It is feared that on July 1 the industry's inventory may be 4,000,000 base boxes short.

"Considerable interest and some confusion has been centering upon the realignment of plate directives. It is understood from a reliable source that plate production loads will be reduced in July, with some companies scheduled to receive more of a cut than others, depending upon past performance and other conditions. However, sheet orders are expected to more than fill up any vacant space on mill schedules which occurs.

"According to reliable information, announcement of upward adjustments in the price of certain steel products by the OPA has been postponed indefinitely.

The American Iron and Steel Institute on April 17 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 99.5% of capacity for the week beginning April 17, compared with 98.7% one week ago, 99.2% one month ago and 99.1% one year ago. The operating rate for the week beginning April 17 is equivalent to 1,782,300 tons of steel-Ingots and castings, or the same as estimated for the week beginning April 3, when output was at the highest rate on record. The current rate also compares with 1,768,000 tons one week ago, 1,777,000 tons one month ago and 1,716,100 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on April 17 stated in part as follows:

"Appearance of occasional gaps in rolling schedules, due to cancellations from changes in war requirements, tends to confuse the delivery situation somewhat, but they are promptly filled by other pressing tonnage and delivery in major steel products is as extended as in the recent past.

"In fact, while pressure for plate delivery is strong, buying is less active because of the long wait now necessary. Because of the shorter month and five week ends plate production in April probably will not equal the record set in March. Sheets are available for September shipment and occasional lots have been booked recently for August where openings in rolling schedules have appeared. Most producers are well covered for third quarter with fourth quarter commitments expanding.

"Bar schedules are tightening appreciably, attributed to larger requirements for heavy shells and greater needs of railroad and farm equipment manufacturers. While some producers can take business for June, others have nothing before July and on some sizes only August is offered. Structural mill schedules also show stiffening, more a result of landing craft needs than increased building operations.

"Some quickening is noted in pig iron, evidenced more in the melt than in acceleration of buying. Most users buy conservatively, no evidence of accumulating inventory being apparent. Makers are not piling iron and full production is being taken in. Some stacks are idle for repairs and some have not been returned to service after relining.

"First ore cargoes from the head of the lakes reached lower lake ports last week, opening the season about ten days earlier than in 1943. With the fleet augmented by several carriers of large size a record tonnage may be moved."

### Iver Olsen Named As Representative in Sweden Of War Refugee Board

John W. Pehle, Executive Director of the War Refugee Board, announced on April 12 the appointment of Iver C. Olsen as the Board's special representative in Stockholm, Sweden, assigned as special attache to the Legation on War Refugee matters. The Board's announcement states:

"The new appointee was named by the Board to develop programs and implement measures for the rescue, maintenance and relief of Jews and other persecuted minorities in Europe. Ira Hirschmann of New York City, who was designated in February as the Board's representative in Turkey, is due in Washington this month for 'urgent consultation' with the Board.

"Mr. Olsen, a native of Norway, has been a financial attache of the Treasury's Division of Monetary Research since October, 1943. Prior to that time he has been special assistant to the Director of Foreign Funds Control.

"A resident of Gilford, N. H., he received his education at Boston University; the School of Foreign Service, Georgetown University, and Crawford's Diplomatic School of Washington. He is the author of numerous articles on banking, investments and economic problems."

## Civil Engineering Construction \$32,915,000 For Week

Civil engineering construction volume in continental United States totals \$32,915,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 3% lower than a week ago and 65% below the corresponding 1943 week as reported to "Engineering News-Record" and made public on April 13. The report added:

Public construction tops the preceding week by 12% but is 65% under last year. Private work is 53 and 67% lower, respectively, than a week ago and a year ago.

The current week's construction brings 1944 volume to \$517,000,000 for the 15-week period, a decrease of 52% from the \$1,087,844,000 reported in 1943. Private construction, \$109,881,000, is 8% below the 1943 period, and public construction, \$407,119,000 is down 58% as a result of the 60% drop in Federal volume and the 21% decline in State and municipal volume.

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

	April 15, 1943	April 6, 1944	April 13, 1944
Total U. S. Construction	\$93,573,000	\$33,963,000	\$32,915,000
Private construction	11,064,000	7,846,000	3,695,000
Public construction	82,509,000	26,117,000	29,220,000
State and municipal	9,251,000	2,764,000	1,928,000
Federal	73,258,000	23,353,000	27,292,000

In the classified construction groups, gains over last week are in public buildings and unclassified construction. Increases over the 1943 week are in bridge and earthwork and drainage. Subtotals for the week in each class of construction are: waterworks, \$41,000; sewerage, \$322,000; bridges, \$219,000; industrial buildings, \$582,000; commercial buildings, \$2,368,000; public buildings, \$17,522,000; earthwork and drainage, \$104,000; streets and roads, \$1,643,000; and unclassified construction, \$10,114,000.

New capital for construction purposes for the week totals \$46,860,000. It is made up of \$300,000 in corporate security issues, \$320,000 in State and municipal bond sales, and \$46,240,000 in RFC loans for private industrial improvements.

The week's new financing brings 1944 volume to \$231,097,000, a figure 51% below the \$468,146,000 reported for the 15-week 1943 period.

## National Fertilizer Association Commodity Price Index Unchanged

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on April 17, registered 137.1 in the week ending April 15, the same as in the preceding week. A month ago this index stood at 137.3 and a year ago at 135.8, based on the 1935-1939 average as 100. The Association's report went on to say:

The all-commodity index remained at the previous week's level as the few price changes balanced or offset one another. Slightly rising prices for cattle and sheep were sufficient to offset declining prices for rye, hogs, and lambs, thus holding the farm products index number to the previous week's level. Advancing prices in eggs caused a fractional increase in the foods group. Higher quotations for raw cotton caused a slight increase in the textiles group which in turn reached a new high. The average of industrial commodities remained unchanged.

Price changes during the week were evenly balanced with four series advancing and four declining; in the preceding week they were also evenly balanced with three advances and three declines; and in the second preceding week there were five advances and six 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 Week		Month Ago	Year Ago
		Apr. 15, 1944	Apr. 8, 1944		
25.3	Foods	138.4	138.3	137.7	139.5
	Fats and Oils	146.1	146.1	146.1	147.7
	Cottonseed Oil	159.6	159.6	159.6	159.0
23.0	Farm Products	156.7	156.7	158.5	154.3
	Cotton	200.9	200.1	200.9	200.5
	Grains	164.8	164.8	164.8	141.3
	Livestock	146.9	147.0	149.7	150.1
17.3	Fuels	130.1	130.1	130.1	122.2
10.8	Miscellaneous commodities	132.2	132.2	132.2	130.4
8.2	Textiles	152.3	152.1	152.0	151.2
7.1	Metals	104.4	104.4	104.4	104.4
6.1	Building materials	152.4	152.4	152.4	152.3
1.3	Chemicals and drugs	127.7	127.7	127.7	126.6
.3	Fertilizer materials	117.7	117.7	117.7	117.9
.3	Fertilizers	119.7	119.7	119.7	119.8
.3	Farm machinery	104.2	104.2	104.2	104.1
100.0	All groups combined	137.1	137.1	137.3	135.8

\*Indexes on 1926-1928 base were: April 15, 1944, 106.8; April 8, 106.8, and April 17, 1943, 105.8.

## Finished Steel Shipments By Subsidiaries Of U. S. Steel Corporation Hits Record In March

Shipments of finished steel products by subsidiaries of the United States Steel Corp. in March were 1,874,795 net tons, the highest for any month in its history. The previous peak was 1,851,279 net tons in October, 1941.

The March, 1944, total was 119,023 net tons over the 1,755,772 tons reported for the preceding month. However, February made a better showing on the basis of the daily average deliveries. For the 27 days in March the average was 69,437 net tons compared with 70,231 net tons for the 25 working days in the previous month.

In March, 1943, the shipments were 1,772,397 net tons. For 27 working days in March last year the average was 65,644 net tons per day. In the corresponding month of 1942 the total was 1,780,938 net tons and in March, 1941, shipments were 1,720,366 net tons.

For the first quarter this year deliveries were 5,361,354 net tons, the highest for any similar period in history, and compares with 5,149,982 tons in the corresponding three months last year, an increase

of 211,372 tons. There were 78 working days in the first quarter this year and the per day average was 68,735 net tons. In the same period of 1943, which had 77 working days, the average was 66,883 net tons.

In the table below we list the figures by months for various periods since January, 1939:

	1944	1943	1942	1941	1940	1939
January	1,730,787	1,685,993	1,738,893	1,682,454	1,145,592	870,866
February	1,755,772	1,691,592	1,616,587	1,548,451	1,009,256	747,427
March	1,874,795	1,772,397	1,780,938	1,720,366	931,905	845,108
April	-----	1,630,828	1,758,894	1,687,274	907,904	771,752
May	-----	1,706,543	1,834,127	1,745,295	1,084,057	795,689
June	-----	1,552,663	1,774,068	1,668,537	1,209,684	607,562
July	-----	1,660,762	1,765,749	1,666,667	1,296,887	745,364
August	-----	1,704,289	1,788,650	1,753,665	1,455,604	885,636
September	-----	1,664,577	1,787,501	1,851,279	1,392,838	1,086,683
October	-----	1,794,968	1,678,545	1,624,186	1,425,352	1,406,205
November	-----	1,660,594	1,665,545	1,624,186	1,425,352	1,406,205
December	-----	1,719,624	1,849,635	1,846,036	1,544,623	1,443,969
Total by mes.	20,244,830	21,064,157	20,458,937	14,976,110	11,752,116	8,448,865
Yearly adjust.	*97,214	*449,020	*42,333	37,639	*44,865	-----
Total	20,147,616	20,615,137	20,416,604	15,013,749	11,707,251	8,404,000

\*Decrease.  
Note—The monthly shipments as currently reported during the year 1942, are subject to adjustment reflecting annual tonnage reconciliations. These will be comprehended in the cumulative yearly shipments as stated in the annual report.

## Bank Debits For Month Of March

The Board of Governors of the Federal Reserve System issued on April 11 its usual monthly summary of "bank debits," which we give below:

SUMMARY BY FEDERAL RESERVE DISTRICTS  
(In millions of dollars)

Federal Reserve District—	March		—3 Months Ended—	
	1944	1943	March 1944	March 1943
Boston	3,479	3,291	10,658	8,866
New York	32,121	26,424	91,625	72,880
Philadelphia	3,398	3,100	9,822	8,371
Cleveland	4,705	4,272	14,059	11,719
Richmond	2,673	2,438	7,728	6,705
Atlanta	2,522	2,244	7,469	6,179
Chicago	12,728	11,051	34,779	28,533
St. Louis	2,046	1,921	6,103	5,281
Minneapolis	1,435	1,238	4,240	3,323
Kansas City	2,381	2,248	7,056	6,122
Dallas	2,089	1,918	6,114	5,119
San Francisco	6,512	5,637	19,040	15,529
Total, 334 centers	76,089	65,782	218,692	178,626
New York City*	29,644	24,062	84,266	66,611
140 other centers*	39,411	35,261	113,851	94,421
193 other centers	7,034	6,459	20,575	17,594

\*Included in the national series covering 141 centers, available beginning in 1919.

## ALF In Offering "Post-War Program" Urges "International Organization Of Peace"

(Continued from page 1639)

4. Special assistance in finding employment.  
5. Interim placement benefits effective three months after demobilization and to continue for two years after re-entering the work force.

### The National Work Force

For all wage earners the American Federation of Labor proposes:

1. Federal interim unemployment benefits for two years.  
2. Early enactment of a Federal social insurance system covering all workers in private industry and groups of self-employed persons, providing insurance for emergencies interrupting work: unemployment and short-time incapacity, long-time incapacity and old age, with provision that the Social Security Board may enter into compacts with individual States or their subdivisions, for the purpose of extending social security coverage to their employees.

3. A national employment service essential to advise workers of suitable jobs and employers of suitable workers.

4. Restoration of shorter work-week without material reduction in weekly earnings.

During the war wage earners have contributed increased productivity to the war effort without compensation by increases in wage rates. Justice therefore requires that they return to normal hours without material change in weekly earnings.

5. An end of the evil of child labor.

6. Adequate protective labor legislation at both Federal and State levels.

Union responsibilities in an economy of abundance. In addition to its responsibility for craftsmanship and discipline of members, and selection of officers to represent the union and negotiate contracts protecting members' rights and interests, the union must assume the responsi-

bilities accompanying the establishment and maintenance of maximum levels of production and employment. This implies the unreserved cooperation necessary for full employment with review and revision of rules and practices which were developed to protect workers in a depressed and severely fluctuating economy.

Employers' responsibilities. As price of free competitive enterprise—with profits to cover risks—employers must accept responsibility for directing initiative toward organization of production, employment and marketing that will maintain maximum levels of production and employment.

Through personnel policies and in collective bargaining employers should promote higher incomes for the work force. This is essential to an economy of abundance.

Union-Management Cooperation. After collective bargaining has become a customary practice, it is possible to develop plans and agencies for regularized cooperation between unions and management. Such cooperation contributes to efficient production and can materially lower production costs. It makes possible a real sense of partnership in the day-to-day problems of joint work.

We urge for all production undertakings genuine collective bargaining as the only basis for union-management cooperation.

Housing. Cities and towns, large and small, have been blighted by the years of stagnation in residential building. Mass shifts of workers brought about by war mobilization and war curtailment of construction activity, have multiplied the already acute need for housing.

We propose that work of practical and definite advance planning of rebuilding of communities be undertaken at once as a task by citizens of each and every town. This is an urgent job for local agencies on which private industry, organized labor and government can work jointly toward

assurance of economic growth and security after the war. Home construction provides the broadest, single base for production and re-employment in major industries. In keeping with other plans for an economy of abundance, we should carry on slum clearance and rehousing of families whose incomes keep them out of reach of the private homebuilding markets. This must be done through a program of low rent housing with public aid of local housing agencies backed by Federal Government.

Private initiative should play a leading part in post-war housing reconstruction with safeguards against speculative abuses in construction and financing. Slum clearance and rehousing of low-income families must supplement private effort to bring decent homes within reach of every family and assure healthy, normal growth to all children—our future citizens.

Public Works. A program of needed public works and services ready to be let to private contractors should be available to supplement private employment in the conversion period and to start as soon as a trend toward production decline appears obvious.

Fiscal Policy. Our national fiscal policy must promote our fundamental purpose—high levels of production and employment. Our accumulated national debt and interest charges thereon will mean sustained high tax rates, but if we maintain high production levels this will not prevent our providing adequate educational opportunities, child welfare, housing, health, public assistance and similar services.

Proposal. We propose representatives of farmers, employers and workers organizations should get together in advance of legislation to agree upon our joint responsibilities.

This program deals only with immediate plans. Additional recommendations will be made from time to time.

## Mortgage Bankers Schedule Balance Of 1944 Meets

The third and final 1944 mortgage "clinic" of the Mortgage Bankers Association of America will be at the Hotel Mayo, Tulsa, May 11 and 12, according to an announcement on April 15 by H. G. Woodruff, Detroit, Association President. The national conference will be devoted to current and post-war mortgage problems with special emphasis on conditions in the farm mortgage field. The Oklahoma and Texas mortgage bankers associations and the Dallas and Houston organizations will cooperate in sponsoring the meeting. The announcement also had the following to say:

"R. O. Deming, Jr., Oswego, Kan., MBA Regional Vice-President for the Southwest, and G. H. Galbreath, Tulsa, member of the Board of Governors, are arranging the conference. W. A. Clarke, Philadelphia, will act as moderator. J. S. Corley of the investment department of the Bankers Life Co., Des Moines, will be Chairman at the farm mortgage conference.

"About 400 mortgage and commercial bankers, title and trust company officials, real estate men and Government agency executives are expected. Among the subjects to be discussed will be the current rise in farm land prices, the probable effect in the post-war period and the Gillette bill now in Congress which seeks to impose high taxes on profits from farm land sales made within short periods of time after purchase. The threat of more public housing, relaxation of restrictions on new building and the Federal Government's role in the mortgage field after the war will also be reviewed."

### 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 April 8, 1944 is estimated at 12,020,000 net tons, an increase of 340,000 tons over the preceding week. The current figure, however, is 150,000 tons below that of the corresponding week in 1943. Cumulative production of soft coal from Jan. 1 to April 8, 1944 amounted to 174,502,000 tons, as against 169,753,000 tons in the same period last year, or a gain of 2.8%.

According to the U. S. Bureau of Mines, Pennsylvania anthracite output for the week ended April 8, 1944 was estimated at 1,128,000 tons, a decrease of 157,000 tons (12.2%) from the preceding week. When compared with the production in the corresponding week of 1943 there was a decrease of 202,000 tons, or 15.2%. The calendar year to date shows an increase of 2.4% when compared with the same period in 1943.

The Bureau of Mines also reported that the estimated output of beehive coke in the United States for the week ended April 8, 1944 showed an increase of 3,400 tons when compared with the production for the week ended April 1, 1944.

#### ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS

	Week Ended			January 1 to Date		
	April 8, 1944	April 1, 1944	April 10, 1943	April 8, 1944	April 10, 1943	April 10, 1937
Bituminous coal and lignite	12,020,000	11,680,000	12,170,000	174,502,000	169,753,000	142,743,000
Total incl. mine fuel	1,083,000	1,234,000	1,277,000	2,070,000	2,009,000	1,697,000
Daily average	2,003,000	2,066,000	2,028,000	2,070,000	2,009,000	1,697,000

\*Revised. †Subject to current adjustment.

#### ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

	Week Ended			Calendar Year to Date		
	April 8, 1944	April 1, 1944	April 10, 1943	April 8, 1944	April 10, 1943	April 13, 1929
Penn. anthracite	1,128,000	1,285,000	1,330,000	17,811,000	17,338,000	20,730,000
Total incl. coll. fuel	1,083,000	1,234,000	1,277,000	17,100,000	16,692,000	19,237,000
Commercial produc.	1,083,000	1,234,000	1,277,000	17,100,000	16,692,000	19,237,000
Byproduct coke—United States total	**	1,277,400	1,233,100	**	17,426,500	†
Beehive coke—United States total	147,600	144,200	179,200	2,176,000	2,285,400	1,780,500

\*Includes washery and dredge coal, and coal shipped by truck from authorized operation. †Excludes colliery fuel. ‡Comparable data not available. §Subject to revision. ¶Revised. \*\*Data on weekly production of byproduct coke reported to the Bureau of Mines by producers, have been discontinued as of April 1, 1944 because this information is no longer needed by the war agencies.

#### ESTIMATED WEEKLY PRODUCTION OF COAL, BY STATES

State	Week Ended			
	April 1, 1944	March 25, 1944	April 3, 1943	April 3, 1937
Alabama	360,000	402,000	332,000	239,000
Alaska	5,000	5,000	6,000	2,000
Arkansas and Oklahoma	86,000	84,000	77,000	38,000
Colorado	180,000	179,000	135,000	125,000
Georgia and North Carolina	1,000	1,000	*	*
Illinois	1,303,000	1,496,000	1,398,000	933,000
Indiana	520,000	545,000	522,000	324,000
Iowa	50,000	46,000	57,000	75,000
Kansas and Missouri	192,000	173,000	155,000	159,000
Kentucky—Eastern	926,000	943,000	852,000	648,000
Kentucky—Western	297,000	319,000	266,000	203,000
Maryland	36,000	41,000	41,000	47,000
Michigan	6,000	5,000	3,000	4,000
Montana (bitum. & lignite)	96,000	79,000	76,000	49,000
New Mexico	38,000	40,000	32,000	32,000
North & South Dakota (lignite)	50,000	52,000	34,000	35,000
Ohio	636,000	609,000	609,000	390,000
Pennsylvania (bituminous)	2,871,000	2,746,000	2,666,000	1,772,000
Tennessee	142,000	160,000	129,000	106,000
Texas (bituminous & lignite)	4,000	5,000	3,000	14,000
Utah	123,000	121,000	120,000	57,000
Virginia	379,000	401,000	371,000	213,000
Washington	35,000	28,000	28,000	26,000
West Virginia—Southern	2,150,000	2,270,000	2,050,000	1,249,000
West Virginia—Northern	1,002,000	940,000	865,000	430,000
Wyoming	191,000	184,000	168,000	71,000
Other Western States	1,000	1,000	*	*
Total bituminous & lignite	11,680,000	11,875,000	10,996,000	7,241,000
Pennsylvania anthracite	1,285,000	1,233,000	1,342,000	1,092,000
Total, all coal	12,965,000	13,098,000	12,338,000	8,333,000

\*Includes operations on the N. W. C. & O.; Virginian; K. & M.; B. C. & G.; and on the B. & O. in Kanawha, Mason and Clay counties. †Rest of State, including the Panhandle District and Grant, Mineral and Tucker counties. ‡Includes Arizona, California, Idaho, Nevada and Oregon. §Data for Pennsylvania anthracite from published records of the Bureau of Mines. \*Less than 1,000 tons.

### Wholesale Commodity Index Advanced 0.1% In Week Ended April 8, Labor Dept. Reports

The general level of wholesale prices advanced 0.1% during the week ended April 8, according to the U. S. Department of Labor, which states that "most of this advance was due to higher prices for grains, eggs and apples." "The balance was accounted for by higher Federal excise taxes, particularly for alcohol, effective April 1," the Department said in its announcement of April 13, which further stated:

"The Bureau of Labor Statistics' index of primary market prices for nearly 900 series now stands at 103.7% of the 1926 level. The composite average is 0.3% above a month ago and 0.2% higher than the corresponding week in April, 1943.

"Farm products and foods. Reversing the seasonal declines of the past few weeks, average prices for eggs in primary markets rose nearly 3% during the first week in April. Prices were higher for the new crop of Texas onions coming onto the market. Price increases were also reported for most grains and oatmeal, for apples and white potatoes in most markets, and for some grades of foreign wools. Further declines were reported in prices for hogs and cotton, and quotations were lower for lemons, oranges, rye flour, and flaxseed. Average prices for farm products advanced 0.2% during the week, and price of foods rose 0.3%. Market prices for farm products were 0.6% higher than a month ago and food prices were up by 0.4%. Compared with a year ago, market prices for farm products were 0.2% lower, and food prices were down nearly 3%.

"Industrial commodities. An increase of \$5.70 per gallon in the Federal tax for alcohol caused the index of chemicals and allied products to advance 5%. Quotations for goatskins, sand lime brick, and turpentine were also higher. Except for these changes, markets

for other major industrial products continued unchanged at the level of the past few months."

The following notation is 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 three weeks, for March 11, 1944, and April 10, 1943, and the percentage changes from a week ago, a month ago, and a year ago, and (2) percentage changes in subgroup indexes from April 1 to April 8, 1944.

#### WHOLESALE PRICES FOR WEEK ENDED APRIL 8, 1944 (1926=100)

Commodity Groups—	April 8, 1944					Percentage change to April 8, 1944 from—		
	4-8 1944	4-1 1944	3-25 1944	3-11 1944	4-10 1943	4-1 1944	3-11 1944	4-10 1943
All commodities	103.7	103.6	103.7	103.4	103.5	+0.1	+0.3	+0.2
Farm products	124.1	123.9	124.6	123.4	124.3	+0.2	+0.6	-0.2
Foodstuffs	105.0	104.2	104.5	104.6	107.9	+0.8	+0.4	-2.7
Hides and leather products	117.6	117.5	117.5	117.6	118.4	+0.1	0	-0.7
Textile products	97.3	97.3	97.3	97.3	96.9	0	0	+0.4
Fuel and lighting materials	83.6	83.6	83.6	83.6	81.1	0	0	+3.1
Metals and metal products	103.8	103.8	103.8	103.8	103.9	0	0	-0.1
Building materials	114.7	114.6	114.6	113.7	110.3	+0.1	+0.9	+4.0
Chemicals and allied products	105.4	104.4	104.4	104.4	100.1	+5.0	+5.0	+5.3
Housefurnishing goods	105.9	105.9	105.9	105.9	104.2	0	0	+1.6
Miscellaneous commodities	93.3	93.3	93.3	93.3	91.3	0	0	+2.2
Raw materials	113.6	113.5	114.0	113.3	112.7	+0.1	+0.3	+0.8
Semimanufactured articles	93.5	93.5	93.5	93.5	93.0	0	0	+0.5
Manufactured products	100.9	100.7	100.7	100.6	100.8	+0.2	+0.3	+0.1
All commodities other than farm products	99.4	99.2	99.2	99.2	99.0	+0.2	+0.2	+0.4
All commodities other than farm products and foods	98.5	98.3	98.3	98.2	96.7	+0.2	+0.3	+1.9

#### PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM APRIL 1, 1944 TO APRIL 8, 1944

Commodity Groups—	Increases		Decreases
	April 8, 1944	April 1, 1944	
Drugs and pharmaceuticals	33.2	Grains	0.2
Fruits and vegetables	1.9	Hides and skins	0.2
Other farm products	1.5	Brick and tile	0.1
Other foods	0.4	Paint and paint materials	0.1
Livestock and poultry	1.8	Anthracite	0.1

### Non-Ferrous Metals—March Copper Production And Deliveries To Domestic Consumers Higher

"E. & M. J. Metal and Mineral Markets," in its issue of April 13, stated: "Copper and zinc statistics for March were released during the last week and the figures confirmed earlier reports that both metals were absorbed by consumers at a high rate. Though shipments of copper did not establish a new record, production was maintained at a higher level than anticipated. New production, as at Morenci, is a factor that tends to support the production curve even though manpower problems are increasing. So far as prices were concerned, the only change recorded last week was in St. Joe chemical lead, which will take the full ceiling price beginning June 1." The publication further went on to say in part as follows:

the all-time peak of 86,031 tons, or a daily rate of 2,775 tons.

The zinc statistics for February and March, in tons, follow:

	March	February
Production	86,031	79,894
Production, daily rate	2,775	2,755
Shipments:		
Domestic	83,231	61,238
Export and drawback	1,327	1,458
Stock at end	84,558	62,696
Unfilled orders	212,766	211,293
	132,519	48,350

\*Revised. †Adjusted to eliminate previously reported tonnage improperly classified.

In view of the fact that WPB now permits monthly shipments of zinc to cover at least a part of the following month's approved needs of consumers, the industry was not greatly concerned over the full extent of the gain in shipments. Actual consumption of zinc for March was estimated roughly between 70,000 and 75,000 tons. Anticipatory buying will make it more difficult to interpret statistics on a month-to-month basis.

#### Lead

Interest in lead centered in an announcement by St. Joseph Lead Co. that it plans to restore the \$2 a ton premium on chemical lead on sales made for shipment on and after June 1, 1944 to points east of St. Louis. The St. Louis basis remains unchanged at 6.40¢, but Chicago will take the 6.50¢ price, New York 6.60¢, and New England 6.65¢. The \$2 premium conforms with the OPA ceiling for chemical lead. The price situation in common was unchanged, quotations continuing at 6.35¢, St. Louis, and 6.50¢, New York.

Sales of lead for the last week totaled 6,262 tons, against 5,943 tons in the preceding week. Consumers have been asked by WPB to estimate their requirements on a quarterly basis, which accounts for a little delay in buying against May need.

#### Copper

The March statistics of the Copper Institute are summarized in tons as follows:

	March	February
Production:		
Crude	101,210	96,263
Refined	99,118	87,128
Deliveries, domestic	156,083	124,532
Stocks, refined	37,259	36,489

\*Corrected. †Does not include consumers' stocks or metal held by the Government.

Deliveries were the third largest on record, and, according to trade experts, the March figure would have been larger had all of the foreign metal earmarked for shipment to consumers been available. This delay, however, should be reflected in larger April deliveries. There appears to be no question about April and May being months of high activity in copper. Imports of copper are being maintained and will be needed to keep the stockpile from shrinkage.

#### Zinc

Shipments of zinc increased sharply during March, with the result that the gain in stocks amounted to only 1,473 tons, a smaller quantity than most producers anticipated. Shipments, covering all grades, came to 84,558 tons in March, a new high, which compares with 62,696 tons in February and 76,033 tons in March last year. Stocks at the end of March totaled 212,766 tons, the American Zinc Institute's figures indicate, against 211,293 tons a month previous and 105,766 tons a year ago.

Production of slab zinc also increased during March, attaining

#### Tin

The market situation in tin in the United States remains unchanged. Quotations continue on the basis of 52¢ a pound for Grade A or Straits quality metal. Shipment quotations follow:

	April	May	June
April 6	52.000	52.000	52.000
April 7	52.000	52.000	52.000
April 8	52.000	52.000	52.000
April 10	52.000	52.000	52.000
April 11	52.000	52.000	52.000
April 12	52.000	52.000	52.000

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

#### Aluminum

Shipments of aluminum fabricated products during January totaled 215,700,000 pounds, a new peak, the Aluminum-Magnesium Division of WPB reports. This compares with 190,400,000 pounds in December, 1943, and 160,500,000 pounds in January, last year.

#### Quicksilver

Trade authorities estimate that consumption of quicksilver so far this year has been at the rate of between 35,000 and 40,000 flasks a year. Though production has declined, much uncertainty still exists in the minds of consumers on whether the prevailing price level may not bring out more metal than is necessary. Quotations continued at \$130 to \$135 per flask, New York. Producers have been accumulating metal, whereas consumers and dealers are carrying smaller stocks.

Production and consumption figures issued by the Bureau of Mines, in flasks of 76 pounds each:

1943:	Production	Consumption
January	4,200	4,500
February	3,900	4,700
March	4,600	4,900
April	4,600	5,500
May	4,200	5,600
June	4,100	4,700
July	4,300	4,700
August	4,500	4,900
September	4,500	4,100
October	5,200	3,800
November	5,000	3,900
December	4,200	3,200

1944:

January	4,400	3,400
February	3,800	3,700

#### Silver

The London market was quiet and steady at 23½d. The New York Official for foreign silver continued at 44¼¢, with domestic newly-mined at 70½¢.

#### U. S. Gold Production

Production of gold in the United States in February amounted to 97,976 ounces, against 88,131 ounces in January, and 117,739 ounces in February last year, according to the American Bureau of Metal Statistics.

#### 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.

### Lumber Movement—Week Ended April 1, 1944

According to the National Lumber Manufacturers Association, lumber shipments of 498 mills reporting to the National Lumber Trade Barometer were 2.7% above production for the week ended April 8, 1944. In the same week new orders of these mills were 8.2% greater than production. Unfilled order files of the reporting mills amounted to 119% of stocks. For reporting softwood mills, unfilled orders are equivalent to 41 days' production at the current rate, and gross stocks are equivalent to 39 days' production.

For the year-to-date, shipments of reporting identical mills exceeded production by 8.7%; orders by 16.4%.

Compared to the average corresponding week of 1935-39, production of reporting mills was 39.6% greater; shipments were 41% greater, and orders were 45% greater.

## Daily Average Crude Oil Production For Week Ended April 8, 1944 Increased 32,850 Barrels

The American Petroleum Institute estimates that the daily average crude oil production for the week ended April 8, 1944 was 4,416,100 barrels, an increase of 32,850 barrels per day over the preceding week and 467,150 barrels per day in excess of the output for the corresponding week last year. The current figure, however, was 25,400 barrels per day below the daily average figure recommended by the Petroleum Administration for War for the month of April, 1944. Daily production for the four weeks ended April 8, 1944 averaged 4,392,300 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 4,354,000 barrels of crude oil daily and produced 13,161,000 barrels of gasoline; 1,434,000 barrels of kerosine; 4,702,000 barrels of distillate fuel oil, and 8,541,000 barrels of residual fuel oil during the week ended April 8, 1944; and had in storage at the end of that week 88,011,000 barrels of gasoline; 6,667,000 barrels of kerosine; 30,478,000 barrels of distillate fuel, and 51,072,000 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)

	*P. A. W. Recommendations April	*State Allowables begin Apr. 1	Actual Production Ended Apr. 8, 1944	Change from Previous Week	4 Weeks Ended Apr. 8, 1944	Week Ended Apr. 10, 1943
Oklahoma	328,000	328,000	330,800	+ 200	330,200	344,100
Kansas	285,000	269,600	257,350	-12,650	271,400	309,300
Nebraska	1,000		1,200	+ 200	1,300	2,200
Panhandle Texas			91,100	- 1,750	92,400	91,000
North Texas			143,850	+ 1,250	142,900	134,950
West Texas			374,000	+ 33,100	349,200	214,250
East Central Texas			127,250	+ 10,650	119,300	99,700
East Texas			362,300	- 2,800	364,400	319,800
Southwest Texas			293,050	+ 1,550	291,900	188,500
Coastal Texas			518,800	+ 5,000	515,000	340,550
<b>Total Texas</b>	<b>1,916,000</b>	<b>1,918,794</b>	<b>1,910,350</b>	<b>+ 47,000</b>	<b>1,875,100</b>	<b>1,388,750</b>
North Louisiana			76,000	- 900	76,300	88,950
Coastal Louisiana			282,500	- 1,450	283,600	257,900
<b>Total Louisiana</b>	<b>347,700</b>	<b>374,700</b>	<b>358,500</b>	<b>- 2,350</b>	<b>359,900</b>	<b>346,850</b>
Arkansas	76,700	78,591	79,200	+ 100	79,400	71,250
Mississippi	45,000		41,400	+ 100	40,700	55,000
Alabama			100		50	
Florida			50		50	
Illinois	215,000		224,450	+ 8,350	216,200	268,800
Indiana	13,600		14,900	+ 1,150	13,500	15,950
Eastern (Not incl. Ill., Ind., Ky.)	72,400		79,200	- 7,350	79,400	75,200
Kentucky	23,000		20,200	- 1,000	20,700	17,000
Michigan	53,000		48,850	- 2,950	51,300	60,800
Wyoming	93,000		90,750	+ 4,000	90,800	89,900
Montana	24,000		21,500		21,100	20,250
Colorado	7,000		8,700	+ 500	8,200	6,300
New Mexico	111,700		112,900		112,900	97,300
<b>Total East of Calif.</b>	<b>3,612,100</b>		<b>3,590,700</b>	<b>+ 34,650</b>	<b>3,564,900</b>	<b>3,168,950</b>
California	829,400	829,400	825,400	- 1,800	827,500	780,000
<b>Total United States</b>	<b>4,441,500</b>		<b>4,416,100</b>	<b>+ 32,850</b>	<b>4,392,300</b>	<b>3,948,950</b>

\*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. April 6, 1944.

‡This is the net basic allowable as of April 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 19 days, the entire state was ordered shut down for 7 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 7 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, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED APRIL 8, 1944 (Figures in Thousands of barrels of 42 Gallons Each)

District	Daily Refining Capacity	Potential % Reporting	Crude Runs to Still Daily Average	% Operated	Production			Stocks of Gas Oil	Stocks of Residual Fuel Oil
					Gasoline	Finished Gasoline	Distillate Fuel Oil		
*Combin'd: East Coast Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and inland Texas	2,518	90.3	2,300	91.3	6,412	38,216	14,911	16,173	
Appalachian									
District No. 1	130	83.9	83	63.8	266	2,109	868	210	
District No. 2	47	87.2	51	108.5	154	1,180	346	118	
Ind., Ill., Ky.	824	85.2	698	94.7	2,535	20,824	4,631	2,665	
Okl., Kans., Mo.	416	80.1	334	80.3	1,233	8,277	1,488	1,273	
Rocky Mountain									
District No. 3	8	26.9	10	125.0	29	73	20	30	
District No. 4	141	58.3	95	67.4	311	2,128	369	538	
California	817	89.9	783	95.8	2,221	15,204	7,845	30,065	
<b>Total U. S. B. of M. basis April 8, 1944</b>	<b>4,901</b>	<b>87.3</b>	<b>4,354</b>	<b>88.8</b>	<b>13,161</b>	<b>88,011</b>	<b>30,478</b>	<b>51,072</b>	
<b>Total U. S. B. of M. basis April 1, 1944</b>	<b>4,901</b>	<b>87.3</b>	<b>4,435</b>	<b>90.5</b>	<b>13,824</b>	<b>89,162</b>	<b>30,530</b>	<b>51,326</b>	
U. S. Bur. of Mines basis April 10, 1943			3,680		10,091	93,410	30,970	67,234	

\*At the request of the Petroleum Administration for War. †Finished, 76,581,000 barrels; unfinished, 11,430,000 barrels. ‡At refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,434,000 barrels of kerosine, 4,702,000 barrels of gas oil and distillate fuel oil and 8,541,000 barrels of residual fuel oil produced during the week ended April 8, 1944, which compares with 1,638,000 barrels, 4,450,000 barrels and 8,367,000 barrels, respectively in the preceding week and 1,474,000 barrels, 3,884,000 barrels and 7,644,000 barrels, respectively, in the week ended April 10, 1943.

Note—Stocks of kerosine at April 8, 1944 amounted to 6,667,000 barrels, as against 6,703,000 barrels a week earlier, and 5,005,000 barrels a year before.

## Trading On New York Exchanges

The Securities and Exchange Commission made public on April 8 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. 25, 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. 25, (in round-lot transactions) totaled 2,427,004 shares, which amount was 16.81% of the total transactions on the Exchange of 7,220,390 shares. This compares with member trading during the week ended Mar. 18 of 2,485,268 shares, or 15.36% of the total trading of 8,090,730 shares. On the New York Curb Exchange, member trading during the week ended Mar. 25 amounted to 364,255 shares, or 14.30% of the total volume on that exchange of 2,540,730 shares; during the Mar. 18 week trading for the account of Curb members of 450,100 shares was 14.76% of total trading of 3,050,630 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 25, 1944		
A. Total Round-Lot Sales:	Total for Week	%
Short sales	178,260	
†Other sales	7,042,130	
Total sales	7,220,390	
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	582,890	
Short sales	71,410	
†Other sales	513,540	
Total sales	584,950	8.09
2. Other transactions initiated on the floor—		
Total purchases	429,830	
Short sales	26,650	
†Other sales	409,800	
Total sales	436,450	6.00
3. Other transactions initiated off the floor—		
Total purchases	178,519	
Short sales	16,900	
†Other sales	197,465	
Total sales	214,365	2.72
4. Total—		
Total purchases	1,191,239	
Short sales	114,960	
†Other sales	1,120,805	
Total sales	1,235,765	16.81

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

WEEK ENDED MARCH 25, 1944		
A. Total Round-Lot Sales:	Total for Week	%
Short sales	20,790	
†Other sales	1,253,175	
Total sales	1,273,965	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	94,745	
Short sales	3,360	
†Other sales	110,635	
Total sales	118,995	8.39
2. Other transactions initiated on the floor—		
Total purchases	28,575	
Short sales	3,000	
†Other sales	36,600	
Total sales	39,600	2.68
3. Other transactions initiated off the floor—		
Total purchases	41,840	
Short sales	2,000	
†Other sales	38,500	
Total sales	40,500	3.23
4. Total—		
Total purchases	165,160	
Short sales	13,360	
†Other sales	185,735	
Total sales	199,995	14.30
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
†Customers' other sales	55,599	
Total purchases	55,599	
Total sales	39,017	

\*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."

## Hull Views Russia's Repudiation Of Territorial Ambitions In Rumania As Highly Significant

The assertion was made on April 3 by Secretary of State Hull that Russia's recent official repudiation of territorial ambitions in Rumania constitutes assurance to the Rumanian people "that the main business of the armies of Soviet Russia is to defeat the enemy in the field."

After Secretary Hull had indorsed the Russian announcement by Foreign Commissar V. M. Molotov on April 3, it was disclosed, said Associated Press advices from Washington April 3, that the United States was informed in advance that the statement was to be made. In response to a request for press conference comment, the Associated Press reported Mr. Hull as saying:

"The political assurances which the statement contains should help the Rumanians to see that their own ultimate interests will require that German forces be driven from their country." The text of a broadcast from Moscow on the Russian Army's entry into Rumania proper, as given in United Press advices from London April 2, follows: On the evening of April 2, Foreign Commissar Molotov received the representatives of the foreign press and, in the name of the Soviet Government, made the following statement: "The Red Army, as the result of a successful offensive, has

reached the Prut River, which is the state frontier between the Union of Soviet Socialist Republics and Rumania. Thus, the beginnings have been made in the full reestablishment of the Soviet state frontier as fixed in 1940 in accordance with the agreement between Soviet Russia and Rumania.

"This agreement had been treacherously violated by the Rumanian Government, in alliance with Hitlerite Germany. At present, the Red Army is carrying out the clearance of Soviet territory of all the enemy still there, and the time is not far when the entire Soviet frontier with Rumania will be completely restored.

"The Soviet Government declares herewith that advancing units of the Red Army, pursuing the German armies and their allied Rumanian troops, have crossed in several sectors the Prut River and have entered Rumanian territory.

"The Supreme Command of the Red Army has given the order to advancing Soviet troops to pursue the enemy until his final rout and capitulation.

"Simultaneously, the Soviet Government declares it does not pursue the aim of acquiring Rumanian territory or of altering the existing social structure of Rumania. The entry of Soviet troops into the boundaries of Rumania is dictated exclusively by military necessities and the continuing resistance of enemy troops."

It was disclosed in London April 3, said the Associated Press, that Mr. Molotov's statement announcing the advance of the Russian armies into Rumania and disclaiming Soviet territorial ambitions was made "after consultation and agreement with the British Government."

Concurrently with the expression of Secretary Hull's views on April 3 Foreign Economic Administrator Leo T. Crowley predicted that the Red Army's new drive could cripple Germany's war-making potential by cutting her supply lines to the rich oil fields and other vital resources in the Balkans.

## NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 8 a summary for the week ended April 1 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 April 1, 1944	
Odd-Lot Sales by Dealers (Customers' purchases)	Total for Week
Number of orders	19,444
Number of shares	547,707
Dollar value	\$20,757,642
Odd-Lot Purchases by Dealers— (Customers' sales)	
Number of Orders:	
Customers' short sales	2481
Customers' other sales	18,739
Customers' total sales	18,987
Number of Shares:	
Customers' short sales	8,422
Customers' other sales	503,731
Customers' total sales	512,153
Dollar value	\$17,504,364
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	50
†Other sales	143,570
Total sales	143,620
Round-Lot Purchases by Dealers:	
Number of shares	178,190
*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."	

## Revenue Freight Car Loadings During Week Ended April 8, 1944 Increased 1,799 Cars

Loading of revenue freight for the week ended April 8, 1944, totaled 789,324 cars, the Association of American Railroads announced on April 14. This was an increase above the corresponding week of 1943 of 305 cars, or 0.03%, but a decrease below the same week in 1942 of 24,772 cars or 3%.

Loading of revenue freight for the week of April 8 increased 1,799 cars, or 0.2% above the preceding week.

Miscellaneous freight loading totaled 375,770 cars, a decrease of 7,987 cars below the preceding week, and a decrease of 5,647 cars below the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 108,604 cars, a decrease of 401 cars below the preceding week, but an increase of 9,085 cars above the corresponding week in 1943.

Coal loading amounted to 168,647 cars, an increase of 2,813 cars above the preceding week, but a decrease of 5,184 cars below the corresponding week in 1943.

Grain and grain products loading totaled 40,117 cars, a decrease of 993 cars below the preceding week and a decrease of 1,842 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of April 8 totaled 27,016 cars, a decrease of 538 cars below the preceding week and a decrease of 1,806 cars below the corresponding week in 1943.

Live stock loading amounted to 14,182 cars, a decrease of 277 cars below the preceding week, but an increase of 417 cars above the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of April 8, totaled 10,299 cars, a decrease of 188 cars below the preceding week, and a decrease of 281 cars below the corresponding week in 1943.

Forest products loading totaled 45,741 cars, an increase of 4,622 cars above the preceding week and an increase of 3,082 cars above the corresponding week in 1943.

Ore loading amounted to 21,310 cars, an increase of 3,866 cars above the preceding week and an increase of 114 cars above the corresponding week in 1943.

Coke loading amounted to 14,953 cars, an increase of 156 cars above the preceding week, and an increase of 280 cars above the corresponding week in 1943.

All districts reported increases compared with the corresponding week in 1943 except the Eastern, Pocahontas and Southern. All districts reported decreases compared with 1942 except the Central-western and the Southwestern.

	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
4 weeks of March	3,135,155	3,073,445	3,174,781
Week of April 1	787,525	772,102	829,038
Week of April 8	789,324	789,019	814,096
<b>Total</b>	<b>11,667,973</b>	<b>11,222,102</b>	<b>11,799,336</b>

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended April 8, 1944. During the period 65 roads showed increases when compared with the corresponding week a year ago.

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1944	1943	1942	1944	1943	1942
<b>Eastern District—</b>						
Ann Arbor	245	292	593	1,538	1,356	1,356
Bangor & Aroostook	2,436	2,305	2,420	289	229	229
Boston & Maine	6,801	6,146	8,269	16,648	15,813	15,813
Chicago, Indianapolis & Louisville	1,222	1,496	1,404	2,032	2,026	2,026
Central Indiana	31	36	26	36	53	53
Central Vermont	1,104	974	1,204	2,366	2,335	2,335
Delaware & Hudson	5,749	6,482	6,400	13,347	12,270	12,270
Delaware, Lackawanna & Western	7,210	7,532	8,164	11,531	11,090	11,090
Detroit & Mackinac	252	246	275	98	92	92
Detroit, Toledo & Ironton	1,582	1,597	2,151	1,271	1,461	1,461
Detroit & Toledo Shore Line	337	322	379	2,871	3,004	3,004
Erie	13,006	12,225	14,078	17,670	19,344	19,344
Grand Trunk Western	3,724	3,671	4,557	9,017	8,906	8,906
Lehigh & Hudson River	181	197	215	3,199	3,660	3,660
Lehigh & New England	1,718	2,055	2,210	1,588	1,594	1,594
Lehigh Valley	8,080	7,324	8,860	16,613	15,088	15,088
Maine Central	2,137	2,437	2,539	4,047	3,890	3,890
Monongahela	6,596	6,683	6,950	343	402	402
Montour	2,542	2,681	2,253	29	31	31
New York Central Lines	45,977	53,045	47,102	55,254	49,950	49,950
N. Y., N. H. & Hartford	10,143	9,851	11,917	20,784	19,905	19,905
New York, Ontario & Western	1,032	923	956	3,580	2,199	2,199
New York, Chicago & St. Louis	6,148	6,014	7,360	16,771	16,418	16,418
N. Y., Susquehanna & Western	440	576	555	2,377	2,353	2,353
Pittsburgh & Lake Erie	8,042	7,817	8,389	7,568	8,420	8,420
Pere Marquette	4,725	4,907	5,473	7,797	7,604	7,604
Pittsburg & Shawmut	729	943	633	21	14	14
Pittsburg, Shawmut & North	280	342	441	268	280	280
Pittsburg & West Virginia	828	833	947	2,747	4,638	4,638
Rutland	375	330	487	1,064	947	947
Webash	5,469	5,525	5,523	12,241	13,104	13,104
Wheeling & Lake Erie	5,170	4,990	5,642	4,390	6,990	6,990
<b>Total</b>	<b>154,320</b>	<b>160,803</b>	<b>168,381</b>	<b>239,395</b>	<b>235,465</b>	<b>235,465</b>
<b>Allegheny District—</b>						
Akron, Canton & Youngstown	674	843	650	1,316	1,367	1,367
Baltimore & Ohio	42,458	41,262	40,634	23,143	28,531	28,531
Bessemer & Lake Erie	3,047	2,942	4,497	1,808	1,785	1,785
Buffalo Creek & Gauley	343	290	284	7	3	3
Cambria & Indiana	1,692	1,872	1,818	6	2	2
Central R. R. of New Jersey	6,717	7,258	7,721	20,717	21,784	21,784
Cornwall	593	315	672	62	97	97
Cumberland & Pennsylvania	233	311	312	15	13	13
Ligonier Valley	122	118	132	30	41	41
Long Island	1,180	1,439	798	3,876	4,248	4,248
Penn.-Reading Seashore Lines	1,763	1,647	1,664	2,726	3,231	3,231
Pennsylvania System	80,103	78,706	80,186	66,311	61,195	61,195
Reading Co.	13,685	15,438	15,809	29,735	30,992	30,992
Union (Pittsburgh)	20,210	20,325	20,466	4,236	4,476	4,476
Western Maryland	4,400	4,267	4,533	13,662	14,796	14,796
<b>Total</b>	<b>177,220</b>	<b>177,033</b>	<b>180,176</b>	<b>173,650</b>	<b>172,581</b>	<b>172,581</b>
<b>Pocahontas District—</b>						
Chesapeake & Ohio	27,769	29,644	28,946	14,092	12,907	12,907
Norfolk & Western	21,218	23,143	23,381	7,333	7,292	7,292
Virginian	4,177	5,099	4,647	2,464	2,014	2,014
<b>Total</b>	<b>53,164</b>	<b>57,886</b>	<b>56,974</b>	<b>23,889</b>	<b>22,213</b>	<b>22,213</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
<b>Southern District—</b>					
Alabama, Tennessee & Northern	368	328	361	395	320
Atl. & W. P.—W. R. of Ala.	852	892	909	2,509	2,705
Atlanta, Birmingham & Coast	671	703	696	1,633	1,564
Atlantic Coast Line	13,458	15,444	13,835	11,486	11,303
Central of Georgia	3,952	4,399	4,415	4,904	5,090
Charleston & Western Carolina	423	470	423	2,025	1,782
Clinchfield	1,643	1,678	1,694	3,010	3,052
Columbus & Greenville	282	337	328	193	221
Durham & Southern	123	116	163	828	464
Florida East Coast	3,421	2,894	2,694	2,014	2,083
Gainesville Midland	58	44	50	174	149
Georgia & Florida	1,384	1,786	1,550	2,684	2,665
Gulf, Mobile & Ohio	417	357	426	723	837
Illinois Central System	27,552	25,759	27,301	4,599	5,574
Louisville & Nashville	24,673	25,759	26,708	18,114	16,818
Macon, Dublin & Savannah	218	195	172	1,218	1,195
Mississippi Central	213	223	172	1,022	930
Nashville, Chattanooga & St. L.	3,267	3,173	3,174	754	507
Norfolk Southern	950	1,123	1,295	4,543	5,766
Piedmont Northern	404	357	476	1,885	1,458
Richmond, Fred. & Potomac	435	459	553	11,738	14,211
Seaboard Air Line	10,832	11,456	11,591	9,380	10,988
Southern System	23,795	22,607	25,444	25,601	23,482
Tennessee Central	736	509	736	752	899
Winston-Salem Southbound	153	114	122	1,106	923
<b>Total</b>	<b>124,423</b>	<b>124,805</b>	<b>129,390</b>	<b>125,745</b>	<b>121,803</b>
<b>Northwestern District—</b>					
Chicago & North Western	16,754	17,665	20,176	13,803	12,352
Chicago Great Western	2,609	2,623	2,596	3,585	3,052
Chicago, Milw., St. P. & Pac.	19,130	18,671	20,152	10,387	10,361
Chicago, St. Paul, Minn. & Omaha	2,959	3,033	3,288	4,301	3,905
Duluth, Missabe & Iron Range	2,488	1,434	11,229	139	231
Duluth, South Shore & Atlantic	650	465	525	618	568
Elgin, Joliet & Eastern	9,295	8,460	9,890	12,044	10,668
Ft. Dodge, Des Moines & South	391	452	617	88	127
Great Northern	13,283	10,134	17,382	5,464	5,988
Green Bay & Western	504	441	552	942	859
Lake Superior & Ishpeming	748	623	1,839	63	39
Minneapolis & St. Louis	1,992	1,895	2,054	2,584	2,388
Minn., St. Paul & S. S. M.	5,563	4,551	6,919	3,806	3,079
Northern Pacific	10,072	8,688	10,609	5,499	5,542
Spokane International	99	86	138	611	612
Spokane, Portland & Seattle	2,686	2,295	2,718	3,115	3,152
<b>Total</b>	<b>89,169</b>	<b>81,522</b>	<b>110,684</b>	<b>67,049</b>	<b>62,933</b>
<b>Central Western District—</b>					
Atch., Top. & Santa Fe System	21,761	21,700	20,158	12,409	11,952
Alton	2,765	2,841	3,456	4,281	3,997
Bingham & Garfield	503	550	610	80	83
Chicago, Burlington & Quincy	18,627	18,164	15,229	12,157	12,938
Chicago & Illinois Midland	3,240	3,244	2,734	928	817
Chicago, Rock Island & Pacific	11,244	12,313	9,753	13,207	13,736
Chicago & Eastern Illinois	2,541	2,653	2,431	6,305	6,092
Colorado & Southern	716	709	835	1,982	2,031
Denver & Rio Grande Western	3,363	3,113	2,547	6,182	5,186
Denver & Salt Lake	758	564	308	30	10
Fort Worth & Denver City	868	1,004	805	1,338	2,209
Illinois Terminal	2,138	1,814	1,819	2,049	2,007
Missouri-Illinois	1,029	1,042	1,267	493	485
Nevada Northern	1,710	1,954	1,936	118	121
North Western Pacific	777	913	999	766	704
Noria & Pekin Union	10	9	7	0	0
Southern Pacific (Pacific)	20,641	27,252	27,264	15,406	14,256
Toledo, Peoria & Western	290	237	246	2,142	1,649
Union Pacific System	15,291	12,866	15,002	17,331	15,760
Utah	469	581	366	5	2
Western Pacific	1,792	1,613	2,095	4,250	3,910
<b>Total</b>	<b>118,933</b>	<b>115,136</b>	<b>109,867</b>	<b>101,465</b>	<b>97,945</b>
<b>Southwestern District—</b>					
Burlington-Rock Island	206	1,035	129	249	242
Gulf Coast Lines	7,015	5,969	4,717	2,801	2,588
International-Great Northern	2,049	2,143	1,961	4,166	3,954
Kansas, Oklahoma & Gulf	285	386	256	1,115	1,052
Kansas City Southern	6,275	5,087	4,353	2,942	3,917
Louisiana & Arkansas	3,287	3,562	2,936	2,466	3,039
Litchfield & Madison	352	269	370	1,189	1,035
Midland Valley	683	525	453	483	307
Missouri & Arkansas	202	165	183	286	454
Missouri-Kansas-Texas Lines	6,441	5,898	5,428	4,983	7,213
Missouri Pacific	15,610	16,398	14,338	21,129	18,155
Quanaah Acme & Pacific	124	53	124	367	288
St. Louis-San Francisco	8,129	8,703	7,602	9,595	8,330
St. Louis-Southwestern	2,967	3,136			

## Items About Banks, Trust Companies

At a meeting of the Board of Directors of Bankers Trust Co. of New York on April 18, the following officers were elected: F. W. Boehm, Assistant Vice-President, formerly Assistant Treasurer; J. H. Millikin, Assistant Vice-President, formerly Assistant Secretary; H. M. Eddy, Trust Officer, formerly Assistant Trust Officer; Arthur Gardner, Trust Officer, formerly Assistant Trust Officer; R. W. Hemminger, Trust Officer, formerly Asst. Trust Officer; William McKinley, Trust Officer, formerly Assistant Trust Officer; L. W. Pritchett, Trust Officer, formerly Assistant Trust Officer; J. R. Milligan, Trust Officer; S. M. Ensinger, W. F. Finley, Jr., D. J. Giles, Assistant Trust Officers; M. E. Beck, F. R. Begen, L. L. Bleecker, H. F. Dobbin, W. N. Fulkerson, Jr., Assistant Treasurers.

William F. C. Ewing, First Vice-President, Treasurer and Director of Alexander Smith & Sons Carpet Co., was elected a member of the Board of Trustees of Central Hanover Bank and Trust Co., New York, at a regular meeting of the Board held on April 18. A great-grandson of the founder of the carpet company, Mr. Ewing has devoted his entire business career to that company. He is also a trustee of Atlantic Mutual Insurance Co.; member of the Advisory Committee of the Wool Floor Covering Industries Committee of the OPA; member of the Chamber of Commerce of the State of New York; President of House of Rest, Yonkers, and is on the Advisory Board of the Yonkers Community Chest. Mr. Ewing served in the U. S. Army in World War I and graduated from Yale in 1921.

At a meeting of the Board of Trustees of the Title Guarantee and Trust Co. of New York held on April 18, Horace J. McAfee, a member of the firm of Simpson, Thacher & Bartlett, was elected a trustee of the company.

Harry E. Ward, Chairman of the Board of Irving Trust Co. of New York announced on April 14 the election of Grant W. Van Saun as assistant resident counsel of that company. Mr. Van Saun is a graduate of Lafayette College and Columbia Law School.

The election of two new Vice-Presidents, effective April 17, was announced on Apr. 16 by The Continental Bank & Trust Co. of New York. The new officers are Mark B. Peck, who has been Executive Vice-President and a director of The Bank of Westchester and before that was an officer of the National City Bank of New York, and Matthew E. Anglim, who has been manager of the Park Avenue branch of the Bank of The Manhattan Co. Mr. Peck will be assigned to the main office of the Continental Bank at 30 Broad Street and Mr. Anglim will be in charge of the Madison Avenue office. Mr. Peck was a member of the Board of Governors of the Westchester County Clearing House Association and is a director of the Hudson-Harlem Valley Servicing Corp. and the Westchester Realty Management Co.

Mr. Anglim was at one time with the National Park Bank of New York and later with the Guardian Trust Co. of Newark. He was an Assistant Vice-President of the Central National Bank when it was merged with the Bank of Manhattan Trust Co. (now the Bank of The Manhattan Co.). He was with the latter institution until he resigned on Mar. 31, last, to become an officer of the Continental Bank.

Under the new set-up the Madison-Avenue and Seventh Avenue offices of the Continental Bank will operate as a midtown division under the direct supervision of Vice-President Carl C. Lang who will continue to be in

charge of the Seventh Avenue office.

DeCoursey Fales, President of The Bank for Savings in the City of New York, at 220 Fourth Avenue, New York, New York's first savings bank, chartered 1819, announces that the Board of Trustees has authorized the establishment of a Savings Bank Life Insurance Department. This action is taken in connection with the celebration of the bank's 125th anniversary as a thrift institution.

The trustees of the will of James Stillman, who died on March 15, 1918, filed in the Surrogate's Court of New York County on April 14 their accounting covering the period from Jan. 31, 1942, the date of their previous accounting, to Jan. 13, 1944. The accounting shows that there are now existing, under the will of James Stillman, trusts of his residuary estate for the late James A. Stillman, a son who died Jan. 13, 1944; for Dr. Ernest G. Stillman, a son; for Elizabeth Stillman Williams, a granddaughter, and for Chauncey D. Stillman, a grandson. The account shows that the residuary trust for James A. Stillman has been subdivided into four separate trusts for the benefit of his four children.

To fill the vacancy in the trusteeships caused by the death of James A. Stillman, application is being made for the appointment of Timothy Goodrich Stillman, a son of Dr. Ernest G. Stillman, as a trustee of the trusts under the will for the benefit of his father; of The New York Trust Co. as a trustee of the trusts under the will for the benefit of James A. Stillman's four children, and of Louis B. Warren as trustee of the trusts for Elizabeth Stillman Williams and Chauncey D. Stillman.

Albert R. Wierling has been appointed Assistant Treasurer of the Buffalo Industrial Bank of Buffalo, N. Y. He was for many years with the Liberty Bank of Buffalo and recently was assistant manager of Liberty's North Park office. He was also at one time connected with the Marine Trust Co. of Buffalo.

Lloyd C. Trott and A. Waldo Phinney, members of the loan department of the Merchants Cooperative Bank of Boston, have been appointed Assistant Treasurers of the bank; Henry H. Pierce, President, recently announced, according to the Boston "Herald."

George Herbert Zimmerman, Chairman of the Board of The Michigan Bank of Detroit, Mich., recently announced the election of Donald W. Squire as a director of the Michigan Bank. Mr. Squire has been Vice-President of the bank since last November and will continue active in the management. The Detroit "Free Press," in reporting this, also said Arvin L. Wheaton has been elected Vice-President of The Michigan Bank in charge of business development. Mr. Wheaton has been associated with The Michigan Bank since October of 1940 and has been active since that time in the expansion program of the bank, particularly in the development of FHA Title I modernization loans.

The Smackover State Bank, Smackover, Ark., became a member of the Federal Reserve Bank on April 11, according to the Federal Bank of St. Louis. The new member was chartered in 1928. It has a capital of \$25,000, surplus of \$25,000 and total resources of \$337,826. Its officers are: J. E. Berry, President; Mike Berg, Vice-President; L. E. Tennyson, Jr., Cashier, and R. N. Manley, Assistant Cashier. The addition of the Smackover State Bank brings the total membership of the Federal Reserve Bank of St. Louis to 462. These member banks

## Gregory Joins Faculty Of Banking School

William Logan Gregory, Vice-President of the Plaza Bank of St. Louis, Mo., has been appointed to the faculty of the Graduate School of Banking, it is announced by Dr. Harold Stonier, director of the School. Mr. Gregory will lecture on bank organization. The Graduate School of Banking is a school for advanced study for bank officers conducted by the American Bankers Association. It offers a two-year course including three resident sessions of two weeks each at Rutgers University in New Brunswick, New Jersey. The session at Rutgers this year will be from June 19 to July 1. Mr. Gregory is a graduate of the School in the class of 1937. He joined the staff of the Federal Reserve Bank in St. Louis in December of 1922. He became cashier of the Guaranty Bank & Trust Company, now the Plaza Bank of St. Louis, on Feb. 1, 1930. He was made Vice-President and elected to the Board of Directors of that institution in June, 1930. From May, 1941 to November, 1943, on leave of absence from the bank, he served as chief of the Forest Products Section, Import Division, of the Board of Economic Warfare, now the Foreign Economic Administration. Mr. Gregory was formerly Secretary and later President of the Associate Bankers of St. Louis. He is a member of the St. Louis Association of Credit Men, the Robert Morris Associates, the St. Louis Conference of Bank Auditors and Comptrollers, the American Economic Association, the American Statistical Association, the National Association of Cost Accountants, and the Bank Management Committee of the Missouri Bankers Association. He is Acting President of the Independent Bankers Association, director of the Better Business Bureau of St. Louis, and Assistant Treasurer of the St. Louis Win the Peace Forum.

## Nathan To Address American Business Forum In N. Y. April 24

Robert R. Nathan, former WPB executive, economist and author of the recently released book "Mobilizing for Abundance," will be the guest of the American Business Congress at a dinner forum to be held in the Pennsylvania Hotel, New York, on April 24. Members of the American Business Congress and non-member business men desirous of learning more about the Nathan Plan will have an opportunity to hear Mr. Nathan speak and to discuss with him his ideas for post-war prosperity in America.

At a recent dinner symposium conducted by the American Business Congress at the Waldorf-Astoria on March 17, Vice-President Henry A. Wallace spoke of Mr. Nathan's book at some length after finishing his prepared address. As a result of the interest thus created the American Business Congress asked Mr. Nathan to be its guest in an effort to give business men who are giving serious thought to his plan, an opportunity to question him on his views about abundance in the post-war period. The American Business Congress has long been studying post-war planning and sees in this dinner an opportunity for business men to receive at first-hand the most modern opinions on the subject. The public is invited to attend.

hold over 70% of the net deposits of all banking institutions in the Eighth District. This is the fifth State bank in this district to join the System in 1944. Seven joined during 1943.

## Montana Clearing House Opposes Bill Permitting Member Banks To Absorb Exchange Charges Stand Of FDIC Endorsing Legislation Also Opposed

Exception has been taken by the members of the Billings (Mont.) Clearing House Association to the stand of the Federal Deposit Insurance Corporation in endorsing the Brown (and Maybank) bills to prevent the Federal Reserve System from enforcing the regulation designed to check the absorption of exchange charges by member banks. The Association, comprising the following banks, Montana National Bank of Billings, Security Trust and Savings Bank of Billings and Midland National Bank of Billings, has addressed a letter to Leo T. Crowley, Chairman of the FDIC, setting out its opposition to the proposed legislation and to the views of the Corporation, in which it is stated that the Brown bill contributes "nothing to sound banking, but instead encourages unsound practices which have in the past proven disastrous to banking." The Association also declares that "the practice of non par banks in charging exchange is not ethical." "If it is just and equitable that 2,500 banks make this charge," says the Association, "then it should be just and equitable for all the banks. But if all banks did make the charge, so great would be the confusion, and jumble it would not be long before an Act of Congress would compel par clearance."

The Association's letter to Mr. Crowley follows: Mr. Leo T. Crowley, Chairman, Federal Deposit Insurance Corporation, Washington, D. C.

Dear Mr. Crowley:

At a meeting of the Billings Clearing House Association held on March 22, your letter dated March 16, 1944, addressed to "Bankers" was brought to the

## Economic Outlook Of West Indies Reviewed

Press advices from the Pan American Union at Washington announced that, continuing its survey of the Americas as viewed from the economic angle, "Commercial Pan America," monthly publication compiled in the Union's Division of Financial and Economic Information, presents a "Present and Future Outlook of the West Indies," in which, according to the introductory remarks, "some of the developments contributing to the expanded economic collaboration between the United States and the republics of the West Indies will be analyzed. It is pointed out that the products of this region are primarily agricultural and are being used to feed the Allied armies and civilian populations. It is added that a number of strategic crops, however, are now being raised in the West Indies, and many by-products of other crops are likewise of great strategic value. All these products as well as many minerals and other raw materials, are being used in the war effort to insure and speed the victory of the United Nations."

The study is to be divided into three parts, each covering one of the West Indian Republics. Part I—Cuba—will appear in the May, 1944, issue of the publication, while Parts II and III—the Dominican Republic and Haiti, respectively, will follow in the subsequent issue (June, 1944).

## Pell Elected Member Of N. Y. Cotton Exchange

Eric Alliot, President of the New York Cotton Exchange, announced on April 15 the election of Allison Hodges Pell of the Pell Cotton Company, Charlotte, N. C., to membership on the Exchange. Mr. Pell is a cotton merchant and a member of the Memphis and Augusta Cotton Exchanges.

attention of the members. After thorough discussion, I, as Secretary of the Association, was instructed to advise you that we do not concur in the statements contained in your letter, but are fully in accord with the minority report returned by the Banking Committee on House Bill 3956. Our opposition to the Bill is predicated on the following facts:

1. The exchange charge made by non par banks has been an enigma for years, has contributed to unfavorable public relations toward banks, has created ill feeling among bankers themselves, and consequently for the good of banking should be abolished.

2. The practice of charging exchange by the non par banks leads to confusion, additional clerical work and expense.

3. The absorption of exchange by correspondent banks has merely aided as a "cover up" for the non par banks, in that the payee or drawer of the check never knew that less than par had been remitted.

4. If a charge is to be made, it should be to the drawer of the check and not the payee or last endorser. Depositors are willing to pay a reasonable service charge and now is an opportune time to install such charges. Charging exchange on its own checks is the lazy way of getting revenue.

5. We do not believe that an honest effort has been made by the non par banks in making a survey to ascertain if reasonable service charges could not be substituted for the exchange charges. We are of the opinion that they could.

6. We do not believe that denial of these exchange charges would force any banks out of business. Iowa passed a law compelling par clearance and so far as we can determine no banks have been forced to close.

7. If absorption of exchange is legalized, it will be used as a vehicle with which to gain country bank accounts by city banks and large accounts of firms and corporations by any bank, eventually resulting in the "buying of business" at excessive prices, a practice which we believe contributed to the failure of many banks in the twenties.

8. We recommend you read, and enclose a copy herewith, the February 15 Bulletin of the National Association of Credit Men, which we regard as a fine exposition on the problem of non par clearance.

9. The Brown Bill (and the Maybank Bill, too) contributes nothing to sound banking but instead encourages unsound practices which have in the past proven disastrous to banking.

10. The practice of non par banks in charging exchange is not ethical to begin with. If it is just and equitable that 2,500 banks make this charge, then it should be just and equitable for all the banks. But if all banks did make the charge, so great would be the confusion and jumble it would not be long before an act of Congress would compel par clearance.

Yours very truly,  
Billings Clearing House Ass'n  
By H. D. Todd  
Secretary and Manager.

The opposition of the Federal Reserve Governors to the bill to permit the absorption of exchange charges was referred to in our issue of Mar. 2, page 921, wherein it was stated that the Federal Reserve position was challenged by the FDIC.