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The Financial Situation

The end of the war may be as far away as officialdom would apparently like to have us believe, but there can be no doubt that the events of the past few months have caused a great growth of interest in post-war problems and policies; and it must be candidly admitted that as public attitudes have gradually taken shape the thoughtful observer finds no little to cause anxiety. Defeatism, a sense of futility in opposing those active and vociferous groups who would make the world over to their liking, is in part, doubtless, responsible for a good deal in the current situation which can scarcely be termed heartening. A certain nervousness or uncertainty about the future in a world which must inevitably be in many respects quite different from the one which was plunged into war in 1939 and following years accounts for other aspects of a situation not altogether satisfying.

But we greatly fear that "managed economy"—and governmentally managed everything else, for that matter—has become so familiar to almost every one in the world, and concepts akin to it or normally accompanying it have so intertwined themselves with the thinking of the rank and file, that many are no longer really capable of conceiving a world which bears any very close resemblance to that in which men lived, say twenty, or even ten years ago.

Farm Favoritism

The notion that agriculture is somehow sui generis—possessed of attributes accorded it by the Physiocrats of a century or more ago—is scarcely new in this country. There have always been those, some of them mere politicians looking for votes, but some quite convinced, who preached such doctrines. Subsidies to agriculture in one form or another began long before the New Deal was ever dreamed of. Individuals were doubtless to be found decades ago who would

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Banking And Unemployment

By HON. WILLIAM C. FREEMAN*

Secretary of Banking, Commonwealth of Pennsylvania

State Banking Official Points To The Important Role That Banks Must Play In Maintaining Full Employment And Urges That Banks Plan Immediately To Set Up Regional Credit Pools And Develop An Adequate Program Of Private Financing Before Congress Is Compelled To Develop One Of Public Financing. He Suggests A Conference Of Government Supervising Agencies And The Banks To Agree Upon "New Formulas, New Standards And New Viewpoints" To Meet Changed Conditions. Wants Banks To Use Resources For Venture Capital Financing.

Every war brings about many changes. Some are only temporary, but others are permanent. Certain effects of World War I still



William C. Freeman

The greater the war the more far reaching are its permanent effects. It has been well said that during the past 25 years the world has

moved more rapidly than in the several preceding centuries put together. These facts are elementary. I state them only as a background to the thought I am trying to develop.

It is certain that if private enterprise is to continue, we have got to make it work and by that I mean that there must be no excessive unemployment. However we may dislike the Russian system of government, and I for one dislike it heartily, we must admit that there has been no unemployment there. If large scale unemployment is permitted to exist

*An address by Senator Freeman before the Second War Service Meeting of the American Bankers Association, Chicago, Ill., Sept. 27, 1944.

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Post-War Obstacles Of Savings Banks

By FRED F. LAWRENCE*

Treasurer, Maine Savings Bank, Portland, Me. President, Savings Division, American Bankers Association

Bank Official Calls Attention To Prevalent Economic Theories That Discourage Thrift And States That The Three Major Obstacles Facing Savings Banks Are (1) Over-Expansion Of Currency And Credit Which "Translates Deficits Into Assets And Measures Income By Expenditures"; (2) The Disparagement Of Savings By Plans "To Turn The Abnormal Stream Of War Expenditures Into An Equivalent Volume Of Peacetime Activity," And (3) The Neglect To Distinguish Deposits That Are Not Thrift Accounts And Thus "Distorting The Ratio Between Deposits And Surplus."

Whenever men with common responsibilities come together in these hectic transition days the very atmosphere seems charged with the question—Where do we go from here?

Certainly, no group is more acutely conscious of the need for regaining a sense of direction than the banking fraternity. We face the challenging fact that the struggle for the perpetuation of our free institutions is passing with disturbing rapidity from the military to the economic front, posing for us who profess loyalty to the independent unit banking system problems whose insistent urgency can neither be evaded nor postponed, if the independence of that system and the freedom of our economy are to be preserved.

Of that situation the officers of the American Bankers Association are fully aware. No national organization has approached the discharge of its obligations to its



Fred F. Lawrence

membership and to society with a keener sense of the need for adjusting policies to changing conditions. Because the traditions of American banking are so largely commercial, because our members look upon themselves primarily as merchants of credit, it was natural and proper, in outlining a post-war program, that primary emphasis be laid on the improvement of our credit machinery and the pooling of our collective energies to serve the changing borrowing requirements of industry, trade, and agriculture; but if this admirably conceived program is to prove anything more than a stop-gap it must be accompanied by a deepening recognition, development, and encouragement of the foundations of credit—the savings

of the people—a sobering truth which over-optimistic generations of men through the centuries have all too frequently ignored.

In the stress and strain of war we are forced to face many unwelcome truths, which we all too easily forget when the tension is relaxed. One of the most highly dramatic lessons of this conflict has been that while it could have been financed on credit we came to sense instinctively that that was the route of the pr. more path. Government, business and banking joined hands in an unprecedented campaign to build up, through sales of defense and war bonds, the largest and widest possible backlog of individual savings, not as the road to military victory but to insure that that victory be not an empty one. In those campaigns the banks of the country participated with an enthusiasm, a vigor, and a persistence worthy of our finest traditions.

But the very intensity of our enthusiasm, the emotional nature of our appeal, the prolonged diversion of effort from our comfortable channels of routine activity carry their own peril to the future, a peril of an emotional let-down, a reaction in the degree and scope of our individual and or-

*An address by Mr. Lawrence before the Savings Division of the American Bankers Association at the Second War Service meeting at Chicago, Ill., on Sept. 25, 1944.

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From Washington Ahead Of The News

By CARLISLE BARGERON

One of the most interesting phases of the American revolution, as the historians will undoubtedly observe, is the New Deal Washington columnists. Representative Hugh Scott, Jr., of Pennsylvania, recently had an experience which should be quite interesting. He is campaigning for re-election in the difficult Philadelphia district. For some reason or another he wanted the exact copy of the papers by

which Mr. Roosevelt commuted the sentence of Earl Browder, the Communist, who was convicted and sentenced to jail at a time when the Communists were calling him a war monger and not a friend of the people, and who was liberated by FDR when we became allies of the great liberal, Stalin.

We gather that Mr. Scott had no good political purpose in mind. We are given to understand, as a matter of fact, that he wanted to photostat Earl Browder's commutation. Anyway, a great public servant, Assistant Attorney General McGranery, also of Philadel-

phia, and only a few months ago appointed to that office because a redistricting in Pennsylvania had put his re-election to Congress in jeopardy, thought Mr. Scott's request very funny. He turned him down, which we will assume to be all right in the great game of politics.

But all he and Mr. Scott did was to have a telephone conversation. Mr. Scott assumed that was the end of the matter. He was quite surprised to pick up a paper a few days later and read in the column of a Washington gossip columnist an exact description of the conversation. Congressman Scott thereupon took to the radio and said that his conversation with McGranery was really of no importance but its reproduction was an example of how the New Dealers pass out stuff to certain gossip columnists who are in turn expected to and who do give puffs to these informants. Mr. Scott asked his auditors to watch and see how many times Mr. McGran-

ery had said that his conversation with McGranery was really of no importance but its reproduction was an example of how the New Dealers pass out stuff to certain gossip columnists who are in turn expected to and who do give puffs to these informants. Mr. Scott asked his auditors to watch and see how many times Mr. McGran-

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*These items appeared in our issue of Oct. 2 on pages indicated.



Carlisle Bargeron

Post-War Power Politics?

"I have been following closely and with increasing concern the development of the Argentine situation in recent months. This situation presents the extraordinary paradox of the growth of Nazi-Fascist influence and the increasing application of Nazi-Fascist methods in a country of this hemisphere, at the very time that those forces of oppression and aggression are drawing ever closer to the hour of final defeat and judgment in Europe and elsewhere in the world.

"The paradox is accentuated by the fact, of which we are all quite aware, that the vast majority of the people of Argentina have remained steadfast in their faith in their own free, democratic traditions and in their support of the nations and peoples who have been making such great sacrifices in the fight against the Nazis and Fascists. . . .

"In this connection I subscribe wholeheartedly to the words of Prime Minister Churchill in the House of Commons on Aug. 2, when he declared that: 'This is not like some small wars in the past where all could be forgotten and forgiven. Nations must be judged by the part they play. Not only belligerents, but neutrals, will find that their position in the world cannot remain entirely unaffected by the part they have chosen to play in the crisis of the War.'—Franklin D. Roosevelt.

Such employment of "power politics" in attempts to interfere in the domestic affairs of foreign powers may have been warranted when life itself was at stake.

But how can it be defended now—or in the post-war years.

The State Of Trade

To retain or to scrap the "Little Steel" formula will be the question of prime consideration before the National War Labor Board this week and in the next few weeks to come. What the formula's fate shall be must await the Board's recommendation to the President, but should the formula be set aside, the effects of such an action will without doubt be far-reaching and detrimental to our national economy.

Many specious arguments have been advanced in the interest of removing the last barrier to wage increases and thus leave the way open to unbridled inflation. Matthew Woll, A. F. of L. Vice-President, and a NWLB member, speaking of victory in Europe, said "the smallest unemployment we can expect will be about 4,000,000 if everything possible is done to facilitate reconversion of industries." Expressing a fear that unemployment may reach 8,000,000, plus another 1,000,000 to 3,000,000 demobilized service men seeking jobs, he reasoned that a decline in purchasing power of \$14,000,000,000 or \$16,000,000,000 would result in deflation instead of inflation. Further, with overtime ended and income curtailed through layoffs and military demobilization added to unemployment, 15% of the consumer market would be cut away. Consumer spending as estimated by the Department of Commerce has been running at about \$100,000,000,000 in 1944.

One of the most vulnerable and at the same time emotional attacks on the formula was recently made by George Meany, Secretary-Treasurer of the A. F. of L., who stated that the present wage freeze policy was a fraud on the workers and on the fighting men "who expect to return to standards of living at least as good as they left behind."

No one can seriously question the fact that the standards of living, particularly among the organized workers, have shown a perceptible rise since the outbreak of war. In support of this contention, it might be well to mention James F. Byrnes, War Mobilization Director, who cited Bureau of Labor Statistics figures to show the cost of living had risen 25.3% since January, 1941, while farm income had advanced by 81% and the average weekly pay of workers by 51.3% in the same period. Mr. Byrnes contended that the stabilization program has hurt

neither the farmer nor the worker, adding that "the white collar workers and people with small fixed incomes have fared less well during the war, but the only way to help them is to continue to hold the line against inflation." Without referring directly to the "Little Steel" formula, Mr. Byrnes held that, "if we do not preserve a stable economy, post-war deflation will ruin all our plans for post-war prosperity."

The effects upon corporate profits of a decision which favors setting aside the formula by giving steel workers the increase of 17c an hour requested by them, or a major portion thereof, would be many. In the first place, as Eric A. Johnston, President of the United States Chamber of Commerce, stated on Monday of this week before the NWLB, an increase in basic wage rates would multiply the post-war problems for industry—higher costs immediately would be saddled onto consumer industries on which, in the post-war era, "we must rely to increase employment and consumer goods."

Since many of the steel companies come within the bounds of the excess profits taxes, an increase in wage rates would work toward a reduction in taxes payable. Granting steel workers an increase would furnish an incentive for like demands in other industries, including some that are not now in the excess profits tax bracket. Dr. Jules I. Bogen, of the "Journal of Commerce" of New York, writing on the subject, stated that "some of the steel companies would find their earnings reduced to such an extent by a wage rise that not only would excess profits be eliminated, but some of their normal tax profits would disappear. This would affect profits after taxes to a more serious degree." The breaking of the formula, he held, would raise the question of price ceiling adjustments to compensate for higher wages, particularly if earn-

ings declined sharply enough to warrant such action.

The Board plans to begin consideration of cases involving overall wage policy on Oct. 9th, and should it decide that a change in ceilings is desirable the most it can do is make a recommendation to that effect to the President.

President Roosevelt in a conference on Friday last, with his labor advisory committee of AFL and CIO leaders, left with some of them at least the conviction that wage ceilings will not be disturbed before the November election. He agreed, it was reported, that the "Little Steel" formula will have to be revised or eliminated eventually, but did not indicate when such a step would be taken.

Steel Industry—"Even though the steel industry and its consumers are thinking more and more in terms of the probable production and consumption pattern in the period following Germany's defeat, there was no evidence this week that such forward thinking and planning has affected the output of steel for urgent war needs," states "The Iron Age" in its current summary of the steel market this week. Although order level from reports received is at a lower point than in recent peak periods, order volume with many steel plants continued to run neck and neck with steel shipments. It was apparent, the magazine states, that this condition was not necessarily uniform among all steel companies. In some instances volume of new bookings was less than shipments, in others incoming orders were matching outgoing shipments, while in still other cases there were some examples where the volume of fresh orders was somewhat ahead of actual shipments.

On an overall basis, new bookings were, in the aggregate, probably slightly less than total shipments. This condition has enabled some steel producers to make a very slight dent in their substantial backlogs. It is to be remembered, however, states the magazine, "that many of the steel orders being received today reflect war programs which were set up some time ago, and which are vulnerable as far as cancellations are concerned when Germany is defeated."

Recognition by WPB of an overall easier steel situation is testified by the fact that it has, for the first time in the past few years, given permission for steel makers to use unconditioned re-rolling billets for concrete bar manufacture, the magazine observes.

As a further note on the potential market for steel going into construction, it is noted that railroad bridge and shop construction projects are increasing in number, School and highway engineering projects, for which bids are being taken now but which will be awarded in the future, are also expanding. Probably the most important factor in the shift in interest towards construction work is the contract situation of steel fabricators. Many fabricators may find their backlogs cut to the vanishing point within 90 days, which in itself is a prime reason among this group for exploiting civilian or non-military projects.

While post-war business is being placed on a substantial scale, "The Iron Age" reports that sales offices believe that much of this tonnage is being duplicated with several producers in the hope of gaining favorable deliveries when final brakes are released by WPB. There is also a feeling that buyers are specifying tonnage now in order to get their foot in the post-war door of steel mill schedules, and that actual quantities and types may be revised considerably before this material actually is processed.

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Governor Dewey Would Slash Post-War Federal Taxes

In a radio broadcast from Albany on Oct. 3, Gov. Thomas E. Dewey, GOP Presidential candidate, advocated a sharp reduction in Federal taxes immediately "after victory is one," in order to achieve full employment and a rising standard of living for the people. The full text of Mr. Dewey's address follows:



Thomas E. Dewey

Fellow Americans:

This year more than 50,000,000 Americans are paying income taxes. The man who makes as little as \$11 a week now pays an income tax.

So taxes today are mighty important to every one of us. They are important because the amount of taxes taken out of your pay envelope decides how much will be left to take home.

Taxes are also important because tax laws can either destroy our job-making machinery or can permit it to go to work. And jobs, after the war, will be a first objective of your new national administration.

In speeches over the radio within the past few weeks I have made constructive proposals for achieving our great objectives for the years ahead. These are some of the things we must do if we are to be successful both here at home after this war, and in doing our share in bringing a lasting peace to the world.

As we all know, it took a war to get jobs under the present national administration. The New Deal was in office from 1933 until 1940 when the war finally reduced unemployment. Now, how is it that the New Deal managed to make a three-year depression last nearly 11 years? Why, with all its borrowing and spending, with all its emergencies and unlimited powers, were there still 10,000,000 unemployed in the spring of 1940?

One of the most important reasons was that our present administration never once established a policy of encouraging people to do business. It never once had a stable policy that allowed people to make plans, to go ahead and carry them out. Our tax laws should be the most stable. They have been the most unstable. Consider just one startling fact. The New Deal changed our tax laws 15 times in 12 years. It actually passed two revenue acts that were out of date before they could even go into effect, because new laws had been passed in the meantime.

How in the world can people plan ahead when they don't know from one month to the next what their taxes are going to be?

Moreover, under this Administration, these laws have been used to discourage high wages. Here is an example. The Lincoln Electric Company is a long-established firm which manufactures electrical equipment. It employs 1,300 highly skilled and productive workers who have enjoyed high wages for years. In 1941 those 1,300 employees made an average of \$5,400 a year. That's a little more than \$100 a week. But a Treasury agent went into that plant and announced: "A man who works with his hands should not be paid as much as \$5,000 a year." I have here photostatic copies of the Treasury notice to the Lincoln Company, marking the pay of the worker after worker as "excessive."

That is the way the New Deal keeps Americans from getting

ahead. That is the way it has been fighting for 12 years against the whole future of our country.

Now, when this war is over, eleven million of our best men and women will be coming home. They will be eager for jobs or an opportunity to start in business for themselves.

Suppose one of these young men wants to set up a little business. He goes to some of his friends who have saved some money and they incorporate. His wife may go with him as secretary-bookkeeper. The first thing she finds out is that she has to be an accountant, a statistician, a lawyer and a tax expert all at once.

But even the experts cannot advise her how to do business under the New Deal, because they can't understand the laws themselves. I have here a dozen examples. Just listen to this little gem from Section 23 (p) of the present tax law. About contributions to employes' pension plans, it says "they shall not be deductible under subsection (a) but shall be deductible, if deductible under subsection (a) without regard to this subsection, but only to the following extent." . . . From here on it gets technical.

But suppose, in spite of everything, our veteran and his wife do succeed in building up their business and in creating some jobs for other people. If they make any profit at all they must hand over to the Government \$25 out of every \$100 the business earns. And if they are still more successful, then the Government takes \$40 out of every \$100. And if they are really very successful under the present tax laws, the Government takes \$80 out of every \$100.

Of course, we cheerfully pay high taxes to meet the cost of war. But the taxes we are paying today are not just for the war. They also go to pay for the waste and extravagance of sprawling bureaucracy built up by the New Deal in these last 12 years.

Even Vice-President Henry Wallace has now made a speech urging relief from "excessive taxation" and "excessive government regulations." And who do you think came out in this morning's papers for tax relief for business? Harry Hopkins, whose slogan has been "tax and tax, spend and spend, elect and elect." In other words, the highest New Dealers at last admit that this Administration has created an impossible condition which urgently needs repair.

But they have had plenty of chances. They have had 12 long years of what they now admit is failure. They changed the tax laws 15 times in those 12 years and only made things worse. So they ask for 16 years and promise to do better. Unfortunately, experience shows that they only talk about improving at election time and then forget all about it. That is why it's time for a change.

But this is only part of the story. Not only does the man who makes as little as \$11 a week now pay an income tax. But under the New Deal personal income taxes have been raised so that a man with a wife and one child who paid \$5 when the New Deal began, now pays 76 times as much on the same income. In addition, countless hidden sales taxes have been piled onto almost everything we buy or use today. It has reached the point where every time a

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Roosevelt In Letter To Crowley Of FEA Outlines Major Policies Respecting Post-War Germany

Major policies which should be put into effect by the Foreign Economic Administration, headed by Leo T. Crowley, "when the military resistance of Nazi Germany is overcome" were outlined in a letter addressed to him by President Roosevelt and made public on Sept. 29. With respect to export control, it is set out in the letter that "with a view to encouraging private trade without interfering with the successful prosecution of the war against Japan, the F. E. A. should relax controls over exports to the fullest extent compatible with our continuing war objectives, particularly that of defeating Japan as quickly and effectively as possible."

The letter among other things also deals with "control of the war-making power of Germany," as to which Mr. Crowley is advised that "you have been making studies from the economic standpoint of what should be done after the surrender of Germany to control its power and capacity to make war in the future." The letter goes on to say:

"This work must be accelerated, and under the guidance of the Department of State you should furnish assistance in work and when requested to do so in personnel by making available specialists to work with the military authorities, the foreign service, and such other American agencies and officials as participated with the United Nations in seeing to it that Germany does not become a menace again to succeeding generations."

Pointing out that while the letter covered non-German subjects in its eight points, Associated Press accounts from Washington on Sept. 29, as given in the New York "Sun," stated that it apparently is the outgrowth of the sharp division in the President's Cabinet post-war committee over the German peace plan submitted by Secretary Morgenthau of the Treasury. These accounts added:

"This division reflected a fundamental policy disagreement between Secretaries Stimson and Hull on the one hand and Secretary Morgenthau, who proposed the virtual de-industrialization of Germany to prevent its making future wars. Secretary Hull and the State Department, which had exercised unquestioned direction of long-range German planning until Secretary Morgenthau won attention for his plan, have counted tentatively on the restoration of Germany's industrial economy under ruthless Allied controls."

"Under the President's order, this policy apparently is to prevail."

The letter bears on strategic and critical raw material, stating that the F. E. A. "should consult with the appropriate supply agencies with a view to making an appropriate cut in its foreign procurement program for strategic and critical materials needed in the prosecution of the war." It also urges the F. E. A. to take "all necessary steps to prevent Japan from getting strategic and critical materials for the Japanese war program."

Lend-lease supplies, says the President's letter, "should continue to be furnished in whatever amounts are necessary for the most effective prosecution of the war."

Under the head, "Reconstruction and Future Foreign Trade," in noting that "every workman, every farmer and every industry in the United States has a stake in the production and flow of manufactured goods, agricultural products and other supplies to all the other countries of the world," the President says that "to produce the largest amount of useful goods and services at home, we should export and import as much as possible."

The President's letter follows in full, as reported by the Associated Press and published in the New York "Times":

In accordance with our discus-

sions, the following are the major policies which should be put into effect by the Foreign Economic Administration within the scope of its present functions and responsibilities when the military resistance of Nazi Germany is overcome:

1. Export Control. With a view to encouraging private trade without interfering with the successful prosecution of the war against Japan, the FEA should relax controls over exports to the fullest extent compatible with our continuing war objectives, particularly that of defeating Japan as quickly and effectively as possible.

International trade on as full and free a basis as possible is necessary, not only as a sound economic foundation for the future peace, but it is also necessary in order that we may have fuller production and employment at home. Private industry and private trade can, I am sure, produce a high level of international trade and the Government should assist to the extent necessary to achieve this objective by returning international commerce to private lanes as rapidly as possible.

2. Strategic and Critical Raw Materials. In view of the curtailment which is to be made in our war production after the German phase of the war, the Foreign Economic Administration should consult with the appropriate supply agencies with a view to making an appropriate cut in its foreign procurement program for strategic and critical materials needed in the prosecution of the war.

The adjustment to this reduced program should be made in such a way as to prevent undue and unnecessary financial losses to American taxpayers, to best preserve our foreign relations and to strengthen the foundation for a high level of international trade in the future.

3. Preclusive Buying. The Foreign Economic Administration has been buying abroad materials needed by the Axis to produce munitions and other war materials in order to prevent our enemies from getting them. I understand that the peak of this program is already passed as a result of the victories which have been won by the United Nations. The Foreign Economic Administration should continue to take all necessary steps to prevent Japan from getting strategic and critical materials for the Japanese war program, but it should limit its preclusive purchasing program to achieving that end, observing, of course, any existing commitments.

4. Economic Warfare. The Foreign Economic Administration's studies of the enemy's war potential and other phases of economic warfare should be reduced and focused on the war against Japan. This work should be carried on as it has in the past, in close integration with our armed forces.

5. Lend-Lease. Lend-lease supplies should continue to be furnished in whatever amounts are necessary for the most effective prosecution of the war. We have waged war on a combined basis with our allies with a success which is being amply demonstrated every day on the battlefields of Europe and the Far East. Until the complete defeat of both Japan and Germany, the flow of lend-lease aid should be continued in the amounts necessary to enable the combined strength of all the United Nations to defeat our common enemies as quickly as possible and with the least loss

of life. The amount and nature of the aid necessary after the defeat of Germany is closely tied up with the strategic plans for the Pacific war, and the programs for reconstruction and for reconversion of industry to civilian needs which we and our allies work out on a basis of mutual understanding. The Foreign Economic Administration should aid in carrying out this policy to the fullest extent.

6. Surplus Property. As you have done in the past, you should continue to take every reasonable measure to see to it that no unnecessary surpluses develop out of procurement by the Foreign Economic Administration for lend-lease, UNRRA or other purposes. In connection with procurement or production for lend-lease or relief and rehabilitation purposes you should continue to investigate and take up supplies of other Government agencies which are or may be surplus.

7. Control of the War-Making Power of Germany. You have been making studies from the economic standpoint of what should be done after the surrender of Germany to control its power and capacity to make war in the future. This work must be accelerated, and under the guidance of the Department of State you should furnish assistance in work and when requested to do so in personnel by making available specialists to work with the military authorities, the foreign service and such other American agencies and officials as participate with the United Nations in seeing to it that Germany does not become a menace again to succeeding generations.

8. Reconstruction and Future Foreign Trade. It is in the national interest of the United States, as well as the joint interest of the United States and the other peace-loving nations, that the destruction and devastation of war be repaired and that the foundations for a secure peace be laid. I understand that you are also preparing to submit for my consideration major proposals along these lines. In varying degrees every workman, every farmer and every industry in the United States has a stake in the production and flow of manufactured goods, agricultural products and other supplies to all the other countries of the world. To produce the largest amount of useful goods and services at home we should export and import as much as possible.

Any marked improvement in the economic well-being of the United States will not only improve the economic well-being of the other peace-loving peoples of the world, but will also aid materially in the building of a durable peace.

With this objective in mind you should continue to take such action as is necessary or desirable in accordance with the powers delegated to the Foreign Economic Administration and in conformity with the foreign policy of the United States as defined by the Secretary of State.

Redeem Argentine Bonds

Holders of Argentine Republic 10-year sinking fund external loan 4½% bonds, due Nov. 1, 1948, are being notified that \$903,000 principal amount of the bonds have been drawn for redemption on Nov. 1, 1944, out of moneys in the sinking fund. Upon presentation and surrender on the redemption date at the office of J. P. Morgan & Co., Inc., New York, or at the principal office of The National City Bank of New York, or at the principal office of The First National Bank of Boston, payment will be made of the principal amount of the bonds. Interest on the drawn bonds will cease on the redemption date.

Nelson Resigns From WPB; Will Receive New Post—J. A. Krug Becomes WPB Chairman

Donald M. Nelson, who recently returned from a mission to China, undertaken at the request of President Roosevelt, tendered to the President, on Sept. 29, his resignation as Chairman of the War Production Board. In his letter he indicated to the President that he had contemplated resignation ever since the war production program met its "crucial test" in the invasion of Europe but had delayed until he could "set the course" of reconversion policy. In accepting the resignation, President Roosevelt told Mr. Nelson that he "cannot yet agree that you leave Washington" and "I am counting on you to remain in the Government to a high post of major importance."

J. A. Krug, who had been named Acting WPB Chairman when Mr. Nelson left for his mission to China, has been appointed by Mr. Roosevelt as Chairman.

Mr. Nelson's letter of resignation as given in Washington advices to the New York "Herald Tribune" by Samuel W. Bell, follows:

"My Dear Mr. President: "The first phase of the work which you directed General Hurley and myself to undertake in China has now been carried out and I have returned to America to make certain essential arrangements for the completion of my part of the mission."

"The purpose of this letter, however, is to submit my resignation, effective immediately. I have contemplated this action ever since war production successfully met its crucial test in the invasion of Europe; and I delayed resigning only until I could set the course for the War Production Board in reconversion policy."

"The task to which you assigned me in January 1942 has as its main purpose the organization, development and direction of American productive resources to meet the full demands of total war. Today the policies, plans, methods and procedures of war production are well established. Future war production problems confronting the War Production Board will relate primarily to detailed operations in specific industries. During my absence Mr. Krug has, in my opinion, administered the Board very successfully and is quite capable of dealing with those problems and of completing the development of plans for the reconversion process, so far as the Board's powers permit."

"The record of American war production shows what can be done by the combined efforts of management labor, and government. The productive power of the economy has risen from a gross national product of \$120 billion in 1941 to more than \$180 billion in 1943, and a rate of about \$190 billion at the present time. Production goals reached for airplanes, tanks, ships and other key weapons of war have been spectacular. Facilities and materials are in adequate supply to assure all wartime needs. Balanced production has been achieved as between the military and essential civilian economy, as among all the Government agencies claiming a share of production, and as among the thousands of individual production programs. Industrial workers and managers have shown that they can be relied on to sustain as long as necessary the present high volume and high quality of war material."

"In completing my assignment as Chairman of the War Production Board, I feel a deep sense of gratitude for the opportunity you gave me to serve the nation in time of war. It is now more than four years since I came to Washington to join in the defense effort, and then in the war effort. Under your triumphant leadership it has been a profound and illuminating experience to help bring into action the terrific fighting strength of democratic America, and a privilege to bear some part of the enormous re-

sponsibilities of the wartime Government. Particularly, I have been impressed by the dynamic power tapped through the cooperation of American management and labor. Together they have achieved wonders. Without their vigorous and determined patriotism the war production job would never have been done."

The following is President Roosevelt's letter accepting Mr. Nelson's resignation:

"Sept. 30, 1944.

"Dear Donald: "I have your letter of Sept. 29, submitting your resignation as Chairman of the War Production Board."

"The whole world is aware that the spectacular success of American war production under your guidance has been the foundation of the approaching victory of the United Nations. Your personal contribution over the last four years has been great, and you have worked so strenuously to bring to fulfillment the enormous potential power of American industry, that I can well understand your desire now to be released."

"However, I cannot yet agree that you leave Washington no matter how real your justification for doing so. The war in Europe is still unfinished. In the Pacific we are moving forward day by day. The country is faced with major war-time and post-war problems of the greatest complexity, and it has urgent need of your abilities. While I accept your resignation as Chairman of the War Production Board, I must ask you not to resign from the Government."

"I know that you, like myself, are keenly aware of the world's economic problems, which at the conclusion of the war will be a prime concern of the United States. It is now clear to every one that the economic well-being of other countries is essential to the prosperity of this nation in providing jobs for workers, and export outlets for the products of American industry and agriculture."

"I have watched with the closest attention the missions which you undertook for me in Russia and China, in handling economic negotiations of high significance. The results achieved in those countries, as well as the fine relationship which you have established with the governments of Canada and the United Kingdom, make me feel strongly that your experience, insight and skill will be urgently needed by this country in laying the groundwork for post-war economic cooperation with other nations."

"I am counting on you to remain in the Government in a high post of major importance."

Discontinue International Reply Coupons From Italy

Postmaster Albert Goldman announced on Sept. 22 that instructions have been received from the Post Office Department, Washington, D. C., advising that effective at once, the exchange of international reply coupons with Italy (including Sicily and Sardinia) and the Vatican City State is discontinued, that is to say, Italian international reply coupons will not be accepted in exchange for United States postage stamps, nor will United States international reply coupons be accepted at post offices in Italy or the Vatican City State.

The Financial Situation

(Continued from first page)

have gone as far as the New Deal has gone in obliging the rest of the country to pay tribute to the farmer. Farm subsidies have in years past gained much strength from the fact that there were many who preferred to pay a tribute to the farmers rather than to give up the tribute (excessive tariff protection) they had long enjoyed.

But as a practical matter, such payments to the farmers as those of recent years, and such guarantees as parity prices are products of New Deal origin. Dissatisfaction in rural areas with the present Administration has seemed on the surface at times to encourage belief that the tide might turn, but recent avowals on the part of Mr. Dewey concerning agriculture leave little ground for hope. It would appear that farm subsidies in large amounts have come to appear the natural, normal course of things to all too many of us.

An analogous situation may be developing in respect of international banking and credit. A year or two ago when the Treasury Department officials began to talk about an international monetary fund, and Mr. White began to expound Treasury ideas on the subject, the whole matter seemed pretty fantastic to almost every one with much interest in the subject. Presently there were hints of an international bank to complement it—and the project was more or less laughed off as a "world RFC." But the present Administration in all its branches is nothing if not determined. It has calmly proceeded as if there were no opposition, and that Congress would support whatever was done. It has had representatives of many nations foregather and has persuaded them to agree to plans. It is scarcely strange that it was possible to persuade these other countries to come to terms, since they have little or nothing to lose and all to gain from such schemes as are embodied in these official plans. But the point is that these things have been drafted. They have the approval, not of foreign governments, to be sure, but of certain representatives of these governments. Meanwhile a stabilization fund has been in operation in this country for a decade. It has not ventured very far from its base, it is true. Indeed, it has done hardly more than strictly limited steadying of the foreign exchange market upon occasions. But it has been much in the headlines for so long that it has begun to appear quite the normal, natural thing to have such a fund in operation.

Accepting Unsound Plans

From such a platform it is not too difficult apparently to launch the idea that "something" in the nature of world funds and world banks after the war is essential. Then the mere fact that plans have been formulated and approved by large and varied bodies of "experts" from many countries faces the public with a sort of fait accompli. At any rate, while a number of able students of the subjects with minds of their own are still pointing to the weaknesses of such plans and warning of their dangers, a great many are saying that it is now too late. Apparently they are reconciled to the program of the Administration. To what extent and in what form all this will be reflected in Congress next year, it is as yet impossible to guess, but little or nothing has been said of the matter in the campaign to date. An overwhelming Roosevelt victory might very well result in a willingness on the part of Congress to take these costly and hazardous "plans" as they are sent from the White House. It is a danger to which we must not be blind.

But perhaps most disheartening of all is the policy of Mr. Dewey, and presumably his party, of accepting virtually all of the fantastic New Deal program as "here to stay"—if they do not go further and give it all their fervent blessing. This program is not only wholly unsound in principle, but is in hopeless legislative, judicial and administrative confusion. There is not the slightest doubt that capable legislative drafters and competent administrators could do all that this program pretends to do with a great deal less cost to the public and to business. It is doubtless for this reason, and the further reason that most observers feel confident that Mr. Dewey would be a more competent administrator than President Roosevelt—and is less bound by bitterness and dislikes, particularly of business—that the business community on the whole would be pleased to have the Republican party win in November.

Strange Ideas Accepted

But the fact must not be lost to sight that if that party goes into office next January, it will enter upon its duties and responsibilities committed to many policies which would have made most of us gasp and stare a decade ago. They make many of us deeply uneasy now. For our part, we find them as distasteful and as harmful as we always have found them, but to the rank and file they now appear quite the usual and natural thing. It has for so long been said that these

Items About Banks, Trust Companies

The statement of the Chase National Bank of New York for Sept. 30, 1944, shows deposits of the bank on that date at \$4,352,960,000, compared with \$4,677,873,000 on June 30, 1944. Total resources Sept. 30 are reported as \$4,675,384,000, compared with \$4,990,183,000 on June 30, 1944; cash in the bank's vaults and on deposit with the Federal Reserve Bank and other banks, is shown as \$848,832,000 contrasting with \$836,348,000; investments in United States Government securities, \$2,601,379,000, against with \$2,778,218,000; loans and discounts, \$913,837,000, compared with \$1,048,627,000. The capital of the bank on Sept. 30, 1944 stands at \$111,000,000, and the surplus \$124,000,000, both figures unchanged from those reported as of June 30, 1944. The undivided profits account on Sept. 30, 1944 amounted to \$48,613,000, compared with \$43,209,000 last June 30. Comparative earnings for the first nine months of 1944 and 1943 are shown in the following tabulation:

	Earnings per Share for Nine Months Ending Sept. 30	
	1944	1943
Net current operating earnings	\$1.85	\$1.56
Net profits on securities	30	72
Net earnings per share	\$2.15	\$2.28

J. P. Morgan & Co., Inc., New York City, reported as of Sept. 30, 1944, total deposits of \$759,212,131 and total assets of \$817,396,301, compared, respectively with \$799,042,132 and \$854,733,998 on June 30, 1944. Cash on hand and due from banks is now \$137,856,901, against \$129,432,770, holdings of United States Government securities \$536,742,422, against \$569,409,517 while loans and bills purchased are now shown as \$100,798,734, against \$117,377,890. Capital and surplus are unchanged at \$20,000,000 each, and undivided profits Sept. 30 are \$4,095,419 against \$3,782,307 June 30.

In its statement of condition for Sept. 30 the Guaranty Trust Company of New York shows total resources of \$3,299,332,641.71, deposits of \$2,943,058,147, and holdings of U. S. Government obligations of \$2,074,783,452.70. Capital and surplus remain unchanged at \$90,000,000 and \$170,000,000 respectively, and undivided profits total \$38,432,083.36, as compared with \$36,054,427.91 at the time of the last published statement, June 30, 1944.

Guaranty Trust Company of New York announces the appointment of Leonard J. Wyeth as an Assistant Trust Officer.

The Chemical Bank & Trust Company of New York reported as of Sept. 30, deposits of \$1,199,487,283 and total assets of \$1,297,128,101 as compared respectively with \$1,311,718,685 and \$1,408,349,505 on June 30, 1944. Cash on hand and due from banks amounted to \$233,271,022 compared with \$282,097,404; holdings of United States Government securities to \$687,260,940 against \$710,300,107; bankers' acceptances and call loans to \$85,600,449 against \$99,874,584; and loans and discounts to \$147,907,073 against \$171,174,963. Capital and surplus are un-

"reforms" were long "overdue," and that they will never be discarded, that the unthinking now regard them in that light, we strongly suspect.

All this can only mean that quite probably, without fully realizing it, we are in danger of discarding American traditions and doctrines, and proceeding in the post-war period to follow the Old World in some of its worst follies.

changed at \$20,000,000 and \$55,000,000 respectively, and undivided profits are now reported at \$9,347,591 against \$8,558,020 at the end of June.

At a recent meeting of the Board of Directors of the Lawyers Trust Company of New York, Edward J. McEvoy, formerly Assistant Trust Officer, was appointed Trust Officer of the institution. Lawrence Mehrling was made an Assistant Trust Officer.

The statement of condition of Manufacturers Trust Company of New York as of Sept. 30, 1944 shows deposits of \$1,715,110,691, which include United States Government War Loan Deposits of \$180,895,164. Resources are \$1,818,884,029. These figures compare with deposits of \$1,694,391,593 and resources of \$1,797,641,066 shown on June 30, 1944. On Sept. 30, 1943, the respective figures were \$1,503,217,103 and \$1,603,251,171. United States Government War Loan Deposits on June 30, 1944 were \$262,947,502, and on Sept. 30, 1943 they were \$201,224,464. Cash and due from banks is listed on Sept. 30, 1944 at \$350,131,858 against \$368,368,496 shown on

June 30, and \$333,256,410 shown a year ago. United States Government Securities stand at \$1,055,287,529; three months ago they were \$974,290,789 and one year ago they were \$821,671,218. Loans, bills purchased and bankers' acceptances are now \$325,763,933, which compares with \$375,174,899 on June 30 and \$345,512,945 on Sept. 30 last year. Preferred stock is shown as \$8,009,920, common as \$32,998,440, surplus as \$33,000,000 and undivided profits as \$18,345,635. Net operating earnings for the nine months ending Sept. 30, 1944, after amortization, taxes, etc., as well as dividends on preferred stock, were \$5,928,347, or \$3.59 a share, which compares with \$3.29 a share for the nine months ending Sept. 30, 1943. Of this amount \$2,474,878 was paid in dividends on common stock, and \$3,453,469 was credited to undivided profits.

The New York Trust Co. reported as of Sept. 30, 1944, total deposits, including outstanding certified checks of \$717,216,606 and total assets of \$775,195,319 compared, respectively, with \$776,837,076 and \$833,420,199 on June 30. Cash on hand and due from banks, including exchanges, (Continued on page 1520)

What About Real Estate?

Babson Says Now Is The Time To Sell Old Houses

Babson Park, Mass.—I don't know what is happening in all sections of the country; but I am getting many very bullish reports on the demand for small and medium sized houses. Houses that could have been bought for \$7,000 six months ago are now being sold at \$10,000. There has not been much activity as yet in vacant land, but houses are turning over very rapidly at large price increases.

What Are The Reasons?



Roger W. Babson

As birds instinctively build nests, so married couples like to have a home. Up to the present time many of them have not had the money to buy a home. Furthermore, there have been enough vacant houses which could be rented. All at once people have realized that they now have enough money to buy a house on a safe mortgage and, at the same time, find it very difficult to rent a house. These people might be doing the wise thing if they can get the houses at reasonable prices; but it would be better for them to "sleep in a tent" for awhile than to pay foolishly high prices.

The real estate market today is where the stock market was in 1928. Then when people suddenly discovered that the supply of good stocks was limited, they stampeded one another to buy stocks. Hence, the market went to unwarranted high prices and then collapsed in the fall of 1929. Frankly, I think the same thing will some day happen again. People will find that the present supply of good stocks is limited and, before long, will stampede to buy them. This will result in the stock market selling at much higher prices; but finally, through a fear of communism or some other bugaboo, prices will again collapse. Both houses and stocks are governed by the same law of action and reaction tempered by the frailties of human nature.

Sell Now Rather Than Buy

During the past few years I have been advising the purchase of homes believing that the then prevailing prices were less than the cost of reproduction. Today, in those sections where there is a scarcity of homes, such real es-

tate is a better sale than a purchase. This does not mean that you should sell yourself out of a home, but if you have more than one house this may be the time to cash in on the extra one.

Germany will crack some time between November 7, 1944 and March 7, 1945. How long Japan will hold out after Germany cracks depends on Uncle Joe Stalin. With his active help we could finish Japan in three months; but without his help it may take up to three years. At any rate, we can now see the end of the conflict which will mean a resumption of building.

What About Land?

After the war the Government will encourage the building of houses with favorable loans and other means. Within two years there may be a surplus of new houses for sale at lower prices than you can now buy second-hand houses. This should cause a drop in the price of the existing houses which are in such demand today. Therefore, if you did not buy a year or more ago, when I so earnestly advised it, don't make any thoughtless real estate purchases now.

There has not been much increase as yet in the price of land. Therefore, this is my advice to readers who want a new home: (1) Continue to save your money, putting one-half in Series "E" War Bonds and the other half in a Savings Bank deposit. (2) Begin now to look for a small piece of land where you can get town water, electricity, telephone and space for a small kitchen garden. Have it within walking distance of a store, post office, church and school, or else near a bus line so as not to be dependent on an automobile.

Conclusion

Do no building now although you can put in the concrete cellar if you wish to and in most communities can engage the brick, lumber, etc. Get a standard plan from your builder and have it understood that he is to build your house as soon as the war is over. Then you should get a better house than you can now buy and should get it for less money.

Heads Of Engineering Societies Oppose Plan To Destroy Germany As Industrial State

Offer Proposal to Eliminate Oil Resources, Cut Steel Making Capacity, Eliminate Aircraft Plants

Declaring as "indefensible" the proposal of Secretary of the Treasury Morgenthau for the destruction of Germany as an industrial state and its conversion into an agricultural country of small farms, the heads of five engineering societies offer a plan of their own with respect "to the physical disarmament of Germany" and to "subsequent steps to make it impossible for her to prepare industrially for another war." Opposition to the Morgenthau proposal (referred to in our Sept. 28 issue, page 1379) is made by the heads of the engineering societies "because the destruction of machines, utilities, tools, materials and other essentials for peacetime living penalizes not only the owners of the materials destroyed but the world as a whole."

They recommend "not an indiscriminate destruction, but a selective restriction and control of German industry." "We should plan," they say, "to create a minimum of controls and to avoid abnormal social dislocations," offering four steps whereby Germany's capacity to make war would be eliminated, viz: Eliminate all synthetic oil capacity and prohibit the reconstruction of plants and importation of oil beyond normal peacetime inventories; eliminate 75% of Germany's synthetic nitrogen plant capacity as well as 50% of her steel making capacity in categories such as heavy forging, electrolytic and high alloy steels, etc., and eliminate aircraft plants and equipment.

If any one of these steps were taken, the heads of the engineering societies contend, "war could not be waged nor prepared for." "Taking all four," they add, "would afford ample insurance against war."

The five making these recommendations are Malcolm Pirnie, President of the American Society of Civil Engineers; Chester A. Fulton, President of the American Institute of Mining and Metallurgical Engineers, Inc.; Robert M. Gates, President of the American Society of Mechanical Engineers; Charles A. Powel, President of the American Institute of Electrical Engineers, and George G. Brown, President of the American Institute of Chemical Engineers.

The joint statement by them, made available for publication on Sept. 30, follows:

"On the basis of our experience in engineering and industry, we consider that the proposal of the Secretary of the Treasury for the control of post-war Germany by the destruction or virtual dissolution of her industrial plant is economically unsound and contains the seeds of a new war.

"We believe that the part played by over 75,000 members of the above societies in the design, engineering and production of the implements for our armed forces in quantities adequate for victory, as well as our long experience as engineering industrialists in peacetime, entitle us to speak on this subject of paramount importance to the peace of the world.

"In general, the Morgenthau proposal is indefensible because the destruction of the machines, utilities, tools, materials and other essentials for peacetime living penalizes not only the owners of the materials destroyed, but the world as a whole.

"Specifically, the fundamental fallacy of the proposal for the indiscriminate destruction of the German industrial system is that it fails to differentiate between the wartime and the peacetime economy of the Reich.

"We are for one simple, clear objective—an effective industrial means to keep Germany from starting another war.

"This objective should not be confused, especially before the war is even won, with the appropriate punishment of Germany or

with the international arrangements for the long future to be made around the peace table by the representatives of the Allied Nations after victory is achieved.

"This statement, therefore, deals not with broad, complex post-war questions of diplomacy and international policy, but simply and solely with the suggestion for the indiscriminate dismemberment of the German industrial economy.

"Unconditional surrender" implies disarmament of the German armies, the surrender of all arms, munitions, airplanes, and other ordnance materiel in stock piles or in process. It also should include the elimination of all German war production facilities such as aircraft plants, munitions plants, submarine works, etc., and the control of raw materials required by war industries.

"We make no suggestions as to the over-all international treatment of Germany after surrender, but confine our statement to the physical disarmament of Germany and to the subsequent steps to make it impossible for her to prepare industrially for another war.

"With this sole aim in view, however, we must recognize that the German nation cannot arbitrarily be kept in economic and industrial subjugation. To do so would create an economic vacuum in Europe which sooner or later would be filled, either by the German nation itself or by the collaboration of Germany with other nations or individuals who would profit financially or politically, or both, by helping to develop Germany into a good market.

"Germany must have its chance for recovery along peaceful lines after the war. Such recovery cannot come about through an economy wholly agricultural, even if that were practicable; or without industry to produce both for German needs and for the reconstruction of other nations of Europe; or without markets.

"It is farthest from any suggestion of a so-called 'soft peace' to recognize this fact. Germany must be disarmed and that part of its industrial plant devoted to armament destroyed. But it is equally necessary to create a plan which will (a) allow the German people to live a reasonably normal life; (b) permit the retention of German industry to help in the vast task of restitution and reconstruction, and (c) keep an economic balance in Europe.

"This, we are confident, can be done without giving German industry the independence it would require to prepare for war again, either secretly or overtly.

"We recommend, therefore, not an indiscriminate destruction, but a selective restriction and control of German industry.

"Germany and Europe and the world need the contributions which the German nation, freed from the domination of war lords, can make in the future, as it has made in the past, to the development of modern technology and scientific and industrial advance.

"If allied controls force the German people into an unnatural existence and hold back national economic development in Europe, they will become even more unstable and subject to pressures and possibilities containing the explosive seeds of another war. We should plan, therefore, to create a minimum of controls and to avoid abnormal social dislocations.

"Discriminating between peace and war economy, there are at least six industries which are the most essential for war purposes, and the least essential for a peacetime economy. They are: Synthetic gasoline, for which there is no economical peacetime use; manufacture of explosives; airplane production; use of aluminum and magnesium; high alloy and electrolytic steels, and nitrogen, fixation all of which must be vastly expanded to prepare for war.

"The labor employed by all these six industries in peacetime is less than 2% of the total German labor force.

"Therefore, Germany's capacity to make war would be eliminated by the following steps in regard to its industrial economy:

"1. Eliminate all synthetic oil capacity and prohibit the reconstruction of plants and the importation of oil beyond normal peacetime inventories.

"This would destroy the major part of Germany's internal oil resources. Coal is the raw material for synthetic oil. It is plentiful in Germany and only a small percent is used in synthetic oil plants. It is not readily controllable in the Reich.

"2. Eliminate 75% of Germany's synthetic nitrogen plant capacity and prohibit reconstruction of plants and all importation of nitrogen compounds. This will leave a capacity in Germany ample for peacetime nitrogen requirements. The principal ingredient of explosives is nitrogen. The relatively small amount of dynamite required for mining, quarrying, etc., should be under import control.

"3. Eliminate 50% of Germany's steel-making capacity in those categories of plants which are most capable of producing essential war materials such as heavy forging, electrolytic and high alloy steels. Manganese, chromium, nickel and tungsten are practically non-existent in Germany. Also prohibit importation of iron ore, flux material, steel and steel products beyond normal peacetime inventories.

"4. Eliminate aircraft plants and equipment. Aluminum and magnesium are the raw materials required for airplane manufacture. There are no important bauxite deposits in Germany. Importation should be prohibited. Aluminum and aluminum plants should be destroyed and importation of aluminum ingots beyond pre-war peacetime needs be prohibited.

"If any one of these steps were taken, war could not be waged nor prepared for. Taking all four would afford ample insurance against war.

"By attacking the problem from this angle, it would be possible to set up uncomplicated, non-political controls to prevent the rearmament of Germany, but at the same time make it possible for the German nation to meet its own peacetime needs and thereby prevent her from becoming a drag on the economy of all Europe and a breeder of future wars.

"Fifty or sixty per cent of the German oil and gasoline supplies have come from synthetic coal distillation plants scattered throughout Germany. A third of her requirements have been derived from the Ploesti oil field in Rumania. The synthetic plants produce inferior products at a cost about four times world prices. Their operation has required Government subsidy. These war plants should be demolished.

"Eighty per cent of nitrogen is produced synthetically from the air, but it could not be produced without reconstruction of special plants or without Chilean nitrates which Germany must import.

"Germany could not make steel, produce oil products or make munitions of war without imports of bulky, easy-to-police materials. Hence policing the curtailment of potential war production would consist of (a) controlling the im-

State Department Cuts Off U. S. Shipmen's Out Of Argentina Effective Oct. 1

Announcement was made on Sept. 26 by the State Department at Washington that the United States is cutting off all American flag shipping out of Argentina, effective October 1. This was explained in terms of war requirements, according to the Associated Press advices from Washington on Sept. 26, which stated:

At the same time, however, it was announced that other countries contributing effectively to the prosecution of the war would receive sympathetic consideration for their shipping needs.

The action generally was regarded as a move virtually to halt imports from Argentina to the United States. In this connection it was reported that recent purchases of Argentine corn for feed purposes in this country either had been delivered or were en route.

The State Department at first declined comment on the move taken by the War Shipping Administration under a State Department directive but later issued this statement:

"The services of War Shipping Administration ships are of course controlled by war needs. Changes of routes as in this case where ships are being diverted from the Argentine run on Oct. 1 for other areas are responsive to war requirements.

ports of, or the accumulation of stocks of such bulk materials as petroleum, pyrites or brimstone, manganese, chrome ore and iron ore, steel, aluminum and nitrogen compounds, and (b) requiring periodic inspections of plants and special revocable permits of construction or of operation of manufacturing facilities for any purpose.

"Further insurance could be secured by transferring the ownership or management of nitrogen and steel production plants into Allied hands.

"Under such a plan Germany still could reestablish a productive economy for non-military purposes. It would leave Germany economically free to expand along peaceful lines, and give her a competitive position in international commerce with other nations burdened with high debt charges, the maintenance of armies and navies, rehabilitation costs, etc.

"A large part of the determined peacetime productive capacity of Germany should be turned immediately, and for a long period, to the manufacture of restitution materials for war-damaged countries. The percentage of industry turned to this purpose should be the maximum possible without reducing the people to a sub-marginal level.

"When the Allied Nations presently have rendered Germany harmless by disarmament for the next 10 or 15 years, a program of permanently disarming her must look not to 15 but to 50 years. It is unrealistic to assume that any program put forward to take the sting out of Germany will not require supervision and vigilance for a long period in the future.

"The essence of this program is to remove from Germany the plant and source materials essential for war purposes, but to do it with the least disturbance to the normal economy of Western Europe.

"Engineers play an essential part in providing employment in the economy of any nation. In this country especially they see their function not in narrow, professional terms, but in providing jobs and in promoting industrial production. They do not believe that crippling the normal peacetime industrial economy of any country, even an enemy nation, can promote world peace and reconstruction. On the contrary, such a policy jeopardizes the peace and progress of all. We are opposed to any plan which would make post-war Germany a drag on the economy of all Europe, if not of the world, and a breeder of future wars."

"Those countries contributing effectively to the prosecution of the war, of course, will continue to receive sympathetic consideration with respect to American ships for their domestic needs."

No southbound calls of American flagships have been made at Argentine ports for more than two years. The new order forbids calls on northbound voyages of ships returning home from other Latin countries.

It is not understood to forbid, however, the calling at Argentine ports of any Argentine-owned ships which may be under American charter at this time.

Despite the fact that for the nine months the U. S. Government has refused to recognize the present regime in Argentina and Secretary of State Hull has assailed the country as headquarters for fascist operations in this hemisphere, a considerable commerce has existed between Argentina and the United States and an even greater flow of trade has occurred between Argentina and Great Britain. Britain is the main Allied purchaser of Argentine meat, one of the country's chief export products.

United States exports to Argentina have been carried in Argentine or other foreign ships, while exports from that country to the United States have moved largely in United States vessels.

Apparently today's move fell short of a real embargo on exports from Argentina since there appeared to be no provision in the order that non-American ships could not carry Argentine products to this country.

Small, Executive Officer Of War Production Board

J. A. Krug, Acting Chairman of the War Production Board, announced on Sept. 23 that he had completed the topside organization of the War Production Board with the appointment of John D. Small as Executive Officer in the Office of the Chairman. Mr. Krug pointed out that he had previously named Arthur H. Bunker as Chief of Staff and Hiland G. Batcheller as Chief of Operations, as steps in streamlining the WPB organization to deal with reconversion. "We now have in the Office of the Chairman," said Mr. Krug, "three top officials who, with the Chairman, will work as a team in the handling of various problems with the WPB Vice-Chairmen and with members of the Board. The Chief of Staff will develop and coordinate various policies under my direction; the Chief of Operations will be in charge of WPB operating activities; the executive officer will assist both of these men and work with the other officials of WPB to thresh out major problems."

Mr. Small, who was graduated from Annapolis in 1915, has been serving with the rank of Captain, USNR, as Material and Production Control Officer in the Office of Procurement and Material, U. S. Navy Department. He served as an officer in the U. S. Navy from the time of his graduation until 1926, when he transferred to the Naval Reserve. He was recalled to active duty in the Navy Department in February, 1942. From 1926 until 1934 he was Vice-President and general manager of the Dry Ice Corporation of America, and from 1934 to 1942 he was Western manager of the Publicker Commercial Alcohol Co. of Philadelphia. Mr. Small has returned to inactive duty in the Naval Reserve, and will serve in his new capacity as a civilian.

Post-War Obstacles Of Savings Banks

(Continued from first page)

ganized effort. Our physical environment may undergo kaleidoscopic change, but there is little to indicate that human nature undergoes a corresponding change, and if the lessons of the past throw any light on human relationships those of us who are in any way connected with the management of institutions receiving savings deposits face far greater responsibilities in days to come than in those behind us.

Not long ago you found in your mail a booklet, prepared by our Savings Development Committee and sponsored by this division, in which was set forth our notion of the banker's present-day obligation to the savings depositor. Some of you I know were disappointed in the absence of definite recommendations, of clear cut programs of action. It has been criticized as little more than an expression of time-worn platitudes. Personally, I welcome the charge. The danger of the moment is not that we may repeat platitudes but that we may ignore them, for they embody the accumulated wisdom of the race, which through the centuries impatient architects of various new orders have vainly sought to discredit. No policy, no practice, no formula can contribute to the permanent welfare of any institution unless it finds its inspiration in a recognition of fundamental truth which some cynic might term a platitude.

We who by long established tradition are the natural guardians of the thrift impulse realize how Poor Richard's venerable maxims lose their persuasive force through tiresome repetition. It's unfortunate that the longer the period in which any truth has been vindicated by human experience the more vulnerable it seems to be to attack by ambitious re-makers of the social structure. That seems to be the lot of the virtue of frugality, which had its roots way back at the dawn of civilization when an early Egyptian dictator was so troubled by the economic distress of his people that his dreams were disturbed, and in his perplexity he was fortunate enough to seek assistance from one who, having had no opportunity to study modern treatises, was compelled to rely on his native faculties.

"Pharaoh," said Joseph, "your problem is simple. No people can live from hand to mouth without risking periodic starvation. Some years you will have generous harvests, some poor. Your only salvation is to set aside in good years enough store to tide you through the lean ones."

In that simple story of the first recorded economic cycle, the alternation of boom and depression, are the core and kernel of the economics of savings in all generations. Man's progress is never uniform. It is a succession of fair weather and foul, of good fortune and bad. Wherever we turn we face as the most inexorable of nature's laws the requirement of a reservoir, a cushion, a margin of safety, adequate not merely to tide over visible dangers but those ever-multiplying and expanding risks and hazards which are the invariable concomitants of what we call advancing civilization, and though man's saddest experiences have been the result of underestimating the extent of the demands on his accumulated stock, again and again the cry goes up that the saved dollar is the idle dollar.

In sizing up the magnitude and character of our task we see looming up ahead three major hurdles. The first is a vigorous and active school of academic theorists, who, sensing that economic plan-

ning is the slogan of the hour and that the first impulse of men confronted with a critical emergency is to say, "Let's do something about it," are forcing upon public attention an appealing philosophy. They are not only questioning the value of savings, but are expressing concern lest an excess of frugality hamper our march toward new levels of prosperity, which they propose to achieve by perfecting the technique of lifting ourselves by our bootstraps. These modern magicians are no mere transitory phenomenon. They are highly vocal, disturbingly plausible, and filled with crusading zeal. They have developed a capacity for organization and a tenacious hold on the formative agencies of public opinion. They occupy chairs in our leading universities, they act as advisers to government officials, departments, and bureaus entrusted with power unprecedented. The burden of their song, whatever its variations, is always the same—the developing and expanding genius of man, his freedom from the limitations of a primitive or frontier existence. He has become more truly the master of his fate, and it is unthinkable that the standard of living the American people have achieved should not continuously rise as man's resourcefulness finds new avenues of expression.

In this philosophy is a half truth, than which nothing is more dangerous. We are in fact enjoying the fruits of a material civilization vastly superior to that of our grandfathers. But why? Not because man's creative genius burst suddenly into flower—there is much to show it is no greater, and perhaps less, than in the age of Pericles—but because, in a spirit of profound humility, he came to realize that his progress was to be measured not by the extent of his ingenuity but by his capacity to discover, interpret, and apply the laws of his universe. It was a scientific age, in which pioneers blazing new frontiers gradually unlocked some of nature's hidden secrets, discovered, not created, the properties of such potent servants as steam, electricity, and gasoline, and who would undertake to suggest that any human ingenuity could modify or abrogate the laws governing their operation? Some of us have a notion that economics is a science in that its laws, while not as measurable or definable as those governing the operation of physical force, are just as inviolable.

There is no large scale remedy for human ills, now being proposed by these prophets of a new day, which doesn't embody spending, public or private or both, usually on a Hollywood scale, as its motivating principle. No sane man can deprecate the importance of spending, no buyers, no sellers, but the very term implies the existence of something to spend. To use a favorite slogan of these pseudo-economists, "purchasing power." Every one agrees on the imperative need of increased and dependable purchasing power as a condition of what we call prosperity. But what is the source of that power? These modern financial wizards who so blithely translate deficits into assets, and measure our income by our expenditures, predicate their remedies on the assumption that it is something which can be created and distributed by governmental action, because the government controls the monetary system, and money, as every one knows, is the recognized medium of exchange and, more important still, because credit, especially government credit, can be made to function as money. I have referred to this

school of thought as modern, but both their philosophy and their technique is as old as civilization, and the tragedies they have wrought are so plainly written on the pages of history that he who runs may read. The adoption of money as a medium of exchange freed man from the handicaps of a barter system, but not from the penalties of his own impatience. There never seemed to be a sufficient volume of this commodity to supply our demand, so we clipped it, we sweated it, we adulterated it, we printed it, we depreciated it, we devalued it, and ironically, the more we produced the more we seemed to require, until the elastic of our ingenuity snapped back with devastating violence, and again and again we were forced to learn the bitter lesson of our limitations.

As for that other two-edged sword, credit, if there exists anywhere a group which should understand the nature and proper scope of that useful instrumentality it is you men here assembled. You are acutely aware from sad experience that from its humblest to its broadest application it must find its support in an accumulation of both capital and purchasing power, each of which represents the savings of someone. You are further aware that unless the volume of those savings bears some relation to that of credit expansion the economy is headed for trouble. You know that the streams which supply both these reservoirs should be fed by a steady flow of individual and collective savings and not a succession of flood and drought. If the credit of this government of ours is an exception to that rule it will be the first time in human history it has occurred, though, by no means the first time the experiment has been tried.

A year or two ago, in a series of newspaper advertisements published by the Savings Banks Association of Massachusetts, there appeared one of those simple but eloquent stories we see all too rarely. Side by side were two pictures, identical except for one thing. In each a woman was returning from her Christmas shopping trip, her arms laden with bundles. One had made her purchases on credit, the other had paid for them with her Christmas Club check. The artist had told his story in the expression on the two faces. One was anxious and careworn, the other placid and carefree. Multiply this story by a few hundred millions in the number of characters and a few score billions in the magnitude of the transaction and you get some notion of the reason for the unstable nerves of a people striving to play Santa Claus with tomorrow's assets.

The second of these obstacles is human weakness, upon which these miracle workers are so shrewdly capitalizing. We have been living for years, both in peace and war, in an intoxicating atmosphere, characterized by profligate spending of tomorrow's income. Instinctively, we dread the prospect of a lower level of activity involved in a contraction of that spending, and reach out eagerly for any plausible justification for its continuance, for most programs suggested for curing or alleviating our economic and social ills are based on some effort to turn the abnormal stream of war expenditures into an equivalent volume of peace time activity.

Within two weeks the chairman of the Committee on Economic Development—no academic philosopher but a prominent business executive—urging high consumption as a stimulant to high production, and voicing a widely prevalent attitude of all whose short range prosperity depends on a liberal exercise of purchasing power, said, "Savings are static. They become dynamic only when customers are created who have

a willingness to part with these savings."

No one can quarrel with this statement of abstract truth, but no one knows better than the banker that the impulse to spend needs little encouragement. Gratification of desire is the most elemental of human instincts. The roller-coaster graph of any chart depicting the course of our economic progress is the best witness to this truth. The higher the peaks we climb the greater the valleys to which we descend. The economic machine needs a brake as well as an accelerator. The stern logic of the thrift lesson as taught on countless pages of history is the imperative need for a reasonable withholding of some present consuming capacity to insure the stability and permanence of a more rational volume tomorrow. Thus only can savings become truly dynamic. Gluttony never yet was a remedy for indigestion. Somewhere there is a limit to the process of supplying fattened calves to prodigal sons.

The third of our hurdles—and the one for which you and I have perhaps the greatest immediate concern—might be called occupational myopia, a short-sighted preoccupation in the immediate, or near at hand, at the expense of that perspective and sound judgment which comes only from now and then adjusting our mental vision to broader horizons. I am well aware of the reasons for the present lack of enthusiasm for deposits upon which interest must be paid. Millions are rolling into your bank and mine, distorting time-honored ratios between deposits and surplus accounts, creating havoc with earnings and making a mockery of investment policies. In the attempt to oversimplify the problem we ask our accountants for an analysis of operating costs, not always fully appreciating, I fear, that their report is based of necessity not only on allocations of expenditure corresponding to more or less arbitrary partitions in our functional organization but on yesterday's figures, which in these fast-moving days may lose their significance almost before they are read, forgetting also that it's no part of their job, but a prime responsibility of management, to weigh or take into account those intangibles which will weigh so heavily in tomorrow's balance sheet.

A past president of this division, executive head of the largest savings department in any commercial bank in this country, in a recent address emphasized the grave danger that we may analyze ourselves out of business. A cynical British observer of the American scene once remarked that we seemed to know the price of everything and the value of nothing—a base slander that contains just enough truth to warn us of the risk of adjusting permanent policies to temporary conditions. No one can question the need for analysis—it is more compelling than ever before—but let's start with analyzing our business. There is abundant evidence that even our mutual savings banks, specialists in this field for 128 years, aren't yet quite sure what a savings account is, or if they are, haven't acquired the knack of identifying, attracting, and rewarding it and the kindred technique of discouraging its misuse; for if we define the practice of thrift as the more or less regular setting aside of a portion of currently acquired income, no analysis of savings accounts that has yet come to my attention would indicate that more than one in four deserves the savings label.

Here is the most fertile and useful field for the exercise of our analytical muscles. Here is where our Committee on Management and Operation needs your cooperation. Here is the focus of the efforts we have made in our regional conferences to persuade

Banks Of 37 States Honored By ABA

Banks of 37 states were honored during the Second War Service Meeting of the American Bankers Association in Chicago at the annual farm breakfast of the Agricultural Commission on Monday, September 25, when they received the annual "1,000 plus" award for outstanding service to agriculture in their states. In making known in advance of this action, Otis A. Thompson, Chairman of the Commission, who is President of the National Bank and Trust Co. of Norwich, N. Y., indicated that that represented 10 more states than received the award a year ago. The honor roll of the states is based on reports of bank operations during 1943 through which the banks are rated on banker-farmer cooperation fulfilling the commission's requirements for a 1,000 point program. The announcement states:

"The requirements include both 'regular' and 'extra' services provided by the banks for their farm customers such as helping farmers to develop better livestock programs, encouraging them to plant new and improved varieties, assisting in soil conservation and erosion projects, sponsoring and helping farm youths to be active in 4-H and Future Farmers of America, and carrying on a campaign against speculation in farm land which might contribute to inflation.

"Bankers also aided farmers in financing their crop production, and reports from all of the 11,000 country banks disclosed that 2,340,056 farmers used loans from banks last year of which \$935,764,000 remained in use on December 31, and aggregate bank credit available to agriculture amounted to \$4,840,555,000. Besides advising on credit, bankers also helped farmers to build up financial reserves through purchase of War Bonds, and helped them with problems of farm budgeting and accounting as well as with income tax reports.

"It is estimated that throughout the United States 75% of the 6,100,000 farm families were contacted through this well rounded and war stimulated program for the improvement of agriculture."

Manley Elected Chairman Federal Power Commission

Basil Manly was elected Chairman of the Federal Power Commission on Sept. 21 and Leland Olds, former Chairman, was made Vice-Chairman.

A contest in the Senate over confirmation of Mr. Olds for another term on the five-man commission ended on Sept. 13 with a vote to confirm the appointment. This was noted in Associated Press advices from Washington on Sept. 21, which added that: Meantime Mr. Olds had been off the Commission since June 22, when his first term expired, and Mr. Manly has been serving as Acting Chairman in the interim.

FPC chairmen are elected by the Commissioners, who elevated Mr. Manly to the post on a regular basis today. His term as the head of the agency will expire June 22, 1948.

our membership that the answer to our problems is neither in the lap of the gods nor the industry or ingenuity of the officers and committees of this division, but in an awakened consciousness and aroused determination of the banking fraternity. Our job is not to find a detour around these hurdles but to surmount them, to work out by individual effort—and by a more enthusiastic cooperation than we have yet achieved—solutions which will stand the test of time.

End Russian Phase Of Security Conference; Chinese Group Meets With U. S. And British

With the conclusion on Sept. 23 of the Russian phase of the Dumbarton Oaks Security Conference, the Chinese phase was opened on Sept. 29.

The failure to reach complete agreement between the representatives of the United States, British and Russian Governments which had been hoped for when the conference opened six weeks ago was indicated on Sept. 28, when Under Secretary of State Edward R. Stettinius, Jr., Chairman of the meeting, summed up the 90% of agreement he said had actually been accomplished as extremely satisfactory progress toward reaching a basis for a world organization.

On Sept. 29 the Associated Press accounts from Washington announced the issuance of a joint statement by Mr. Stettinius, Sir Alexander Cadogan, the British Chairman, and Soviet Ambassador Andrei A. Gromyko, which said: "Conversations between the United States, United Kingdom and Soviet Union delegations in Washington regarding the establishment of a world security organization have now been completed.

"These conversations have been useful and have led to a large measure of agreement on recommendations for the general framework of the organization, and in particular for the machinery required to maintain peace and security.

"The three delegations are making reports to their respective governments who will consider these reports and will in due course issue a simultaneous statement on the subject."

In his closing speech the previous day made public by the State Department on Sept. 29, Mr. Stettinius said:

"We have every reason for satisfaction with what has been accomplished. We have developed in the brief period of six weeks a wide area of agreement on the fundamental and necessary principles for an international organization to maintain peace and security. These principles will be of vital importance in guiding our governments at every step that must yet be taken to bring into existence the organization which we have here envisaged."

From the Associated Press we also quote:

Mr. Gromyko said "the conversations have undoubtedly been useful" and expressed "appreciation of the friendly atmosphere" of the conference.

The British delegate echoed the satisfaction of the other two delegation heads and said Mr. Stettinius had "hastened our passage over the smooth parts of the road and has helped iron out the asperities." He added:

"I do not, of course, use the word 'asperities' in its more sinister sense. There was never anything of that. Sometimes we found ourselves in disagreement in our discussion, but I believe that we disagreed amiably and reasonably. It was the experience of each of us at some time to be in opposition to the other two delegations, but even if we considered the views of the other two peculiar, we recognized that they were sincerely held and therefore worthy of respect. I believe this is a good augury for the future."

It appears possible that further big Power talks among top-ranking officials will precede a full-scale United Nations meeting to organize the world.

It was the failure of British and American delegates to reach agreement with the Russians on all essential issues which fixed attention on the possibility of further meetings.

A clew to what sort of meetings might be expected was sought in Prime Minister Churchill's speech to Parliament yesterday. He stressed the need for a meeting of himself and President Roosevelt with Premier Stalin to discuss European peace problems.

He said he hoped such a session might be held before the end of the year.

Tying it up with the principle at issue in the Dumbarton Oaks talks, he also emphasized that the key question of peace settlements is whether Britain, the United States and Russia can continue effective cooperation after the war ends. He put the next move up to Stalin and Roosevelt.

It appears to diplomatic authorities here that while security planning forms the background for great Power cooperation from now on, the most immediate and critical problems will arise over what to do with Germany, especially the extent to which it should be limited industrially as a means of war prevention.

From Washington Associated Press advices, Sept. 23, we take the following:

The main point left over is whether one of the great Powers, if accused of aggression, should have a right to vote in the proposed world council on whether the accusation is to be sustained or rejected. Russia is understood to have favored such a right while the United States, and apparently the British also, argued against it.

At the opening of the second half of the conference on Sept. 29 the chief Chinese delegate, Dr. Wellington Koo, declared that China wants a peace agency that can adapt itself to changing international life.

Secretary of State Hull welcomed the Chinese delegates, and Sir Alexander Cadogan, chief of the British delegation, told them there was already a "very large measure of agreement even in detail" among China, the United States and Britain on plans for an organization to keep peace. Sir Alexander announced yesterday he will return to London soon and the British ambassador, the Earl of Halifax, will take over the delegation. From the Associated Press we also quote:

Dr. Koo made it clear that China has definite ideas to contribute to a security agency, in addition to those agreed upon by Britain, the United States and Russia in the first part of the peace talks.

The points he emphasized in his speech to the delegations, advisers and press in the impressive ballroom of Dumbarton Oaks manor were:

1. The future organization should be "universal in character" and all nations should be brought into it on a basis of sovereign equality.

2. All disputes among nations should be settled peaceably.

3. Force can only be permitted in international relations when authorized by the peace organization in order to stop or forestall a breach of peace anywhere in the world.

4. The new organization should have adequate force at its disposal for prompt action.

5. Measures to restrain aggression should be prepared ahead of time and put into effect with "certainty, definiteness and promptness," with no time-wasting debate and consultation at the last minute.

6. Means for peaceful change should be included in the peace agency, which thus would be able to grow with international developments rather than be based upon a static world.

7. The same principle of review and change should be applied to international law by the new organization.

8. The peace agency should be able to recommend to member na-

From Washington Ahead Of The News

(Continued from first page) ery was referred to by this particular columnist as a "straightforward, two-fisted, hard-hitting Liberal." Mr. Scott got somewhere, because Mr. McGranery was referred to over a period of a week, in this fashion, exactly three times. Mr. Scott pointed out, and it is fact, that Mr. McGranery is none of these things, that he is a very plain sort of a citizen, indeed; a man who has never made a living at anything except politics, and a man who on account of going along with "that great man in the White House," now has a good job.

The experience of Mr. Scott brings up the fact that one of the outstanding phases of the American Revolution, disguised as something that is in behalf of the workman and the common people, has been the building up of fictitious reputations. If you play ball with this crowd you are "hard-hitting, forward thinking, liberal, progressive and thinking in terms of the world," a very rounded-out sort of person, indeed. If you write a book, the crowd will see to it that it is widely advertised. If you are on the radio, the crowd will see to it that you are one of the most profound thinkers the world has ever known. Oh boy, is it wonderful! Peace is wonderful, as that Negro clergyman up in Harlem would say.

A tremendous lot of fictitious reputations have been built up in this wise. We could enumerate loads of them. But, by way of proving our point, we cite Senator Joe Ball of Minnesota. Only recently this Senator opined that he could not campaign for Dewey because he was not quite satisfied as to how the New York Governor stood on international affairs. And Senator Joe thinks international affairs and the insuring of peace from now on, after we've been in two World Wars, is more important than a Republican victory at this time. The Senator, of course, is a Republican, and his statement caused a ripple in things, to say the least.

Well, this is quite high-minded of the Senator to put things this way. But you should know about the Senator. Just a few years ago he was a \$60 a week reporter on the St. Paul Pioneer-Dispatch. In the 1936 campaign, as we recall it, when the CIO Newspaper Guild was a very hot thing, the Senator was a red hot member of it. We may have our dates wrong but not our point. The Senator's paper was trying to support the Republican nominee for Governor of Minnesota. The Communist-dominated guild, on occasions, ruled that the editor could not get its Republican pieces into the paper. The Senator, now posing as a Republican, was a leader in the St. Paul guild in those days.

That boy wonder, Gov. Stassen, appointed him as Senator. Either at Stassen's prompting or because he had the idea himself, this statesman went into International thinking. Frankly, we think the wily Washington boys took him into camp. Anyhow, a fellow who doesn't know all of the streets in his home town and who has really never been away from there until he came to Washington, has got to be, with the business of building up fictitious characters, an expert on international affairs. It is said that this expert on International Affairs can not name the capitals of the countries of Europe with the exception of Paris, Moscow and London, but he is an International Expert. And the fact that he, after profound thinking, and a profound concern about the

tions social and economic measures conducive to world peace and play a central role in coordinating international welfare, education, and economic groups.

The State Of Trade

(Continued from page 1606)

The American Iron and Steel Institute announced last Monday that the operating rate of steel companies (including 94% of the industry) will be 95.6% of capacity for the week beginning Oct. 2, compared with 95.1% one week ago. This week's operating rate is equivalent to 1,719,600 tons of steel ingots and castings, compared with 1,710,700 net tons last week and 1,756,900 tons one year ago.

Electric Production—The Edison Electric Institute reports that the output of electricity declined to approximately 4,377,339,000 kwh. in the week ended Sept. 23 from 4,394,839,000 kwh. in the preceding week. The latest figures approximate a gain of 0.4% from the level of one year ago, when output reached 4,359,610,000 kwh.

Consolidated Edison Co. of New York reports system output of 171,100,000 kilowatt-hours in the week ended Sept. 24, 1944, and compares with 213,100,000 kilowatt-hours for the corresponding week of 1943, or a decrease of 19.7%.

R. R. Freight Loadings—Carloadings of revenue freight for the week ended Sept. 23 totaled 898,667 cars, the Association of American Railroads announced. This was an increase of 6,309 cars, or 0.7% above the preceding week this year and a decrease of 8,644 cars, or 1% below the corresponding week of 1943. Compared with a similar period in 1942, an increase of 1,240 cars, or 0.1%, is shown.

Coal Production—The U. S. Bureau of Mines reports production of Pennsylvania anthracite for week ending Sept. 23, 1944, at 1,282,000 tons, an increase of 19,000 tons (1.5%) over the preceding week, and 24,000 tons, or 1.8% under the corresponding week of 1943. The 1944 calendar year to date shows an increase of 5.7% when compared with the corresponding period of 1943.

The report of the Solid Fuels Administration placed bituminous production for the week ended Sept. 23 at 11,850,000 net tons, representing an increase of 2.2%, against a revised figure of 11,600,000 tons in the preceding week. Production in the corresponding week of last year amounted to 12,180,000 net tons, while output for Jan. 1 to Sept. 23, 1944, totaled 459,030,000 net tons, as against 432,645,000 tons in the same 1943 period, or a gain of 6.1%.

Lumber Shipments—The National Lumber Manufacturers Association reports that lumber shipments of 508 reporting mills were

broader aspects of life, can't see fit to give his endorsement to Dewey, is really a matter of moment.

We suppose it is has nothing to do with it at all, that the Dewey managers have long been worried about what the Stassen crowd in Minnesota intended to do. The concern has been that the crowd think that by wrecking Dewey this time they will ride high in 1948. Bearing this out, and bearing on the Dewey suspicion of the motives of that great, hard-thinking, realistic-minded, and liberal and tremendous American Joe Ball, is the fact that for several months the Stassen crowd has been looking for a high-priced publicity man to further Stassen in 1948. Of course, for Stassen to be "available" in 1948, Dewey must be wrecked this year. And, of course, if he is wrecked this year, the Republicans and the rest of us are sunk. Next week we intend to write about two outstanding industrialist New Deal collaborationists.

10.1% below production for the week ended Sept. 23, while new orders of these mills were 3.9% less than production for the same period. Unfilled order files amounted to 100% of stocks.

Crude Oil Production—Daily average gross crude oil production for the week ended Sept. 23, as estimated by the American Petroleum Institute, was 4,743,850 barrels. This represented a decrease of 1,650 barrels from the all-time high record reached in the week ended Sept. 16, 1944. When compared with the corresponding week last year, crude oil production was 399,450 barrels per day higher. The current figure, however, was 12,350 barrels lower than the daily average figure recommended by the Petroleum Administration for War for the month of September, 1944. For the four weeks ended Sept. 23, 1944, daily output averaged 4,709,100 barrels.

Paper Production—Paper production for the week ended Sept. 23 was at 93.7% of capacity as against 94.8% of capacity in the preceding week, the American Paper and Pulp Association's index of mill activity disclosed. The rate during the week ended Sept. 25 of last year was 92.2% of capacity. As for paperboard, production for the same period was reported at 96% of capacity, compared with 97% in the preceding week.

Department and Retail Store Trade—Retail trade throughout the country continued to show good results the past week, reaching a high somewhat above that of last year, reports Dun & Bradstreet. Sales of coats, suits and blankets were stimulated by cooler weather, with inventories dropping slightly below last year's level at this period. Wholesalers were busily engaged on fall and winter deliveries. Good business was reported by restaurant, house-furnishing, food, jewelry and drug stores, with sales volume surpassing even last year's high point. In the rug line an increased demand for Oriental rugs was noted.

Demand in the wholesale field continued on the up-side, volume approximating 5% above what it was a year ago at this time. Pressure continued in women's stores, despite the low level of supplies. Evening frocks were especially requested, and both high and moderate priced millinery none too plentiful.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, were 9% ahead of a year ago for the week ended Sept. 23, unchanged from the preceding week. For the four weeks ended Sept. 23, 1944, sales increased by 12%. An 8% increase in department store sales for the year to Sept. 23, 1944, over 1943, was also noted.

Activity was a feature of retail trade in New York the past week with consumer buying of fall apparel and accessories climbing toward its peak for the early season. Department store volume, the New York "Times" revealed, approximated between 10 to 12% ahead of the like week of 1943. The effects of brisk buying throughout the country resulted in increased reorders in the wholesale market here. The delivery situation raised a discordant note by continuing unsatisfactory for many types of apparel, particularly dresses. Tightness continues in the fabric situation with no relief apparent on many types of cotton staples and rayon items.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Sept. 23 increased by 13% over the same period of last year. This compared with 1% in the preceding week. For the four weeks ended Sept. 23, sales rose by 9%, and for the year to Sept. 23, they improved by 8%.

Roosevelt and Churchill Announce Plan For Rehabilitation Of Italy

Measures to assist Italy in its own rehabilitation were announced in a joint statement issued at Washington and in London on Sept. 26 by President Roosevelt and Prime Minister Churchill, in which it is stated that "an increasing measure of control will be gradually handed over to the Italian Administration, subject, of course, to that Administration's proving that it can maintain law and order and the regular administration of justice."

"To mark this change," says the statement, "the Allied Control Commission will be renamed 'the Allied Commission.'"

It is further made known that the British and American principal representatives in Washington and in Rome will be known as Ambassadors while the Italian Government will be invited to appoint direct representatives to Washington and London.

Immediate considerations in Italy, according to the statement, are the relief of hunger and sickness and fear, and to this end instructions have been issued to the United States and British representatives at the Montreal Conference of the United Nations Relief and Rehabilitation Administration Conference to declare for the sending of medical aids and other essential supplies to Italy.

President Roosevelt and Mr. Churchill reached their decisions on Italy during post-Quebec conferences at Mr. Roosevelt's Hyde Park, N. Y., home on Sept. 18 and 19, according to their joint statement, which, as given in Associated Press advices from Washington, follows:

The President and the Prime Minister held further discussions Monday and Tuesday, Sept. 18 and 19, at Hyde Park, on subjects dealing with post-war policies in Europe. The result of these discussions cannot be disclosed at this time for strategic military reasons, and pending their consideration by our other Allies.

The present problems in Italy also came under discussion, and on this subject the President and the Prime Minister issued the following statement:

"The Italian people, freed of their Fascist and Nazi overlordship, have in these last twelve months demonstrated their will to be free, to fight on the side of the democracies, and to take a place among the United Nations devoted to principles of peace and justice.

"We believe we should give encouragement to those Italians who are standing for a political rebirth in Italy, and are completing the destruction of the evil Fascist system. We wish to afford the Italians a greater opportunity to aid in the defeat of our common enemies.

"The American and the British people are of course horrified by the recent mob action in Rome, but feel that a greater responsibility placed on the Italian people and on their own Government will most readily prevent a recurrence of such acts.

"An increasing measure of control will be gradually handed over to the Italian Administration, subject of course to that Administration's proving that it can maintain law and order, and the regular administration of justice. To mark this change the Allied Control Commission will be renamed 'the Allied Commission.'

"The British High Commissioner in Italy will assume the additional title of Ambassador. The United States representative in Rome already holds that rank. The Italian Government will be invited to appoint direct representatives to Washington and London.

"First and immediate considerations in Italy are the relief of hunger and sickness and fear. To this end we instructed our representatives at the UNRRA (United Nations Relief and Rehabilitation Administration) conference to declare for the sending of medical aids and other essential supplies to Italy. We are happy to know that this view commended itself

to other members of the UNRRA Council.

"At the same time, first steps should be taken toward the reconstruction of an Italian economy—an economy laid low under the years of the misrule of Mussolini and ravished by the German policy of vengeful destruction.

"These steps should be taken primarily as military aims to put the full resources of Italy and the Italian people into the struggle to defeat Germany and Japan. For military reasons we should assist the Italians in the restoration of such power systems, their railways, motor transport, roads and other communications as enter into the war situation, and for a short time send engineers, technicians and industrial experts into Italy to help them in their own rehabilitation.

"The application to Italy of the Trading With the Enemy Acts should be modified so as to enable business contacts between Italy and the outside world to be resumed for the benefit of the Italian people.

"We all wish to speed the day when the last vestiges of Fascism in Italy will have been wiped out, and when the last German will have left Italian soil, and when there will be no need of any Allied troops to remain—the day when free elections can be held throughout Italy, and when Italy can earn her proper place in the great family of free nations."

Russell Gen. Mgr. Of Aeronautical Group

Scott Russell, nationally-known business executive, Congressional counsel, and Air Corps pilot in the first World War, has been appointed General Manager of the Aeronautical Chamber of Commerce, it was announced at Washington on Sept. 25 by E. E. Wilson, Chairman of the Board of Governors. On October 1 he took over the direction of the reorganized Aeronautical Chamber, the trade association of the aircraft industry. Mr. Russell succeeds John C. Lee, who as Acting General Manager directed the recent reorganization. Mr. Lee will continue to serve through the firm of Lee & Losh as consultant to the Board of Governors of the Chamber for an indefinite period.

Mr. Russell has just completed a year as General Counsel for the George Committee (Senate Special Committee on Post-War Economic Policy and Planning). Prior to going to Washington, Mr. Russell was President of the Bibb Manufacturing Co. of Macon, Ga., large cotton textile manufacturer. His trade association experience includes terms as a director of the Cotton Textile Institute, and also of the American Cotton Manufacturers Association.

Tenders Asked For Sale Of New South Wales Bonds

The Chase National Bank of the City of New York is inviting tenders for the sale to it, at prices not exceeding par and accrued interest, of an amount of external 5% sinking fund gold bonds, due April 1, 1953, of the State of New South Wales, Australia, sufficient to exhaust the sum of \$235,306.63, now held in the sinking fund. Tenders will be opened at 12 o'clock noon on Oct. 9, 1944, at the Corporate Trust Department of the bank, 11 Broad Street, New York 15, N. Y.

Treas. To Offer 7/8% Cfts. For Issue Maturing Oct. 1

Secretary of the Treasury Morgenthau announced on Sept. 19 that on Monday next (Sept. 25) an offering will be made, through the Federal Reserve Banks, of 7/8% Treasury Certificates of Indebtedness of Series G-1945, open on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness of Series F-1944, maturing Oct. 1, 1944. Cash subscriptions will not be received. The announcement stated:

Closing of Subscription Books for offering of 7/8% Certificates—Issued in Exchange for Those Maturing Oct. 1—Secretary of the Treasury Morgenthau announced Sept. 26 that the subscription books for the current offering of 7/8% Treasury Certificates of Indebtedness of Series G-1945, open to the holders of Treasury Certificates of Indebtedness of Series F-1944, maturing Oct. 1, 1944, would close at the close of business on Sept. 27, except for the receipt of subscriptions from holders of \$100,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter class at the close of business Saturday, Sept. 30. Subscriptions addressed to a Federal Reserve Bank or branch, or to the Treasury Department, and placed in the mail before midnight of the respective closing days will be considered as having been entered before the close of the subscription books.

Announcement of the amount of subscriptions and their division among the several Federal Reserve Districts will be made later.

The new certificates which were offered on Sept. 25 will bear interest from Oct. 1 at the rate of 7/8% per annum, payable semi-annually on April 1 and Oct. 1, 1945. They will mature Oct. 1, 1945. They will be issued in bearer form only, with two interest coupons attached, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. No cash subscriptions were received for the new issue. There are now outstanding \$3,519,047,000 of the Series F-1944 certificates.

Holland Air-Troop Landings Hailed By FDR

The landing in Holland on Sept. 18 by Allied airborne troops was hailed by President Roosevelt and Secretary of State Hull, who praised the Netherlands for their fortitude during their four years of fighting and confident waiting for liberation. From Washington advices to the New York "Times" we take the following statement by the President:

"For four long years the Netherlands has suffered under the heel of German oppression. For four long years its liberties have been crushed, its homes destroyed, its people enslaved. But the spark of freedom could never be extinguished. It has always glowed in the hearts of the Netherlands people. It now emerges as an avenging flame.

"The armies of liberation are flowing across the borders of Holland. A gallant Queen is returning to her gallant people. The Netherlands again stands on the threshold of her ancient liberties.

"But the fight will not end with the restoration of freedom to Holland. It will not end with the inevitable defeat of Germany. The people of the Netherlands know, as the people of the United States know, that final victory cannot be achieved until Japan has likewise been vanquished. Only then can peace and freedom return to the world."

Secretary Hull said:

"The day of retribution for the treacherous attack on peaceful Holland and the barbaric destruction of defenseless Rotterdam is now at hand."

Dewey Would Slash Post-War Federal Taxes

(Continued on page 1506)

woman powders her nose there is a tax of 20% on the powder.

One of the first jobs of your new administration which takes office next Jan. 20, will be a revision of our tax laws. We need a whole new point of view. We need an administration which believes in full employment and in opportunity for all. We need a tax policy directed toward achieving and maintaining full employment and a rising standard of living for our people.

To that end I propose the following program to take effect immediately after victory is won:

(1) Revise the personal exemption so that the man who makes as little as \$11 a week no longer has an income tax taken out of his pay envelope.

Our objective in the peacetime years must be expansion and recovery. We cannot achieve that objective by taxes which eat into the income of those who are already below a decent American standard of living. However necessary these taxes may be in wartime, there can be no excuse for them in peace.

(2) Reduce personal income-tax rates. The tax law now takes at least 23 cents out of every taxable dollar after credit for dependents. That cuts the living standard of every one who lives on a small wage. It would slow up our recovery after the war. We want to speed recovery along.

(3) Change and lower the income tax on incorporated business companies until it no longer acts as a drag upon production and a barrier to jobs. The special wartime taxes which now rise to 95% should end with the war. These taxes, of course, are almost confiscation. If continued after the war they would encourage waste and inefficiency, discourage low-cost production and block the expansion which creates job opportunities.

(4) Shorten the present endless list of excise or nuisance taxes. We should eliminate as soon as possible all excise taxes except those on alcoholic beverages, tobacco, gasoline.

(5) Completely overhaul our existing, confused and complicated tax laws. We must create a basic tax law which can be expected to remain simple and generally stable. It must be one which can be adjusted from time to time by changes in rates without requiring a complete revision once a year or oftener.

(6) Establish and proclaim a consistent, national tax policy—one directed toward achieving full employment and a rising national income—one that will assure us of a solvent nation and the ultimate reduction of our national debt.

In the years ahead we face a national debt of \$300,000,000,000. We face an annual cost of government, including adequate armed forces, far above the level of pre-war years. Just to meet the interest on this debt and the cost of government, we shall need large Federal revenues. But it is stupid to suppose that we can support our government by levying heavy taxes upon a dwindling national income.

Our first aim must be to increase our national income by putting to work all of the productive resources of our country—industry, labor and agriculture. It is far better to have a low tax rate with a national income of \$150,000,000,000, rather than a high tax rate with a national income of \$76,000,000,000, as we had under the New Deal at its peacetime best. What we want is a thriving, progressive country with jobs for all. We want our tax laws to be stable and understandable, so they will no longer be a road block in the way of progress. We want them to be levied

sensibly, with understanding for the human needs of our people.

That kind of tax policy we are going to have. We are going to have the kind of tax laws under which America may once more live and grow. We will have a government which wants to see every American get ahead.

Truckloading Volume Rose 7.8% In August

The volume of freight transported by motor carriers in August increased 7.8% above July and 0.8% above August, 1943, according to the American Trucking Associations, Inc., which further announced as follows:

Comparable reports received by ATA from 282 carriers in 44 States showed these carriers transported an aggregate of 2,231,005 tons in August, as against 2,069,969 in July and 2,214,047 tons in August of 1943.

The ATA index figure, computed on the basis of the average monthly tonnage of the reporting carriers for the three-year period of 1938-1940 as representing 100, was 187.4 in August; the July index was 174.20.

Approximately 78% of all tonnage transported in the month was hauled by carriers of general freight. The volume in this category increased 8.7% above July and was 1.1% over August, 1943.

Transportation of petroleum products, accounting for about 15% of the total tonnage reported, showed an increase of 0.1% above July and 0.8% above August of last year.

Carriers of iron and steel products hauled about 2% of the total tonnage. Their traffic volume was 2.2% above that of the previous month but declined 12.1% below August, 1943.

About 5% of the total tonnage reported consisted of miscellaneous commodities, including tobacco, milk, textile products, coke, bricks, building materials, cement and household goods. Tonnage in this class increased by 23.4% above July and was 2.6% above August of 1943.

Illinois-Wis. Savings And Loan Assets Increase

Insured savings, building and loan associations in the Illinois Wisconsin district increased their aggregate assets by 11.34% during the first six months of 1944, and brought their total holdings of Government bonds to a new high of 18.4% of assets, the Federal Home Loan Bank of Chicago reported on Sept. 25. A. R. Gardner, President of the bank, which is the reserve system for these thrift and home financing institutions, said that total assets of the 302 in the insured group, the only ones for which such data are available, reached \$485,850,108 at mid-year. Their gain for the six months' period was the largest which has yet been tallied. The advices from the FHLB also state:

"With 69.11% of assets in mortgage loans, which are normally the principal business of these institutions, the consolidated June 30 balance sheets reflect the heavy repayments on home loans which have been increasingly a phenomenon of the wartime prosperity. While associations have continued to make loans in much greater volume than operators had anticipated at the beginning of the war, they have not quite maintained the same percentage of mortgage loans to total assets which held on June 30, 1943, when it was 73%.

"The difference has mainly been made up in the heavier investments of these institutions in Government bonds, their \$89,379,778 of such holdings, as of June 30, being the highest they had ever held up to that time."

Need Of Applying Human Relations To Program Of Returning Vets, Nodyne Urges At Meeting

George O. Nodyne, Assistant Vice-President of the East River Savings Bank of New York, in an address at the Convention of the Savings Banks Association of the State of New York at Buffalo on Sept. 29, said:

"We must apply human relations to the program of the returning veteran, and it should begin the day of his return by an official greeting from his President who can best express the appreciation of the bank and the sacrifices he made.

"G. I. Joe should not be hurried back into his job and forced to make a decision concerning the work he will undertake until after a period of transition from the military life. The men will feel qualified for different work because of some special training received in service.

"The G. I. Joes and the G. I. Janes will need a period of re-orientation when they return to work. It will be wise to plan to let them circulate through the bank and its departments for a few days upon their return, to provide them with reading material, and to bring them up-to-date on changes made during their absence."

Mr. Nodyne stated "that in many cases an office boy has become a Captain. A teller has attained a high military rank and supervised large numbers of men. We should be realistic in our decisions. We should take advantage of those who have grown in stature, as well as rank, by placing them in higher positions, if it is possible. Let us not, however, lose sight of one very important point, that success in a military capacity does not necessarily equip a man for advancement in the banking field. Furthermore, our obligations and sentiments should not cause us to penalize the non-veteran who by virtue of his inherent rights has earned for himself equitable consideration." He likewise said:

"Bankers, like other business men in the community, are looking ahead to the creation of new positions in their banks to give the returning veterans work. These positions, even if only temporary, will do much to help bring banks up to date and create new activities which have been only a dream in the past."

Program For Foreign Trade Convention

A forum where many of the country's business leaders will explore the basis for a sound post-war American foreign trade policy will be provided at the 31st National Foreign Trade Convention which will be held in New York Oct. 9 to 11; it was announced on Sept. 24, by Eugene P. Thomas, President of the National Foreign Trade Council, in making public the preliminary program of the convention. The convention, which will be open to non-members as well as members of the Council, will be held at the Hotel Pennsylvania. One of the first orders of business will be the election of a Final Declaration Committee which will submit its findings for discussion and vote at the closing session on Oct. 11. The final declaration adopted at that time will thus establish a basis, Mr. Thomas said, for an approach to the discussions to take place at the International Business Conference to be held at Rye, N. Y., in November.

The convention will take the form of three general sessions, daily luncheons devoted to special topics, and a series of panel discussions on major foreign trade problems. An annual feature of these conventions is the presentation of the Captain Robert Dollar Award at the World Trade Dinner, this year's recipient being Eric A. Johnston, President of the United States Chamber of Commerce, for his distinguished contribution to the advancement of American foreign trade. The dinner will be

the closing event on the convention program.

Speakers at the various sessions will include Thomas J. Watson, President, International Business Machines Corp., and Chairman of the New York Convention Committee; Mr. Thomas; Vice Admiral Emory S. Land, War Shipping Administrator; Senator James E. Murray of Montana; George S. Messersmith, United States Ambassador to Mexico; Edward Riley, Vice-President, General Motors Corp.; James A. Farney, Chairman of the Board, the Coca-Cola Export Sales Co.; Eugene E. Wilson, Vice-Chairman, United Aircraft Corp., East Hartford, Conn.; Clark H. Minor, President, International General Electric Co.; B. F. Haley, Director, Office of Economic Affairs, Department of State; Dr. Harry D. White, Assistant to the Secretary, Treasury Department; Warren Lee Pierson, President, Export-Import Bank of Washington; Herbert E. Gaston, Assistant Secretary of the Treasury, and Mr. Johnston.

A bankers luncheon will be held on Oct. 9 with Wilbert Ward, President, Bankers Association for Foreign Trade, and Vice-President, National City Bank of New York, serving as Chairman. Panel discussions on monetary policy and exchange stabilization, taxes, and export traffic, transportation and insurance are scheduled for Oct. 9 under the Chairmanship, respectively, of Clarence E. Hunter, head of the Council's Committee on Monetary Policy and Exchange Stabilization, and Vice-President, the New York Trust Co.; Felix Dayton, Chairman of the Tax Committee of the Council and Assistant Chief Accountant, International General Electric Co., and Carl W. Linschied, Chairman of the Council's Transportation Committee and Manager, Export Division, Fairbanks Morse & Co., Inc. Participants in the banking session will include Orvis A. Schmidt, Acting Director, Foreign Funds Control, Treasury Department, and Dr. White. The tax panel program has been arranged with the assistance of Mitchell B. Carroll, special counsel of the Tax Committee.

A Far East session is scheduled for Oct. 9 at 8 p.m., to be led by M. J. Buckley, Vice-President, American President Lines, Ltd.

C. M. Wynne, Managing Director, Overseas Industries, Inc., Chicago, will serve as Chairman of the second general session on Oct. 10. Senator Murray will speak at this session, as will Austin T. Foster, Chairman of the Council's Committee on Treaties of Friendship and Commerce, and counsel, Socony-Vacuum Oil Co.; Frank C. Page, Vice-President, International Telephone & Telegraph Co.; and John W. White, President, Westinghouse Electric International Co. The Americas' luncheon will follow, with Robert H. Patchin, Vice-President, W. R. Grace & Co., as Chairman. Tuesday afternoon, Oct. 10, will be devoted to a wartime export forum led by William S. Swingle, the Council's Vice-President.

A discussion panel on protection of property owned abroad is listed for Wednesday morning, Oct. 11. It will be under the Chairmanship of Robert F. Loree, head of the Council's Foreign Property-Holders Protective Committee, and Vice-President, the Guaranty Trust Company of New York.

P. M. Haight, Secretary-Treasurer, International General Electric Co., Inc., will preside at a third morning session, on foreign credits and collections. A. N.

Gentes, 2nd Vice-President, the Guaranty Trust Company of New York, has been appointed discussion leader; Philip J. Gray, manager, Foreign Credit Interchange Bureau, National Association of Credit Men, will also help in conducting the session. The final morning panel will be on advertising of American merchandise in foreign markets, led by Robert H. Otto, President, Export Advertising Association, Inc., and Vice-President, Export Advertising Agency, Inc. A foreign trade reconstruction luncheon, with George Wolf, President, United Steel Export Company, serving as Chairman, will be held at noon Oct. 11. The third and closing general session will follow, under the Chairmanship of William K. Jackson, Vice-President, United Fruit Co., Boston.

Mr. Thomas will act as Chairman of the World Trade Dinner Wednesday evening, Oct. 11, and the toastmaster will be Dr. W. Randolph Burgess, Vice-Chairman, the National City Bank of New York, and President, American Bankers Association. Speakers will include Mr. Johnston following presentation of the Dollar Award by J. D. Fletcher, Vice-President, Caterpillar Tractor Co., and Chairman of the Award Selection Committee.

Mexico's Industrial Program Viewed

In viewing Mexico's industrialization potentials, the American business man must temper anticipation with a realistic view, according to Evert L. Stancliff, Sr., Economic Analyst, American Embassy in Mexico City, at a meeting on Sept. 19 in the Assembly Room of the Commerce and Industry Association, New York City. C. A. Richards, Export Manager, Interchemical Corporation, presided. Mr. Stancliff pointed out that of the planned \$380,000,000 industrialization program for Mexico, 80% is represented by irrigation and power improvement projects. This program, he said, is to be spread over the next eight or nine years. He said a modernized steel and textile development program was planned. These two programs offered potential markets for American manufacturers, he said. Using textile machinery as an example, he said that at the present time a Mexican weaver operates four looms as against 100 looms per operator in the United States and 30 looms per operator in England.

Mr. Stancliff was optimistic from the point of American investments in Mexico. He said the Mexicans themselves are now investing in their own industries where they were hesitant up to a few years ago. From the point of power development, he said, up to the present time, factories were dependent upon rainfall, with six months out of the year production reduced 20% of capacity. By next year, by virtue of the power development program now under way, manufacturers can be assured of year-round capacity production.

Referring to the present conditions governing American business investment, he said the provision that 51% of stock must be Mexican-owned applied to "transient money." He said that in many instances American firms with long-range programs were 100% American-owned.

Asked what effect the decrease or cessation of post-war purchase by the United States of raw materials would have on Mexican exchange, he said that the undoubted decrease in buying after the war of presently strategic materials would necessitate adjustments in exchange.

Lifting Of Job Restrictions For Veterans Announced By McNutt, WMC Head

Paul V. McNutt, Chairman of the War Manpower Commission, announced on Sept. 26 the lifting of all manpower controls for veterans of the present war. This action was taken, Mr. McNutt explained, to speed the reemployment of returning veterans and to remove all employment obstacles in the way of their return to civilian life.

Relaxation of manpower controls for war veterans is provided for in the following manner:

1. Veterans of the present war will not be required to secure or present statements of availability in order to change jobs.

2. Veterans of the present war may be hired by any employer without referral by the U. S. Employment Service or other authorized referral channels.

3. Any veteran of the present war who seeks employment through USES will be entitled to a referral, as a matter of right, to any job of his choice, without regard to the essentiality or priority status of such job.

4. Veterans of the present war may be hired without regard to employment ceilings. However, all employees who are veterans of this war will be counted against an established employment ceiling unless the applicable local employment stabilization program provides for the exemption of such veterans from employment ceiling determinations. No workers other than veterans of the present war and any other groups that may be exempted locally may be hired if employment is at or above the established ceiling.

The advices from the Commission also said:

Veterans of the present war are defined as those who have served in the armed forces of the United States subsequent to Dec. 7, 1941, and have other than dishonorable discharges. The term "armed forces" includes the Army, Navy, Marine Corps, Coast Guard, Naval Reserve, National Naval Volunteers, Women's Army Corps, Women's Reserve of the U. S. Naval Reserve, Women's Reserve of the Coast Guard Reserve, and the United States Marine Corps Women's Reserve.

Mr. McNutt emphasized that local offices of USES will continue to give all possible placement and counsel assistance to returning war veterans, and although such veterans may be referred without regard to priority referral, local USES offices will continue to offer referral and priority and other essential openings to veterans.

Nelson Back From Mission To China

Donald M. Nelson, Chairman of the War Production Board, returned on Sept. 24 from a special mission to China, undertaken for President Roosevelt, and is said to have expressed himself as enthusiastic about the prospects of increasing that nation's industrial war contribution but keeping his own counsel about his plans and prospects in the War Production Board.

Following Mr. Nelson's return it was made known on Sept. 30 that he had tendered his resignation as WPB Chairman to President Roosevelt, who in accepting his resignation from that post, asked him not to resign from the Government, stating that he was counting on him to remain "in a high post of major importance." Major General Patrick J. Hurley, who accompanied Mr. Nelson on his recent trip, remains in China. They reached Moscow on Aug. 30 and arrived at a Chungking airport on Sept. 6, press advices from there on that date stating that they were accompanied on the non-stop plane trip from India by General Joseph W. Stillwell, commander of American forces in the China-Burma-India theatre of operations. During their visit to China, both Mr. Nelson and Gen. Hurley conferred with Generalissimo Chiang Kai-shek and other

Chinese leaders in connection with the Chinese military effort and American aid.

While details of the results of the mission were withheld pending a report to President Roosevelt, Mr. Nelson stated on Sept. 24 that he brought back with him a set of recommendations which he had submitted to Generalissimo Chiang Kai-shek, and which the Chinese leader approved, on plans to bring more of China's industrial potential into the war effort.

Associated Press advices from Washington on Sept. 24 stated that Mr. Nelson said he met wholehearted cooperation in Chungking and said the Chinese were determined to make as great a production contribution as they are capable of making.

An item bearing on the mission of Mr. Nelson and Maj. Gen. Hurley appeared in our issue of Aug. 31, page 965.

Ordinary Life Insurance Purchases Over 1942

Material changes in the nature of life insurance purchases during the war years are shown in a survey of ordinary insurance sales at mid-year, compared with a similar survey in 1942, made by the Life Insurance Sales Research Bureau and released on Sept. 27. It is estimated that ordinary insurance purchases will this year amount to \$8,000,000,000, or 26% more than the \$6,332,000,000 of 1942. The advices from the Institute of Life Insurance reporting this, said:

"The greatest change has been in the insurance buying by women, who this year are purchasing 83% more than in 1942, according to the two sampling surveys. At mid-year, they accounted for 35% of the sales of ordinary insurance policies to adults, compared with only 25% in 1942. In amount of insurance, they accounted for 18% of total sales to adults at mid-year, compared with 12% in 1942, the average purchase by women being smaller than that by men. In keeping with the wartime trend, women who are working accounted for the chief gain, representing 79% of sales to women this year, compared with 69% in 1942.

"Another outstanding change in the buying is shown in connection with juvenile insurance sales, up 80% since 1942. This year's survey shows these sales on the lives of persons under 15 years of age as 22% of total ordinary insurance sales compared with 15% in 1942.

"The withdrawal of young men into the armed forces is also reflected in the great decrease in purchases by males of ages 18-29. These ages, covering the greater part of the draft for service, showed a drop from 45% of total number of male purchases in 1942 to 21% in the mid-year survey this year. The insurance picture of those in this age bracket is not complete, however, without consideration of the \$121,000,000 of National Service Life Insurance sold to those in the armed forces, chiefly to the men in this age group. In the age group of 30 to 37, also within the draft age and still facing some uncertainty as to call at the time of the 1944 survey, purchases increased from the 26% of the total in 1942 to 32% of this year's total. Purchases in the age 38 and over group increased from 23% in 1942 to 37% this year, while those in the age group of 15 to 17 increased from 6% in 1942 to 10% this year.

Senate Committee Approves Bill To Exempt Insurance From Anti-Trust Laws

A bill, previously approved by the House, to exempt insurance business from anti-trust laws, was approved on Sept. 18 by the Senate Judiciary Committee. Backers of the bill, it was reported, indicated that they would not press for its passage by the Senate until after the recess of Congress, which began on Sept. 21 and will continue until Nov. 14. Associated Press advices from Washington Sept. 18, stated:

Committee approval of the bill, by an 11-to-3 vote, came after Senator O'Mahoney of Wyoming, Democrat, who has led the opposition in the Senate to the measure, failed in a move to postpone action until after a meeting of the National Association of Insurance Commissioners, an organization of State regulatory officials, in Chicago Sept. 29 and 30.

Senator McCarran of Nevada, Democrat, Chairman of the Committee, said the bill was designed to reaffirm the principle of State control in insurance regulation. He took issue with Senator O'Mahoney's assertion that Congress couldn't enact such an exemption constitutionally, in view of the Supreme Court's decision in July that the insurance business is interstate commerce.

"This bill is the first attempt on the part of Congress to recoup, or at least sustain, some of the rights that are being taken away from the States by the Federal Government," Senator McCarran said.

"When the Sherman and Clayton anti-trust laws were passed, no one ever dreamed that they would apply to the insurance business, and the Supreme Court always held that they did not, until this latest decision which was by a 4 to 3 vote that didn't even represent a majority of the Court.

"In passing this bill, Congress would merely be reaffirming what was the intention of Congress in the beginning."

But Senator O'Mahoney said that "the Supreme Court has said that insurance is interstate commerce, and Congress can't change that by passing a statute."

On Sept. 20, 38 States filed a joint petition with the Supreme Court in Washington asking a rehearing in the fire insurance case in which the Court decided last June 5 by 4-to-3 that fire insurance was interstate commerce and, therefore subject to the anti-trust acts and Federal regulation. A 39th State, New York, on Sept. 14 filed a separate petition for rehearing.

The 38-State petition asserts that "this Court, in holding that insurance is interstate commerce and is subject to the Serman Act, has destroyed the foundation upon which State regulation is based."

The States point out that they "respectfully urge on their own behalf that a rehearing be granted by reason of the far-reaching and disruptive effect of the decision in this case upon the interests of the States and the problems of law enforcement presented by the decisions which we feel were not foreseen by the Court or given sufficient consideration."

The New York State petition declares that "we believe that the overturning of the former long established and certain basis for full State jurisdiction should be given full consideration by the Court." It also raises the question of deciding the constitutional issue by less than a majority of the whole Court.

The petition of the 38 States says in part:

"Surely it is a remarkable situation that Congress intended the Serman Act to apply to the business of fire insurance in the 48 States but did not intend it to apply in the field where Congress has exclusive legislative power—the District of Columbia.

"This Court, in holding that the Sherman Act applies to the business of fire insurance, has denied the philosophy of State regulation by substituting the principle of unrestricted competition for regu-

lation to insure solvent insurance at reasonable and non-discriminatory rates based upon a determination of the hazard assumed. The Court has produced this result for the 48 States upon the theory that Congress so intended, although Congress has enacted legislation for the District of Columbia which adopts the philosophy of State regulation.

"In view of the fact that Congress has not acted to regulate the business of fire insurance in the 48 States, the Court has presented a problem of law enforcement to the States, the extent of which the Court did not fully recognize and which could have been so easily avoided had the Court merely said that the business of insurance is subject to Federal regulation, and left to Congress the enactment of appropriate legislation.

"A transfer from State regulation to Federal regulation or to a combination thereof, to the extent desired by Congress, could so easily have been effected without the burden imposed upon the States by this decision, and in no event, pending this transition, was it necessary to strike down the present system of State regulation by holding that the Serman Act applied to the business of insurance.

"This Court, for 75 years, has steadfastly held to this constitutional view that insurance was not commerce, was a local business and, therefore, subject to the police power, with the result that during this long period of time a full and complete system of State regulation of the business of insurance has developed in the 48 States which, after many starts and trials, has crystallized in the philosophy that solvent insurance at reasonable rates shall be furnished without discrimination between insureds and risks of the same class and hazard."

The 38 States on the petition are:

Alabama, Arizona, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, West Virginia, and Wisconsin.

Sixth War Loan To Start November 20

Secretary of the Treasury Morgenthau announced on Sept. 28 that the Sixth War Loan will start on November 20, 1944. The goal will be \$14,000,000,000, of which \$5,000,000,000 will come from the sale of bonds to individuals.

The Secretary said that subscriptions for Savings Bonds and Savings Notes processed through the Federal Reserve Banks between November 1 and December 31 will be counted towards the drive in order that the millions of persons employed in the nation's industrial corporations may be permitted to participate in the drive through the purchase of bonds acquired by weekly or semi-monthly deductions from their pay during this period.

The Secretary's announcement also stated:

The marketable securities which are to be offered during the drive and which are purchased primarily by large investors and corpor-

Calls Intensive Savings Vital To Entire Economy

"Now that we see the dawn of a brighter day in Europe, our own internal economy must be studied with diligent attention," said Isaac W. Roberts, President of the National Association of Mutual Savings Banks, speaking at Buffalo, N. Y., on Sept. 28 before mutual savings bank officers and trustees of New York. "It is evident," he continued, "that war financing to date and our forthcoming Sixth War Loan will be entirely successful. The day-to-day savings of 'the little man' and 'the little woman,' too, have made possible this greatest of financial operations." He likewise said:

"All of us hope for good news from Europe before the year's end. Doubtless we shall have further and prolonged troubles in the Pacific, but at least we may clear half of the books within 1944. Our representative average citizens have done a splendid job by individual savings in mutual and other institutions—by investment in the war loans—and personal economies to help the nation. We shall not fail and, in the long run, we shall see that it will be the efforts of the rank and file—of men and women we represent—which add up to the sum of victory and a better day ahead for everybody."

Mr. Roberts is President of the Philadelphia Saving Fund Society, holding more than \$440,000,000 deposits.

ABA Explains Contract Termination Loan Program

A manual giving information regarding the contract termination loan program has been sent to all the banks of the United States by the Credit Policy Commission of the American Bankers Association on Sept. 27. "The banks of the nation," A. L. M. Wiggins, President of the American Bankers Association, says in a foreword, "have performed an outstanding service in financing war production. About 1,400 banks participated in the V-Loan program which largely served the prime and first tier subcontractors. It is believed that the majority of contractors requiring T-Loans will be those below first tier subcontractors, and consequently many more banks will be called upon to participate in this important program."

The Association points out that it is estimated that approximately one million war production contracts will be terminated, in whole or in part, as victories are achieved in the European and Japanese war theatres. Many contractors will have most of their working capital invested in inventories and partially completed products when their war production contracts are terminated. It is added that the nation's banks are equipped through their correspondent banking system to share the knowledge acquired through financing war production, and thereby participate efficiently in financing contract termination loans.

The manual contains the full texts of the Contract Settlement Act of 1944, General Regulation No. 1 of the Director of Contract Settlement, the T-Loan Guarantee Agreement, and interpretations of the procedure in the form of questions and answers.

ations will be on sale from December 1 to December 16.

Further details concerning the terms and characteristics of the marketable securities will be announced later.

Industrial Activity Unchanged In August Federal Reserve Board Reports

The Board of Governors of the Federal Reserve Systems in its summary of general business and financial conditions in the United States, based upon statistics for August and the first half of September, stated on Sept. 26 that:

"Industrial output and employment showed little change in August. Retail trade was at a new high level for the month. There was a small further rise in retail commodity prices. The Board's announcement continued:

Industrial Production

Output at factories and mines was 232% of the 1935-39 average in August as compared with 231 for July, according to the Board's seasonally adjusted index of industrial production. Steel production was maintained, while output of nonferrous metals continued to decline. Over-all, activity in the metal fabricating industries continued at the level of the preceding month. There were large increases in output of heavy trucks, tanks, and some other critical ordnance items in August; aircraft production showed little change; while shipbuilding declined.

Output increased in the shoe, woolen and worsted, and paper industries in August following a drop in July which reflected chiefly the curtailment of operations around the Fourth. Output of manufactured foods, after allowances for seasonal changes, declined in August, largely reflecting decreases in output of meats, dairy products, and sugar products. Distilleries were shifted for the month of August from production of industrial alcohol for war purposes and output of about 50,000,000 proof gallons of beverage spirits was reported. Production of other nondurable goods was maintained at the level of the preceding month.

Minerals output in August rose 2% from July, reflecting increases in coal and crude petroleum. Crude petroleum production was at a rate 11% above the same month last year.

Distribution

Value of department store sales, according to the Board's seasonally adjusted index, was larger in August and the first half of September than in the first half of 1944 and averaged 12% above the corresponding period of last year. In the third quarter the index at 90% above the 1935-39 average has been at the highest level on record.

Carloadings of railroad freight were maintained in large volume in August. During the first three weeks in September loadings were slightly less than during the same period a year ago, owing to decreases in all classes of freight except merchandise in less than carload lots and miscellaneous shipments.

Commodity Prices

Wholesale prices of farm products and foods showed small seasonal decreases from the middle of August to the middle of September. Maximum prices of such industrial goods as cotton fabrics, cement, and bricks were increased.

Retail prices of food and other cost of living items increased slightly in August and the average of all items was 2% higher than a year ago, according to the Bureau of Labor Statistics index.

Agriculture

Crop prospects improved during August and the early part of September and harvests of most major crops are expected to be larger than last season. Marketings of livestock products, which were at a record level earlier this year and 15% higher than during the first six months of 1943, have declined in July and August to about the same level as that prevailing last year.

Bank Credit

Bank deposits of businesses and individuals, as well as currency in circulation, have increased since the end of the Fifth War Loan Drive. This increase in the money holdings of businesses and individuals is largely a reflection of the expenditures made by the Treasury from its war-loan accounts built up during the drive. Adjusted demand and time deposits at member banks in leading cities increased by nearly 4 billion dollars between the close of the drive and mid-September, or by over three-quarters of the amount of reduction in such funds during the drive. Deposits at non-reporting banks probably increased by nearly 2 billion dollars. Treasury war loan accounts at banks declined by nearly 8 billion dollars.

In the same period loans and investments at weekly reporting member banks in 101 leading cities declined by 2.2 billion dollars. Loans to brokers and dealers for purchasing and carrying Government securities declined to a level approximately equal to that of the pre-drive period. There was, however, a temporary increase in such borrowings in late August and early September presumably associated with market transactions stemming from the Treasury offer to exchange certificates maturing on September 1 and notes maturing on September 15 for new issues. Loans to others for purchasing and carrying securities declined steadily, but on September 13 were still well above the pre-drive level. Government security holdings showed a net decline of 800 million dollars over the period, reflecting mainly substantial bill sales by reporting banks partially offset by some increase in bond holdings.

As the result of the increase in deposits of businesses and individuals, the average level of required reserves at all member banks rose by about a billion dollars between the close of the Fifth Drive and mid-September. In addition, a billion dollar increase in money in circulation and some further decrease in gold stock served to absorb reserve funds. Member bank needs for reserves due to these factors were met largely through an increase of 1.7 billion dollars in the Government security portfolio of the Federal Reserve Banks and there was also a slight increase in Reserve Bank discounts. Excess reserves declined from an average level of 1.4 billion at the close of the drive to somewhat less than a billion by early September.

Sloan To Address N. Y. Commerce Groups

Alfred P. Sloan, Chairman of the General Motors Corp., will address the first fall meeting of the Chamber of Commerce of the State of New York on Oct. 5. At the business session preceding the speaking, reports on universal military training in the United States; termination of war contracts and the War Manpower Commission controlled referral plan will come before the membership for action. Leroy A. Lincoln, President, will preside at the meeting which will be held at 65 Liberty St.

National Fertilizer Association Commodity Price Index Advances To New All-Time High

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public Oct. 2, showed a marked advance to 139.3 in the week ending September 30, as compared with 138.8 in the preceding week, due to agricultural gains which brought the index to a new all-time high. A month ago this index registered 138.5 and a year ago 135.8, based on the 1935-1939 average as 100. The index is now 2.6% higher than the corresponding period of last year. The Association's report went on to say:

Marked advances in the farm products, foods, and textile groups resulted in a sharp upturn in the general price level last week. The farm products group reached a new high level as higher prices were quoted for wheat, rye and lambs. The only price to decline in this group was "good cattle." The foods group also reached a new high peak as definite increases were registered for eggs and flour. The only decline in this group was a fractional one in the price of oranges. The textiles group moved into higher ground and reached a new all-time high as a result of higher quotations for raw cotton and combed broadcloth. Scrap steel prices declined for the third consecutive week causing the metals index number to recede fractionally. The only other index number to change was the farm machinery one which advanced slightly.

During the week 9 price series in the index advanced and 3 declined; in the preceding week there were 7 advances and 5 declines; and in the second preceding week there were 7 advances and 6 declines.

WEEKLY WHOLESALE COMMODITY PRICE INDEX
Compiled by The National Fertilizer Association
1935-1939=100*

Each Group Bears to the Total Index	Group	Latest Preceding		Month Ago	Year Ago
		Week Sep. 30, 1944	Week Sep. 23, 1944		
25.3	Foods	142.6	142.1	140.7	140.2
	Fats and Oils	144.1	144.1	145.1	146.5
	Cottonseed Oil	159.6	159.6	163.1	162.4
23.0	Farm Products	164.3	162.4	161.7	157.2
	Cotton	207.5	200.9	204.7	194.7
	Grains	158.5	156.8	155.8	153.9
	Livestock	159.5	158.4	156.6	152.2
17.3	Fuels	130.1	130.1	130.1	122.8
10.8	Miscellaneous commodities	132.2	132.2	132.2	131.4
8.2	Textiles	155.4	154.0	152.9	150.5
7.1	Metals	104.1	104.2	104.3	104.4
6.1	Building materials	154.0	154.0	154.0	152.5
1.3	Chemicals and drugs	126.1	126.1	126.9	127.7
.3	Fertilizer materials	118.3	118.3	118.3	117.7
.3	Fertilizers	119.9	119.9	119.7	119.8
.3	Farm machinery	104.7	104.5	104.5	104.1
100.0	All groups combined	139.3	138.8	138.5	135.8

*Indexes on 1926-1928 base were: Sept. 30, 1944, 108.5; Sept. 23, 1944, 108.1, and Oct. 2, 1943, 105.8.

Steel Operations Slightly Higher—Sheets Maintain Lead, Plates Easing—Scrap Declines

The American Iron and Steel Institute on Oct. 2 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 95.6% of capacity for the week beginning Oct. 2, compared with 95.1% one week ago, 95.1% one month ago and 100.8% one year ago. The operating rate for the week beginning Oct. 2 is equivalent to 1,719,600 tons of

steel ingots and castings, compared to 1,710,700 tons one week ago, 1,710,700 tons one month ago and 1,756,900 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Oct. 2, stated in part as follows:

Enthusiasm for reconversion to civilian goods generated by expectation of an early end of hostilities in Europe has been somewhat damped by recent developments and observers in the steel industry are beginning to take account of the situation if the war should extend into or through the winter.

Should such an eventuality come to pass it is entirely possible that renewed buying of scrap might be necessary, as few consumers have sufficient stock to last through the winter and have been keeping inventories low in expectation of a sharp reduction in steel war demand. Continuance of the war beyond former expectations also would limit cutbacks in demand for armament and munitions and might bring new contracts to provide continuing supply.

Up to this time no actual change in attitude of steel producers and consumers has resulted from this change of sentiment but an undercurrent is discernible which may have an effect soon.

Sheets continue the tightest department of the market, with most producers quoting February and March on hot-rolled, several larger mills being in about the same position on cold-rolled, although January can be done in at least

two important instances. On relatively small tonnages better promises can be obtained where spot openings appear. In general sheet mills can make definite promises only for a few months ahead. While some mills still can promise March on galvanized sheets little of this grade is available before late April and May.

With the tightness in sheets and an easier situation in plates some observers look forward to release of some continuous strip mills now rolling plates, to production of sheets, to equalize the situation.

Pig iron demand holds well and foundries are increasing consumption as slight improvement in manpower and better production per man results from cooler weather. Producers see some signs that with more abundant and cheaper scrap the ratio of pig iron and scrap may be changed to a more nearly normal basis after a period in which pig iron replaced scrap when it was unobtainable.

A reflection of the good position in iron ore stocks is found in the fact that during September the number of vessels carrying ore was reduced from 303 to 293, the ten vessels thus released being engaged in transportation of grain.

Continued decline in scrap prices has carried the average price for steelmaking scrap to \$17.16, a drop of 25 cents during the week. The composite for finished steel remains steady at \$56.73, semifinished steel at \$36, and steelmaking pig iron at \$23.05.

Banking And Unemployment

(Continued from first page)

here in America for any period of time following the conclusion of this war, the system of private enterprise, as we know it, will be on the defensive. The veteran just returned to America will not be satisfied with vague assurances that we will have prosperity in perhaps a year. He will want a job and he will want it promptly.

Now, in bringing about the proper functioning of private enterprise in the period of readjustment following the war, banking must play a very vital part. It occupies a key position. It is one of the most potent weapons with which to combat unemployment through enabling private enterprise to function. If banking can only do its part, the future of private enterprise, politically and in a business sense, is bright. We hear a great deal of discussion in the press, by the various chambers of commerce, by manufacturers and by public officials concerning reconstruction, reconversion, renegotiation of contracts and so on. I believe that the time has come to place greater emphasis upon re-employment — upon the prevention of unemployment through the private financing of legitimate business activities. The money must and will be forthcoming. The only question is whether government must supply it or whether our bankers can and, if they can, to what extent. Every wide-awake businessman today is planning new processes, new products, new markets for the future. Must not bankers likewise plan? Let us never forget that a bank is a public institution. Its primary function is to serve the public. Not long ago Donald Nelson, Chairman of the War Production Board, said in so many words: "We hope that the needs of the post-war world can be privately met—otherwise, government will have to meet them." And I surmise that there are a good many people in government today who would be only too glad to have an excuse to do it all if given half a chance.

Upon reading the "London Times," I find that in their recent annual reports the chairmen of most of the principal banks in England dwell upon the contribution which the banks themselves can make toward the solution of post-war problems. Says Mr. Edwin Fisher of Barclay's Bank, "Full employment is our declared policy and our ardent desire."

We all know how conservative English banking has always been. Yet we find Lord Wardington of Lloyd's Bank pointing out that the banks in England are now so liquid that they could take a more elastic view of what constitutes a legitimate banking loan. Is not this true of many of our banks here in America today?

The conservative "London Times" points out that following the war, new houses will have to be built, capital furnished to demobilized men with which to start new businesses or to reopen businesses which have been shut down. It states that, although there will no doubt be other agencies besides the banks to help finance the restarting of peace activities, it is encouraging to know that the banks stand ready to do their share.

The "Times" continues: "The significant thing is not so much how the work is to be done but that the banks are already studying the special problems of the after war years and are not fighting shy of the prospect of having to adapt their loan policies and practices to the circumstances of that time."

The Midland Bank predicts support for promising enterprises based as much upon the character, integrity, and business capacity of the borrower as upon the

extent and nature of his resources. Does that sound like a strange doctrine to us here in America today? J. P. Morgan, the elder, was the outstanding banker of his day and generation. He placed character and integrity above collateral.

It has been suggested in England that one method of financing might be for the banks to act together in the share capital of one or more institutions formed to work separately for certain types of post-war financing. No doubt the suggestion of the American Bankers Association concerning regional credit pools is a proposed American adaptation of the English idea.

We must bear in mind, of course, that banking conditions in England are very different from those here in America. There it is chiefly conducted by several very large institutions with branches throughout all of England. The means of meeting the problem here in America may well be, therefore, very different, but the problem to be met and the necessity of meeting it remains the same.

Certainly the soundness and solvency of many of our institutions here at home would justify their setting aside a certain percentage or proportion of their assets to be used as venture capital or risk capital, or whatever you choose to call it. Bearing in mind the responsibilities our banks will be called upon to meet, a conservative course would be further to enlarge their capital funds and to strengthen their position for the future by continuing to restrict their dividends to the reasonable level generally prevailing at this time.

Suppose a new enterprise could be located in a certain community—an enterprise with able management and every prospect of success. Its payroll would give employment to a number of persons, thus increasing the prosperity and well-being of the entire community. A reasonable sum of money would have to be borrowed to start the business. Let us suppose that there are a half dozen banks in the community. No one of them could safely or properly lend the entire amount required, but the six banks acting together could readily do so. Why should not all of the six banks contribute for this purpose such a proportion of capital as soundness and solvency would permit? Of course, there would be problems to work out, such as the allocation of deposits and the representation of the banks in the management. The best qualified person locally, regardless of his particular bank affiliations, should be the man selected. Instead of local jealousies, there would have to be teamwork for the good of the entire community. But as I see it, when legitimate business needs arise, there must be this sort of teamwork, this kind of cooperation if small private business is to be locally financed and if our banks are to continue to serve their communities.

The small country bank must be prepared to do its share in financing the farmer, the mechanic returned from the war who wishes to start a repair shop, and the legitimate local needs of the individual or a small group of individuals. Recent legislation in the Congress for the benefit of returning veterans now makes possible legitimate loans to them by the government up to a certain amount, but our banks must be prepared to do the rest.

Now if the banks are to assume the new duties and the new responsibilities of another era, it is

important that there begin to be placed upon their boards of directors new men, men of vision, men young in spirit and in viewpoint. A mixture of the conservatism of the past with the more modern spirit of the future would provide an ideal balance.

Great corporations, large aggregations of capital, mass production with consequent low cost products and large employment are a necessary part of this industrial age, but the real strength of democracy lies in the land. It lies in small business, in the farmer, the mechanic, the shopkeeper, the small merchant, in the country bank and in the small city bank. May the day never come when local requirements must be supplied by the government and not by the banks of their own communities. May our citizens never be placed in financial bondage to Washington.

Up to the present time no definite solution of the problem has finally been reached. A solution must be found shortly. So firm is the conviction in certain quarters that private banking will not provide the necessary credit, that legislation has been prepared for introduction in the Congress at the proper time providing for such credit. Together with their continued splendid service in the financing of the war, let the bankers of America develop promptly an effective program to finance the peace, to the end that unemployment may, to a large degree, be privately averted. Let them develop an adequate program of private financing before Congress is compelled to develop one of public financing.

But if our bankers here in America are to adopt the viewpoint of the English bankers, what will be the attitude of the supervisory authorities, both national and state? Will they lag behind the progressive trend of the times? Will they render the banks impotent to combat unemployment by adhering too strictly to the formulas of the past? I hope not. New conditions require new formulas, new standards, new viewpoints. We who are called upon to supervise must have them just as our banks must have them.

I believe that our banks are ready, willing, and able to finance our post-war requirements. Seldom, if ever, have they held assets of such high quality and liquidity as they do today. Their capital structures have continued to expand, but their policies and operations today are regulated, controlled and influenced by three distinct Federal agencies as well as by the State banking systems. If an enlightened and progressive policy is to be adopted, the teamwork of all will be required.

Two of the federal agencies are supervisors. The third, however, insures your deposit liability. Its chief objective is protection against loss and its policies must naturally be colored by the insurance company point of view. Now, to have two branches of the Federal Government say, "You must do it or the Government will" and then have a third say, "you cannot do it" will never solve anything.

I believe that the entire situation calls for prompt mutual agreement. I propose that a conference be held at an early date where accredited representatives of each of the three Federal agencies, of the National Association of Supervisors of State Banks and representatives of the bankers can seek mutual agreement upon a sound and workmanlike plan for adequate post-war financing by the banks of our nation. The issues at stake, the problems likely to arise from future unemployment, are too great to permit of either disagreement or delay.

Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES† (Based on Average Yields)										
1944— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate Rate*	Corporate by Ratings*				Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Oct. 3	119.45	112.56	118.60	117.00	112.56	103.13	106.74	114.08	117.20	
2	119.50	112.56	118.60	117.00	112.56	103.13	106.74	114.08	117.00	
Sep. 30	119.50	112.56	118.60	116.80	112.56	103.13	106.74	114.08	117.00	
29	119.23	112.56	118.60	116.80	112.56	103.13	106.92	114.08	117.00	
28	119.23	112.56	118.60	117.00	112.37	103.13	106.74	114.08	117.20	
27	119.30	112.56	118.60	117.00	112.37	103.13	106.13	114.08	117.20	
26	119.30	112.56	118.60	117.00	112.37	103.13	106.74	114.08	117.20	
25	119.30	112.56	118.60	117.20	112.37	103.13	106.74	114.08	117.20	
24	119.22	112.56	118.60	117.20	112.37	103.13	106.74	114.08	117.20	
23	119.22	112.56	118.60	117.20	112.37	103.13	106.74	114.08	117.40	
22	119.20	112.56	118.60	117.20	112.37	103.13	106.74	114.27	117.20	
21	119.20	112.56	118.60	117.20	112.37	103.13	106.74	114.27	117.20	
20	119.33	112.56	118.60	117.20	112.37	103.13	106.74	114.27	117.20	
19	119.39	112.56	118.80	117.20	112.37	103.13	106.74	114.27	117.20	
18	119.42	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.20	
17	119.42	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.20	
16	119.42	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.20	
15	119.42	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.20	
14	119.43	112.56	118.60	117.20	112.19	103.13	106.74	114.27	117.20	
13	119.48	112.56	118.60	117.20	112.19	103.13	106.74	114.27	117.00	
12	119.39	112.56	118.60	117.20	112.19	103.13	106.74	114.27	117.00	
11	119.45	112.56	118.60	117.20	112.19	103.13	106.74	114.27	117.00	
10	119.47	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.00	
9	119.43	112.56	118.80	117.20	112.00	103.13	106.74	114.27	117.00	
8	119.63	112.56	118.80	117.20	112.00	103.13	106.74	114.27	117.00	
7	119.64	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.20	
6	119.64	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.20	
5	119.64	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.20	
4	Stock Exchange Closed.									
3	Stock Exchange Closed.									
2	119.81	112.56	118.80	117.20	112.00	103.13	106.74	114.27	117.20	
1	119.89	112.75	118.80	117.40	112.19	103.30	106.74	114.27	117.20	
Aug. 25	119.84	112.56	118.60	117.20	112.37	103.30	106.92	114.08	117.20	
18	119.84	112.56	118.60	117.00	112.37	103.30	106.92	114.08	117.20	
11	119.84	112.56	118.60	117.00	112.19	103.30	106.74	114.08	117.20	
4	120.09	112.56	118.80	117.00	112.19	103.30	106.74	114.08	117.20	
July 28	120.10	112.37	118.60	116.80	112.19	103.13	106.56	114.27	117.00	
21	120.18	112.56	118.60	117.00	112.19	103.13	106.56	114.27	117.20	
14	120.23	112.56	118.60	117.20	112.19	103.13	106.39	114.08	117.40	
7	120.27	112.56	118.60	117.00	112.37	102.96	106.21	114.08	117.40	
June 30	120.15	112.37	118.60	116.80	112.00	102.80	106.04	113.89	117.40	
23	120.13	112.19	118.40	116.80	112.00	102.63	106.04	113.89	117.20	
16	120.01	112.19	118.40	116.61	112.00	102.63	105.86	113.70	117.20	
9	119.88	112.19	118.60	116.61	111.81	102.46	105.69	113.89	117.20	
2	119.99	112.19	118.60	116.80	111.81	102.46	105.86	113.89	117.00	
May 26	119.66	112.19	118.40	116.80	111.81	102.30	105.86	113.89	117.00	
Apr. 28	119.35	111.81	118.40	116.61	111.62	101.47	105.34	113.70	116.41	
Mar. 31	119.68	111.44	118.20	116.41	111.25	100.81	104.66	113.70	116.22	
Feb. 25	120.21	111.25	118.20	116.41	111.07	100.32	104.31	113.50	116.22	
Jan. 28	119.47	111.07	118.20	116.22	111.07	100.16	104.14	113.31	116.41	
High 1944	120.44	112.75	118.80	117.40	112.56	103.30	106.92	114.27	117.40	
Low 1944	119.20	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	102.46	103.47	114.27	117.40	
Low 1943	116.85	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46	
1 Year Ago	120.62	110.88	119.00	116.22	111.25	98.73	103.13	113.89	116.41	
2 Years Ago	117.39	107.27	117.00	113.89	103.52	92.35	97.16	111.62	114.27	

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices)										
1944— Daily Averages	U. S. Govt. Bonds	Avg. Corpo- rate Rate*	Corporate by Ratings*				Corporate by Groups*			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Oct. 3	1.85	3.03	2.72	2.80	3.03	3.56	3.35	2.95	2.79	
2	1.84	3.03	2.72	2.80	3.03	3.56	3.35	2.95	2.79	
Sep. 30	1.84	3.03	2.72	2.81	3.03	3.56	3.35	2.95	2.80	
29	1.84	3.03	2.72	2.81	3.03	3.56	3.35	2.95	2.80	
28	1.86	3.03	2.72	2.81	3.03	3.56	3.34	2.95	2.80	
27	1.86	3.03	2.72	2.80	3.04	3.56	3.35	2.95	2.79	
26	1.85	3.03	2.72	2.80	3.04	3.56	3.35	2.95	2.79	
25	1.85	3.03	2.71	2.80	3.04	3.56	3.35	2.95	2.79	
24	1.85	3.03	2.72	2.79	3.04	3.56	3.35	2.95	2.79	
23	1.86	3.03	2.72	2.79	3.04	3.56	3.35	2.95	2.78	
22	1.86	3.03	2.72	2.79	3.04	3.56	3.35	2.94	2.79	
21	1.85	3.03	2.72	2.79	3.04	3.56	3.35	2.94	2.79	
20	1.85	3.03	2.72	2.79	3.04	3.56	3.35	2.94	2.79	
19	1.84	3.03	2.71	2.79	3.04	3.56	3.35	2.94	2.79	
18	1.83	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.79	
17	1.83	3.03	2.71	2.79	3.04	3.56	3.35	2.94	2.79	
16	1.83	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.79	
15	1.84	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.79	
14	1.84	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.79	
13	1.84	3.03	2.72	2.79	3.05	3.56	3.35	2.94	2.80	
12	1.85	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.80	
11	1.84	3.03	2.72	2.79	3.05	3.56	3.35	2.94	2.80	
10	1.84	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.80	
9	1.84	3.03	2.72	2.79	3.05	3.56	3.35	2.94	2.80	
8	1.84	3.03	2.71	2.79	3.06	3.56	3.35	2.94	2.80	
7	1.83	3.03	2.71	2.79	3.06	3.56	3.35	2.94	2.80	
6	1.82	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.79	
5	1.82	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.79	
4	Stock Exchange Closed.									
3	Stock Exchange Closed.									
2	1.81	3.03	2.71	2.79	3.06	3.56	3.35	2.94	2.79	
1	1.81	3.02	2.71	2.78	3.05	3.55	3.35	2.94	2.79	
Aug. 25	1.81	3.03	2.72	2.79	3.04	3.55	3.34	2.95	2.79	
18	1.81	3.03	2.72	2.80	3.04	3.55	3.34	2.95	2.79	
11	1.81	3.03	2.72	2.80	3.04	3.55	3.34	2.95	2.79	
4	1.79	3.03	2.71	2.80	3.05	3.55	3.35	2.95	2.79	
July 28	1.79	3.04	2.72	2.81	3.05	3.56	3.36	2.94	2.80	
21	1.79	3.03	2.72	2.80	3.05	3.56	3.36	2.94	2.79	
14	1.78	3.03	2.72	2.79	3.05	3.56	3.37	2.95	2.78	
7	1.78	3.03	2.72	2.80	3.04	3.57	3.38	2.95	2.78	
June 30	1.79	3.04	2.72	2.81	3.06	3.58	3.39	2.96	2.78	
23	1.79	3.05	2.73	2.81	3.06	3.59	3.39	2.96	2.79	
16	1.80	3.05	2.73	2.82	3.06	3.59	3.40	2.97	2.79	
9	1.82	3.05	2.72	2.82	3.07	3.60	3.41	2.96	2.78	
2	1.81	3.05	2.72	2.81	3.07	3.60	3.40	2.96	2.80	
May 26	1.84	3.05	2.73	2.81	3.07	3.61	3.40	2.96	2.80	
Apr. 28	1.86	3.07	2.73	2.82	3.08	3.66	3.43	2.97	2.83	
Mar. 31	1.83	3.09	2.74	2.83	3.10	3.70	3.47	2.97	2.84	
Feb. 25	1.81	3.10	2.74	2.83	3.11	3.73	3.49	2.98	2.84	
Jan. 28	1.87	3.11	2.74	2.84	3.11	3.74	3.50	2.99	2.82	
High 1944	1.87	3.13	2.74	2.84	3.12	3.81	3.55	3.00	2.85	
Low 1944	1.77	3.02	2.71	2.78	3.03	3.55	3.34	2.94	2.78	
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	1.80	3.12	2.70	2.84	3.10	3.83	3.56	2.96	2.83	
2 Years Ago	2.05	3.32	2.80	2.96	3.25					

Weekly Coal And Coke Production Statistics

The Solid Fuels Administration, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended Sept. 23, 1944 is estimated at 11,850,000 net tons, an increase of 250,000 tons, or 2.2%, over the preceding week. In the corresponding week of 1943, output amounted to 12,180,000 tons. Cumulative production of soft coal from Jan. 1 to Sept. 23, 1944 totaled 459,030,000 net tons, as compared with 432,645,000 tons in the same period last year, a gain of 6.1%.

According to the U. S. Bureau of Mines, output of Pennsylvania anthracite for the week ended Sept. 23, 1944 was estimated at 1,282,000 tons, an increase of 19,000 tons (1.5%) over the preceding week. When compared with the production in the corresponding week of 1943 there was a decrease of 24,000 tons, or 1.8%. The calendar year to date shows an increase of 5.7% when compared with the corresponding period in 1943.

The Bureau of Mines also reported that the estimated production of beehive coke in the United States for the week ended Sept. 23, 1944 showed a decrease of 2,800 tons when compared with the output for the week ended Sept. 16, 1944; and was 45,400 tons less than for the corresponding week of 1943.

ESTIMATED UNITED STATES PRODUCTION OF COAL, IN NET TONS

	Week Ended			January 1 to Date		
	Sep. 23, 1944	Sep. 16, 1944	Sep. 25, 1943	Sep. 23, 1944	Sep. 25, 1943	Sep. 25, 1937
Bituminous coal and lignite—	11,850,000	11,600,000	12,180,000	459,030,000	432,645,000	322,991,000
Total incl. mine fuel	1,282,000	1,263,000	1,306,000	47,848,000	45,259,000	36,887,000
Daily average	1,975,000	1,933,000	2,030,000	2,028,000	1,900,000	1,433,000

*Revised. †Subject to current adjustment.

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

	Week Ended			Calendar Year to Date		
	Sep. 23, 1944	Sep. 16, 1944	Sep. 25, 1943	Sep. 23, 1944	Sep. 25, 1943	Sep. 25, 1937
Penn. anthracite—	1,282,000	1,263,000	1,306,000	47,848,000	45,259,000	36,887,000
Commercial produc.	1,231,000	1,212,000	1,254,000	45,934,000	43,449,000	35,043,000
Beehive coke—						
United States total	124,000	126,800	169,400	5,488,700	5,750,700	2,592,500

*Includes washery and dredge coal and coal shipped by truck from authorized operations. †Excludes colliery fuel. ‡Subject to revision. §Revised.

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

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

State—	Week Ended			
	Sep. 16, 1944	Sep. 9, 1944	Sep. 18, 1943	Sep. 18, 1937
Alabama	372,000	365,000	365,000	256,000
Alaska	5,000	5,000	5,000	3,000
Arkansas and Oklahoma	103,000	90,000	93,000	65,000
Colorado	133,000	118,000	172,000	135,000
Georgia and North Carolina	1,000	1,000	1,000	1,000
Illinois	1,355,000	1,235,000	1,527,000	1,005,000
Indiana	560,000	465,000	559,000	370,000
Iowa	44,000	39,000	45,000	75,000
Kansas and Missouri	173,000	150,000	143,000	138,000
Kentucky—Eastern	954,000	934,000	958,000	864,000
Kentucky—Western	372,000	308,000	304,000	169,000
Maryland	35,000	31,000	37,000	32,000
Michigan	3,000	1,000	3,000	15,000
Montana (bitum. & lignite)	85,000	92,000	91,000	60,000
New Mexico	33,000	29,000	34,000	27,000
North & South Dakota (lignite)	46,000	39,000	43,000	39,000
Ohio	700,000	560,000	662,000	522,000
Pennsylvania (bituminous)	2,950,000	2,605,000	2,994,000	2,309,000
Tennessee	145,000	138,000	136,000	109,000
Texas (bituminous & lignite)	3,000	2,000	4,000	21,000
Utah	135,000	114,000	104,000	80,000
Virginia	352,000	370,000	394,000	298,000
Washington	30,000	28,000	26,000	35,000
West Virginia—Southern	2,018,000	2,125,000	2,240,000	1,924,000
West Virginia—Northern	812,000	893,000	925,000	565,000
Wyoming	180,000	165,000	182,000	127,000
Other Western States				1,000
Total bituminous & lignite	11,600,000	10,900,000	12,049,000	9,249,000
Pennsylvania anthracite	1,282,000	1,263,000	1,270,000	794,000
Total, all coal	12,882,000	12,043,000	13,319,000	10,043,000

*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 and Oregon. *Less than 1,000 tons.

Civil Engineering Construction \$30,845,000 For Week

Civil engineering construction volume in continental U. S. totals \$30,845,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 60% higher than in the preceding week, and 5% above the previous four-week moving average, but is 39% below the total reported to "Engineering News-Record" for the corresponding 1943 week. The report made public on Sept. 28, continued as follows:

Private work tops last week by 21% and public construction is up 72% as a result of the 27% gain in state and municipal work and the 94% gain in federal. Compared with the 1943 week, however, private work is down 69%, and public is off 24% despite the 61% increase in state and municipal.

The current week's construction brings 1944 volume to \$1,379,561,000 for the 39 weeks, a decrease of 45% from the \$2,488,373,000 reported for the 1943 period. Private construction, \$291,267,000, is 12% below last year, and public work, \$1,088,294,000, is 50% lower.

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

	Sept. 30, 1943	Sept. 21, 1944	Sept. 28, 1944
Total U. S. Construction	\$50,722,000	\$19,235,000	\$30,845,000
Private Construction	17,146,000	4,397,000	5,338,000
Public Construction	33,576,000	14,838,000	25,507,000
State and Municipal	3,915,000	4,955,000	6,306,000
Federal	29,661,000	9,883,000	19,201,000

In the classified construction groups, gains over last week are in waterworks, sewerage, industrial and public buildings, earthwork and drainage, streets and roads, and unclassified construction. Increases over the 1943 week are in waterworks, industrial buildings, earthwork and drainage, and streets and roads. Subtotals for the week in each class of construction are: waterworks, \$964,000; sewerage, \$625,000; bridges, \$235,000; industrial buildings, \$3,926,000; commercial buildings and large-scale private housing, \$381,000; public

buildings, \$1,701,000; earthwork and drainage, \$2,643,000; streets and roads, \$4,586,000; and unclassified construction, \$5,784,000.

New capital for construction purposes for the week totals \$2,265,000. It is made up of \$1,365,000 in state and municipal bond sales, \$750,000 in corporate security issues, and \$150,000 in RFC loans for private industrial expansion.

New construction financing for 1944 totals \$1,612,620,000, a volume 47% below the \$3,037,207,000 reported for the 39-week 1943 period.

Cotton Ginned from Crop of 1944 Prior to Sept. 16

The census report issued on Sept. 23, compiled from the individual returns of the ginners shows as follows the number of bales of cotton ginned from the growth of 1944 prior to Sept. 16, 1944, and comparative statistics to the corresponding date in 1943 and 1942:

State—	RUNNING BALES (Counting round as half bales and excluding linters)		
	1944	1943	1942
United States	*1,816,291	3,735,881	2,077,933
Alabama	185,143	404,008	198,934
Arizona	2,489	10,128	5,150
Arkansas	148,010	302,561	104,712
Florida	6,656	9,835	9,513
Georgia	188,227	343,960	260,330
Louisiana	176,914	372,840	199,306
Mississippi	292,133	738,564	407,382
Missouri	49,676	39,236	41,540
North Carolina	59,318	75,499	57,324
Oklahoma	22,105	28,501	10,331
South Carolina	188,740	213,958	149,169
Tennessee	39,580	69,782	33,860
Texas	455,920	1,122,682	599,007
All other states	1,380	6,327	1,481

*Includes 48,182 bales of the crop of 1944 ginned prior to Aug. 1 which was counted in the supply for the season of 1943-44, compared with 107,053 and 48,626 bales of the crops of 1943 and 1942.

The statistics in this report include 175 bales of American-Egyptian for 1944, 3,289 for 1943, and 1,204 for 1942; also included are no bales of Sea-island for 1944, 8 for 1943, and 135 for 1942. The ginning of round bales has been discontinued since 1941.

The statistics for 1944 in this report are subject to revision when checked against the individual returns of the ginners being transmitted by mail. The revised total of cotton ginned this season prior to Sept. 1 is 577,178 bales.

Consumption and Stocks — United States

Cotton consumed during the month of August, 1944, amounted to 841,490 bales. Cotton on hand in consuming establishments on Aug. 31, was 1,710,225 bales, and in public storages and at compresses 7,936,944 bales. The number of active consuming cotton spindles for the month was 22,240,676.

In the interest of national defense, the Department of Commerce has discontinued until further notice the publication of statistics concerning imports and exports.

World Statistics

Because of war conditions and the difficulties in obtaining dependable world statistics such data are being omitted from this report for the time being.

Non-Ferrous Metals—Purchasing Program To Be Cut by FEA Following Defeat Of Germany

"E. & M. J. Metal and Mineral Markets," in its issue of Sept. 28, stated: "Though buying of major non-ferrous metals under the domestic premium price plan and the foreign procurement program is expected to continue until the end of the year, the industry is concerned about the possibility of cutbacks and growing pressure from foreign sources when the Government's demands are reduced. The annual report of the Foreign Economic Administration, published Sept. 25, states that after the defeat of Germany it will be possible to cut back our foreign procurement program for strategic and critical materials, although many will still be needed for the continuing war against Japan. The adjustment to a reduced program will be made in such a way, the report declares, as to prevent unnecessary financial losses to American taxpayers, to best preserve our foreign relations, and to strengthen the foundations for a higher level of international trade after the war. Long-term objectives of the State Department are to the effect that we must do as little harm as possible to the economies of the supplying countries when the cutbacks occur. Except for a firmer market for spot quicksilver, the price situation last week was unchanged." The publication further went on to say in part:

Copper

Fabricators consumed 138,283 tons of copper during August, according to figures circulated privately last week. This compares with 118,632 tons in July and 135,193 tons in August last year. The peak month for the current year was April, when 160,335 tons were consumed. Average monthly consumption for the Jan.-Aug. period was 140,413 tons. Stocks of refined copper in the hands of fabricators at the end of August totaled 336,567 tons, which compares with 335,327 tons a month

previous and 399,309 tons a year ago. Fabricators' unfilled sales at the end of August involved 350,848 tons, against 508,297 tons in August last year.

Use of copper by fabricators has been maintained at a high level during the first eight months of the year, but activity is expected to drop on military production as soon as the war in Europe ends. The possibility of sharp cutbacks in the war program is overhanging the market, which tends to obscure the outlook and places great weight on the need of quick reconversion for civilian consumption.

Lead

Fill-in orders were all that the lead industry expected during the last week, because October requirements have been provided for with few exceptions. Sales by domestic producers for the week amounted to 2,966 tons, against 6,800 tons in the preceding week.

Zinc

Domestic refineries shipped 40,884 tons of lead to consumers during August, against 42,966 tons in July, the American Bureau of Metal Statistics reports. Owing to the tight labor situation, production of refined from domestic ore amounted to only 35,934 tons, with recovery from secondary and foreign material at 2,502 tons, or a total of 38,436 tons. Stock at refineries declined to 28,890 tons.

Quicksilver

Though controls in zinc have been modified in recent weeks,

the buying continues well on the cautious side. Most consumers seem intent on holding down inventories to a minimum. In fact, observers believe that inventories in numerous instances have been reduced to the point where consumers have little to fall back on should even a small bulge in business develop.

Belgian zinc smelters, according to unofficial advices, remain substantially intact, indicating that the enemy had little opportunity to damage the properties in retreating from Belgium. However, the smelters are said to be poorly supplied with concentrates.

Revised Price Schedule No. 81 was amended by OPA Sept. 25 to provide for a charge of not more than 20c. per net ton that may be added to the maximum base prices for zinc when, at the request of the buyer, the seller is required to load primary slab zinc in railroad cars in a manner to facilitate unloading by automatic devices (mechanical lift trucks). To permit the use of such devices, the slabs are placed on pallets or skids, and piled in a manner for proper handling.

Tin

In discussions with Bolivian authorities in connection with the purchase of tin concentrates, the State Department let it be known that it is not interested in extending government-to-government commodity contracts, and private business is expected to resume buying strategic materials when the war is over. The Bolivians, according to Washington advices, have asked that the base price be raised from 60c. to 66c. per pound of contained tin, f.o.b. South American ports.

The domestic market for tin was unchanged. Straits quality tin for shipment, in cents per pound, was nominally as follows:

	Sept.	Oct.	Nov.
Sept. 21	52.000	52.000	52.000
Sept. 22	52.000	52.000	52.000
Sept. 23	52.000	52.000	52.000
Sept. 25	52.000	52.000	52.000
Sept. 26	52.000	52.000	52.000
Sept. 27	52.000	52.000	52.000

Chinese, or 99% tin, continued at 51.125c. per pound.

Magnesium

Production of primary magnesium during June amounted to 29,372,000 pounds, against 34,308,000 pounds in May, according to the War Production Board. This marks the fifth successive month of decreased production, reflecting Government-ordered curtailment. Production of magnesium from secondary sources during June was 2,076,000 pounds, against 2,814,000 pounds in May.

Silver

Increased buying interest came into the market toward the end of the week and most operators viewed the spot situation as tight, with quotations firm at \$104 to \$107 per flask, New York, depending on quantity. The San Francisco market, according to advices received here, also presented a firmer appearance in so far as nearby metal was concerned. Buying interest in forward metal was light.

Lead

The London market for silver was quiet and unchanged at 23 1/2d. The New York Official for foreign silver continued at 44 3/4c., with domestic metal at 70 3/4c.

Illinois Bankers Groups Will Meet

Groups 2, 4 and 6 of the Illinois Bankers Association will hold their annual meetings on Oct. 12, 10 and 9, respectively. Floyd M. Condit, President of the Illinois Bankers Association, will be guest speaker at all three meetings. Co-speaker of Mr. Condit at the Group 2 meeting will be Leslie C. Arends, Congressman 17th District, while Everett M. Dirksen, Congressman 16th District, will be a speaker along with Mr. Condit at the Group 6 dinner.

Daily Average Crude Oil Production For Week Ended Sept. 23, 1944 Off Only 1,650 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Sept. 23, 1944 was 4,743,850 barrels, a decrease of 1,650 barrels from the all-time high record reached in the preceding week, and 12,350 barrels lower than the daily average figure recommended by the Petroleum Administration for War for the month of September 1944. The current figure, however, exceeded the output in the week ended Sept. 25, 1943 by 399,450 barrels per day. Daily production for the four weeks ended Sept. 23, 1944 averaged 4,709,100 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 4,608,000 barrels of crude oil daily and produced 13,841,000 barrels of gasoline; 1,585,000 barrels of kerosine; 4,717,000 barrels of distillate fuel oil, and 9,180,000 barrels of residual fuel oil during the week ended Sept. 23, 1944; and had in storage at the end of that week: 78,372,000 barrels of gasoline; 14,138,000 barrels of kerosine; 44,781,000 barrels of distillate fuel, and 62,514,000 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 September	*State Allowables begin. Sep. 1	Actual Production		4 Weeks Ended Sept. 23, 1944	Week Ended Sept. 25, 1943
			Week Ended Sept. 23, 1944	Change from Previous Week		
Oklahoma	344,000	340,000	†342,850	+ 450	340,750	325,250
Kansas	274,000	269,400	†280,900	+ 300	270,500	296,150
Nebraska	1,000	---	†900	---	900	1,800
Panhandle Texas	---	---	98,700	---	98,700	104,000
North Texas	---	---	147,750	---	148,000	140,600
West Texas	---	---	504,050	---	499,250	333,500
East Central Texas	---	---	149,800	---	149,250	131,200
East Texas	---	---	370,950	---	371,150	380,000
Southwest Texas	---	---	341,750	---	336,750	263,550
Coastal Texas	---	---	543,050	---	541,100	485,300
Total Texas	2,163,000	†2,165,030	2,156,050	---	2,144,200	1,838,150
North Louisiana	---	---	74,550	---	74,150	81,500
Coastal Louisiana	---	---	288,400	---	288,550	278,500
Total Louisiana	350,000	396,200	362,950	---	362,700	360,000
Arkansas	58,000	78,235	81,050	---	81,000	76,300
Mississippi	45,000	---	49,150	+ 5,300	46,550	48,850
Alabama	---	---	300	---	300	---
Florida	---	---	50	---	50	---
Illinois	210,000	---	195,200	---	202,300	215,450
Indiana	14,000	---	12,750	+ 550	13,300	14,400
Eastern—	---	---	---	---	---	---
(Not incl. Ill., Ind., Ky.)	74,200	---	68,450	---	69,200	75,200
Kentucky	25,000	---	24,600	+ 200	25,200	24,650
Michigan	51,000	---	50,000	---	50,250	56,400
Wyoming	100,000	---	101,550	+ 2,700	95,450	102,950
Montana	24,000	---	19,600	---	19,600	21,750
Colorado	8,000	---	9,150	---	9,050	7,050
New Mexico	110,000	110,000	105,150	+ 50	106,050	109,350
Total East of Calif.	3,871,200	---	3,861,650	---	3,837,350	3,573,700
California	885,000	885,000	882,200	+ 2,000	871,750	770,700
Total United States	4,756,200	---	4,743,850	---	4,709,100	4,344,400

*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. Sept. 21, 1944.

‡This is the net basic allowable as of Sept. 1 calculated on a 30-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 1 to 15 days, the entire state was ordered shut down for 6 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 6 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 SEPT. 23, 1944 (Figures in Thousands of barrels of 42 Gallons Each)

District	Daily Refining Capacity	Potential % Re-Porting	Crude Runs to Still Daily Average	Gasoline Production			†Stocks Finished and Unfinished Gasoline	†Stocks Oil and Distillate Fuel	†Stocks Residual Fuel Oil
				at Re-fineries	at Blending	at Total			
*Combin'd East Coast Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and inland Texas	2,518	90.3	2,431	96.5	6,797	35,364	24,361	21,164	
Appalachian—	---	---	---	---	---	---	---	---	
District No. 1	130	83.9	104	80.0	307	2,259	518	271	
District No. 2	47	87.2	58	123.4	164	1,517	223	173	
Ind., Ill., Ky.	824	85.2	735	89.2	2,596	16,466	6,099	4,060	
Okla., Kans., Mo.	418	80.2	373	89.2	1,472	7,043	2,046	1,550	
Rocky Mountain—	---	---	---	---	---	---	---	---	
District No. 3	13	17.0	10	76.9	29	58	13	29	
District No. 4	141	58.3	116	82.3	390	1,634	392	651	
California	817	89.9	781	95.6	2,086	14,031	11,129	34,616	
Total U. S. B. of M. basis Sept. 23, 1944	4,908	87.2	4,608	93.9	13,841	†78,372	44,781	62,514	
Total U. S. B. of M. basis Sept. 16, 1944	4,908	87.2	4,585	93.4	14,201	78,726	43,556	62,240	
U. S. Bur. of Mines basis Sept. 25, 1943	---	---	4,175	---	12,290	69,095	39,116	66,896	

*At the request of the Petroleum Administration for War. †Finished, 65,614,000 barrels; unfinished, 12,758,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,585,000 barrels of kerosine, 4,717,000 barrels of gas oil and distillate fuel oil and 9,180,000 barrels of residual fuel oil produced during the week ended Sept. 23, 1944, which compares with 1,380,000 barrels, 4,470,000 barrels and 8,214,000 barrels, respectively, in the preceding week and 1,367,000 barrels, 4,506,000 barrels and 8,594,000 barrels, respectively, in the week ended Sept. 25, 1943.

Note—Stocks of kerosine at Sept. 23, 1944 amounted to 14,138,000 barrels, as against 13,724,000 barrels a week earlier and 11,044,000 barrels a year before.

Trading On New York Exchanges

The Securities and Exchange Commission made public on Sept. 27 figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended Sept. 9, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Sept. 9 (in round-lot transactions) totaled 1,630,426 shares, which amount was 15.80% of the total transactions on the Exchange of 5,153,850 shares. This compares with member trading during the week ended Sept. 2 of 1,123,500 shares, or 15.80% of the total trading of 3,555,720 shares. On the New York Curb Exchange, member trading during the week ended Sept. 9 amounted to 327,280 shares, or 13.17% of the total volume on that exchange of 1,242,025 shares; during the Sept. 2 week trading for the account of Curb members of 306,410 shares was 13.44% of total trading of 1,140,415 shares.

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

WEEK ENDED SEPT. 9, 1944		
A. Total Round-Lot Sales:	Total for week	†%
Short sales	137,210	
†Other sales	5,021,640	
Total sales	5,158,850	
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	429,040	
Short sales	51,640	
†Other sales	386,020	
Total sales	437,660	8.40
2. Other transactions initiated on the floor—		
Total purchases	200,840	
Short sales	21,500	
†Other sales	256,190	
Total sales	277,690	4.64
3. Other transactions initiated off the floor—		
Total purchases	140,300	
Short sales	9,600	
†Other sales	135,296	
Total sales	144,896	2.76
4. Total—		
Total purchases	770,180	
Short sales	82,740	
†Other sales	777,506	
Total sales	860,246	15.80

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

WEEK ENDED SEPT. 9, 1944		
A. Total Round-Lot Sales:	Total for week	†%
Short sales	9,640	
†Other sales	1,232,385	
Total sales	1,242,025	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	100,915	
Short sales	3,820	
†Other sales	112,265	
Total sales	116,085	8.74
2. Other transactions initiated on the floor—		
Total purchases	30,665	
Short sales	1,800	
†Other sales	29,750	
Total sales	31,550	2.50
3. Other transactions initiated off the floor—		
Total purchases	22,740	
Short sales	1,400	
†Other sales	23,925	
Total sales	25,325	1.93
4. Total—		
Total purchases	154,320	
Short sales	7,020	
†Other sales	165,940	
Total sales	172,960	13.17
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
†Customers' other sales	47,829	
Total purchases	47,829	
Total sales	45,808	

*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."

Four Major Bills Enacted By Congress To Cushion Transition From War To Peace Time

Before the recess taken by Congress on Sept. 21, its session was marked by the enactment of four major bills designed to afford means for the smooth working of the country's programs incident to the transition from war to peace, with Germany's collapse. These four major bills, it was noted on Sept. 20 by the Associated Press were:

1—Creation of the war mobilization and reconversion administration, through the legislation which the House, by an overwhelming voice vote sent to the President today.

2—Machinery for the disposal of about \$100,000,000 of war-accumulated property, under the supervision of a three-member

board. This bill also is on the President's desk.

3—A system for terminating war contracts, intended to facilitate industry in speedily shifting from the production of weapons of war to civilian goods. This leg-

islation already is on the statute books.

4—The "GI Bill of Rights," also made law, providing benefits for war veterans.

The Associated Press likewise said:

The two-point reconversion program laid on President Roosevelt's desk in the closing days created the War Mobilization and Reconversion Administration to chart the transition from wartime to peacetime economy and set up the machinery for disposition of an estimated \$100,000,000 worth of surplus war property.

These two measures supplemented a twofold reconversion program enacted before the mid-summer recess, one part of which blueprinted the method for terminating war contracts and the other—the so-called "GI Bill of Rights"—provided benefits for discharged service men.

Supplementation of the reconversion program will be considered after the recess, Chairman Doughton (Dem.-N. C.) of the House Ways and Means Committee having arranged for a study of back-home travel allowances and Federal employee unemployment benefits after the election.

In its six-month session earlier in the year, Congress appropriated \$67,199,237,127, boosted the national debt limit to \$260,000,000,000, passed a \$2,300,000,000 tax bill, extended wartime price controls, provided mustering-out pay for service men and women, prolonged the Lend-Lease program, and arranged for absentee voting by members of the armed forces.

The recess will extend to Nov. 14—one week after election—and in the Associated Press it was stated:

More than a score of incumbent House members already have lost their fights for re-election or have failed to seek new terms, and the "lame duck" list may be longer when the lawmakers return. Many face stiff contests in the Nov. 7 balloting.

The enactment of the demobilization and reconversion bill was noted in our issue of Sept. 28, page 1374; Congressional action on the bill for the disposal of surplus Government property was referred to in the same issue, page 1386.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Sept. 27 a summary for the week ended Sept. 16 of complete figures showing the daily volume of stock transactions for odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

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

Week Ended Sept. 16, 1944	
Odd-Lot Sales by Dealers (Customers' purchases)	Total for Week
Number of orders	15,817
Number of shares	440,996
Dollar value	\$17,043,461
Odd-Lot Purchases by Dealers (Customers' sales)	
Number of Orders:	
Customers' short sales	184
Customers' other sales	15,278
Customers' total sales	15,462
Number of Shares:	
Customers' short sales	6,929
Customers' other sales	379,951
Customers' total sales	386,879
Dollar value	\$13,486,751
Round-Lot Sales by Dealers	
Number of Shares:	
Short sales	20
†Other sales	87,500
Total sales	87,520
Round-Lot Purchases by Dealers:	
Number of Shares:	
Number of shares	152,010
*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 Sept. 23, 1944 Increased 6,309 Cars

Loading of revenue freight for the week ended Sept. 23, 1944 totaled 898,667 cars, the Association of American Railroads announced on Sept. 28. This was a decrease below the corresponding week of 1943 of 8,644 cars, or 1%, but an increase above the same week in 1942 of 1,240 cars or 0.1%.

Loading of revenue freight for the week of Sept. 23 increased 6,309 cars, or 0.7% above the preceding week.

Miscellaneous freight loading totaled 410,954 cars, an increase of 3,828 cars above the preceding week, and an increase of 8,693 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 107,559 cars, a decrease of 138 cars above the preceding week, but an increase of 4,953 cars above the corresponding week in 1943.

Coal loading amounted to 175,177 cars, an increase of 3,586 cars above the preceding week, but a decrease of 4,637 cars below the corresponding week in 1943.

Grain and grain products loading totaled 49,832 cars, a decrease of 278 cars below the preceding week and a decrease of 3,382 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of Sept. 23, totaled 33,796 cars, a decrease of 1,414 cars below the preceding week and a decrease of 4,161 cars below the corresponding week in 1943.

Livestock loading amounted to 21,829 cars, an increase of 1,711 cars above the preceding week but a decrease of 1,828 cars below the corresponding week in 1943. In the Western Districts alone loading of live stock for the week of Sept. 23 totaled 17,303 cars, an increase of 1,680 cars above the preceding week, but a decrease of 1,515 cars below the corresponding week in 1943.

Forest products loading totaled 44,029 cars, an increase of 637 cars above the preceding week and an increase of 345 cars above the corresponding week in 1943.

Ore loading amounted to 75,567 cars, a decrease of 2,995 cars below the preceding week and a decrease of 11,580 cars below the corresponding week in 1943.

Coke loading amounted to 13,720 cars, a decrease of 42 cars below the preceding week, and a decrease of 1,208 cars below the corresponding week in 1943.

All districts reported decreases compared with the corresponding week in 1943, except the Southern, Centralwestern and Southwestern and all districts reported decreases compared with 1942 except the Eastern, Allegheny and Centralwestern.

	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
4 Weeks of April	4,068,625	3,924,981	4,209,907
4 Weeks of May	3,446,252	3,363,195	3,311,637
5 Weeks of June	4,343,193	4,003,393	4,139,395
4 Weeks of July	3,463,512	3,455,328	3,431,395
4 Weeks of August	3,579,800	3,554,694	3,487,905
Week of September 2	898,450	901,075	887,960
Week of September 9	825,953	834,670	814,897
Week of September 16	892,358	902,766	903,099
Week of September 23	898,667	907,311	897,427
Total	32,507,934	31,508,394	32,239,824

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Sept. 23, 1944. During the period 53 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED SEPT. 23

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Eastern District—					
Ann Arbor	277	209	284	1,343	1,526
Bangor & Aroostook	1,704	1,217	894	275	186
Boston & Maine	6,799	7,033	6,318	14,971	15,179
Chicago, Indianapolis & Louisville	1,322	1,317	1,467	2,020	2,223
Central Indiana	15	28	38	39	40
Central Vermont	1,135	1,089	1,047	2,607	2,648
Delaware & Hudson	5,698	6,452	6,609	12,629	11,591
Delaware, Lackawanna & Western	8,509	7,754	7,603	10,780	11,008
Detroit & Mackinac	308	237	479	153	127
Detroit, Toledo & Ironton	1,835	2,018	1,676	1,281	1,169
Detroit & Toledo Shore Line	302	347	283	2,684	2,445
Erie	13,808	13,796	13,434	18,197	19,740
Grand Trunk Western	3,762	3,972	4,522	7,610	7,065
Lehigh & Hudson River	122	225	158	2,838	2,748
Lehigh & New England	2,080	2,089	2,285	1,548	1,826
Lehigh Valley	8,571	8,974	8,837	12,813	13,780
Maine Central	2,348	2,352	2,320	3,640	3,003
Monongahela	6,030	6,348	6,156	287	486
Montour	2,674	2,380	2,425	20	119
New York Central Lines	51,937	56,112	49,713	54,564	56,194
N. Y., N. H. & Hartford	9,325	10,074	9,090	18,961	20,317
New York, Ontario & Western	1,147	1,378	1,100	3,100	2,452
New York, Chicago & St. Louis	7,060	7,219	8,096	14,642	15,736
N. Y., Susquehanna & Western	492	660	365	2,024	2,485
Pittsburgh & Lake Erie	7,767	8,082	7,915	9,366	8,141
Pere Marquette	5,332	5,495	5,526	7,557	7,170
Pittsburgh & Shawmut	877	1,027	850	28	14
Pittsburgh, Shawmut & North	301	400	346	267	277
Pittsburgh & West Virginia	1,207	1,147	1,067	2,725	2,918
Rutland	413	386	424	1,180	1,180
Wabash	6,067	6,356	6,129	12,553	12,784
Wheeling & Lake Erie	6,632	6,080	5,560	4,274	4,523
Total	165,856	172,313	163,016	226,976	231,100
Allegheny District—					
Akron, Canton & Youngstown	740	754	752	1,324	1,212
Baltimore & Ohio	47,059	46,375	42,275	27,390	29,057
Bessemer & Lake Erie	6,315	6,980	6,862	1,780	2,162
Buffalo Creek & Gauley	319	327	295	9	4
Cambria & Indiana	1,704	1,785	1,915	3	9
Central R. R. of New Jersey	6,872	7,555	7,614	19,417	21,109
Cornwall	529	643	674	70	72
Cumberland & Pennsylvania	193	223	235	10	11
Ligonier Valley	124	154	161	23	39
Long Island	1,547	1,817	1,215	3,472	4,223
Penn.-Reading Seashore Lines	1,793	1,922	1,933	2,517	2,730
Pennsylvania System	89,057	87,337	82,968	63,983	68,506
Reading Co.	15,830	15,380	15,093	27,835	28,774
Union (Pittsburgh)	18,767	21,497	20,326	6,683	8,296
Western Maryland	4,234	4,294	4,288	12,988	11,687
Total	195,083	197,043	186,606	167,504	177,891
Pocahontas District—					
Chesapeake & Ohio	29,025	29,034	28,247	13,631	14,558
Norfolk & Western	20,796	22,303	23,375	9,019	7,198
Virginian	3,815	4,707	4,790	2,475	2,584
Total	53,636	56,044	56,412	25,125	24,340

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
Southern District—					
Alabama, Tennessee & Northern	368	245	351	368	381
Atl. & W. P.—W. R. R. of Ala.	813	653	681	2,607	2,601
Atlanta, Birmingham & Coast	784	623	712	1,226	1,012
Atlantic Coast Line	11,243	10,697	11,268	9,799	9,425
Central of Georgia	3,486	3,766	4,800	4,476	4,519
Charleston & Western Carolina	413	324	393	1,636	1,336
Clinchfield	1,669	1,629	1,757	3,010	2,532
Columbus & Greenville	323	379	530	366	182
Durham & Southern	126	119	131	706	328
Florida East Coast	728	1,331	763	1,517	1,570
Gainesville Midland	48	30	40	111	107
Georgia	1,187	931	1,398	2,873	2,858
Georgia & Florida	474	365	321	600	507
Gulf, Mobile & Ohio	4,680	4,104	4,581	4,277	3,989
Illinois Central System	31,893	29,240	32,017	17,449	17,111
Louisville & Nashville	25,651	25,006	26,519	12,212	11,768
Macon, Dublin & Savannah	181	218	197	692	759
Mississippi Central	408	284	222	632	494
Nashville, Chattanooga & St. L.	3,422	3,557	3,884	5,039	4,911
Norfolk Southern	1,039	1,010	1,373	1,779	1,784
Piedmont Northern	418	340	321	1,232	1,209
Richmond, Fred. & Potomac	390	413	424	9,381	9,972
Seaboard Air Line	8,912	8,825	10,202	8,604	7,667
Southern System	23,967	21,256	23,703	23,371	23,533
Tennessee Central	596	520	538	918	938
Winston-Salem Southbound	121	138	119	989	984
Total	123,340	116,003	127,245	115,870	112,467

Northwestern District—					
Chicago & North Western	20,886	22,474	20,509	14,974	15,868
Chicago Great Western	2,542	2,851	2,843	3,406	3,438
Chicago, Milw., St. P. & Pac.	22,476	24,394	21,349	10,946	11,743
Chicago, St. Paul, Minn. & Omaha	3,755	4,497	4,037	4,016	4,686
Duluth, Missabe & Iron Range	25,947	29,659	28,415	230	423
Duluth, South Shore & Atlantic	1,242	1,449	1,214	615	562
Elgin, Joliet & Eastern	8,806	8,750	9,977	10,254	10,307
Ft. Dodge, Des Moines & South	435	455	540	95	95
Great Northern	26,928	27,924	26,673	6,107	5,887
Green Bay & Western	552	616	497	964	1,032
Lake Superior & Ishpeming	2,177	2,930	2,109	68	55
Minneapolis & St. Louis	2,242	2,709	2,141	2,858	2,394
Minn., St. Paul & S. S. M.	7,449	8,381	8,649	3,066	2,962
Northern Pacific	13,278	12,603	14,383	6,203	5,278
Spokane International	146	234	267	602	548
Spokane, Portland & Seattle	2,624	2,842	2,809	3,712	3,469
Total	141,485	152,768	146,412	68,116	68,747

Central Western District—					
Atch., Top. & Santa Fe System	25,794	24,347	25,626	15,119	14,542
Alton	3,644	3,365	3,149	4,709	4,185
Bingham & Garfield	419	524	650	91	100
Chicago, Burlington & Quincy	20,824	21,203	21,138	13,540	13,404
Chicago & Illinois Midland	3,087	3,038	2,466	897	984
Chicago, Rock Island & Pacific	13,288	13,494	13,666	13,407	12,243
Chicago & Eastern Illinois	2,966	2,719	2,852	5,410	5,506
Colorado & Southern	878	971	1,089	3,060	2,199
Denver & Rio Grande Western	5,804	4,656	4,783	7,464	8,016
Denver & Salt Lake	980	711	986	24	10
Fort Worth & Denver City	949	1,294	1,515	2,401	1,388
Illinois Terminal	2,094	1,845	1,903	1,972	2,326
Missouri-Illinois	1,428	1,265	1,267	665	437
Nevada Northern	1,554	2,184	2,273	117	116
North Western Pacific	1,194	1,200	1,147	793	723
Peoria & Pekin Union	5	6	11	0	0
Southern Pacific (Pacific)	35,092	33,428	34,037	14,613	14,403
Toledo, Peoria & Western	236	310	398	2,005	2,090
Union Pacific System	20,044	18,592	17,315	19,878	18,210
Utah	526	601	660	3	6
Western Pacific	2,425	2,456	2,674	5,378	4,740
Total	143,171	138,210	139,605	111,545	105,633

Southwestern District—					
Burlington-Rock Island	897	215	796	487	174
Gulf Coast Lines	5,299	5,461	4,981	2,373	2,623
International-Great Northern	2,519	3,020	2,954	3,397	3,612
Kansas, Oklahoma & Gulf	318	711	388	1,115	1,023
Kansas City Southern	5,512	5,762	5,425	3,077	2,727
Louisiana & Arkansas	3,962	2,826	3,873	2,697	2,340
Litchfield & Madison	294	353	296	1,375	1,547
Midland Valley	798	820	799	513	266
Missouri & Arkansas	171	159	245	537	499
Missouri-Kansas-Texas Lines	6,224	6,523	6,016	5,104	

Items About Banks, Trust Companies

(Continued from page 1508)

amounted to \$125,419,601, against \$150,971,485; holdings of United States Government securities are now \$441,338,768, against \$455,606,903, and loans and discounts are shown as \$182,729,676, against \$188,349,955. Capital and surplus were unchanged at \$15,000,000 and \$30,000,000, respectively, and undivided profits are now \$7,769,783, against \$7,138,293 at the end of June.

The New York Trust Company announced on Oct. 2 the appointment of Fletcher E. Nyce as Assistant Treasurer. Mr. Nyce, a graduate of Yale, 1930, A.B. Degree, has been employed by the War Production Board, Washington, D. C. since early 1942, prior to which he was associated with Scudder, Stevens & Clark, New York.

The statement of condition of the United States Trust Company of New York, on Sept. 30, 1944, shows total resources of \$150,641,757 and deposits of \$117,898,614, compared with \$165,651,192 and \$132,933,760, respectively, on June 30, 1944. Cash in banks Sept. 30 amounts to \$18,893,859, against \$23,239,074; holdings of United States Government obligations, \$87,428,164, compared with \$92,882,931, and loans and bills purchased \$25,054,856 against \$28,550,683. The bank's capital stock and surplus are unchanged at \$2,000,000 and \$26,000,000, while undivided profits are now \$2,442,207, compared with \$2,419,660 on June 30.

The Continental Bank & Trust Co. of New York reported as of Sept. 30, 1944, total deposits of \$144,032,853 and total assets of \$154,989,096 compared respectively with \$157,157,449 and \$168,431,308 on June 30. Cash on hand and due from banks now amount to \$33,786,247, against \$27,948,382; holdings of U. S. Government obligations to \$56,569,796, against \$77,717,110; loans and discounts to \$45,138,642, against \$51,626,931. Capital and surplus were unchanged at \$4,000,000 each. Undivided profits are now \$1,665,893, against \$1,508,651.

Statement of condition of Sterling National Bank & Trust Co. of New York at Sept. 30, 1944, shows an all-time high in resources and deposits of \$104,121,074 and \$97,748,265 as compared with \$98,230,012 and \$92,046,946, respectively, as of June 30, 1944. Of the September total deposits of \$97,748,265, U. S. Government deposits totaled \$9,452,924, as compared with \$13,320,307, shown on June 30, last; commercial and other deposits reached an all-time high of \$88,295,340, as compared with \$78,726,639. Capital, surplus and undivided profits totaled \$4,807,372 as against \$4,791,299 on June 30. Cash and due from banks amounted to \$26,184,782 on Sept. 30, 1944, against \$21,980,165 on June 30; U. S. Government securities were \$46,674,365, as compared with \$47,720,375; State, municipal and corporate securities amounted to \$1,646,474, compared with \$1,594,458; loans and discounts reached an all-time high of \$28,535,269, against \$26,047,844 on June 30. Stock in Federal Reserve Bank remained the same, namely, \$135,000. Reserves increased to \$772,232, as compared with \$725,142 on June 30, 1944.

J. Henry Schroder Banking Corp. of New York reports total resources of \$51,365,706 on Sept. 30, 1944, against \$54,870,638 on June 30. Cash on hand and due from banks was \$5,909,731 against \$7,302,459. U. S. Government securities were \$30,324,830 against \$33,825,806; customers' liability on acceptances \$6,561,891 compared with \$4,662,713 in June. Surplus and undivided profits were \$2,646,404 against \$2,641,227 in the previous quarter; amount due to

customers was \$34,927,729 against \$40,532,380. Acceptances outstanding were \$7,254,690 against \$5,189,515.

Schroder Trust Co. reported Sept. 30 resources of \$36,191,803, compared with \$41,900,968 on June 30; cash and due from banks \$5,258,236 against \$5,469,852; U. S. Government securities \$27,009,703 against \$32,538,158; loans and discounts \$3,134,593 against \$3,100,123. Surplus and undivided profits were \$2,049,664 against \$2,044,903. Deposits were \$32,350,540 against \$38,133,336.

The signing by the Bankers Trust Co. of New York of an agreement with the United Office and Professional Workers of America, C. I. O. Local 1, covering 130 messengers, guards, floor-men and watchmen, was made known on Sept. 26. The agreement, it is stated, establishes a weekly salary minimum of \$30, with increases to \$33 after six months' employment, to \$38 after one year and \$40 after two years. The New York "Journal of Commerce" reports that the collective bargaining contract is subject to War Labor Board approval. Employees of the bank voted 75 to 48 to have the union act as their bargaining agent.

Statement of condition of Clinton Trust Co. of New York as of Sept. 30, 1944, shows total assets of \$19,482,569, a slight decrease from the figure of \$19,740,642 on June 30, 1944. This compares with total assets of \$16,752,509 on Sept. 30, 1943. Surplus and undivided profits on Sept. 30, 1944, totaled \$505,000 compared with \$482,475 on June 30 and \$462,969 a year ago. Deposits totaled \$18,232,170 on Sept. 30, 1944, compared with \$18,607,541 on June 30 of this year, and \$15,539,475 on Sept. 30, 1943. Loans and discounts of \$2,958,299 were reported as of Sept. 30, 1944, compared with \$3,269,845 on June 30, 1944, and \$3,149,632 on Sept. 30, 1943. U. S. Government and municipal bonds totaled \$9,860,767. The corresponding figure at the end of the last quarter was \$9,302,268 and a year ago \$7,590,865. Cash on hand and due from banks amounted to \$4,179,435 compared with \$4,631,677 on June 30, 1944, and with \$3,518,996 a year ago. Capital stock of the bank is now \$700,000 compared with \$600,000 on June 30, 1944.

Herbert Lebau Griggs, former President and former Chairman of the Board of the Bank of New York and Trust Company, died on Sept. 19 at Whitefield, N. H. He was 89 years old.

In the New York "Times" it was noted that Mr. Griggs had the distinction of heading the oldest bank in New York from 1901, as President, until its merger with the New York Life and Trust Co. in 1922, when he became Chairman of the Board of Trustees of the combined business, known after that as the Bank of New York and Trust Company. The bank reverted to its original name, Bank of New York, in 1938. Mr. Griggs had retired in 1925.

The financial institution headed by Mr. Griggs for a quarter of a century was established in 1784.

Statement of condition of Corn Exchange Bank Trust Company of New York as of the close of business Sept. 30, 1944 shows total assets of \$666,739,528 as compared with \$659,896,456 on June 30, 1944. The bank reports deposit and other liabilities of \$628,900,159 and capital, surplus and undivided profits of \$37,839,368, compared with deposit and other liabilities of \$622,347,105 and capital, surplus and undivided profits of \$37,549,351 on June 30, 1944. Cash in vaults and due from banks amounted to \$148,548,511, as com-

pared with \$155,288,634 on June 30, 1944; holdings of U. S. Government securities increased to \$450,497,322 compared with \$434,184,224; holdings of other securities are reported as \$15,514,008 as against \$13,438,613; while loans and discounts total \$31,546,175 as compared with \$35,878,536 for June 30, 1944.

Brown Brothers Harriman & Co., private bankers, report deposits and total assets as of September 30, 1944, at a record high. Deposits on that date totaled \$156,310,176, compared with \$148,448,365 three months ago, and \$141,108,047 a year ago. Total assets on September 30 amounted to \$176,766,919, compared with \$169,940,171 on June 30, 1944, and \$160,431,089 on September 30, 1943. Capital and surplus of \$13,585,802 compare with \$13,566,234 three months ago, and \$13,506,217 a year ago. Loans and advances were \$41,555,915 against \$42,150,908 on June 30, 1944, and \$30,335,078 on September 30, 1943. Other important asset items compared as follows, with figures for three months and a year ago: Cash, \$33,073,616 against \$33,869,085 and \$34,071,167; United States Government securities \$62,990,324 against \$53,889,513 and \$61,347,146.

The Bank for Savings of New York has announced the awards made by the judges in its 125th birthday celebration. For the best letters on "Why I Opened My Savings Account," Series E War Bonds with maturity values listed below were given:

First prize, \$500—Mr. Wilfred Webster, Editorial Dept., American Book Co.; 2nd prize, \$250—Lt. Harold P. Meehan, U. S. Army overseas; 3rd prize, \$125—Miss Meme Yee, student.

For the best letters on "What My Savings Account Has Done For Me" the following awards in Series E War Bonds were given:

First prize, \$500—Mr. Harold Kopp, Cost Accountant; 2nd prize, \$250—Mr. Robert L. Bergstresser, Actuary with Metropolitan Life Insurance Co.; 3rd prize, \$125—Mr. Mortimer J. Davis, Assistant Secretary, New York Credit Men's Assn.

A total of 600 prizes were awarded in the two contests, ranging from the above amounts down to \$5.00 War Savings Stamps.

Included among the winners were a number of local men now in service. In celebrating its 125th anniversary The Bank for Savings wished to focus attention on thrift and to give its depositors a means of participating in its birthday celebration through the contest. Several thousand letters were received. In general they reflected a sensible attitude toward post-war spending and a sound appreciation of the value of cash in the bank.

The Public National Bank and Trust Co. of New York reported as of Sept. 30, 1944, total deposits of \$365,253,006 and total assets of \$390,655,205, compared, respectively, with \$358,937,591 and \$383,866,956 on June 30. Cash on hand and due from banks on Sept. 30 amounted to \$69,047,575, against \$69,939,163; holdings of United States Government securities to \$221,802,726 against \$208,057,120, and loans and discounts to \$86,234,154, against \$93,696,074. Capital and surplus are unchanged at \$7,000,000 and \$9,000,000 respectively, but undivided profits Sept. 30 were \$4,195,941 after allowing for \$150,000 dividend payable Oct. 2, 1944, against \$3,881,305 at the end of June.

The Commercial National Bank & Trust Co. of New York reported as of Sept. 30, 1944, total deposits of \$220,909,472.89 and total assets of \$244,146,490.38 compared respectively with \$267,411,618.13 and \$290,490,882.99 on June 30, 1944. The bank at the latest date held cash on hand and due from banks

of \$46,238,640.63 compared with \$50,440,608.22 on June 30, 1944; investments in United States Government securities of \$145,983,579.52 compared with \$184,336,533.54 on June 30, 1944. Loans and Discounts of \$46,206,423.24 compared with \$51,724,201.11 on June 30, 1944. Capital and surplus are unchanged at \$7,000,000 and \$9,000,000 respectively, and undivided profits were \$1,900,414.92 against \$1,628,392.11 on June 30, 1944, after payment of the regular dividend. Net earnings per share for the quarter were \$1.18 and for the nine months of this year \$3.25.

The statement of condition of the Brooklyn Trust Company, of Brooklyn, N. Y., issued Sept. 30, shows an increase of \$100,000 in surplus since the last previous statement was issued on June 30, 1944, surplus being \$5,000,000 against \$4,900,000. The new statement showed undivided profits of \$1,465,143 against \$1,463,156.

Deposits at the latest date are \$208,135,227, comparing with \$219,137,078 on June 30 last, and total resources are now \$224,498,336 against \$235,373,496. Holdings of United States Government securities are reported as \$139,664,785 against \$139,414,054, while total loans and bills purchased are \$27,829,264 against \$32,481,513. Holdings of State and municipal bonds stand at \$6,341,524 against \$5,510,416, and other securities are \$3,149,128 against \$2,129,323.

At a regular quarterly meeting of the Beverly Savings Bank of Beverly, Mass., on Sept. 27, Thomas H. Bott, Jr., was elected Treasurer succeeding the late Arthur K. Story. Mr. Bott has been in the employ of this bank for over 23 years and had served as Assistant Treasurer since 1922.

The statement of The Philadelphia National Bank of Philadelphia, Pa., for the quarter ended Sept. 30, 1944, shows deposits on that date of \$696,726,583, consisting of \$91,146,397 of U. S. Treasury deposits and \$605,580,186 representing all other deposits. This compares with deposits of \$735,905,519—\$159,230,382 U. S. Treasury deposits and \$576,675,137 covering all other deposits—reported on June 30, 1944. Total resources amounted to \$755,416,199, compared with \$794,030,392 at the end of June; cash and due from banks aggregated \$168,560,186, against \$174,323,874; U. S. Government securities, \$454,780,178, compared with \$478,944,728; State, county and municipal securities were \$11,002,843, against \$15,144,656; other securities \$28,803,066, compared with \$33,780,083, and loans and discounts were \$87,973,300, compared with \$86,758,159. The capital of the bank on Sept. 30, 1944, was unchanged at \$14,000,000 as was surplus at \$28,000,000. Undivided profits are shown as \$9,421,464 and compare with \$8,893,002 on June 30.

The Second National Bank of Philadelphia, Pa., announces completion of the sale to the public of 50,000 new shares of common stock, \$10 par value, at \$14 per share. The entire issue of preferred stock amounting to \$650,000 held by the Reconstruction Finance Corp. has been retired. As a result of this new financing, the capital has been increased to \$1,000,000, and surplus and undivided profits amount to \$410,021. Robert L. Hilles, President, on reporting the condition of the bank as of Sept. 30, 1944, pointed to total assets of \$16,874,021, including cash and Government securities amounting to \$14,363,865, and loans and discounts totaling \$1,716,346. Real estate other than bank building and furniture and fixtures is carried at \$2. Total deposits on Sept. 30 amounted to \$15,429,436.

The retirement of \$750,000 par value of preferred stock of the

Land Title & Trust Co., Philadelphia, Pa., on Sept. 24 brings the total of this stock retired since June 30, 1940, to \$4,025,000.

In announcing this, Percy C. Madeira, Jr., President of the bank, said that this additional retirement was made possible by continued substantial liquidation of bank's real estate and mortgages, and further gains in its normal deposits and loans and discounts.

The Bank of Commerce and Savings of Washington, D. C., announced on Sept. 28 the following promotions, according to S. Oliver Goodman in the Washington "Post":

"Ernest R. Wilson elevated from Auditor to Comptroller; George E. Cole, William T. Bobb and Frederick C. Loops were elected Assistant Cashiers; Robert E. Kendrick promoted from assistant Auditor to Auditor."

The same advices state: "Previously, directors reelected the following officers: M. D. Rosenberg, Chairman of the Board; Thomas J. Groom, President; Joseph Sanders and Francis E. Robey, Vice Presidents; Thomas J. Norris, Cashier; John E. Monk and George L. C. Scheirer, Assistant Vice Presidents. All directors were reelected at the stockholders meeting. Mr. Robey, Mr. Harris, Mr. Monk and Mr. Scheirer were named to their present posts earlier this month."

James E. Caldwell, prominent in banking and investment circles in Memphis, Tenn., died on Sept. 26. He was 90 years of age. In Nashville advices to the Memphis "Commercial Appeal" it was stated that although he retired from active business in 1930, Mr. Caldwell had maintained an interest in the private banking business of James E. Caldwell & Co. in Nashville, and up until his illness, spent several hours daily at the business.

From the same advices we quote:

"One of his early business ventures was the establishment of the first steam-powered street railway in Nashville, which was later merged with the street car system of the capital city. In 1914, he organized the Nashville Union Stock Yards.

"Prior to that time he had been named to the presidency of the Fourth National Bank of Nashville which later merged with the First National Bank here to become the largest banking institution in the city, and which owned controlling stock in two Memphis banks. He retired from active banking business in 1930 when the Fourth and First National Bank merged with the American National Bank here."

Alden Anderson, prominent California banker, and one-time Lieutenant-Governor of California, died on Sept. 23.

From the Los Angeles "Times" of Sept. 24 we quote:

"He had long been interested in banking and acquired such knowledge of finance that he was appointed Superintendent of Banks by Governor Gillette on July 1, 1909.

"His list of executive positions in California financing houses is long. He was President of the Capital Bank, Director of the California National Bank, both of Sacramento; Director of the Sacramento Hotel Company; Chairman of the Board of Directors of the California Western States Life Insurance Company, and President of the Central California Traction Company in the early 1900s.

"He was Vice President and Assistant Manager of the Anglo and London-Paris National Bank from 1908 until he accepted his appointment as Superintendent of Banks in 1909.

"Mr. Anderson was 76 years old, and at the time of his death was President of the Capital National Bank of Sacramento, Calif.