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## The Financial Situation

Certain of the sentences of Mr. Dewey's address of last Saturday evening are being interpreted as a charge that the final goals of the New Deal and of the Communists are one and the same. This, of course, is a serious allegation deserving the most careful examination, an accusation which if found to be supported by creditable evidence should be quite sufficient to place the present Administration definitely beyond the support of any reasonable and patriotic American citizen.

Here is the passage which is being so interpreted:

In his speech of Thursday night my opponent softly denies that he welcomes "the support of any person or group committed to communism or fascism."

Now, that is news. But doesn't this soft disclaimer come a trifle late? Only last week in Madison Square Garden Earl Browder, the head of the Communist party in America, proclaimed to 15,000 cheering adherents that the election of my opponent was essential to his aims. This is the same Earl Browder, now such a patriot, who was convicted as a draft dodger in the last war, convicted again as a perjurer and pardoned by Franklin Roosevelt in time to organize the campaign for his fourth term. The soft disclaimer does come a little late.

Now, why is my opponent's election so essential to the aims of the Communists? The answer is right in the record of this Administration. The aims of the New Dealers were stated on May 23, 1939, by Adolf Berle in a carefully written memorandum submitted to the Temporary National Economic Committee, an official agency set up to decide upon our future for us. There he said: "Over a period of years the Government will gradually come to own most of the productive plants in the United States."

Now, who is this Adolf Berle? He is one of the original brain trusters and today he holds the office of Assistant Secretary of State.

What does he mean by the Government owning "most of" (Continued on page 1612)

## Dewey Terms FDR's Disavowal Of Communistic Aid Trifle Late

In Address At Charleston, W. Va. Republican Candidate Accuses Democratic Administration Of Aiming At A System Of Government Which Would Tell Each Of Us Where We Could Work, At What, And For How Much. Charges There Was Bungling In Conversion To War Production.

Thomas E. Dewey, Republican candidate for President, in an address delivered at Charleston, W. Va., on Oct. 8, assailed again the support given by the communists to President Roosevelt, and at the same time denied the President's charge that the Republicans "worked to restrict the use of the ballot in this election."



Thomas E. Dewey

America will win an overwhelming victory here in November.

That victory at the polls will mean an end to a very, very tired Administration in Washington. It will mean the beginning of a new, a competent and an honest government in Washington.

That victory at the polls will also serve to speed the defeat of Germany and Japan because it will bring an end to bungling, fumbling and incompetence in Washington.

I have already made it clear that a change of administration will mean no change in the military leadership of the war.

It should be equally clear that with a change of administration the work of international organization for peace will proceed with only increased competence and zeal. I have taken unprecedented steps to put that work upon a non-partisan basis. I intend to see that it remains a non-partisan effort with the help of the ablest Americans of both parties in command.

Beyond victory, what kind of a (Continued on page 1615)

## President Disclaims Communistic Support

Charges Republicans With Use Of Fear Propaganda Commonly Employed By Rabble Rousers And Fomenters Of Class Hatred. Says We Must Unite With Allies In World Organization To Maintain Peace By Use Of Force If Necessary. Favors Elimination In Peacetime Of Wartime Controls And Corrects Misstatement Regarding Distribution Of Document By Republicans.

Answering charges that his Administration is plotting "to sell our Democracy out to the Communists," President Roosevelt on Oct. 6 in an address to Democratic committee workers, broadcast from Washington, asserted that "I have never sought and I do not welcome the support of any person or group committed to Communism, or Fascism or any other foreign ideology which would undermine the American system of government or the American system of free competitive enterprise and private property."



President Roosevelt

At the same time the President stated that "that does not in the least interfere with the firm and friendly relationship which this nation has, in this war, and will, I hope, continue to have with the Soviet Union." He added, "the kind of economy that suits the Russian people is their own affair. The American people are glad and proud to be allied with the gallant people of Russia, not only in winning this war, but in laying the foundations for the world peace which will follow the war—and in keeping that peace."

In his address the President also took exception to references by his opponents that the Administration is ill prepared for demobilization. He stated that "when our enemies are finally defeated, we all want to see an end at the earliest practicable moment to wartime restrictions and wartime controls." He likewise said "the American people do not need, and no national administration would

dare to ask them, to tolerate any indefinite continuance in peacetime of the controls essential in wartime."

The urgency of the registering and voting of all eligible citizens, particularly women, was dealt with by the President, who said that "the continuing health and vigor of our democratic system depends on the public spirit and devotion of its citizens which find expression in the ballot box."

Two statements in the President's speech have since brought criticism, and in one case the White House on Oct. 6 issued an explanation of what is termed an inadvertence by the President in delivering part of his address over the radio. According to C. P. Trussell in special advices from Washington Oct. 6 to the New York "Times" the statement read as follows:

"The following paragraph appears in the President's speech of last night as released to the press and as set forth in his reading copy:

"I have just been looking at a statement by Representative Anderson, Chairman of the House Committee on Campaign Expenditures, about a document recently sent free, through the mails, by one Senator and twelve Representatives—all of them Republicans. They evidently thought highly of this document, for they had more than 3,000,000 copies printed by the Government Printing Office—requiring more than 18 tons of scarce and expensive paper—and sent them through the mails all over the country at the taxpayers' expense."

"The President in reading the speech read the second sentence inadvertently as follows, interpolating in error the word 'free.'"

"They evidently thought highly of this document, for they had more than 3,000,000 copies printed free by the Government Printing Office—requiring more than 18 tons of scarce paper—and sent them through the mails all over the country at the taxpayers' expense."

"This was an inadvertence, because the actual paper and printing were paid for by some one, but the mailing of more than 3,000,000 documents was free, under (Continued on page 1614)

## From Washington Ahead Of The News

By CARLISLE BARGERON

When we see Mr. Roosevelt, or rather when we hear him, renouncing Communist support, we wonder if he knows what is happening in the world, and there are many indications that he really doesn't, notwithstanding that he is supposed to be a man with a tremendous cognizance of world affairs. It is a fact that Communism is not being practiced anywhere in the world. Communism

is a purer democracy than any people in the world have ever known. The original philosophy of it was that everyone would be so beautiful and decent that there would not have to be any government.

In modern practice it has been a dictatorship, not the slightest difference between it and Fascism, which is to say, there is no difference between Moscow and Berlin except the weather.

Now we are being told that if we "don't get along with Russia" there's bound to be another war soon, in 15 or 20 years or something like that. We can't imagine anything more beautiful than



Carlisle Bargeron

"getting along with Russia." And, as is usually the case, we have our business men going over to meet Stalin and saying that really the thing we must do is to get along with Russia. We hear these business men saying that we are silly to think that Russia is Communist. It has swung, they say, towards Capitalism. It is a plain fact, and nothing that our visiting capitalists to Moscow should be startled about—something that has long been known to newspapermen who have visited Russia, that the Russian government today is quite "capitalistic" to the extent that it deals in dollars and cents. It might have been different had Lenin lived, but the story of Russia, as it has turned out, is that after the revolutionists killed off all opposition and are now taking the places of the grand dukes in the cafes and at the ballets, they would prefer to be just bosses, just political bosses. They are not the slightest different from Hitler and his gang.

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\*These items appeared in our issue of Oct. 9, on pages indicated.

## A Common Delusion

I introduced the first public works measures, not in place of jobs in private industry, but in place of the inhuman dole. I introduced the Social Security Act, but not as a substitute for real jobs and real wages. Old age insurance was intended to make jobs in private industry for the young and strong by retiring the old. Unemployment insurance was intended to maintain purchasing power and thus check the spread of unemployment.

"To create jobs, I also introduced laws to encourage private investment in housing, extend loans to small business, strengthen our banking system and expand our trade.

"Many industries need Government fact-finding and research in planning post-war jobs. We are charting a huge expansion in air transport, to bring airplane travel to every community, and double the route mileage of American airplanes abroad. We are assisting in plans for an expanded merchant marine, an improved system of railroad transport and a great increase in radio and television.

"We are getting ready for a large export program, aided by international monetary stabilization and lower trade barriers. This will mean additional jobs for American workers and additional profits for American farmers and business men."—Senator Robert F. Wagner.

The worst of it is that so many seem to suppose that private enterprise is promoted by such means as these!

## Who Will Control The U.S.?

Roger W. Babson Does Not Fear Labor

BABSON PARK, MASS.—I may be making a mistake in my statistics. Of course, at best it is only an estimate. The figures, however, which I have collected indicate that five or ten years hence the majority of U. S. families will be receiving a pension check from the Federal Government. Furthermore, within 20 years the majority of the voters of this country may be receiving pensions. In this



Roger W. Babson

compilation I, of course, include those receiving something from the Civil War, the Spanish War and World War I as well as those who will have been in World War II. What About Labor? The general feeling is that the labor unions will control our Democracy. Businessmen

and investors are especially fearful of the power of labor. This does not worry me for two reasons,—first, because the history of the labor movement in England shows that after labor gets everything organized it has nothing to fight for without cutting its own throat. Therefore, labor then no longer becomes a front page news item, while the labor leaders find they can make more money at some other line of work.

The second reason why I am not worried about the power of labor is because, in the last analysis, labor is a commodity whether we like to admit it or not. My friend Sidney Hillman will not agree with me on this point; but he is wrong. Labor today is powerful because labor is scarce; but later, when the supply of labor exceeds the demand, labor's power will be nil. The membership of the unions will then again drop off; while the income of the labor leaders will then tumble as did the profits of Wall Street brokers in 1929. Labor's influence is now at its peak for this cycle. Its honeymoon is about over.

### Veterans vs Labor

Present indications are that the World War II veterans will not

be very friendly to labor after their return. They, who have been risking their lives in foreign lands at a small pittance and living under the hardest imaginable conditions, naturally will not feel friendly to those who have been remaining at home with all the home comforts and the highest wages in history. If labor has sense enough to keep out of politics and quit asking for any favors after the boys return, very well. If, however, labor continues a postwar struggle for higher wages, more power and other benefits, there is bound to be trouble.

The above should mean that the returning veterans may be a conservative influence. The veterans' bloc may unite with the conservative bloc and keep the ship of state off the rocks. Is so, the money which businessmen and investors, through taxes, will pay for the pensions may be good insurance. Hence, although taxes will continue high in the postwar era due to the tremendous pension bill, army and navy appropriations, etc., yet these may be good investments. In this world, it is really not a question of what we spend, but what we have left.

### Communism Scare

Business, commodity prices and the stock market will have a Communism scare some day. From my knowledge of Russia and England, it would not be surprising if real friction should develop. Neither country is in this War for its health. Both want a portion of the swag and perhaps the same portion. Then the United States may be called upon to take sides. This future situation might easily become the culmination of the present bull movement.

Businessmen and investors will then get panicky and run for cover, but I believe there will be nothing for us to fear. Although Russia may then have the army to take what she wishes in land, she

## Social Security Plan Approved By U. S. Chamber Of Commerce

The Chamber of Commerce of the United States wrote into its general policies on Oct. 2 a broad, 21-point social security program. President Eric A. Johnston announced that the organization's members, voting in a referendum, just closed, had approved, with one possible exception, all of the basic principles advocated by a special Social Security Committee headed by Marion B. Folsom, Rochester, N. Y. "Now, for the first time, the Chamber can have a definite program on this important and controversial subject," Mr. Johnston said. "The referendum shows that chambers of commerce and trade associations across the land, representing hundreds of thousands of business men, believe in adequate social security. They want it modernized and expanded."

General Manager Ralph Bradford of the Chamber made public a tabulation of votes in the referendum. The largest majorities were recorded on five general policy statements. The first of those statements said that "however desirable and necessary a social security program may be, it is no substitute for productive employment and, therefore, every effort should be made by business and other groups to encourage high levels of production and steady employment."

Propositions submitted to the Chamber's membership must be approved by a two-thirds vote, to make them a part of the organization's policy. Some of the closest votes in this referendum were recorded on the question of extending old-age and survivor's insurance to new groups.

The tabulation, which is subject to final check, showed that the members would extend such insurance to employees of non-profit organizations, to Federal, State and local government employees, to agricultural employees, and to "other employees not now covered." There remained a doubt, however, of the result of the vote on the specific question of including domestic servants.

## N. Y. Reserve Bank To Elect Two Directors

The Federal Reserve Bank of New York announces that an election will be held under the provisions of Section 4 of the Federal Reserve Act, as amended, to choose successors to William J. Field, President of the Commercial Trust Co. of New Jersey, Jersey City, Class A Director of the bank, whose term will expire Dec. 31, 1944, and Frederick E. Williamson, formerly President of the New York Central Railroad Co., who, for reasons of health, resigned as a Class B Director of the Reserve Bank, effective Aug. 17, 1944. Mr. Williamson's term would have expired Dec. 31, 1944. Both directors were elected by member banks in Group 2 and their successors will be chosen by this group. The member banks in Groups 1 and 3 do not elect directors this year and will not participate in this election. Banks in Group 2 consist of those with capital and surplus of more than \$300,000 and less than \$10,000,000. Nominations are asked by the Reserve Bank on or before Oct. 28; the polls will close Nov. 17.

will want loans also. Great Britain and America will continue to hold the purse strings. Our returning service men will not only be a bulwark against unfair labor demands, but they will also stand for free enterprise, not Communism. They should be a stabilizing influence on legitimate business and investments, favoring the good features of co-operation; but suppressing all unfair practices,

## The State Of Trade

The railroads, confronted with a situation where increases of more than 25% in the level of wages and prices have taken place, without benefit of any upward adjustment in freight rates since the war began, have expressed a fear that such a situation will endanger the possibilities of post-war improvement to plant and equipment, better service and sustained employment.

The reopening of the case by the Interstate Commerce Commission for further consideration, in its order of Sept. 21, has afforded the carriers an opportunity to seek the rate increases formerly authorized, but which have been under suspension since May, 1943. The roads seek to obtain these increases and make them effective as of Jan. 1, 1945, so as to enable them to cope with a very substantial deferred maintenance that is constantly growing larger because of the war. In this connection, the roads have pointed out the necessity of undertaking other improvements essential to the maintenance of adequate services after the war.

Since 1940, operating costs of the carriers have increased more than \$1,100,000,000 as a result of wage and price advances. Railway labor unit costs in the same period rose approximately 27%, while prices of materials and supplies necessary to operation increased by about 29%. Setting forth their case in a reply filed with the Commission, the railroads observed that "it is only because of the unprecedented increase in the volume of the traffic that has come to them during the war that the railroads have been able to show relatively favorable operating results in spite of these large operating costs, and with no increase in their own charges since 1938, except the increases in freight rates and charges here-in authorized from March 18, 1942, to May 15, 1943, and since under suspension, and the small increase in passenger fares authorized by the Commission herein."

It is the railroads' contention that with a recession in traffic volume from its present abnormal level to a pre-war state, they will find themselves in most serious financial difficulties. Since the suspension in freight rate increases, the carriers have experienced a decrease each month in their net railway operating income as compared with the corresponding month of the preceding year. The same was true of net income, with decreases in many months, well in excess of 30%.

A substantial decline in the volume of their traffic is envisioned by the carriers with the termination of the European war. Following the reconversion period of from 18 to 24 months, the roads anticipate an increase in traffic, but to a level considerably below the 1944 volume.

Setting forth their position when a reduction in traffic volume ensues, the railroads held: "A decrease of 20% in their present level of traffic, with no change in the present level of rates, fares and charges and of wages, prices and other elements of operating cost, would result in an annual net income of about \$350,000,000. With a level of traffic 30% below that for 1944, which would still be considerably more than petitioners had in 1929, their net income would be about \$100,000,000, and many of the railroads would be in a critical financial condition. With traffic as much as 40% below 1944, there would be a substantial deficit in net income for the railroads as a whole."

The carriers feel that they should not be forced to wait until the inevitable happens before being permitted to avail themselves in full of the slight increases in freight rates and charges formerly granted and now under suspension. The roads also feel that they should and are anxious to be in a position to help in guarding against large scale unemployment.

The assurance of adequate freight rates and charges, they believe, will enable them to assume their share of the task toward its solution in the post-war period.

**Steel Industry**—"The past week's trend in volume of steel orders was decidedly mixed," states the "Iron Age," in its current report on the steel trade. "In Pittsburgh and Philadelphia shipments were ahead of new business. This has enabled producers there to slightly reduce backlogs. Contrary to those conditions, Chicago and Detroit indicate a high volume of fresh business." The overall movement in the steel market, however, appears to be slowly downward with a falling off in demand for ingot and semi-finished steel reflected in mill order books at some locations. In districts where an abundance of business for flat rolled products prevailed, the decline in total orders has not been so marked, the magazine observed.

Indications this week pointed to the fourth quarter of this year probably exhibiting more normal tendencies than at any time since the war began. It is felt that this year more than any time since before Pearl Harbor steel producers and consumers alike will, consistent with adequate supplying of war needs, reduce their inventories to the minimum. Actual steel output this year, as a result, may not be much ahead of 1943 production. Steel production for the first eight months of this year will be hardly more than 1,000,000 tons ahead of the same period in 1943 should estimates made earlier hold.

Current indications point to adjustments being made in rolling directives allowing some continuous mills which have been producing plates to shift to sheets in a larger measure. The object sought is to prevent sheet backlogs which have been mounting from getting too far ahead of plates deliverywise. A slight drop in November and December Maritime Commission requirements have contributed to this readjustment, reports the "Iron Age."

The future for locomotive and freight car prospects were heartening this week. Requirements for 1,360 locomotives for rehabilitation, in which the French Provisional Government was reported to be interested, the reported French freight car program of 74,500 cars; possible requirements for Russia, India and South America may be sufficiently substantial to swell the grand total to 115,000 cars, the magazine notes. These requirements, however, are still in the tentative stage and inquiries are not expected for some time.

Stressing the labor supply and its part in reconversion, implement makers have told their suppliers of material that there is little likelihood of a further increase in their production schedules until the middle of next year, unless the present labor shortage abates. This is significant, observes the "Iron Age," because the implement industry has had virtually all production and material restrictions removed by WPB.

The scrap market sagged again the past week with price declines in major grades occurring at Pittsburgh, Chicago, Youngstown, Birmingham, Boston and Cincinnati. Consumers were conspicuous by their absence from the market, and the tendency to live off inventories continued.

The American Iron and Steel Institute announced last Monday that the operating rate of steel

(Continued on page 1618)

# Full Text Of Dumbarton Oaks Tentative Proposals To Maintain World Peace

The tentative proposals for an International Security Organization, evolved from the Dumbarton Oaks conferences, were made public on Oct. 9, along with statements by President Roosevelt, Secretary Hull and Edward R. Stettinius, Chairman of the United States delegation.

Brought under way on Aug. 21 at Dumbarton Oaks (a Georgetown, Washington, estate) and concluded on Oct. 7, the delegates to the conference—representing the United States, Great Britain, Russia and China—have proposed that there be established an international organization, under the title of The United Nations, the purpose of which would be to maintain international peace and security, and "to achieve international cooperation in the solution of international economic, social and other humanitarian problems."

With respect to the machinery embodied in bringing into existence the proposed body, Associated Press advices from Washington Oct. 7, reported by the New York "Sun," indicated this as follows:

1. A general international organization to be known as "The United Nations." Each of the agencies proposed would be part of this organization.

2. General Assembly. All members of the organization would belong to the Assembly, each having one vote. The Assembly would debate broad problems of peace and security, control of armaments, and the like. It could admit or expel members and make recommendations for action to the Security Council by two-thirds vote. It would meet at least once a year.

3. Security Council. The United States, Britain, Russia and China "and, in due course, France," would compose permanently five of the 11 members. The Assembly would elect the other six for two-year terms. By a system of voting, still undecided, the Council would have power to order the use of force, economic measures, political isolation or any other steps considered necessary to put down an aggressor State. First, however, it would try peaceful means such as negotiation and arbitration. It could recommend to the Assembly the suspension or expulsion of any member nation found violating the principles of peace and security.

4. An International Court of Justice. Details of this still are to be worked out; it could be a continuation of the "Permanent Court of International Justice" still in existence at The Hague, Holland.

5. Economic and Social Council. It would consist of 18 member nations, none permanent, holding three-year terms. Its purpose would be to promote international economic stability and humanitarian activities designed to remove the causes of war. Linked with it would be such already established organizations as the International Labor Office, founded by the old League of Nations.

From the same advices we quote:

"The chief unsolved problem is how the Council should vote on questions of aggression. Russia contended that the Big Powers should retain the right to veto any decisions involving charges against them. The United States and Great Britain argued against any such veto. As a matter of high policy, the issue may have to go to a meeting of Premier Stalin, President Roosevelt, Prime Minister Churchill and Generalissimo Chiang Kai-shek.

"Such a meeting in the near future is regarded by competent authorities as a possibility even though Russia still is not at war with Japan. They say that in the interest of perfecting a world peace design Stalin may be willing for the first time to participate in talks with Chiang as well

as with Messrs. Roosevelt and Churchill.

"The only thing officially announced on this point, however, is that the four governments have agreed that after further study of these proposals they will as soon as possible take the necessary steps with a view to the preparation of complete proposals which could then serve as a basis for discussion at a full United Nations Conference."

The Dumbarton Oaks conferences consisted of two phases, the first participated in by representatives of the United States, British and Russian Governments, concluded on Sept. 28 (referred to in our Oct. 5 issue, page 1511), and the second phase, participated in by delegates representing the United States, Great Britain and China, which was begun on Sept. 29 and concluded on Oct. 7. An early reference to the conferences appeared in our issue of Aug. 17, page 687, and in our issue of June 22, page 2609, an item appeared regarding the plans of President Roosevelt for such a conference. We give herewith in full the tentative proposals, as announced at Washington and given in Associated Press accounts:

## Prefatory Note

*The State Department's prefatory note and the statement of tentative proposals for an international security organization:*

The government of the United States has now received the report of its delegation to the conversations held in Washington between Aug. 21-Oct. 7, 1944, with the delegations of the United Kingdom, the Union of Soviet Socialist Republics and the Republic of China on the subject of an international organization for the maintenance of peace and security.

There is annexed hereto a statement of tentative proposals indicating in detail the wide range of subjects on which agreement has been reached at the conversations.

The governments which were represented in the discussions in Washington have agreed that after further study of these proposals they will as soon as possible take the necessary steps with a view to the preparation of complete proposals which could then serve as a basis of discussion at a full United Nations conference.

## Proposals For the Establishment of a General International Organization

There should be established an international organization under the title of The United Nations; the charter of which should contain provisions necessary to give effect to the proposals which follow.

### CHAPTER I

#### Purposes

The purposes of the organization should be:

1. To maintain international peace and security; and to that end to take effective collective measures for the prevention and removal of threats to the peace and the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means adjustment or settlement of international disputes which may lead to a breach of the peace;

2. To develop friendly relations among nations and to take other appropriate measures to strengthen universal peace;

3. To achieve international cooperation in the solution of inter-

national economic, social and other humanitarian problems; and

4. To afford a center for harmonizing the actions of nations in the achievement of these common ends.

### CHAPTER II

#### Principles

In pursuit of the purposes mentioned in Chapter I, the organization and its members should act in accordance with the following principles:

1. The organization is based on the principle of the sovereign equality of all peace-loving states.

2. All members of the organization undertake, in order to insure to all of them the rights and benefits resulting from membership in the organization, to fulfill the obligations assumed by them in accordance with the charter.

3. All members of the organization shall settle their disputes by peaceful means in such a manner that international peace and security are not endangered.

4. All members of the organization shall refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the organization.

5. All members of the organization shall give every assistance to the organization in any action undertaken by it in accordance with the provisions of the charter.

6. All members of the organization shall refrain from giving assistance to any state against which preventive or enforcement action is being undertaken by the organization.

The organization should insure that states not members of the organization act in accordance with these principles so far as may be necessary for the maintenance of international peace and security.

### CHAPTER III

#### Membership

Membership of the organization should be open to all peace-loving states.

### CHAPTER IV

#### Principal Organs

1. The organization should have as its principal organs:

- A General Assembly;
- A Security Council;
- An International Court of Justice, and
- A Secretariat.

2. The organization should have such subsidiary agencies as may be found necessary.

### CHAPTER V

#### The General Assembly

##### Section A Composition

All members of the organization should be members of the General Assembly and should have a number of representatives to be specified in the charter.

##### Section B Functions and Powers

1. The General Assembly should have the right to consider the general principles of cooperation in the maintenance of international peace and security, including the principles governing disarmament and the regulation of armaments; to discuss any questions relating to the maintenance of international peace and security brought before it by any member or members of the organization or by the Security Council; and to make recommendation with regard to any such principles or questions. Any such questions on which action is necessary should be referred to the Security Council by the General Assembly either before or after discussion. The General Assembly should on its own initiative make recommendations on any matter relating to the maintenance of international peace and

security which is being dealt with by the Security Council.

2. The General Assembly should be empowered to admit new members to the organization upon recommendation of the Security Council.

3. The General Assembly should, upon recommendation of the Security Council, be empowered to suspend from the exercise of any rights or privileges of membership any member of the organization against which preventive or enforcement action shall have been taken by the Security Council. The exercise of the rights and privileges thus suspended may be restored by decision of the Security Council. The General Assembly should be empowered, upon recommendation of the Security Council, to expel from the organization any member of the organization which persistently violates the principles contained in the charter.

4. The General Assembly should elect the non-permanent members of the Security Council and the members of the Economic and Social Council provided for in Chapter IX. It should be empowered to elect, upon recommendation of the Security Council, the Secretary-General of the organization. It should perform such functions in relation to the election of the judges of the International Court of Justice as may be conferred upon it by the statute of the Court.

5. The General Assembly should apportion the expenses among the members of the organization and should be empowered to approve the budgets of the organization.

6. The General Assembly should initiate studies and make recommendations for the purpose of promoting international cooperation in political, economic and social fields and of adjusting situations likely to impair the general welfare.

7. The General Assembly should make recommendations for the coordination of the policies of international economic, social and other specialized agencies brought into relation with the organization in accordance with agreements between such agencies and the organization.

8. The General Assembly should receive and consider annual and special reports from the Security Council and reports from other bodies of the organization.

##### Section C Voting

1. Each member of the organization should have one vote in the General Assembly.

2. Important decisions of the General Assembly, including recommendations with respect to the maintenance of international peace and security; election of members of the Security Council; election of members of the Economic and Social Council; admission of members, suspension of the exercise of the rights and privileges of members; and expulsion of members; and budgetary questions should be made by a two-thirds majority of those present and voting. On other questions, including the determination of additional categories of questions to be decided by a two-thirds majority, the decisions of the General Assembly should be made by a simple majority vote.

##### Section D Procedure

1. The General Assembly should meet in regular annual sessions and in such special sessions as occasion may require.

2. The General Assembly should adopt its own rules of procedure and elect its President for each session.

3. The General Assembly should

be empowered to set up such bodies and agencies as it may deem necessary for the performance of its functions.

### CHAPTER VI

#### The Security Council

##### Section A Composition

The Security Council should consist of one representative of each of 11 members of the organization. Representatives of the United States of America, the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics, the Republic of China, and, in due course, France, should have permanent seats. The General Assembly should elect six States to fill the non-permanent seats. These six States should be elected for a term of two years, three retiring each year. They should not be immediately eligible for re-election. In the first election of the non-permanent members three should be chosen by the General Assembly for one-year terms and three for two-year terms.

##### Section B Principal Functions and Powers

1. In order to insure prompt and effective action by the organization, members of the organization should by the charter confer on the Security Council primary responsibility for the maintenance of international peace and security and should agree that in carrying out these duties under this responsibility it should act on their behalf.

2. In discharging these duties the Security Council should act in accordance with the purposes and principles of the organization.

3. The specific powers conferred on the Security Council in order to carry out these duties are laid down in Chapter VIII.

4. All members of the organization should obligate themselves to accept the decisions of the Security Council and to carry them out in accordance with the provisions of the charter.

5. In order to promote the establishment and maintenance of international peace and security with the least diversion of the world's human and economic resources for armaments, the Security Council, with the assistance of the Military Staff Committee referred to in Chapter VIII, Section B, paragraph 9, should have the responsibility for formulating plans for the establishment of a system of regulation of armaments for submission to the members of the organization.

##### Section C Voting

(Note—The question of voting procedure in the Security Council is still under consideration.)

##### Section D Procedure

1. The Security Council should be so organized as to be able to function continuously, and each State member of the Security Council should be permanently represented at the headquarters of the organization. It may hold meetings at such other places as in its judgment may best facilitate its work. There should be periodic meetings at which each State member of the Security Council could if it so desired be represented by a member of the government or some other special representative.

2. The Security Council should be empowered to set up such bodies or agencies as it may deem necessary for the performance of its functions, including regional subcommittees of the Military Staff Committee.

(Continued on page 1616)

## The Financial Situation

(Continued from first page)

the productive plants in the United States." That means, of course, a system where Government would tell each of us where we could work, at what, and for how much.

Now, I do not know whether my opponent calls that system communism or national socialism, or fascism. He can take it any way he likes it. It's his program, not mine. But I do know it is not an American system and it's not a free system.

Let's just see how far we have traveled down that New Deal road. A report just released by a Congressional committee headed by a Democratic United States Senator shows there are 55 Government corporations and credit agencies with net assets of \$27 billions. The Federal Government now owns or operates one-fifth of the manufacturing plants in the country.

Little by little, the New Deal is developing its own form of corporate State.

It is not altogether clear whether Mr. Dewey means to charge that the President, or those who shape New Deal policies and programs, are knowingly and deliberately moving toward the so-called corporate State, communism, or some other form of totalitarianism. As a matter of fact, it would be difficult for any one to know precisely what the motley crew of reformers, political "lame ducks," and day-dreamers have in mind as their ultimate goal. Indeed, it would be rather surprising if anything approaching unanimity of thought or purpose existed among them. Adolph Berle, whom Mr. Dewey quotes, is one of the members of the New Deal coterie who delights in talking profoundly of matters he knows nothing about and in making statements which are likely to shock more sensible men. The degree in which he "speaks for" any of the others or reflects their views is undeterminable.

It is well enough known, of course, that there are a good many smooth young men in Washington who seem to be strongly of the opinion that whatever was (before they came upon the scene) is ipso facto wrong. Without doubt, a substantial number of them would like nothing better than to develop State socialism or its equivalent in this country as rapidly as they feel it feasible to do so. President Roosevelt himself is above all a practical politician and, as such, much too shrewd to commit himself to any program which openly avows such ends as these.

### Aims vs. Consequences

But the avowed or conscious ends and aims of the Administration are of less importance than the inevitable consequences of the policies and programs it has evolved. The fact of the matter is that a continuation of the programs it has already given effect to—to say nothing of others it is now pro-

posing—must in the end inevitably lead to totalitarianism, whatever may be the intention of their advocates. In certain instances, of course, as, for example, among the so-called natural monopolies where competition is out of the question, it is necessary for the State to intervene in one degree or another, and such intervention, if this it may be termed, in no way prevents or limits—or should prevent or limit—the full play of laissez-faire in other departments of economic life. "Planned economy," government control, government competition and extensive government participation in the economic processes of the nation generally as the New Dealers advocate and practice, however, simply can not indefinitely co-exist with the type of free enterprise that has formed the foundation of this nation.

Private enterprise as we have known it, and as we believe the American people wish to continue to know it, can not exist indefinitely, to say nothing of thriving, in a State which interferes unduly with private affairs, competes with its nationals, undertakes to manage the economic life of the nation, tries to play Santa Claus to politically powerful elements in the population, or does the dozen other things that the New Deal has been engaged in for the past decade or more and insists must continue and even be expanded in the post-war years.

### Progressive Deterioration

Now the processes of production and distribution of goods and services must continue. Otherwise, the people starve and freeze, to say nothing of the lack of the million and one comforts and conveniences to which the American people have become accustomed through the years of laissez-faire economics. If private enterprise is unable to perform these functions under the conditions imposed by the New Deal, then either the conditions must be altered or government itself must more and more step in to take the place of private business—and each step taken renders the position of private enterprise that much more untenable and hence makes the next step in the process of socialization more certain. This, of course, is a process which inheres in the very nature of economics and the natural behavior of man. It operates quite irrespective of the intentions of puny officials and others who devise programs and policies. The man in the street would do well to bear this fact in mind when he hears the politicians

## Roosevelt Terms Recently Signed Reconversion And Surplus Property Disposal Bills Inadequate

### Deplores Omission Of Provisions For Transportation Of War Workers And Uniform Unemployment Benefits In Transition Period. Doubts Effectiveness Of Surplus Property Legislation.

Since we were unable to make room in our issue of a week ago to the statements by President Roosevelt made with the signing of the War Mobilization and Reconversion bill and the measure providing for the disposal of the Government's surplus war property, we are giving these statements further below. The fact that the President had signed the bills (made known on Oct. 3) was indicated in our Oct. 5 issue, page 1504, but as noted therein the President called attention to what he regarded as certain deficiencies in both, expressing the hope that they would be rectified by Congress.

In signing the bill providing a program for War Mobilization and Reconversion, the President said: "I have signed S. 2051, a bill 'to amend the Social Security Act, as amended, to provide a National Program for War Mobilization and Reconversion, and for other purposes.'"

I have signed the bill because it is important as this bill provides, that the Office of War Mobilization should be promptly expanded and given clear statutory powers to direct and supervise the tremendous task of reconversion in all of its numerous and related phases.

Last October, at my suggestion, Justice Byrnes set up a unit in the Office of War Mobilization to deal with war and post-war adjustment problems. The work of this unit was placed in charge of Mr. Bernard Baruch. In February of this year Mr. Baruch and his associate, Mr. Hancock, made a report recommending that the coordinating powers of the Office of War Mobilization be extended to cover activities relating to reconversion and that separate units be established in that office to deal with the problems of contract

—and some others—talk glibly about what the Government must do in the event that private business fails to measure up to standards set for it. The truth of the matter may well be that the very things that government is already doing, and the fact that it has more than half a mind to do other things, render it impossible for business to accomplish what is desired. All this, it may be taken for granted, the Communist leaders know well enough. The New Deal managers may or may not understand it, but they find it easy enough to join forces with the Communists in many spheres of action.

Mr. Dewey is plainly on strong ground when he brings his charge against the Administration. But what of Mr. Dewey's own programs? Apart from administrative features, and probably a more friendly attitude toward successful business, there appears to be all too little to choose between his and those of the New Deal. Certain it is—with the deepest regret be it said—that much of the Republican program would lead as inevitably to totalitarianism as that of the New Deal.

settlement, war surplus property disposition and retraining and reemployment.

Shortly thereafter, by executive orders, I set up separate units in the Office of War Mobilization to deal with these problems so far as was practicable under existing law until legislation clarifying the powers of these units and defining the basic policies to be pursued by them could be enacted by the Congress.

Last June the Congress passed legislation establishing the Office of Contract Settlement with adequate powers to supervise and expedite the settlement of war contracts.

Just before its recent adjournment the Congress passed H. R. 5125, setting up a Surplus Property Disposal Board and defining its powers, and S. 2051, the bill now before me, which expands the Office of War Mobilization into an Office of War Mobilization and Reconversion and places within it the office of Contract Settlement, the Surplus War Property Administration, and the Retraining and Reemployment Administration.

So far as the bill goes, it is quite satisfactory. It applies the lessons which we have learned during the war as to the need of continuing coordination of related activities to the problems of reconversion to peace. It does not and cannot, of course, eliminate the problems and difficulties of reconversion, but it goes far to expedite and facilitate their solution.

But I feel it my duty to draw attention to the fact that the bill does not adequately deal with the human side of reconversion. When I signed the G. I. Bill on June 22, last, I expressed the hope that "the Congress will also take prompt action, when it reconvenes, on necessary legislation which is now pending to facilitate the development of unified programs for the demobilization of civilian war workers, for their reemployment in peacetime pursuits, and for provision, in cooperation with the States, of appropriate unemployment benefits during the transition from war to peace." The bill is not adequate to obtain these ends.

Provisions, which were in the bill as it passed the Senate, to provide transportation for war workers from the place of their employment to their bona fide residence or to the location of new employment arranged by the workers were omitted in conference. So also were the provisions, in the bill as it passed the Senate, insuring appropriate unemployment compensation to Federal workers.

Moreover, the bill fails to prescribe minimum standards to govern the amount and duration of unemployment benefits which should be paid by the States to all workers unavoidably out of a job during the period of transition from war to peace.

We have rightly committed ourselves to a fair and generous treatment of our G. I. men and women. We have rightly committed ourselves to a prompt and generous policy of contract settlement to aid industry to return to peacetime work. We have rightly committed ourselves to support farm prices at a fair level during the period of reconversion.

## Chicago Reserve Bank To Name Directors

Machinery for the election of two directors of the Federal Reserve Bank of Chicago was set in motion on Oct. 2 when Simeon E. Leland, Chairman of the Board of the bank, sent nomination forms to the member banks. The term of Frank D. Williams, President of the First Capital National Bank of Iowa City, Iowa, and Nicholas H. Noyes, Vice-President and Treasurer of Eli Lilly & Co., Indianapolis, Ind., expires Dec. 31. Mr. Williams is a Class A Director, and Mr. Noyes is a Class B Director. Class A directors must be engaged in banking, while Class B directors must be actively engaged in commerce, agriculture or some other industrial pursuit. Both classes of directors are nominated and elected by the member banks. Nominations will be open until Oct. 23. The banks vote by size group; Group 1 consists of banks with capital and surplus in excess of \$999,000; Group 2 includes banks having capital and surplus of \$200,000 to \$999,000, inclusive; Group 3 is made up of banks having capital and surplus of less than \$200,000. Banks in Group 1 do not elect a director this year. Each bank in Group 2 is permitted to nominate a candidate for Class B Director, and each bank in Group 3 may nominate a candidate for Class A Director. The election will be held during the first 16 days in November, and the new directors will take office on Jan. 1, next.

We should be no less fair in our treatment of our war workers.

I am glad to know what the Chairman of the House Ways and Means Committee has announced that his Committee will give consideration to further amendments of the Social Security Act after recess and I hope that the deficiencies which I have pointed out in the bill before me will be promptly rectified.

The President's statement on the surplus property bill follows:

On Feb. 21, 1943, I signed an executive order setting up the Surplus War Property Administration to direct and expedite the orderly disposition of surplus war property so far as as possible under existing law, pending action by the Congress.

H. R. 5125, the Surplus Property Disposal Act of 1944, which is before me for signature, places the general disposition of surplus war property under a board of three and provides in considerable detail the methods to be pursued by the board.

It is with considerable reluctance that I have decided to sign this bill. While I am in full accord with the declared objectives of the bill, which are to aid reconversion from a war to a peace economy and to facilitate the orderly disposal of surplus property, I have considerable doubt whether many provisions of the bill will not make extremely difficult the accomplishment of its objectives. There is danger that the confused methods of disposition and the elaborate restrictions imposed by the bill will in many instances delay rather than expedite reconversion and reemployment. Our surplus property should speedily be placed into channels of disposition which should provide the most jobs and the greatest good for the greatest number.

But we must be in a position to get on with the organization of our plans for the disposition of surplus war property. I have, therefore, concluded that it would be best to let the bill become law in the hope that, after the Surplus Property Board provided for in the bill has had some experience in operating under it, the Congress will give careful consideration to needed changes which may be suggested by the Board.

# Details Of Sixth War Loan Revealed By Morgenthau—Goal \$14,000,000,000

The terms of the securities to be sold in the Sixth War Loan which will start on Nov. 20 and will run through Dec. 16, were announced on Oct. 6 by Secretary of the Treasury Morgenthau, Jr. The goal will be \$14,000,000,000, of which \$5,000,000,000 is to come from sales to individuals and \$9,000,000,000 to other non-bank investors. "Since Jan. 1, 1944," the Secretary said, "the direct costs of the war have exceeded \$69,000,000,000. The critical phases of the war are still ahead of us, and for that reason we cannot expect any material decline in expenditures during the next several months. The \$14,000,000,000 is, therefore, urgently needed."

Mr. Morgenthau pointed out that the major emphasis throughout the entire period of the drive will be placed on the quota of \$5,000,000,000 for individuals. According to the announcement the securities, which will be sold under the direction of the State War Finance Committees, are Series E, F and G Savings Bonds, Series C Savings Notes, 2 1/2% Bonds of 1966-71, 2% Bonds of 1952-54, 1 1/4% Notes of 1947 and 7/8% Certificates of Indebtedness.

From the Treasury Department's announcement we quote: "During the period from Nov. 20 to Dec. 1, only sales to individuals will be reported by the Treasury, although subscriptions will be received from all non-banking investors during the entire period of the drive. The campaign to sell to individuals will be supplemented starting Dec. 1 with an intensive campaign to sell all other non-banking investors."

"The Secretary said that subscriptions for Savings Bonds and Savings Notes processed through the Federal Reserve Banks between Nov. 1 and Dec. 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 goal and the securities to be offered were determined by the Treasury after consultation with a group of chairmen of the State War Finance Committees, officials of the Federal Reserve System, a Committee of the American Bankers Association, and other investment authorities."

"The securities, which will be sold under the direction of the State War Finance Committees, are as follows: Series E, F and G Savings Bonds, Series C Savings Notes, 2 1/2% Bonds of 1966-71, 2% Bonds of 1952-54, 1 1/4% Notes of 1947 and 7/8% Certificates of Indebtedness."

"The 2 1/2% Bonds to be offered in the drive will be dated Dec. 1, 1944, due March 15, 1971; callable March 15, 1966. The bonds will be issued in coupon or registered form at the option of the buyers, in denominations from \$500 to \$1,000,000."

"The 2% Bonds will be dated Dec. 1, 1944, due Dec. 15, 1954, callable Dec. 15, 1952, and will be issued in coupon or registered form at the option of the buyers, in denominations of \$500 to \$1,000,000."

"The 1 1/4% Notes will be dated Dec. 1, 1944, due Sept. 15, 1947, and will be issued in denominations of \$1,000 to \$1,000,000 and in coupon form only."

"The 7/8% Certificates of Indebtedness will be dated Dec. 1, 1944, due Dec. 1, 1945, and will be issued in denominations of \$1,000 to \$1,000,000 and in coupon form only."

"The Treasury will request that there be no trading in the marketable securities and no purchases of such securities other than on direct subscription until after the closing of the drive."

"The procedure for handling subscriptions of dealers and brokers will be similar to that pre-

scribed in the Fifth War Loan Drive.

"To avoid unnecessary transfers of funds from one locality to another, the Treasury again urges that all subscriptions by corporations and firms be entered and paid for through the banking institutions where funds are located. This request is made to prevent disturbance to the money market and the banking situation. The Treasury will undertake, as in the Fifth War Loan Drive, to see that statistical credit is given to any locality for such subscriptions as the purchaser may request; except that subscriptions from insurance companies will be credited to the State of the home office as in the past."

"In order to help in achieving its objective of selling as many securities as possible outside of the banking system, the Treasury requests the cooperation of all banking institutions in declining to make speculative loans for the purchase of Government securities. The Treasury is in favor of the banks making loans to facilitate permanent investment in Government securities provided such loans are made in accord with the joint statement issued by the National and State Bank Supervisory Authorities on Nov. 23, 1942. [Below] However, the Treasury requests the banks not to make loans for the purpose of acquiring the drive securities later for their own account."

"Concurrently with the drive, but not as a part of it, the holders of the Certificates maturing Dec. 1, 1944 will be offered on or about Nov. 20th a 0.90% Treasury Note dated Dec. 1, 1944 and maturing Jan. 1, 1946, in exchange for such Certificates. Also the commercial bank holders of the 4% Treasury Bonds of 1944-54 called for redemption on Dec. 15, 1944 will be offered on or about Nov. 20 the 1 1/4% Note and the 2% Bond offered in the drive, in exchange for such bonds; all other holders will be offered the 1 1/4% Note, the 2% Bond and the 2 1/2% Bond. The exchanges for the 4% bonds will be made as of Dec. 15, 1944 in available denominations, and accrued interest will be charged from Dec. 1 to Dec. 15 on the new securities."

"Commercial banks, which are defined for the purpose as banks accepting demand deposits, will not be permitted to own the 2 1/2% Bonds offered in the drive until Dec. 1, 1954, nor to own the 2% Bonds (other than those acquired in exchange for the called 4% Bonds) until Dec. 18, 1944, except for a limited investment of time deposits in these issues under a formula to be prescribed in the official offering circulars."

The statement of the national and State Supervisory Authorities, referred to above, follows:

"The Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Executive Committee of the National Association of Supervisors of State Banks make the following statement of their examination and supervisory policy with special reference to investments in and loans upon Government securities."

"1. There will be no deterrents in examination or supervisory policy to investments by banks in Government securities of all types, except those securities made specifically ineligible for bank investment by the terms of their issue."

"2. In connection with Government financing, individual subscribers relying upon anticipated

# FDR Urges Govt. Finance Rural School Needs

At a White House Conference on Rural Education, President Roosevelt in addressing the gathering on Oct. 4 noted that within one school year after Pearl Harbor several thousand rural schools had been closed because teachers could not be found for them, and he observed that "nearly 800 schools face this coming school year without a teacher."

The chief problem of rural education, according to the President, "is the problem of dollars and cents." "I believe," he said, "that the Federal Government should render financial aid where it is needed—and only where it is needed—in communities where farming does not pay... where industries have moved away, where transport facilities are inadequate or where electricity is unavailable for power and light."

"Such Government financial aid," the President stated, "should never involve Government interference with State and local administration and control. It must be purely and simply provide the guarantee that this country is great enough to give to all its children the right to a free education."

The meeting was the first White House Conference on Rural Education ever to be held, it was reported in Washington advices to the New York "Times" by Benjamin Fine, who stated that the Oct. 4 session was opened by Mrs. Roosevelt. The "Times" account also stated:

"A recommendation that the Federal Government, through post-war public works programs, provide new buildings and equipment for the 12,100,000 children attending rural schools was made by Dr. Howard A. Dawson, director of rural service in the National Education Association and Co-Chairman of the meeting."

The address of President Roosevelt to the Conference, as given in Associated Press advices, follows: "There are many things which we have learned in this war. Among the most important are those which we have learned through our Selective Service System about the health and education of the youth of our nation. We have found that among those examined for selective service 4 1/2% can be classed as illiterate, and that 40% of all registrants for selective service have not gone beyond an elementary school education."

That is why this Conference on Rural Education assumes such great importance in our planning for the future. For, while we plan for the welfare of our returning veterans first, and for the continued prosperity of our war workers, we must also lay plans for the peacetime establishment of our educational system on a better basis than we have ever known before."

Those should be the goals of this Conference on Rural Education."

Rural teaching, country teaching, the teaching given in the small schools at the farm cross-roads and in the little villages and towns has played a greater part in American history than any other kind of education."

The American form of government was conceived and created

income may wish to augment their subscriptions by temporary borrowings from banks. Such loans will not be subject to criticism but should be on a short term or amortization basis fully repayable within periods not exceeding six months."

"3. Banks will not be criticized for utilizing their idle funds as far as possible in making such investments and loans and availing themselves of the privilege of temporarily borrowing from or selling Treasury bills to the Federal Reserve Banks when necessary to restore their required reserve positions."

by men, most of whom had been taught in country schools.

Country schools prepared Americans for the task of mastering this continent.

Country schools trained a great proportion of the boys who fought the early American wars.

Country schools trained millions of those who are fighting this greatest of American wars today. They will play their tremendous part in the creation of the American future to which the citizens of this country are committed in their hearts and souls.

It is for all of us Americans to see that the building of that future does not lag because the country schools are without the means to carry on their essential work."

The full attendance at this Conference and the agenda which it has before it indicate the special attention which must be given to the problems of the education of that half of our children and youth who live on the farms and in the villages. So far as school opportunities are concerned, these children have always been, and still are, the least privileged in the nation."

We are justifiably proud of the splendid, modern schools in our cities and towns. We cannot be proud of the fact that many of our rural schools, particularly during these years of war, have been sadly neglected."

Within one school year after Pearl Harbor several thousand rural schools had been closed because teachers could not be found for them. One of the leading farm papers recently reported that in one agricultural State of the Midwest nearly a third of the teachers in one-room schools are now persons holding only emergency licenses to teach, and nearly 800 schools face this coming school year without a teacher."

The basic reason for this situation is simple. We all know what it is. It is not patriotism alone that has taken teachers out of the classrooms. Most of them simply cannot afford to teach in rural schools."

The present average salary is less than \$1,000 a year and some salaries go as low as \$300. That is just too small by any decent standard. Only the self-sacrificing devotion of teachers who put their duty to their schools before their consideration of themselves permits the children of many American school districts to get the education to which all Americans are entitled."

Frankly, the chief problem of rural education is the problem of dollars and cents. You and I know that. We know also that in very many cases the problem cannot be solved by increasing the local taxes because the taxable values are just not there."

"I have pointed out before that the gap between educational standards in the richer communities and those in the poorer communities is far greater today than it was 100 years ago."

We must find the means of closing that gap—by raising the standards in the poorer communities."

I believe that the Federal Government should render financial aid where it is needed—in communities where farming does not pay, where land values have depreciated through erosion or through flood or drought, where industries have moved away, where transport facilities are inadequate, or where electricity is unavailable for power and light."

Such Government financial aid should never involve Government interference with State and local

administration and control. It must purely and simply provide the guarantee that this country is great enough to give to all of its children the right to a free education."

Closely related to this whole problem is the question of the health of our young people.

Here again we cannot boast of our part in this war without a feeling of guilt—for about 40% of all men who were examined had to be rejected for military service for physical or mental reasons."

We cannot be satisfied with the state of this nation if a large percentage of our children are not being given the opportunity to achieve good education and good health."

I believe that our educators—those who are close to our children—should consider these two problems together. I believe that from such conferences as this one we may produce constructive plans looking toward substantial improvement in our American standard of living. And that means better production, better clothes, better food, better housing, more recreation, more enjoyment of life. These things do not come from wishful thinking—they come from hard work and realistic thinking by those who are sincerely devoted to the solution of these problems."

We do not pretend that we can reach our goals overnight, but if we seek them day in and day out, we may in our own lives take our rural educational system out of what was called, once upon a time, the horse-and-buggy age."

Your Conference this year has met at a time when the forces of evil have their backs to the wall—at a time when all the civilized world is more than ever determined that such wars can not, will not, happen again."

Nothing can provide a stronger bulwark in this determination in the years to come than an educated, enlightened and tolerant citizenry, equipped with the armed force necessary to stop aggression and warfare."

To you of this Conference, and to all similar groups devoted to the cause of a better America, the nation will look for advice and guidance as, in democratic fashion, it works out its design for the future."

## Results Of Treasury Bill Offering

The Secretary of the Treasury announced on Oct. 9 that the tenders of \$1,300,000,000, or thereabouts, of 90-day Treasury bills to be dated Oct. 13 and to mature Jan. 11, 1945, which were offered on Oct. 6, were opened at the Federal Reserve Banks on Oct. 9.

The details of this issue are as follows:

Total applied for, \$2,196,968,000. Total accepted, \$1,312,571,000 (includes \$58,704,000 entered on a fixed price basis at 99.905 and accepted in full.)

Average price 99.906, equivalent rate of discount approximately 0.376% per annum.

Range of accepted competitive bids:

High, 99.910, equivalent rate of discount approximately 0.360% per annum.

Low, 99.906, equivalent rate of discount approximately 0.376% per annum.

(57% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Oct. 13 in the amount of \$1,203,823,000.

# President Disclaims Communist Support

(Continued from first page)

the franks of the 13 Republican members of the Congress. The cost of mailing far exceeded the cost of printing."

Regarding developments as to further statements in the President's speech, we quote the following from Washington Associated Press dispatches Oct. 6:

President Roosevelt's reference to the Silver Shirts in last night's campaign speech was stressed by defense lawyers in the mass sedition trial today as cause for a mistrial. The passage in which the President said, a fear propaganda used by Mussolini's Black Shirts and by Hitler's Brown Shirts had been used "in this country by the Silver Shirts and others on the lunatic fringe," was referred to Judge Eicher by Ethelbert B. Frey, who said: "It seems this case is a political issue."

Mr. Frey asked that further trial of the case be postponed until after the election, but J. Austin Latimer, another defense lawyer, and Lawrence Dennis, a defendant acting as his own counsel, indicated that they would ask a mistrial in written motions.

The President's address as given in United Press accounts from Washington follows:

My fellow Americans: I am speaking to you tonight from the White House. I am speaking particularly on behalf of those Americans who, regardless of party—I hope you will remember that—very much hope that there will be recorded a large registration and a large vote this fall. I know and many of you do from personal experience how effective precinct workers of all parties throughout the nation can be in assuring a large vote.

We are holding a national election despite all the prophecies of some politicians and a few newspapers who have stated time and again in the past that it was my horrid and sinister purpose to abolish all elections and to deprive the American people of the right to vote.

These same people, caring more for human riches than human rights, try to build up bogies of dictatorship in this Republic, although they know that free elections will always protect our nation against any such possibility.

Nobody will ever deprive the American people of the right to vote except the American people themselves—and the only way they could do that is by not voting at all.

The continuing health and vigor of our democratic system depends on the public spirit and devotion of its citizens which find expression in the ballot box.

Every man and every woman in this nation—regardless of party—who have the right to register and to vote and the opportunity to register and to vote have also the sacred obligation to register and to vote. For the free and secret ballot is the real keystone of our American constitutional system.

The American Government has survived and prospered for more than a century and a half, and it is now at the highest peak of its vitality. This is primarily because when the American people want a change of government—even when they merely want "new faces"—they can raise the old electioneering battle cry of "throw the rascals out!"

It is true that there are many undemocratic defects in voting laws in the various States, almost 48 different kinds of defects, and some of these produce injustices which prevent a full and free expression of public opinion.

The right to vote must be open to our citizens irrespective of race, color or creed—without tax or artificial restriction of any kind—and the sooner we get to that

basis of political equality the better it will be for the country as a whole.

Candidates in every part of the United States are now engaged in running for office.

All of us who are doing it are actuated by a normal desire to win. But, speaking personally, I should be very sorry to be elected President of the United States on a small turnout of voters. And by the same token, if I were to be defeated I should be much happier to be defeated in a large outpouring of voters. Then there could not be any question of doubt in anybody's mind as to which way the masses of the American people wanted this election to go.

The full and free exercise of our sacred right and duty to vote is more important in the long run than the personal hopes or ambitions of any candidate for any office in the land.

The administration which must cope with the difficult problems of winning the war, and of the peace and reconstruction, should be chosen by a clear majority of all the people and not a part of the people.

In the election of 1920—one of the most fateful elections in our history as it proved—only 49% of the potential voters actually voted.

Thus, more than one-half of American voters failed to do their basic duty as citizens.

We can be gratified that in recent years the percentage of potential voters in national elections who actually voted has been steadily going up, but it's a slow process.

In 1940, it was 62½%.

But that still is not nearly good enough.

This year, for many millions of our young men in the armed forces and the merchant marine and similar services, it will be difficult in many cases—and impossible in some cases—to register and vote.

I think the people will be able to fix the responsibility for this state of affairs, for they know that during this past year there were politicians and others who quite openly worked to restrict the use of the ballot in this election, hoping selfishly for a small vote.

It is, therefore, all the more important that we here at home must not be slackers on registration day or on Election Day.

I wish to make a special appeal to the women of the nation to exercise their right to vote. Women have taken an active part in this war in many ways—in uniform, in plants and shipyards, in offices and stores and hospitals, on farms and on railroads and buses—they have become more than ever a very integral part of our national effort.

I know how difficult it is, especially for the many millions of women now employed, to get away to register and vote. Many of them have to manage their households as well as their jobs, and a grateful nation remembers that.

But all women, whether employed directly in war jobs or not—women of all parties and those not enrolled in any party—this year have a double obligation to express by their votes what I know to be their keen interest in the affairs of government—their obligation to themselves as citizens, and their obligation to their fighting husbands, sons and brothers and sweethearts.

It may sound to you repetitious on my part but it is my plain duty to reiterate to you that this war for the preservation of our civilization is not won yet.

In the war our forces and those of our allies are steadily, relentlessly carrying the attack to the enemy.

The Allied armies under General Eisenhower have waged during the last four months one of the most brilliant campaigns in military history—a campaign which has carried us from the beaches of Normandy and southern France into the frontiers of Germany itself.

In the Pacific our naval task forces and our army forces have advanced to attack the Japanese more than 5,000 miles west of Pearl Harbor.

But German and Japanese resistance remains as determined—as fanatical—as ever.

The guns of Hitler's Gestapo are silencing those German officers who have sense enough to know that every day that the fighting continues means that much more ruin and destruction for their beaten country. We shall have to right our way across the Rhine—we may have to fight every inch of the way to Berlin.

But we Americans and our British and Russian and French and Polish allies—in fact, all the massed forces of the United Nations—we will not stop short of our final goal.

Nor will all of our goals have been achieved when the shooting stops. We must be able to present to our returning heroes an America which is stronger and more prosperous and more deeply devoted to the ways of democracy, than ever before.

"The land of opportunity"—that's what our forefathers called this country. By God's grace, it must always be the land of opportunity for the individual citizen—ever broader opportunity.

We have fought our way out of economic crisis—we are fighting our way through the bitterest of all wars—and our fighting men and women—our plain, everyday citizens—have a right to enjoy the fruits of victory.

Of course, all of us who have sons on active service overseas want to have our boys come home—come home at the earliest possible moment consistent with our national safety. And they will come home and be returned to civilian life at the earliest possible moment consistent with our national safety.

The record is clear on this matter and dates back many months.

Bills to provide a national program for demobilization and post-war adjustment were introduced by Senator George and Senator Murray last February.

This legislation, since May 20, 1944, has contained the following provision: "The War and Navy Departments shall not retain persons in the armed forces for the purpose of preventing unemployment or awaiting opportunities for employment."

This provision was approved by the War Department and by this administration.

On June 12 the Director of War Mobilization, Justice Byrnes, made a public statement in behalf of this bill. He said: "Our fighting men are entitled to first consideration in any plan of demobilization. Their orderly release at the earliest possible moment consistent with the effective prosecution of the war has ever been the primary consideration of both the President and the joint chiefs of staff."

On Sept. 6 the War Department issued its plan for speedy demobilization, based upon the wishes of the soldiers themselves.

The George bill has been passed by Congress, signed by me and is now the law.

That law is there for all Americans to read—and you do not need legal training to understand it.

It seems a pity that reckless words, based on unauthoritative sources, should be used to mislead and to weaken the morale of our men on the fighting fronts and the members of their families here at home.

When our enemies are finally defeated we all want to see an end to the earnest practicable mo-

ment to war-time restrictions and war-time controls.

Strict provisions for the ending of these inconveniences have been written into our war-time laws. Those who fear that war-time measures, like price and rent control and rationing, for example, might be continued indefinitely into peace time should examine these laws. They will find that they are all temporary—to expire either at an early fixed date, or at the end of the war, or six months after the war, or sooner if the Congress or the President so determines.

The American people do not need and no national administration would dare to ask them, to tolerate any indefinite continuance in peace time of the controls essential in war time.

The power of the will of the American people expressed through the free ballot is the surest protection against the weakening of our democracy by "regimentation" or by any alien doctrines.

It is a source of regret to all decent Americans that some political propagandists are now dragging red herrings across the trail of this national election.

For example, labor baiters and bigots and some politicians use the term "Communism" loosely, and apply it to every progressive social measure and to the views of every foreign-born citizen with whom they disagree.

They forget that we in the United States are all descended from immigrants (all except the Indians); and there is no better proof of that fact than the heroic names on our casualty lists.

I have just been looking at a statement by Representative Anderson, Chairman of the House Committee on Campaign Expenditures, about a document recently sent free, through the mails, by one Senator and twelve Representatives—all of them Republicans. They evidently thought highly of this document, for they had more than 3,000,000 copies printed free by the Government Printing Office—requiring more than 18 tons of scarce and expensive paper—and sent them through the mails all over the country at the taxpayers' expense.

Now, let us look at this document to see what made it so important to the 13 Republican leaders at this stage of the war when many millions of our men are fighting for freedom.

Well, this document says that the "Red spectre of Communism is stalking our country from east to west, from north to south"—the charge being that the Roosevelt administration is part of a gigantic plot to sell our democracy out to the Communists.

This form of fear propaganda is not new among rabble rousers and fomenters of class hatred—who seek to destroy democracy itself. It was used by Mussolini's Black Shirts and by Hitler's Brown Shirts. It has been used before in this country by the Silver Shirts and others on the lunatic fringe. But the sound and democratic instincts of the American people rebel against its use, particularly by their own Congressmen—and at the taxpayers' expense.

I have never sought and I do not welcome the support of any person or group committed to Communism, or Fascism, or any other foreign ideology which would undermine the American system of government or the American system of free competitive enterprise and private property.

That does not in the least interfere with the firm and friendly relationship which his nation has in this war and will, I hope, continue to have with the Soviet Union. The kind of economy that suits the Russian people is their own affair. The American people are glad and proud to be allied with the gallant people of Russia, not only in winning this war but in laying the foundations for the world peace which will follow

## Officers Of N. Y. Banks Study Farm Credit

More than 300 officers of up-State banks and their city correspondent banks have enrolled for classroom lectures and seminars on farm management at the New York State Bankers Association's fourth annual farm credit school in Syracuse on Monday and Tuesday, Oct. 16 and 17, it is announced by C. George Niebank, President of the Association, who is also President of the Bank of Jamestown, Jamestown, N. Y.

As in the past, the school will be conducted under the sponsorship of the Association's Committee on Agriculture with the cooperation of the New York State College of Agriculture.

The curriculum will deal extensively with banking's role in financing new farm equipment in the post-war period and at least one session will be devoted to the problem of curbing and attempting to regulate the "back-to-the-land" movement now growing up among industrial workers and discharged veterans. Technical and legislative aspects of farm credit, merchandising country bank services, and requirements for the operation of a successful farm business will also come in for classroom discussion.

The farm credit school, first held as an experiment in 1941, has become a regular annual event at the request of hundreds of bankers in the agricultural regions of the State. At the 1944 session, speakers and panel members include Dr. Van B. Hart, Extension Professor in Farm Management, College of Agriculture, Cornell University, Ithaca; Charles Converse, President, New York State Farm Implement Dealers Association, Clifton Springs; J. L. Jones, Assistant Manager, J. I. Case Co., Syracuse; A. G. Brown, Deputy Manager, Director, Agricultural Commission, American Bankers Association, New York City; George J. Sluyter, President, First National Bank, Herkimer, and Chairman of the Association's Committee on Agriculture; H. R. Ekins, foreign correspondent and news analyst, Station WSYR, Syracuse; Burr P. Cleveland, President, First National Bank of Cortland, Cortland; S. M. Vaughan, manager, Farm Loan Service, National Bank of Auburn, Auburn; Nicholas A. Jamba, Assistant Vice-President, National Bank and Trust Co., Norwich; Lester D. Hays, Cashier, First National Bank, Sidney; Charles W. Thomas, Assistant Treasurer, Tompkins County Trust Co., Trumansburg, and Harry Springer, Merchants National Bank & Trust Co., Syracuse.

the war—and in keeping that peace.

We have seen our civilization in deadly peril. We successfully met the challenge, due to the steadfastness of our allies, to the aid we were able to give to our allies, and to the unprecedented outpouring of American manpower, American productivity and American ingenuity—and to the magnificent courage and enterprise of our fighting men and our military leadership.

What is now being won in battle must not be lost by lack of vision, or by lack of faith or by division among ourselves and our allies.

We must and we will continue to be united with our Allies in a powerful world organization which is ready and able to keep the peace—if necessary by force.

To provide that assurance of international security is the policy, the effort and the obligation of this administration.

We owe it to our prosperity; we owe it to our heritage of freedom; we owe it to our God, to devote the rest of our lives and all of our capabilities to the building of a solid durable structure of world peace.

# Dewey Terms FDR's Disavowal Of Communistic Aid Trifle Late

(Continued from first page)

country will our American men and women come home to? This election will decide that question. We have a fateful decision to make. That decision must be made not on vague and irresponsible political discussion which has to be retracted the day after it's made on the radio; it ought to be made on the facts. On Thursday night of this week my opponent repeated his charge that, and I quote him:

"There are politicians," he said, "and others, who quite openly worked to restrict the use of the ballot in this election."

Now, I do not know who Mr. Roosevelt means, because he seems to lack the courage to name names and say what he means. So let's look at the facts.

He sadly complains that not enough people vote. But he pointed with pride to the fact that in 1940 62½% of the eligible voters of this nation went to the polls. Well, in the State of New York not 62½% but 77% of the eligible soldiers and sailors of our State have had ballots mailed to them already.

And despite my opponent's effort to play politics with the soldier vote every evidence indicates that in the nation we will have an even larger percentage of soldier votes than we will of civilians.

Let's have no more of this political pretence on a matter so important to all of us. Now we know where the truth is.

And let me point out that my opponent is relying for his main support upon a solid bloc of votes in States where millions of American citizens are deprived of their right to vote by the poll tax and by intimidation. Not once in 12 years has my opponent lifted a finger to correct this and his platform is cynically silent on the whole subject.

In his speech of Thursday night my opponent softly denies that he welcomes "the support of any person or group committed to Communism or Fascism."

Now, that is news. But doesn't this soft disclaimer come a trifle late? Only last week in Madison Square Garden Earl Browder, the head of the Communist Party in America, proclaimed to 15,000 cheering adherents that the election of my opponent was essential to his aims.

This is the same Earl Browder, now such a patriot, who was convicted as a draft dodger in the last war, convicted again as a perjurer and pardoned by Franklin D. Roosevelt in time to organize the campaign for his fourth term. The soft disclaimer does come a little late.

Now, why is my opponent's election so essential to the aims of the Communists? The answer is right in the record of this Administration.

The aims of the New Dealers were stated on May 23, 1939, by one Adolf Berle in a carefully written memorandum submitted to the Temporary National Economic Committee, an official agency set up to decide upon our future for us. There he said, and I am quoting his words:

"Over a period of years the Government will gradually come to own most of the productive plants in the United States."

Now, who is this Adolf Berle? He is one of the original brain trusters and today he holds the office of Assistant Secretary of State of the United States.

What does he mean by the Government owning "most of the productive plants of the United States"? That means, of course, a system where government would tell each of us where we could work, at what, and for how much.

Now, I do not know whether my opponent calls that system

Communism or National Socialism or Fascism. He can take it any way he likes it. It's his program, not mine. And I do know it's not an American system and it's not a free system.

Just let's see how far we've traveled down that New Deal road. A report just released by a Congressional committee headed by a Democratic United States Senator shows there are 55 government corporations and credit agencies with net assets of 27 billion dollars, that is 27 thousand millions of dollars.

The Federal Government now owns or operates one-fifth of the manufacturing plants of this country.

Little by little the New Deal is developing its own form of corporate State. It becomes clear why the twice-convicted Comrade Browder and his friends are so eager for the election of my opponent.

There's another reason. They love to fish in troubled waters. Their aims can best be served by unemployment and discontent. They remember that the New Deal in all its seven peacetime years never cured unemployment. They remember that in the spring of 1940 we still had 10,000,000 unemployed.

They remember that under the New Deal we had to have a war to get jobs. That's why they want a fourth term and 16 years of the New Deal. That is one of the very good reasons why it's time for a change.

Now just for a minute let's look at the way this tired Administration bungled its way into conversion for war production. Then we'll know how well they can convert for peace and for jobs after the war.

In August of 1939, more than six years after Hitler came to power, Mr. Roosevelt finally created a war resources board under Edward R. Stettinius. It worked for three months and brought in a report, but the report was buried and the board quietly died.

That report is still a secret after five years. Like so many other things, we will never know about it until a new administration opens up the record of these last 12 years.

With heroic Poland conquered, Hitler took Norway and invaded the Lowlands. At last, in response to public pressure, on May 25, 1940, Mr. Roosevelt acted. He created the Office for Emergency Management under Executive Order No. 8,248.

But just four days later he piled on top of this one a seven-man advisory commission. In doing this he was repeating with exact fidelity the most notorious blunder of the first World War. So of course it failed.

Next we were handed the prize monstrosity of all, the Office of Production Management under two different heads, William Knudsen and Sidney Hillman.

It was Sidney Hillman's performance in that job that led the chairman of a Senate investigating committee to say, and I am quoting the Senate record:

"If Mr. Hillman cannot or will not protect the interests of the United States I am in favor of replacing him with someone who can and will."

The Senator who said that is now my opponent's hand-picked running mate, Harry Truman. But, in spite of his unkind remarks, the Democratic National Convention was allowed to nominate Mr. Truman because he was "cleared with Sidney."

Of course that agency also was a failure. It was foredoomed to failure. So Mr. Roosevelt piled on still another one, the Supply Priorities and Allocations Board.

That was on Aug. 29, 1941, and of course that failed too.

It was not until five weeks after Pearl Harbor that Mr. Roosevelt did what should have been done at the beginning. At last, finally, we got War Production Board with a single responsible administrator at the head of it.

But that wasn't the end. By way of coordinating all this confusion, and, as he said, I am quoting his words, "to resolve and determine controversies," my opponent created agency number six, the Office of War Mobilization. That was on May 27, 1943, 18 months after Pearl Harbor.

Still conflicting orders, overlapping responsibilities, backbiting and petty intrigue, handicapped the whole war effort.

So the inevitable happened once again. A little over a month ago, the War Production Board itself fell apart. One official after another resigned in a torrent of recrimination and the head of the Board was given a ticket to China.

Now, during all these months, during these months that the war effort was being hampered by open warfare in Washington, the responsible head of our Government was doing nothing about it. For weeks the daily papers carried stories of the internal dissensions within the Board.

After it finally blew up, Mr. Roosevelt's only comment was that he had, of course, been aware of dissension but he had "hoped it would disappear." Judging by the words of my opponent it has become dreadfully clear that his Administration is too tired even to do the job at hand. It is obviously too tired for the job ahead of this country.

We need a housecleaning in Washington. We need clear lines of authority with competent men to carry out their jobs. We need teamwork in our Government. That's why it's time for a change.

The American people have succeeded, in the face of every difficulty, in sending overwhelming supplies to our armed forces. With a new administration we can speed victory and also be ready for reconversion to peacetime jobs.

Is there any chance the New Deal can ever do this job ahead? That's right. And it's own best friends agree. Listen to Henry Wallace's statement of last year.

The Vice-President of the United States described the whole picture in Washington, as, and I quote him, "Bureaucracy at its worst," and he added: "It is utterly inexcusable in a nation at war."

Now listen to Richard T. Frankenstein, Vice-President of the CIO Auto Workers Union. He was a delegate to the national convention in which the great Democratic Party was taken over by Earl Browder and Sidney Hillman. Here's what he said:

"The trouble is that no adequate over-all planning is being done to insure orderly reconversion which will lead into a post-war period of full employment."

How in the name of the future of our country can such an administration be entrusted with the vital task of creating peacetime jobs? How can we move ahead to peacetime jobs and opportunity under an administration that has no cure for dissension within its own ranks except for the feeble hope that "it would disappear"?

How can we trust our future to an administration which talks out of one side of its mouth about Government ownership of our factories while out of the other side of its mouth it softly disavows its Communist supporters?

On Jan. 20 of next year we shall restore honesty to our Government so that its spoken word can again be trusted. We shall proceed to put into effect a program to recover those things we have lost and to make them secure.

This program I have already outlined in part.

To labor, we are pledged to re-

store the Department of Labor with an able and experienced man from the ranks of labor at its head. We are pledged to abolish or transfer to the Department of Labor the almost countless bureaus with which the working men and women of our country now have to struggle.

We are pledged to full support of the guarantees of free, collective bargaining through the National Labor Relations Act and to restore to American labor freedom from Government dictation.

We are pledged to work with all our hearts and souls to bring about a lasting peace through international organization, with adequate force to back it up. And, I may add, I have stated such a program in detail, something my opponent has never yet done, unless somewhere in secret.

We are pledged to an expanding social security for the people of this country. Twenty million Americans have been forgotten by this administration in the nine long years since the old-age pension laws have been on the books.

We propose to bring security to that twenty million Americans as well as to make our social security system sound and supportable by an expanding national economy. Never forget, there can be no security without a strong, free society to support it.

We are pledged that our Government shall not again use its power to set race against race, creed against creed or class against class. We are pledged to a government that has equal respect for the rights of agriculture, labor and business and for every race, creed and color.

We are pledged to a future of freedom and abundance for agriculture, with assurance by Government that the farmer will never again suffer ruinous prices. We are pledged to a scientific and expanding soil-conservation program so that the soil of our country may be preserved and built up.

We are pledged to a specific, detailed program of post-war tax relief which will permit our job-making machinery to go to work. We are pledged to bring an end to the tired defeatism of this administration, which talks glibly of opportunity and did nothing about it for seven peacetime years.

And what has been the answer of the New Deal to the specific proposals of our platform and the detailed statements of policy I have made on the radio in these recent weeks? We have heard nothing, nothing but glittering generalities, ghosts of the dead past and wisecracks.

We've had no answer because my opponent has no answer. We've had no answer because, in truth, as the New Deal itself has said, it wants a Government-owned America. It has no other solution.

I say there is a better way. I've outlined much of that better way in detail. Ten million returning heroes will demand that better way under the freedom they have fought to win.

It is our solemn duty to preserve it for them, to build for them the kind of future they have so nobly earned. Under Divine guidance they will have here a land of security with freedom and opportunity for all.

## London "Times" Hits Plan For Post-War German Farm State

Taking to task those suggesting that Germany be turned into an agricultural State after the war, the London "Times" said on Oct. 2 that German production "must be raised to its highest point and modeled and organized on lines which will make it a useful constituent of an organized European economy." We quote from Associated Press advices from London, which added:

"The notion recently mooted that the interest of Europe or the

## N. Y. Savings & Loan Assets Up 9.9%

The total assets of the 248 savings and loan associations in New York State reached an all-time high figure of \$570,916,096 as of Aug. 31, 1944, according to estimated figures released by Zebulon V. Woodard, Executive Vice-President of the New York State League of Savings and Loan Associations. In announcing this record volume of assets, Mr. Woodard stated that it represented an increase of 9.9%, or \$44,034,669, for the first eight months of 1944. Mr. Woodard also stated that an increase of 1.4%, or \$6,512,940 in new share money was reported for August, while liquidity increased from 23.1% as of Jan. 1, 1944 to 26.2% on Aug. 31, 1944.

Mortgage loans granted by New York savings and loan associations during August, 1944, amounted to \$3,259,867, which represents an increase of 15%, or \$1,073,654, over July. Mortgage lending activities for August, 1944, also showed an increase of 38%, or \$2,294,847, over August, 1943. Of the \$3,259,867 loans granted during August, 1944, \$7,385,553 were for the purchase of homes and \$396,522 for the refinancing of previous mortgages. Construction, repair and other loans amounted to \$477,792.

## Banks Get Ready For Sixth War Loan Drive

Representatives of banks throughout the nation are meeting in various sections of the country to complete plans for putting over the coming Sixth War Loan Drive, it was announced on Oct. 2 by the American Bankers Association. These meetings will bring together the ABA State War Loan Chairmen, Secretaries of the State Bankers Associations, State War Finance Chairmen, and officials of the U. S. Treasury. The first of these meetings was held at the Hotel Claridge in Atlantic City on Oct. 7 for representatives of 15 northeastern States. Thirteen middle-western States were represented at a meeting in Chicago, Oct. 10, at The Drake, 11 Southern States in New Orleans, (today), Oct. 12 at the Roosevelt Hotel, and 11 Western States in Los Angeles, Oct. 14, at the Biltmore Hotel.

## Bretton Woods Called "Calamity" By MP

Robert Boothby, Conservative member of Parliament, in a speech in London on Oct. 4, attacked the Bretton Woods Conference as a "calamity." Reporting this, United Press advices from London quoted him as follows:

"We all know perfectly well what Cordell Hull stands for," he said. "He stands for free trade, free convertibility of currencies, laissez faire and the most-favored-nation clause. Many of us in Britain are convinced these things would ruin the world after the war."

world would be served by the obliteration of Germany's productive capacity and a return of the German people to primitive agriculture may serve to express a legitimate indignation," the paper said editorially. "But it does not otherwise qualify for serious discussion."

"Warning that supervision and direction of German industry is a central responsibility which the principal Allied powers will have to shoulder," the "Times" said "a war-ravaged Europe can afford less than even before to dispense with the contribution which German skill and German labor can make to recovery."

## Full Text Of Dumbarton Oaks Tentative Plans For World Security Organization

(Continued from page 1611)

3. The Security Council should adopt its own rules of procedure, including the method of selecting its President.

4. Any member of the organization should participate in the discussion of any question brought before the Security Council whenever the Security Council considers that the interests of that member of the organization are specially affected.

5. Any member of the organization not having a seat on the Security Council and any State not a member of the organization, if it is a party to a dispute under consideration by the Security Council, should be invited to participate in the discussion relating to the dispute.

### CHAPTER VII

#### An International Court of Justice

1. There should be an International Court of Justice which should constitute the principal judicial organ of the organization.

2. The Court should be constituted and should function in accordance with a statute which should be annexed to and be a part of the charter of the organization.

3. The statute of the Court of International Justice should be either (a) the statute of the Permanent Court of International Justice, continued in force with such modifications as may be desirable or (b) a new statute in the preparation of which the statute of the Permanent Court of International Justice should be used as a basis.

4. All members of the organization should ipso facto be parties to the statute of the International Court of Justice.

5. Conditions under which States not members of the organization may become parties to the statute of the International Court of Justice should be determined in each case by the General Assembly upon recommendation of the Security Council.

### CHAPTER VIII

#### Arrangements for the Maintenance of International Peace and Security Including Prevention and Suppression of Aggression

##### Section A

##### Pacific Settlement of Disputes

1. The Security Council should be empowered to investigate any dispute, or any situation which may lead to international friction or give rise to a dispute, in order to determine whether its continuance is likely to endanger the maintenance of international peace and security.

2. Any State, whether member of the organization or not, may bring any such dispute or situation to the attention of the General Assembly or of the Security Council.

3. The parties to any dispute the continuance of which is likely to endanger the maintenance of international peace and security should obligate themselves, first of all, to seek a solution by negotiation, mediation, conciliation, arbitration or judicial settlement, or other peaceful means of their own choice. The Security Council should call upon the parties to settle their dispute by such means.

4. If, nevertheless, parties to a dispute of the nature referred to in Paragraph 3 above fail to settle it by the means indicated in that paragraph, they should obligate themselves to refer it to the Security Council. The Security Council should in each case decide whether or not the continuance of the particular dispute is in fact

likely to endanger the maintenance of international peace and security, and, accordingly, whether the Security Council should deal with the dispute, and, if so, whether it should take action under Paragraph 5.

5. The Security Council should be empowered, at any stage of a dispute of the nature referred to in Paragraph 3 above, to recommend appropriate procedures or methods of adjustment.

6. Justiciable disputes should normally be referred to the International Court of Justice. The Security Council should be empowered to refer to the Court for advice, legal questions connected with other disputes.

7. The provisions of Paragraphs 1 to 6 of Section A should not apply to situations or disputes arising out of matters which by international law are solely within the domestic jurisdiction of the State concerned.

##### Section B

##### Determination of Threats to the Peace or Acts of Aggression and Action With Respect Thereto

1. Should the Security Council deem that a failure to settle a dispute in accordance with procedures indicated in Paragraph 3 of Section A, or in accordance with its recommendations made under Paragraph 5 of Section A, constitutes a threat to the maintenance of international peace and security, it should take any measures necessary for the maintenance of international peace and security in accordance with the purposes and principles of the organization.

2. In general the Security Council should determine the existence of any threat to the peace, breach of the peace or act of aggression and should make recommendations or decide upon the measures to be taken to maintain or restore peace and security.

3. The Security Council should be empowered to determine what diplomatic, economic, or other measures not involving the use of armed force should be employed to give effect to its decisions, and to call upon members of the organization to apply such measures. Such measures may include complete or partial interruption of rail, sea, air, postal, telegraphic, radio and other means of communication and the severance of diplomatic and economic relations.

4. Should the Security Council consider such measures to be inadequate, it should be empowered to take such action by air, naval or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockade and other operations by air, sea or land forces of members of the organization.

5. In order that all members of the organization should contribute to the maintenance of international peace and security, they should undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements concluded among themselves, armed forces, facilities and assistance necessary for the purpose of maintaining international peace and security. Such agreement or agreements should govern the numbers and types of forces and the nature of the facilities and assistance to be provided. The special agreement or agreements should be negotiated as soon as possible and should in each case be subject to approval by the Security Council and to ratification by the signatory States in accordance with their constitutional processes.

6. In order to enable urgent military measures to be taken by the organization there should be

held immediately available by the members of the organization national air-force contingents for combined international enforcement action. The strength and degree of readiness of these contingents and plans for their combined action should be determined by the Security Council with the assistance of the Military Staff Committee within the limits laid down in the special agreement or agreements referred to in Paragraph 5 above.

7. The action required to carry out the decisions of the Security Council for the maintenance of international peace and security should be taken by all the members of the organization in cooperation or by some of them as the Security Council may determine. This undertaking should be carried out by the members of the organization by their own action and through action of the appropriate specialized organizations and agencies of which they are members.

8. Plans for the application of armed force should be made by the Security Council with the assistance of the Military Staff Committee referred to in Paragraph 9 below.

9. There should be established a Military Staff Committee the functions of which should be to advise and assist the Security Council on all questions relating to the Security Council's military requirements for the maintenance of international peace and security, to the employment and command of forces placed at its disposal, to the regulation of armaments and to possible disarmament. It should be responsible under the Security Council for the strategic direction of any armed forces placed at the disposal of the Security Council. The committee should be composed of the Chiefs of Staff of the permanent members of the Security Council or their representatives. Any member of the organization not permanently represented on the committee should be invited by the committee to be associated with it when the efficient discharge of the committee's responsibilities requires that such a State should participate in its work. Questions of command of forces should be worked out subsequently.

10. The members of the organization should join in affording mutual assistance in carrying out the measures decided upon by the Security Council.

11. Any State, whether a member of the organization or not, which finds itself confronted with special economic problems arising from the carrying out of measures which have been decided upon by the Security Council should have the right to consult the Security Council in regard to a solution of those problems.

##### Section C

##### Regional Arrangements

1. Nothing in the charter should preclude the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided such arrangements or agencies and their activities are consistent with the purposes and principles of the organization. The Security Council should encourage settlement of local disputes through such regional arrangements or by such regional agencies, either on the initiative of the States concerned or by reference from the Security Council.

2. The Security Council should, where appropriate, utilize such arrangements or agencies for enforcement action under its authority, but no enforcement action should be taken under regional arrangements or by regional agencies without the authorization of the Security Council.

3. The Security Council should at all times be kept fully informed of activities undertaken or in contemplation under regional arrangements or by regional agencies for the maintenance of international peace and security.

### CHAPTER IX

#### Arrangements for International Economic and Social Cooperation

##### Section A

##### Purpose and Relationships

1. With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations, the organization should facilitate solutions of international economic, social and other humanitarian problems and promote respect for human rights and fundamental freedoms. Responsibility for the discharge of this function should be vested in the General Assembly and, under the authority of the General Assembly, in an Economic and Social Council.

2. The various specialized economic, social and other organizations and agencies would have responsibilities in their respective fields as defined in their statutes. Each such organization or agency should be brought into relationship with the organization on terms to be determined by agreement between the Economic and Social Council and the appropriate authorities of the specialized organization or agency, subject to approval by the General Assembly.

##### Section B

##### Composition and Voting

The Economic and Social Council should consist of representatives of 18 members of the organization. The States to be represented for this purpose should be elected by the General Assembly for terms of three years. Each such State should have one representative, who should have one vote. Decisions of the Economic and Social Council should be taken by simple majority vote of those present and voting.

##### Section C

##### Functions and Powers of the Economic and Social Council

1. The Economic and Social Council should be empowered:

A. To carry out, within the scope of its functions, recommendations of the General Assembly;

B. To make recommendations, on its own initiative, with respect to international economic, social and other humanitarian matters;

C. To receive and consider reports from the economic, social and other organizations or agencies brought into relationship with the organization, and to coordinate their activities through consultations with, and recommendations to, such organizations or agencies;

D. To examine the administrative budgets of such specialized organizations or agencies with a view to making recommendations to the organizations or agencies concerned;

E. To enable the Secretary-General to provide information to the Security Council;

F. To assist the Security Council upon its request; and

G. To perform such other functions within the general scope of its competence as may be assigned to it by the General Assembly.

##### Section D

##### Organization and Procedure

1. The Economic and Social Council should set up an Economic Commission, a Social Commission, and such other commissions as may be required. These commissions should consist of experts. There should be a permanent staff which should constitute a part of the secretariat of the organization.

2. The Economic and Social Council should make suitable arrangements for representatives of the specialized organizations or agencies to participate without vote in its deliberations and in those of the commissions established by it.

3. The Economic and Social Council should adopt its own rules of procedure and the method of selecting its President.

### CHAPTER X

#### The Secretariat

1. There should be a secretariat comprising a Secretary-General and such staff as may be required. The Secretary-General should be the chief administrative officer of the organization. He should be elected by the General Assembly, on recommendation of the Security Council, for such term and under such conditions as are specified in the charter.

2. The Secretary-General should act in that capacity in all meetings of the General Assembly, of the Security Council, and of the Economic and Social Council, and should make an annual report to the General Assembly on the work of the organization.

3. The Secretary-General should have the right to bring to the attention of the Security Council any matter which in his opinion may threaten international peace and security.

### CHAPTER XI

#### Amendments

Amendments should come into force for all members of the organization, when they have been adopted by a vote of two-thirds of the members of the General Assembly and ratified in accordance with their respective constitutional processes by the members of the organization having permanent membership on the Security Council and by a majority of the other members of the organization.

### CHAPTER XII

#### Transitional Arrangements

1. Pending the coming into force of the special agreement or agreements referred to in Chapter VIII, Section B, Paragraph 5, and in accordance with the provisions of Paragraph 5 of the four-nation declaration, signed at Moscow, Oct. 30, 1943, the States parties to that declaration should consult with one another and as occasion arises with other members of the organization with a view to such joint action on behalf of the organization as may be necessary for the purpose of maintaining international peace and security.

2. No provision of the charter should preclude action taken or authorized in relation to enemy States as a result of the present war by the governments having responsibility for such action.

##### Note

In addition to the question of voting procedure in the Security Council referred to in Chapter VI, several other questions are still under consideration.

#### Money In Circulation

The Treasury Department in Washington has issued its customary monthly statement showing the amount of money in circulation after deducting the money held in the U. S. Treasury and by Federal Reserve Banks and agents. The figures this time are those of Aug. 31, 1944, and show that the money in circulation at that date (including of course that held in bank vaults of member banks of the Federal Reserve System) was \$23,291,861.046 as against \$22,699,352.632 on July 31, 1944, and \$18,529,420.890 on Aug. 31, 1943, and compares with \$5,698,214,612 on Oct. 31, 1920. Just before the outbreak of the first World War, that is, on June 30, 1914, total was \$3,459,434,174.

## Says Britain Will Not Return To Gold Standard "As Such"—Not Bound By Bretton Woods

The assertion that Great Britain would never return to the gold standard as such was made in London on Oct. 4 by Sir John Anderson, Chancellor of the Exchequer, who, at the same time, pledged that Britain would join with the United States in seeking to eliminate "all forms of discrimination in international commerce." His remarks were contained in an address to the bankers and merchants of the City of London at a luncheon given by Sir Frank Newson-Smith, the new Lord Mayor.

He announced at the luncheon that England in the fifth and most financially costly year of the war, had met a higher proportion of expenditure out of current tax revenue than in any of the previous four years, and according to Associated Press' advices from London he had the following to say:

"Our external debts do not fill me with dismay," he said, "although I would not like to contemplate what they might have been but for that financial miracle 'Lend-Lease' and the most generous war contributions of Canada."

Sir John asserted England was not bound by the final draft of the Bretton Woods Conference agreement, but added that if the United States and other financially important countries accepted it then "we must not reject it lightly."

"I am told," he said, "that the Bretton Woods Conference means a return to the gold standard. I doubt whether those critics who use the words 'gold standard' as a term of opprobrium always have a perfectly clear idea of what they mean, but perhaps one can assume that what they are thinking of is a system under which the external value of sterling was fixed and the internal credit policy was made subservient to the maintenance of that policy."

"To that system, if it ever existed in such a crude form, we do not propose to return. I have not minced my words about that in Parliament."

England's Treasury chief said he was "unimpressed by the loose criticism that by accepting the plan we shall have returned to the gold standard, in the sense of putting our policy under the dictation of others."

Referring to what he called the

master agreement with the United States "under which we have received assistance in prodigious amount," he said England had agreed "to work for the elimination of all forms of discrimination in international commerce."

"The only qualification was concerned with imperial preferences," he added. "We are bound by this agreement and intend to honor it."

From a wireless message to the New York "Times" from London we take the following regarding the remarks of Sir John:

He insisted that Britain would keep her hands free throughout the period of economic transition after the war, when makeshift devices, having no place in a long-term policy, might have to be employed, but he dismissed abruptly a question as to whether the Bretton Woods decisions closed the door to special commercial and currency agreements.

He based his argument on Britain's acceptance of Article VII of the lend-lease agreements in which it was agreed to work for the elimination of all forms of discrimination in international commerce, barring only empire preferences on the Anglo-American commercial agreement of 1938 and on the principle that discriminatory and bilateral practices were undesirable in themselves if it was possible to organize trade with other means.

Whether the final draft was explicit on the right of a nation to make separate agreements, Sir John said was not explicitly defined, but he asked those who favor what is "in essence a barter system" if they really advocated a course that "goes back on what we have formally agreed with the United States and flouts one of the principles of international commerce to which the United States Government attaches importance."

## Hull Gratified By Results Achieved At Dumbarton Conference For World Security

Expressing the view that "all of us have every reason to be extremely gratified by the results achieved" at the Dumbarton Oaks conversations for an International Security Organization, Secretary of State Hull, in a statement issued on Oct. 9 when the tentative proposals of the conference were made available, stated that "much work still remains to be done before a set of completed proposals can be placed before the peace-loving

nations of the world as a basis of discussion at a formal conference to draft a charter of the projected organization for submission to the Governments."

Mr. Hull also made it plain that "the road to the establishment of an international organization capable of effectively maintaining international peace and security will be long." "At times," he said, "it will be difficult. But we cannot hope to attain so great an objective without constant effort and unflinching determination that the sacrifices of this war shall not be in vain."

The following is Secretary Hull's statement in full as contained in Associated Press accounts:

The proposals for an international organization for the maintenance of international peace and security, upon which the representatives of the United States, the United Kingdom, the Soviet Union and China have agreed during the conversations at Dumbarton Oaks, have been submitted to the four governments and are today being made generally available to the people of this nation and of the world.

All of us have every reason to

be immensely gratified by the results achieved at these conversations. To be sure, the proposals in their present form are neither complete nor final. Much work still remains to be done before a set of completed proposals can be placed before the peace-loving nations of the world as a basis of discussion at a formal conference to draft a charter of the projected organization for submission to the governments. But the document which has been prepared by the able representatives of the four participating nations and has been agreed to by them as their recommendation to their respective governments is sufficiently detailed to indicate the kind of an international organization which, in their judgment, will meet the imperative need of providing for the maintenance of international peace and security.

These proposals are now being studied by the four governments which were represented at the Washington conversations and which will give their urgent attention to the next steps which will be necessary to reach the goal of achieving the establishment of an effective international organization.

## Mortgage Bankers To Meet In Chicago On Oct 18

Eric A. Johnston, President of the U. S. Chamber of Commerce, Gov. Dwight H. Green of Illinois, Paul G. Hoffman, President, Studebaker Corporation and Chairman for Economic Development, Rear Admiral Arthur S. Carpenter, USN, Commandant, Ninth Naval District, Great Lakes, Ill., and Dr. E. C. Young, Dean of the Graduate School of Purdue University, will be among the principal speakers at the 31st annual meeting and Conference on War and Post-War Mortgage Problems of the Mortgage Bankers Association of America at the Edgewater Beach Hotel, Chicago, Oct. 18 to 20, according to an announcement issued on Oct. 7 by H. G. Woodruff, Detroit, Association President. Among the principal subjects for review in the nearly 25 addresses scheduled will be ways in which mortgage bankers can assist in the lending operation under the G. I. Bill of Rights, the possible next move in the public-versus-private housing issue, equitable disposal of war-built housing and the outlook for the post-war price level in real estate.

Speakers at a special conference on the G. I. Bill (Servicemen's Readjustment Act of 1944) will be Earle S. Draper, Washington, Deputy Commissioner, Federal Housing Administration, and Francis Pavesich, Washington, Assistant Administrator, Veterans Administration. FHA, it is stated, is expected to have a major part in making loans to veterans which some estimate will run as high as \$25 billion. Mr. Pavesich will be in charge of the lending program.

Chicago arrangements are in charge of Byron V. Kanaley, Association Governor and Chairman of the Board of Lay Trustees, Notre Dame University, and Harry A. Fischer, President, Chicago Mortgage Bankers Association.

These proposals are now available for full study and discussion by the peoples of all countries.

We in this country have spent many months in careful planning and wide consultation in preparation for the conversations which have just been concluded. Those who represented the Government of the United States in these discussions were armed with the ideas and with the results of thinking contributed by numerous leaders of our national thought and opinion, without regard to political or other affiliations.

It is my earnest hope that, during the time which must elapse before the convocation of a full United Nations conference, discussions in the United States on this all-important subject will continue to be carried on in the same non-partisan spirit of devotion to our paramount national interest in peace and security which has characterized our previous consultations. I am certain that all of us will be constantly mindful of the high responsibility for us and for all peace-loving nations which attaches to this effort to make permanent a victory purchased at so heavy a cost in blood, in tragic suffering and in treasure. We must be constantly mindful of the price which all of us will pay if we fail to measure up to this unprecedented responsibility.

It is, of course, inevitable that when many governments and peoples attempt to agree on a single plan, the result will be in terms of the highest common denominator rather than of the plan of any one nation. The organization to be created must reflect the ideas and hopes of all the peace-loving nations which participate in its creation. The spirit of co-operation must manifest itself in mutual striving to attain the high goal by common agreement.

The road to the establishment

## Aldrich Heads Clearing House Committee; Mar. 16 Balances Of \$455,123,140 New Peak

The election of Winthrop W. Aldrich as Chairman of the Clearing House Committee of the New York Clearing House Association occurred at the annual meeting of the Association on Oct. 2. Mr. Aldrich, who is Chairman of the board of the Chase National Bank, succeeds in the Chairmanship of the Committee Leon Fraser, President of the First National Bank. William Gage Brady, Jr., President, National City Bank, and John E. Bierwirth, President, New York Trust Co., continue as members of the Committee—two new members of which are Frank K. Houston, President, Chemical Bank & Trust Co., and John C. Traphagen, President, Bank of New York.

William C. Potter, Chairman of the Executive Committee of the Guaranty Trust Co., was reelected President of the Clearing House, and Horace A. Marsland, Vice-President of the Irving Trust Co., was elected Secretary, succeeding William H. Moorhead, Vice-President and Cashier of the Chase National Bank. G. Russell Clark and Charles A. Hinrichs continue as Assistant Managers.

The membership of the other Committees of the Association for the ensuing year are:

Conference Committee—Chairman, Ernest Stauffen, Chairman of Trust Committee, Manufacturers Trust Co.; B. A. Tompkins, Vice-President, Bankers Trust Co.; George McAneny, Chairman of Board, Title Guarantee and Trust Co.; William S. Gray, Jr., President, Central Hanover Bank and Trust Co.; E. Chester Gersten, President, Public National Bank and Trust Co.

Nominating Committee—Chairman, F. Abbott Goodhue, President, Bank of the Manhattan Co.; James G. Blaine, President, Marine Midland Trust Co.; Frederick E. Hasler, Chairman of Board, Continental Bank & Trust Co.; John I. Downey, President, Fifth Avenue Bank; Samuel A. Welldon, Vice-President, First National Bank.

Committee on Admissions—Chairman, Walter G. Kimball, President, Commercial National Bank and Trust Co.; John K. Olyphant, Jr., Vice-President, Central Hanover Bank and Trust Co.; J. Luther Cleveland, President, Guaranty Trust Co.; George Whitney, President, J. P. Morgan & Co. Inc.; John R. McWilliam, First Vice-President, Corn Exchange Bank Trust Co.

The annual report of Edward L. Beck, Manager of the Clearing

House, shows for the year ending Sept. 30, 1944, total transactions for the year are shown as \$325,974,222,970, compared with \$282,863,133,303 the previous year. According to the report of the latest year's transactions, \$274,414,735,467 consisted of exchanges and \$51,559,487,503 represented balances; in the case of the total transactions for Sept. 30, 1943, the exchanges amounted to \$236,070,168,076, while the balances were \$46,792,970,227. The average daily transactions this year at \$1,075,822,518 compare with \$936,632,908 a year ago; the daily transactions this year were made up of exchanges of \$905,659,193 and balances of \$170,163,325; while last year's daily transactions consisted of exchanges of \$781,689,298 and balances of \$154,943,610. For year ending Sept. 30, 1944, Mr. Beck also reports as follows:

Largest exchanges on any one day during the year (March 16, 1944), \$1,799,660,232.91.

Smallest exchanges on any one day during the year (Aug. 21, 1944), \$436,962,367.51.

Largest balances on any one day during year (March 16, 1944), \$455,123,140.02.

Smallest balances on any one day during the year (Aug. 22, 1944), \$79,366,043.45.

The total amount of the Coupon Exchange was \$543,517,828.23.

The total amount of the Return Item Exchange was \$18,394,171.98.

In the past year the Night Exchange Department handled 64% of the total daily exchanges.

The report also shows total transactions since organization of Clearing House (91 years):

Exchanges	\$9,249,333,920,027.07
Balances	982,699,602,019.19
Total	\$10,232,033,522,046.26
Largest exchanges on record (Oct. 31, 1929)	\$3,853,040,114.48
Largest balances on record (March 16, 1944)	\$455,123,140.02

## Fund Created In Community Trust Used To Further Arbitration Program Of NY Chamber

Policies of life insurance purchased 20 years ago have resulted in the creation, in the New York Community Trust, of a fund of \$54,784, to be used, preferentially, in furtherance of commercial arbitration. Two decades ago various members of the Chamber of Commerce of the State of New York purchased insurance policies on the life of Charles L. Bernheimer, who since 1911 had been Chairman of the Chamber's Com-

mittee on Arbitration. The policies were lodged in the Chase National Bank and the Title Guarantee & Trust Co., and trust agreements with those institutions provided that, on the death of Mr. Bernheimer, the proceeds of the policies should constitute a fund in the Community Trust which might give continuing support to the arbitration program of the Chamber.

Among the original sponsors of the projects were Irving T. Bush, Frederick H. Ecker, Alvin W. Krech, Clarence H. Kelsey, James H. Post and Paul M. Warburg. A

statement of the original sponsors of the projects were Irving T. Bush, Frederick H. Ecker, Alvin W. Krech, Clarence H. Kelsey, James H. Post and Paul M. Warburg. A

statement signed by them in 1924 lauded the extension of arbitration as conducive to "the benefit of merchants and the promotion of better business relations." Subscribers to the Arbitration Insurance Fund included Vincent Astor, Nicholas F. Brady, R. Fulton Cutting, Michael Freidsam, Darwin P. Kingsley, Thomas W. Lamont, Alfred E. Marling, J. Pierpont Morgan, Dwight W. Morrow, Arthur Hays Sulzberger and John D. Rockefeller, Jr. It was pointed out that at the earliest meetings of the Chamber in 1763, prior to the Revolution, an important item of business was the maintenance of an arbitration committee to compose differences among merchants.

Mr. Bernheimer died on July 1 at the age of 79, and the fund memorializing his work in arbitration is already under administration. It was said at the Community Trust on Sept. 30.

## The State Of Trade

(Continued from page 1610)

companies (including 94% of the industry) will be 96.99% of capacity for the week beginning Oct. 9, compared with 95.6% one week ago. This week's operating rate is equivalent to 1,743,200 tons of steel ingots and castings, compared with 1,719,600 net tons last week and 1,781,300 tons one year ago.

**Electric Production**—The Edison Electric Institute reports that the output of electricity declined to approximately 4,365,907,000 kwh. in the week ended Sept. 30 from 4,377,339,000 kwh. in the preceding week. The latest figures approximate a gain of 0.2% from the level of one year ago, when output reached 4,359,003,000 kwh.

Consolidated Edison Co. of New York reports system output of 168,500,000 kilowatt-hours in the week ended Oct. 1, 1944, and compares with 215,700,000 kilowatt-hours for the corresponding week of 1943, or a decrease of 21.8%.

Local distribution of electricity amounted to 160,700,000 kilowatt-hours, compared with 198,800,000 kilowatt-hours for the corresponding week of last year, a decrease of 19.2%.

**R. R. Freight Loadings**—Carloadings of revenue freight for the week ended Sept. 30 totaled 912,999 cars, the Association of American Railroads announced. This was an increase of 14,332 cars, or 1.6% above the preceding week this year and a gain of 2,355 cars, or 0.3% above the corresponding week of 1943. Compared with a similar period in 1942, an increase of 5,713 cars, or 0.6%, is shown.

**Coal Production**—The U. S. Bureau of Mines reports production of Pennsylvania anthracite for week ending Sept. 30, 1944, at 1,336,000 tons, an increase of 54,000 tons (4.2%) over the preceding week, and 46,000 tons, or 3.6% over the corresponding week of 1943. The 1944 calendar year to date shows an increase of 5.7% when compared with corresponding period of 1943.

Setting forth the overall estimated requirements for the coal year, Harold L. Ickes, Solid Fuels Administrator, announced on Monday of last week that production of bituminous coal from Sept. 23 to next March 31 would have to be stepped up approximately 344,000 tons per week above the average weekly output of 11,804,000 tons mined since April 1, 1944.

The report of the Solid Fuels Administration placed bituminous production for the week ended Sept. 30 at 12,050,000 net tons, representing an increase of 1.7%, against 11,850,000 tons in the preceding week. Production in the corresponding week of last year amounted to 12,178,000 net tons, while output for Jan. 1 to Sept. 30, 1944, totaled 471,080,000 net tons, as against 444,823,000 tons in the same 1943 period, or a gain of 5.9%.

Estimated production of beehive coke in the United States for the week ended Sept. 30, 1944, as reported by the same source, shows a decrease of 6,600 tons when compared with the output for the week ended Sept. 23, last, and a decline of 45,400 tons from the corresponding week of 1943.

**Silver**—The London market for silver was unchanged at 23½d. The New York Official for foreign silver continued at 44¼¢, with domestic silver at 70¼¢.

**Lumber Shipments**—The National Lumber Manufacturers Association reports that lumber shipments of 505 reporting mills were 3.5% above production for the week ended Sept. 30, while new orders of these mills were 6.8% greater than production for the same period. Unfilled order files amounted to 97% of stocks.

For 1944 to date, shipments of reporting identical mills exceeded

production by 3.0% and orders ran 6.4% above output.

Compared to the corresponding weeks of 1935-39, production of reporting mills was 18.9% greater, shipments 21.7% greater, and orders 24.9% greater.

**Crude Oil Production**—Daily average gross crude oil production for the week ended Sept. 30, as estimated by the American Petroleum Institute, was 4,762,300 barrels, a new high record. This represented an increase of 18,450 barrels from the preceding week. When compared with the corresponding week last year, crude oil production was 434,800 barrels per day higher. The current figure also was 6,100 barrels higher than the daily average figure recommended by the Petroleum Administration for War for the month of September, 1944. For the four weeks ended Sept. 30, 1944, daily output averaged 4,735,250 barrels.

On Sept. 22, last, the Petroleum Administration for War recommended a national daily production rate of 5,010,800 barrels of all petroleum liquids during October, a decrease of 40,500 barrels daily from the rate certified for September.

Reports from refining companies indicate that the industry as a whole ran to stills (on a Bureau of Mines basis) approximately 4,775,000 barrels of crude oil daily and produced 14,494,000 barrels of gasoline. Kerosene output totaled 1,396,000 barrels, with distillate fuel oil placed at 4,622,000 barrels and residual fuel oil at 9,292,000 barrels during the week ending Sept. 30, 1944. Storage supplies at the week-end totaled 78,028,000 barrels of gasoline; 14,583,000 barrels of kerosene; 45,329,000 barrels of distillate fuel, and 64,226,000 barrels of residual fuel oil. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

**Paper Production**—Paper production for the week ended Sept. 30 was at 95.2% of capacity as against 93.7% of capacity in the preceding week, the American Paper and Pulp Association's index of mill activity disclosed. The rate during the week ended Oct. 2, last year, was 91.7% of capacity. As for paperboard, production for the same period was reported at 95% of capacity, compared with 53% in the preceding week.

**Business Failures**—Business failures in the United States for the week ended Sept. 28 declined to 15 from 24 in the preceding week and compared with 42 a year ago, according to Dun & Bradstreet. Insolvencies with liabilities of \$5,000 or more amounted to 11 against 15 in the preceding week and 17 a year earlier.

**Retail and Wholesale Trade**—Retail and wholesale activity continued at a high level for the country as a whole. Christmas gifts for service men overseas were principally in demand, with the final date for mailing fast approaching. Activity tended to slow up deliveries and efforts to replenish depleted stocks kept wholesalers busy. Cooler weather, reports Dun & Bradstreet, gave added impetus to retail buying which featured liquor, apparel, cosmetics and flowers in non-durable lines. Among durables, hardware, auto. supplies and household appliances moved freely. In the wearing apparel field, women's garments such as black crepe dresses and vividly colored woollens sold well. Quality was emphasized in all departments, with black millinery selling especially well.

Furs displayed a lagging tendency, with the same true of men's and children's wear. Commodity markets suffered from a tendency of farm prices to fluctuate, but no

change was noted for the third consecutive week in the wholesale food price index. In food stores supplies were limited, though above last year, with non-rationed foods moving well. Poultry, lamb, some pork products and fish were plentiful.

Sales were estimated to be from 9 to 13% over the week's 1943 average. Regional percentage increases were: New England 5 to 8, East 9 to 15, Middle West 7 to 11, Northwest 9 to 12, South 13 to 17, Southwest 10 to 14, and Pacific Coast 8 to 13.

Wholesale activity was reported to be spotty, due to the lack of supplies and delays encountered with deliveries and the difficulty in getting sugar and butter was especially marked.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, were 12% ahead of a year ago for the week ended Sept. 30, unchanged from the preceding week. For the four weeks ended Sept. 30, 1944, sales increased by 11%. An 8% increase in department store sales for the year to Sept. 30, 1944, over 1943, was also noted.

Brisk consumer demand obtained for many items of seasonal merchandise in retail trade here in New York the past week. Activity was noted in women's apparel and accessories, together with home wares. Peak buying of Christmas gifts for service men overseas was reached in the week. Spring lines of apparel are being shown the present week, with members of the Sportswear Guild presenting their offerings. Showings of coats, suits and dresses by other producers will continue during the next few weeks, reports the New York "Times," with buyer attendance expected to reach an early peak during the week of Oct. 23. No developments have occurred to alter the fabric shortage situation.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Sept. 30 increased by 18% over the same period of last year. This compared with 13% in the preceding week. For the four weeks ended Sept. 30 sales rose by 12%, and for the year to Sept. 30 they improved by 8%.

### Dumbarton Oaks Plan Seen Subject To Senate And Congressional Action

Action by both the Senate alone and the entire Congress is envisaged in the tentative outline for a World Security Organization made public on Oct. 9, it was stated in Associated Press advices from Washington on that date, which also had the following to say:

"At least two treaties would come before the Senate for ratification, while both houses would have to act on at least two pieces of legislation.

"Treaty ratification would be required for:

"1. The charter of the new organization.

"2. A master agreement, or series of special agreements, guaranteeing armed forces and facilities of the member nations for use of the Security Council in maintaining peace and stamping out aggression.

"The legislation would embrace:

"1. A measure setting up the way in which American forces would be made available. It is understood that the Administration will press for the creation of a special unit which could be sent into action without further specific congressional approval.

"2. Appropriation measures for the international organization and the United States armed force."

## President Roosevelt Commends Plans For International Security Organization

With the announcement of the tentative plans for an International Security Organization arrived at the Dumbarton Oaks conferences, which were concluded on Oct. 7, President Roosevelt issued a statement on Oct. 9 referring to the completion of the conferences and the submission of the proposals to the four Governments—the United States, Great Britain, Russia and China.

The President points out that "the projected international organization has for its primary purpose the maintenance of international peace and security and the creation of the conditions that make for peace." He also states that "the projected general organization may be regarded as the keystone of the arch and will include within its framework a number of specialized economic and social agencies now existing or to be established."

"The task of planning the great design of security and peace has been well begun. It now remains for the nations to complete the structure in a spirit of constructive purpose and mutual confidence."

The President's statement, made available by the Associated Press, follows:

I wish to take this opportunity to refer to the work of the Dumbarton Oaks conversations between the delegations of the United States, the United Kingdom, the Soviet Union, and China, on the plan for an international organization for the maintenance of peace and security.

The conversations were completed Saturday, Oct. 7, 1944, and proposals were submitted to the four governments for their consideration. These proposals have been made public to permit full discussion by the people of this country prior to the convening of a wider conference on this all-important subject.

Although I have not yet been able to make a thorough study of these proposals, my first impression is one of extreme satisfaction, and even surprise, that so much could have been accomplished in so short a time. This achievement was largely due to the long and thorough preparations which were made by the governments represented, and, in our case, were the result of the untiring devotions and care which the Secretary of State had personally given to this work for more than two and a half years—indeed, for many years.

The projected international organization has for its primary purpose the maintenance of international peace and security and the creation of the conditions that make for peace.

We now know the need for such an organization of the peace-loving peoples and the spirit of unity which will be required to maintain it. Aggressors like Hitler and the Japanese war lords organize for years for the day when they can launch their evil strength against weaker nations devoted to their peaceful pursuits.

This time we have been determined first to defeat the enemy, assure that he shall never again be in position to plunge the world into war, and then to so organize the peace-loving nations that they may, through unity of desire, unity of will and unity of strength, be in position to assure that no other would-be aggressor or conqueror shall even get started.

That is why, from the very beginning of the war, and paralleling our military plans, we have begun to lay the foundations for the general organization for the maintenance of peace and security.

It represents, therefore, a major objective for which this war is being fought, and, as such, it inspires the highest hopes of the millions of fathers and mothers whose sons and daughters are engaged in the terrible struggle and suffering of war.

The projected general organiza-

tion may be regarded as the keystone of the arch and will include within its framework a number of specialized economic and social agencies now existing or to be established.

The task of planning the great design of security and peace has been well begun. It now remains for the nations to complete the structure in a spirit of constructive purpose and mutual confidence.

## Dewey Pleads For Free Independent Poland

Governor Dewey, speaking in New York City, on Oct. 8 on the occasion of the Pulaski Day Parade, expressed himself as "proud to have a share in doing honor to the memory of the distinguished cavalry officer from Poland, who gave his life to help make us free." "The fact that we are here today," he added, "living as free citizens in a free republic, is due in large measure to the military ability, the leadership and the heroism of General Count Casimir Pulaski."

Noting further that "Polish fighting men have contributed to the imminent crushing of our enemies in the air, on land and on the high seas" and that "Polish fighters are among the armies now invading Germany under General Eisenhower," Gov. Dewey concluded his remarks by saying:

"Polish valor and Polish tenacity have contributed much toward victory. I venture to say that there is not a sensitive man or woman throughout the United States who does not want to see as one of the results of victory, the reestablishment of Poland as an independent and sovereign nation reborn upon a basis which will be permanent. We would like to know more about the plans for that consummation. We would like to know more about the results of the private deliberations of those who now discuss Poland's future in dim secrecy. American citizens of Polish descent would do well to do everything in their power to bring discussions of Poland's fate from the dark to the light. Be assured that whatever transpires in the next few months, the American people will not be satisfied unless we meet the just claims of the Polish people upon our gratitude, sympathy and admiration, upon our desire that all people shall have the freedom to which they are entitled."

## Institute On Post-War Reconstruction Opens

The Institutes on Post-War Reconstruction of New York University opened a 13-week series of lectures and discussion meetings on "America's Place in the World Economy" on Oct. 4 at 8 p.m. in the Auditorium, 37 West Fourth Street, Dr. Arnold J. Zurcher, Director, announced. Dr. Harry D. Gideonse, President of Brooklyn College and the author of several works on international economic problems, spoke on Oct. 4 on "America's International Economic Policy: What Shall It Be?" discussing the probable lines of development of American foreign economic policy after the war.

## Steel Output Again Rises—Orders Decline— Emphasis Shifts From Plates To Sheets

"The breakneck pace in steel ordering has subsided, steel output is heavier, the scrap market for the first time in weeks is static, reduction of backlogs has been accelerated and shipments this week are somewhat ahead of the volume of fresh steel business," "The Iron Age" states in its issue of today (Oct. 12), further adding, in part, as follows:

"Thus does October, a month of mixed trends, reflect a continuation, with more overtones, of the transition stage from heavy war production to probable civilian output.

"With an advance in the steel ingot output this week and with a concurrent drop in orders, practically all mills are becoming anxious concerning their ability to set up economic rolling mill schedules in the last few months of this year. Cutbacks are increasing and the general delivery situation in the steel industry is not nearly as tight as it was a few months ago.

"Cancellation of virtually all of the landing-mat program is the biggest single event affecting the steel industry's outlook since production passed over the hump. The flat-rolled products situation which has steadfastly been the tightest in the steel distribution picture, has finally been cracked. There are signs that before many weeks have passed the possibilities of greater production of civilian orders will be much brighter. While some mills plan to use newly found rolling mill space, for further cutting down of backlogs, others are soliciting new sheet business to fill the gap.

"Unless new or additional flat-rolled business is picked up to replace landing-mat cancellations and plate cutbacks, a reduction in raw steel output at some plants may be expected.

"With the automobile industry preparing firm post-war orders involving large tonnages, the significance of the revised flat-rolled situation between individual steel producers is large. Mills whose plate-producing efficiency on converted continuous facilities has been low, will be carefully watched by competitors to see that the plate production directive is equitably cut by WPB to insure that everyone gets an even break in the race for profitable sheet business."

The American Iron and Steel Institute on Oct. 9 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 96.9% of capacity for the week beginning Oct. 9, compared with 95.6% one week ago, 93.8% one month ago and 102.2% one year ago. The operating rate for the week beginning Oct. 9 is equivalent to 1,743,200 tons of steel ingots and castings, compared to 1,719,600 tons one week ago, 1,687,400 tons one month ago, 1,781,300 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Oct. 9 stated in part as follows:

"Steel shipments continue in excess of new orders as fourth quarter gets under way, particularly in plates and in somewhat less degree in bars.

"Sheets appear somewhat tighter, especially in hot-rolled and galvanized grades. With plate demand shrinking and sheets at least holding there is increasing evidence that there may be a shift soon in plate tonnage from strip mills to sheared plate mills. Such a change appears already to have been made in limited measure by one producer with facilities for both strip plate and sheared plate, giving better delivery balance. Some interests expect this trend to be pronounced by the middle of November, but it is believed that strip mill operators without sheared plate facilities will be loath to give up such tonnage.

"War Production Board has announced that estimated supply of

steel available for the steel products industry for fourth quarter will be 16,085,000 tons, an increase of 185,000 tons over the estimate of 15,900,000 for third quarter. Due to returned material from cancellations and cutbacks 100,000 tons of carbon steel and 25,000 tons of alloy steel have been reserved for spot authorization orders for civilian production. The increase is attributed to new facilities, not all of which are yet at full capacity, due to manpower shortage.

"Pig iron production is holding up well, August output totaling 5,210,222 net tons, close to the average for the year and greater than any month since May. For eight months total output is 41,848,656 tons, compared with 40,681,821 tons in the comparable months last year. August production was at 90.2% of capacity, compared with 96.2% in March when the all-time total of 5,434,240 tons was produced.

"Alloy steels produced in August totaled 874,716 net tons, about 12% of all steel made that month, 576,690 tons being from open-hearth furnaces and the remainder chiefly from electric furnaces. Declining alloy demand is shown by the fact that in August, 1943, output was 1,097,630 tons.

"September plate shipments are reported by WPB as 1,060,000 tons, compared with 1,066,000 tons in August and 1,106,000 tons in September, 1943.

"Further weakening of scrap prices has dropped the average composite 8 cents to \$17.08. Other composites are unchanged, finished steel \$56.73, semi-finished steel \$36 and steelmaking pig iron \$23.05."

## Factory Workers Hours Down, Earnings Up In July

Total hours worked per week in all manufacturing were 570 million in July, almost 15 million less than in June, due to the decline of .8 of an hour in the work-week, occasioned by the Independence Day holiday, Secretary of Labor Frances Perkins reported on Sept. 20. "The average work-week, while shorter than in June, was more than 1/2 hour longer than in July, 1943," she said. Miss Perkins added:

"Average hourly earnings were higher in July than in June due to the payment of time and a half by firms which were in operation on the holiday. However, weekly earnings were almost 75 cents below the June level. Each of the durable goods groups reported a shorter work-week, indicating that the holiday was not confined to plants in any one industry or group but rather cut across industry lines. In all but two of the durable goods groups, the shorter work-week was coupled with declines in employment. The increases in employment in the lumber and furniture groups only partially offset the drops in hours.

"The pattern for the non-durable groups closely resembled that for the durable. Average hours per week declined in all groups except tobacco, printing and petroleum. The work-weeks in these groups remained unchanged. Employment increases in the food, printing, and petroleum groups are reflected in the rises in aggregate hours.

"The average hours per week in bituminous coal mining were 39.5 and in anthracite mining, 35.8. The work-week in each of these industries was considerably below the June level partly because of observance of the holiday but chiefly

## Kneebone In Charge Of New ABA Chicago Office

Appointment of Dr. William A. Irwin, National Educational Director of the American Institute of Banking, to the post of economist of the American Bankers Association (previously reported in our issue of Oct. 4 on page 1462) and the opening of a new Chicago office under the direction of a new Deputy Manager, are among the A. B. A. staff changes taking effect with the inauguration of a new A. B. A. year. The new A. B. A. Chicago office will be in the Bankers Building. It will be in charge of Robert W. Kneebone, long associated with the magazine "Banking," who has been named Deputy Manager of the Association and who will direct the activities of the office.

Dr. Irwin, who continues as National Educational Director of the A. I. B., will assume, as Economist, the post vacated on June 30 by Dr. Paul F. Cadman, who is now associated with the Henry Kaiser Industries. He will be assisted in the A. I. B. by Leroy Lewis, formerly Secretary of the North Carolina Bankers Association, whose appointment as Assistant Educational Director of the Institute has already been announced. Liston C. Bertram, Assistant General Counsel, has been named Assistant to the Executive Manager. Mr. Bertram is Assistant Secretary of the Credit Policy Commission.

Mr. Kneebone has been western advertising manager of "Banking" for 12 years and is well known to the A. B. A. membership, especially in the West and Middle West where he has traveled constantly. He will continue as western manager of "Banking" and will be assisted in that capacity by John J. McCann, formerly Assistant Editor in the New York office, who has been transferred to Chicago as western advertising representative.

Prentiss Jackson Jr., who has been eastern representative of "Banking," has been appointed eastern advertising manager and Richard F. Lyon will continue as eastern representative. John J. Rooney, Comptroller of the A. B. A., has been named business manager of "Banking." The resignation of Alden B. Baxter, advertising manager of the magazine, was announced a few weeks ago.

## Four In Ins. Section Posts Of N.Y. Trade Bd.

The Chairman of the Executive Committee, Gustave R. Michelsen, announced on Sept. 29 the election to the Executive Committee of the Insurance Section of the New York Board of Trade the following new members:

Clancy D. Connell, General Agent, Provident Mutual Life Insurance Co.; Harry Gardiner, General Agent, John Hancock Mutual Life Insurance Co.; James P. For-dyce, President, Manhattan Life Insurance Co., and Owen C. Torrey, General Manager, Marine Office of America.

Other members of the Executive Committee are: Messrs. Walter F. Beyer, H. W. Schaefer, Edward M. Allen, Albert N. Butler, Ray S. Choate, G. W. Crist, Jr., Floyd N. Dull, Wallace J. Falvey, James R. Garrett, R. V. Goodwin, T. L. Haff, J. E. Lewis, J. J. Magrath, Harold A. McKay, W. E. McKell, Arthur Snyder.

The Insurance Section indicated that, as in the past, it was taking an active interest in furthering Fire Prevention Week, Oct. 8-14, working closely with the National Board of Fire Underwriters and the New York City Fire Department.

## Payment Made To Stockholders Of Liquidating Italian Bank

Elliott V. Bell, Superintendent of Banks, announced on Oct. 3 that a first liquidating dividend of \$1,560,000, amounting to \$60 per share, is being paid to the stockholders of Banco di Napoli Trust Company of New York upon presentation of their stock certificates. The announcement followed the signing of an order by Justice Benedict D. Dineen in the Supreme Court on Sept. 28, approving the accounts of the Superintendent as liquidator of the Trust Company and authorizing the payment. The Trust Company was closed on Dec. 11, 1941, upon the outbreak of the war between the United States and Italy. Out of 26,000 shares of stock outstanding, 25,381 shares were owned by enemy interests and have since been vested by the Alien Property Custodian, to whom a dividend of \$1,519,860 was paid. At the time of closing, the liability of the Trust Company to depositors and creditors amounted to \$11,614,263.59, all of which, with the exception of amounts due to enemy and other blocked nationals, has since been paid in full.

prise or ingenuity, either by restricting members of an industry to historical pattern of business or by preventing entry of newcomers. Except for military requirements, which must be protected at any cost until victory over Japan is secured, it is expected that essential needs will by and large be met without Government control, either restrictive or supporting.

The Task Committee, in carrying out its responsibility, was instructed to eliminate rules, regulations, and orders whenever and wherever feasible—on the theory that the fewer the restrictions the quicker would be reconversion and reemployment. However, in cases in which materials and components were certain to be in short supply, maintenance of conservation and allocation orders was prescribed.

## Krug Announces Tentative Draft Of WPB V-E Day Plans For Resumption Of Civilian Production

J. A. Krug, Chairman of the War Production Board, announced Oct. 1 that the special WPB Task Committee appointed to work out the details of the WPB V-E Day plan has completed the first phase of its operation. A draft has been developed and is being distributed to other Government agencies and to WPB industry divisions for comment and suggestions. It is subject to change and should not be considered final, Mr. Krug said.

The Task Committee has been operating under a specific directive of the full War Production Board, which on Sept. 5, 1944, unanimously adopted a V-E Day policy that included the following basic principles:

"1. WPB to remove controls over materials immediately upon the defeat of Germany except those controls that are absolutely necessary to assure the reduced measure of war production necessary to beat Japan. This means that all manufacturers can use for any civilian production any plant and any materials that are not needed for war production.

"2. The War Production Board, in cooperation with other Government agencies to do everything within its power to assist and encourage industry in resuming civilian production and maintaining employment through the 'know-how' of its industry divisions and industry and labor advisory committees.

"3. The Board to maintain its organization and powers so as not to relinquish authority until it is certain that the war production program is adequate for victory over Japan."

To carry out this mandate, the Task Committee made the following proposals:

1. Replacement of the present preference rating structure by a single, fully extendable, MM rating band, reserved almost exclusively for direct military requirements, including military lend-lease.

2. Continuation of the AAA preference rating, which will be used as at present to break military production bottlenecks, but also for civilian emergencies of a serious nature. This rating is tantamount to a motorcycle escort through traffic.

3. Authorization on V-E Day for steel, copper and aluminum mills and warehouses to accept orders and make deliveries of these materials without CMP "tickets," and complete elimination of the Controlled Materials Plan as soon as practicable thereafter. However, orders placed

because of the occurrence of strikes."

prior to V-E Day for CMP materials should retain preferred status for a limited period.

4. A transition to the new priorities policy that will combine a minimum of paper work and reshuffling of production schedules with necessary protection of military procurement and the earliest possible achievement of free action in the civilian economy.

5. Revocation on V-E Day of the great bulk of conservation, limitation, and other WPB orders and regulations; retention of orders in simplified form only where clearly necessary to protect military procurement or minimum civilian requirements basically essential to the effective functioning of the economy and progressive revocation of remaining orders as quickly as feasible.

6. Maintenance of a full kit of tools to deal with emergencies. The Committee recognizes that military cutbacks will necessarily be uneven in their impacts, producing extremely heavy reductions in demand for some materials and products and virtually no change in others. So long as this is the case, WPB must retain some allocation and scheduling controls and must maintain its contingent authority to minimize the consequences of acute shortages when they develop. To do this, WPB must maintain an effective organization, including a competent field staff, a compact group of industry divisions staffed by men with industrial know-how, and continuing contact with business and labor through the operation of industry and labor advisory committees.

7. Maintenance of sufficient reporting of information to afford at all times a clear understanding of the industrial picture and to permit immediate and intelligent remedial action where indicated.

There should, however, be no spoon feeding of the economy, according to the report. No attempt should be made to curtail individual initiative in the search for and purchase of materials and components that will remain in short supply for only a brief period. No action should be taken that might hamper private enter-

### Civil Engineering Construction \$26,530,000 For Week

Civil Engineering construction volume in continental U. S. totals \$26,530,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding is 14% lower than in the preceding week and 30% below the total reported to "Engineering News-Record" for the corresponding 1943 week. The report made public on Oct. 5 went on to say:

Private work shows a drop of 38% from last week and public work a drop of 9%. Compared with the 1943 week private work is down 39% and public work is off 28%, while Federal construction shows a drop of 44%.

The current week's construction brings 1944 volume to \$1,406,091,000 for the 40 weeks, a decrease of 44% from the \$2,526,157,000 reported for the 1943 period. Private construction, \$294,593,000, is 12% below last year, and public work, \$1,111,498,000, is 49% lower.

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

	Oct. 7, 1943	Sept. 28, 1944	Oct. 5, 1944
Total U. S. Construction	\$37,784,000	\$30,845,000	\$26,530,000
Private Construction	5,440,000	5,338,000	3,226,000
Public Construction	32,344,000	25,507,000	23,204,000
State and Municipal	3,203,000	6,306,000	6,824,000
Federal	29,141,000	19,201,000	16,380,000

In the classified construction groups, gains over last week are in bridges, sewerage, earthwork and drainage and in unclassified construction. All other classes of construction are lower. Increases over the 1943 week are in waterworks, sewerage, bridges and earthwork and drainage. Subtotals for the week in each class of construction are waterworks, \$774,000; sewerage, \$977,000; bridges, \$974,000; industrial buildings, \$2,647,000; commercial building and large-scale private housing, \$328,000; public buildings, \$6,482,000; earthwork and drainage, \$2,121,000; streets and roads, \$2,062,000; and unclassified construction, \$9,165,000.

New capital for construction purposes for the week totals \$2,850,000 and is made up of State and municipal bond sales.

New construction financing for 1944 totals \$1,615,470,000, a volume 46% below the \$3,037,977,000 reported for the 40-week 1943 period.

### 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. Rate*	Corporate by Ratings*					Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Oct. 10	119.52	112.75	118.60	117.00	112.75	103.30	107.09	114.08	117.20	
9	119.52	112.75	118.60	117.00	112.75	103.30	107.09	114.08	117.20	
7	119.52	112.75	118.60	117.00	112.75	103.30	106.92	114.08	117.20	
6	119.52	112.75	118.60	117.00	112.75	103.30	106.92	114.08	117.20	
5	119.48	112.56	118.60	117.00	112.56	103.30	106.92	114.08	117.20	
4	119.48	112.56	118.60	117.00	112.56	103.30	106.92	114.08	117.20	
3	119.48	112.56	118.60	117.00	112.56	103.30	106.92	114.08	117.20	
2	119.50	112.56	118.60	117.00	112.56	103.30	106.74	114.08	117.20	
29	119.50	112.56	118.60	116.80	112.56	103.30	106.74	114.08	117.20	
28	119.22	112.56	118.60	117.20	112.37	103.13	106.74	114.08	117.20	
15	119.42	112.56	118.60	117.20	112.19	103.13	106.74	114.27	117.20	
8	119.48	112.56	118.60	117.20	112.00	103.13	106.74	114.27	117.20	
1	119.81	112.56	118.60	117.20	112.00	103.13	106.74	114.27	117.20	
25	119.89	112.75	118.60	117.40	112.19	103.30	106.74	114.27	117.20	
18	119.84	112.56	118.60	117.20	112.37	103.30	106.92	114.08	117.20	
11	119.84	112.56	118.60	117.00	112.37	103.30	106.92	114.08	117.20	
4	120.08	112.56	118.60	117.00	112.19	103.30	106.74	114.08	117.20	
28	120.10	112.37	118.60	116.80	112.19	103.13	106.56	114.27	117.20	
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	
30	120.15	112.37	118.60	116.80	112.00	102.80	106.04	113.89	117.00	
26	119.66	112.19	118.40	116.80	111.81	102.30	105.86	113.89	116.41	
23	119.35	111.81	118.40	116.61	111.62	101.47	105.34	113.70	116.22	
20	119.68	111.44	118.20	116.41	111.25	100.81	104.66	113.70	116.22	
17	120.21	111.25	118.20	116.41	111.07	100.32	104.31	113.50	116.41	
14	119.47	111.07	118.20	116.22	111.07	100.16	104.14	113.31	116.41	
11	120.44	112.75	118.60	117.40	112.75	103.30	107.09	114.27	117.40	
8	119.20	110.70	118.20	116.22	110.88	99.04	103.30	113.12	116.02	
5	120.87	111.44	119.41	117.00	111.81	99.36	103.47	114.27	117.40	
2	116.85	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46	
1 Year Ago										
Oct. 9, 1943	120.56	110.88	119.00	116.41	111.07	98.73	103.13	113.89	116.41	
2 Years Ago										
Oct. 10, 1942	117.36	107.62	117.20	114.08	108.70	92.64	97.47	111.81	114.46	

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices)										
1944— Daily Averages	U. S. Govt. Bonds	Avg. Rate*	Corporate by Ratings*					Corporate by Groups*		
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Oct. 10	1.85	3.02	2.72	2.80	3.02	3.55	3.33	2.95	2.79	
9	1.85	3.02	2.72	2.80	3.02	3.55	3.33	2.95	2.79	
7	1.85	3.02	2.71	2.80	3.02	3.55	3.33	2.95	2.79	
6	1.85	3.02	2.72	2.80	3.02	3.55	3.34	2.95	2.79	
5	1.85	3.03	2.72	2.80	3.03	3.55	3.34	2.95	2.79	
4	1.85	3.03	2.72	2.80	3.03	3.55	3.34	2.95	2.79	
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	
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	2.79	3.04	3.56	3.35	2.95	2.79	
15	1.83	3.03	2.71	2.79	3.05	3.56	3.35	2.94	2.79	
8	1.84	3.03	2.71	2.79	3.06	3.56	3.35	2.94	2.80	
1	1.81	3.03	2.71	2.79	3.06	3.56	3.35	2.94	2.79	
25	1.81	3.02	2.71	2.78	3.05	3.55	3.35	2.94	2.79	
18	1.81	3.03	2.72	2.79	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	
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	
30	1.79	3.04	2.72	2.81	3.06	3.58	3.39	2.96	2.78	
26	1.84	3.05	2.73	2.81	3.07	3.61	3.40	2.96	2.80	
23	1.86	3.07	2.73	2.82	3.08	3.66	3.43	2.97	2.83	
20	1.83	3.09	2.74	2.83	3.10	3.70	3.47	2.97	2.84	
17	1.81	3.10	2.74	2.83	3.11	3.73	3.49	2.98	2.84	
14	1.87	3.11	2.74	2.84	3.11	3.74	3.50	2.99	2.83	
11	1.87	3.13	2.74	2.84	3.12	3.81	3.55	3.00	2.85	
8	1.77	3.02	2.71	2.78	3.02	3.55	3.33	2.94	2.78	
5	1.94	3.31	2.81	2.96	3.23	4.25	3.93	3.07	2.93	
2	1.79	3.09	2.68	2.80	3.07	3.79	3.54	2.94	2.78	
1 Year Ago										
Oct. 9, 1943	1.80	3.12	2.70	2.83	3.11	3.83	3.56	2.96	2.83	
2 Years Ago										
Oct. 10, 1942	2.05	3.30	2.79	2.95	3.24	4.23	3.91	3.07	2.92	

\*These prices are computed from average yields on the basis of one "typical" bond (3 1/4% coupon, maturing in 25 years) and do not purport to show either the average level or the average movement of actual price quotations. They merely serve to illustrate in a more comprehensive way the relative levels and the relative movement of yield averages, the latter being the true picture of the bond market.

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

### Electric Output For Week Ended Oct. 7, 1944 Slightly Higher Than In Same Week In 1943

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Oct. 7, 1944 was approximately 4,375,079,000 kwh., compared with 4,341,754,000 kwh. in the corresponding week a year ago, an increase of 0.8%. The output for the week ended Sept. 30, 1944, was 0.2% higher than that of the similar period in 1943.

Major Geographical Divisions—	PERCENTAGE INCREASE OVER PREVIOUS YEAR			
	Oct. 7	Sept. 30	Sept. 23	Sept. 12
New England	0.5	+0.3	0.6	+1.6
Middle Atlantic	+3.4	+4.9	+4.0	+2.1
Central Industrial	2.8	2.3	2.2	2.0
West Central	7.9	4.6	6.4	3.4
Southern States	5.7	5.7	5.9	6.3
Rocky Mountain	+10.3	+10.2	+9.6	+6.9
Pacific Coast	+4.2	+1.4	+1.9	4.0
Total United States	0.8	0.2	0.4	0.8

\*Decrease under similar week in 1943.

Week Ended—	DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)					
	1944	1943	% Change over 1943	1942	1932	1929
July 1	4,327,359	4,110,793	+ 5.3	3,424,188	1,341,730	1,592,075
July 8	3,940,854	3,919,398	+ 0.5	3,428,916	1,415,704	1,711,625
July 15	4,377,152	4,184,143	+ 4.6	3,565,367	1,433,903	1,727,225
July 22	4,380,930	4,196,357	+ 4.4	3,625,645	1,440,386	1,732,031
July 29	4,396,762	4,226,705	+ 3.9	3,649,146	1,426,986	1,724,728
Aug. 5	4,399,433	4,240,638	+ 3.7	3,637,070	1,415,122	1,729,667
Aug. 12	4,415,368	4,287,827	+ 3.0	3,654,795	1,431,910	1,733,110
Aug. 19	4,451,076	4,264,824	+ 4.4	3,673,717	1,436,440	1,750,056
Aug. 26	4,418,298	4,322,195	+ 2.2	3,639,961	1,464,700	1,761,594
Sept. 2	4,414,735	4,350,511	+ 1.5	3,672,921	1,423,977	1,674,588
Sept. 9	4,227,900	4,229,262	- 0.0	3,583,408	1,476,442	1,806,259
Sept. 16	4,394,839	4,358,512	+ 0.8	3,756,922	1,490,863	1,792,131
Sept. 23	4,377,339	4,359,610	+ 0.4	3,720,254	1,499,459	1,777,854
Sept. 30	4,365,907	4,359,003	+ 0.2	3,682,794	1,505,219	1,819,276
Oct. 7	4,375,079	4,341,754	+ 0.8	3,702,299	1,507,503	1,806,403
Oct. 14		4,382,268		3,717,360	1,528,145	1,798,633
Oct. 21		4,415,405		3,774,891	1,525,410	1,815,749
Oct. 28		4,413,863		3,761,961	1,520,730	1,798,164

### Non-Ferrous Metals — Magnesium Restrictions Removed By WPB — Stockpile Measure Signed

"E. & M. J. Metal and Mineral Markets," in its issue of Oct. 5, stated: "General Preference Order M-2-b, restricting the use and delivery of magnesium, was revoked by WPB on Oct. 3. Order M-2-c was issued by the Aluminum and Magnesium Division on the same day to cover other orders regulating quantity production of articles which may be made wholly or in part of magnesium. Monthly production reports for magnesium are still required. President Roosevelt signed the Surplus Property Bill, containing the stockpiling provisions, on Oct. 3. Quicksilver provided a price change, advancing \$1 per flask." The publication further went on to say in part:

**Copper**  
Some brass mills have experienced cutbacks in production for October, but in the main consumption of copper for war purposes has not suffered much, continuing at around 130,000 to 135,000 tons a month. With the October needs of consumers out of the way, the market last week was inactive. Interest centered in a meeting of the advisory board scheduled for today, at which reconversion is expected to raise some interesting questions in connection with imports

## 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. 30, 1944, is estimated at 12,050,000 net tons, an increase of 200,000 tons, or 1.7%, over the preceding week. In the corresponding week of 1943, output amounted to 12,178,000 tons. Cumulative production of soft coal from Jan. 1 to Sept. 30, 1944, totaled 471,080,000 tons, as compared with 444,823,000 tons in the same period in 1943—an increase of 5.9%.

According to the U. S. Bureau of Mines, output of Pennsylvania anthracite for the week ended Sept. 30, 1944, was estimated at 1,336,000 tons, an increase of 54,000 tons (4.2%) over the preceding week. When compared with the production in the corresponding week of 1943, there was an increase of 46,000 tons, or 3.6%. The calendar year to date shows an increase of 5.7% when compared with the same period of 1943.

The Bureau of Mines also reported that the estimated production of beehive coke in the United States for the week ended Sept. 30, 1944, showed a decrease of 6,600 tons when compared with the output for the week ended Sept. 23, 1944, and was 45,400 tons less than for the corresponding period of last year.

Commodity	Week Ended			January 1 to Date		
	Sep. 30, 1944	Sep. 23, 1944	Oct. 2, 1943	Sep. 30, 1944	Oct. 2, 1943	Oct. 2, 1937
Bituminous coal and lignite	12,050,000	11,850,000	12,178,000	471,080,000	444,823,000	332,817,000
Daily average	2,008,000	1,975,000	2,030,000	2,027,000	1,903,000	1,438,000

Commodity	Week Ended			Calendar Year to Date		
	Sep. 30, 1944	Sep. 23, 1944	Oct. 2, 1943	Sep. 30, 1944	Oct. 2, 1943	Oct. 2, 1937
Penn. anthracite	1,336,000	1,282,000	1,290,000	49,184,000	46,549,000	38,042,000
Total incl. coll. fuel	1,283,000	1,231,000	1,238,000	47,218,000	44,687,000	35,140,000

Beehive coke—  
 United States total 117,400 124,000 162,800 5,606,100 5,913,500 2,649,200  
 \*Includes washery and dredge coal and coal shipped by truck from authorized operations. †Excludes colliery fuel. ‡Subject to revision. §Revised.

State	Week Ended			
	Sep. 23, 1944	Sep. 16, 1944	Sep. 9, 1943	Sep. 2, 1937
Alabama	358,000	372,000	367,000	258,000
Alaska	5,000	5,000	6,000	3,000
Arkansas and Oklahoma	100,000	103,000	90,000	78,000
Colorado	144,000	133,000	166,000	142,000
Georgia and North Carolina	1,000	1,000	1,000	*
Illinois	1,344,000	1,355,000	1,534,000	1,122,000
Indiana	538,000	560,000	577,000	390,000
Iowa	45,000	44,000	48,000	80,000
Kansas and Missouri	187,000	173,000	142,000	134,000
Kentucky—Eastern	944,000	954,000	956,000	882,000
Kentucky—Western	384,000	373,000	299,000	172,000
Maryland	36,603	35,000	38,000	33,000
Michigan	3,000	3,000	3,000	15,000
Montana (bitum. & lignite)	85,000	85,000	94,000	60,000
New Mexico	32,003	33,000	36,000	33,000
North & South Dakota (lignite)	50,000	46,000	49,000	55,000
Ohio	690,000	700,000	675,000	546,000
Pennsylvania (bituminous)	2,970,000	2,950,000	2,973,000	2,324,000
Tennessee	134,000	145,000	142,000	114,000
Texas (bituminous & lignite)	2,000	3,000	4,000	20,000
Utah	133,000	135,000	119,000	79,000
Virginia	356,000	352,000	383,000	317,000
Washington	30,000	30,000	32,000	34,000
West Virginia—Southern	2,038,000	2,018,000	2,265,000	1,997,000
West Virginia—Northern	1,070,000	812,000	997,000	605,000
Wyoming	176,000	180,000	183,000	127,000
Other Western States	1,600	1,000	1,000	*
Total bituminous & lignite	11,850,000	11,600,000	12,180,000	9,620,000
Pennsylvania anthracite	1,282,000	1,263,000	1,306,000	924,000
Total, all coal	13,132,000	12,863,000	13,486,000	10,544,000

\*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.

Commodity Groups—	9-30	9-23	9-16	9-2	10-2	Percentage change to Sept. 30, 1944 from—		
	1944	1944	1944	1944	1943	9-23 1944	9-2 1944	10-2 1943
All commodities	*103.8	*103.7	*103.6	*103.6	103.0	+0.1	+0.2	+0.8
Farm products	122.8	122.8	122.1	122.0	123.6	0	+0.7	-0.6
Foodstuffs	103.9	104.3	103.8	104.1	105.0	-0.4	-0.2	-1.0
Hides and leather products	116.5	116.5	116.6	116.5	118.4	0	0	-1.6
Textile products	98.5	98.3	98.3	98.1	97.0	+0.2	+0.4	+1.5
Fuel and lighting materials	83.7	83.7	83.7	83.7	81.7	0	0	+2.4
Metals and metal products	*103.8	*103.9	*103.9	*103.8	103.8	-0.1	0	0
Building materials	115.9	115.9	116.1	116.0	112.5	0	-0.1	+3.0
Chemicals and allied products	104.9	104.9	104.9	104.9	100.3	0	0	+4.6
Housefurnishing goods	106.1	106.1	106.1	106.1	104.2	0	0	+1.8
Miscellaneous commodities	93.4	93.3	93.3	93.3	93.1	+0.1	+0.1	+0.3
Raw materials	113.2	113.3	112.8	112.7	112.5	-0.1	-0.4	+0.6
Semimanufactured articles	94.3	94.1	94.1	94.1	92.8	+0.2	+0.2	+1.6
Manufactured products	*101.1	*101.1	*101.1	*101.1	100.2	0	0	+0.9
All commodities other than farm products	*99.6	*99.6	*99.6	*99.6	98.6	0	0	+1.0
All commodities other than farm products and foods	*98.8	*98.8	*98.8	*98.7	97.5	0	+0.1	+1.3

\*Preliminary.

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM SEPT. 23, 1944 TO SEPT. 30, 1944

Increases		Decreases	
Grains	1.3	Other textile products	0.4
Hosiery and underwear	1.1	Cement	0.2
Livestock and poultry	0.6	Cereal products	0.2
Cotton goods	0.4	Other miscellaneous	0.1
Fruits and vegetables	3.2	Hides and skins	0.2
Other farm products	0.8	Fertilizer materials	0.1
Paint and paint materials	0.1		

## Moody's Common Stock Yields

Annual average yields for the years 1929 to 1941, inclusive, and monthly yields for 1941 are published in the "Chronicle" of June 11, 1942, page 2218. Yields for 1942 are on page 202, Jan. 14, 1943, issue, and for 1943, on page 1130, March 16, 1944 issue.

	Industrials (125)	Railroads (25)	Utilities (25)	Banks (15)	Insurance (10)	Average Yield (200)
January, 1944	4.6%	7.0%	5.5%	3.8%	3.9%	4.8%
February, 1944	4.6	6.7	5.5	3.7	4.0	4.8
March, 1944	4.6	6.9	5.5	3.8	3.7	4.8
April, 1944	4.6	7.0	5.6	3.8	3.8	4.9
May, 1944	4.7	6.7	5.4	3.6	3.7	4.8
June, 1944	4.4	6.6	5.2	3.5	3.7	4.6
July, 1944	4.5	6.6	5.3	3.6	3.7	4.7
August, 1944	4.5	6.7	5.2	3.5	3.7	4.7
September, 1944	4.5	6.7	5.3	3.5	3.7	4.7

## National Fertilizer Association Wholesale Commodity Price Index Rises To Record Peak

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on Oct. 9, advanced fractionally from the seventh consecutive week to 139.5 in the week ending Oct. 7 from 139.3 in the preceding week. A month ago this index stood at 138.6 and a year ago at 136.1, based on the 1935-1939 average as 100. The Association's report continued as follows:

The commodity price index continued to rise, reaching a record peak. This is caused primarily by higher quotations in the farm products group, which group now stands at an all-time high. The grains group advanced with increasing prices for rye and wheat. The livestock group advanced as the result of higher quotations for cattle, lambs, and ewes; while hogs continued to hold at ceiling prices. Lower prices for fresh pork more than slightly offset higher prices for cottonseed oil, causing the foods group to decline fractionally, marking its first decline in six weeks. Prices on raw spot cotton were somewhat below a week ago. However, higher quotations on narrow print cloths caused a fractional advance in the textiles group. Lower prices were again reported for scrap steel but were not sufficient to change the index number for the metals group. All other group indexes remained at the previous week's level.

During the week 9 price series in the index advanced and 3 declined, the same as in the preceding week. In the second preceding week there were 7 advances and 5 declines.

Each Group Bears to the Total Index	Group	1935-1939=100*			
		Latest Week	Preceding Week	Month Ago	Year Ago
25.3	Foods	144.5	142.6	141.3	140.5
	Fats and Oils	145.1	144.1	145.1	146.5
	Cottonseed Oil	163.1	159.6	163.1	162.4
23.0	Farm Products	165.5	164.3	161.2	158.6
	Cotton	206.6	207.5	201.9	194.2
	Grains	162.1	158.5	155.3	154.1
	Livestock	160.5	159.5	156.6	154.4
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	155.5	155.4	154.2	150.3
7.1	Metals	104.1	104.1	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	113.3	117.7
.3	Fertilizers	119.9	119.9	119.7	119.8
.3	Farm machinery	104.7	104.7	104.5	104.1
100.0	All groups combined	139.5	139.3	138.6	136.1

\*Indexes on 1926-1928 base were: Oct. 7, 1944, 108.7; Sept. 30, 108.5, and Oct. 9, 1943, 106.0.

## New York Stock Exch. Borrowings Increase In Month of September

The New York Stock Exchange announced on Oct. 5, 1944, that the total of money borrowed as reported by Stock Exchange member firms as of the close of business Sept. 30, was \$779,589,205, an increase of \$36,423,379 from the Aug. 31 total of \$743,165,826.

The following is the Stock Exchange's announcement:  
 The total of money borrowed from banks, trust companies and other lenders in the United States, excluding borrowings from other members of national securities exchanges: (1) On direct obligations of or obligations guaranteed as to principal or interest by the U. S. Government, \$257,703,634; (2) on all other collateral, \$521,880,571; reported by New York Stock Exchange Member Firms as of the close of business Sept. 30, 1944, aggregated \$779,589,205.

The total of money borrowed, compiled on the same basis, as of the close of business Aug. 31, 1944, was (1) on direct obligations of or obligations guaranteed as to principal or interest by the United States Government, \$241,660,659; (2) on all other collateral, \$501,505,167; total \$743,165,826.

## September Cotton Report

A United States cotton crop of 11,953,000 bales of 500 pounds gross weight is forecast by the Crop Reporting Board of the United States Department of Agriculture, based upon information as of Oct. 1, 1944. The present forecast is 470,000 bales or 4% above the forecast of 11,483,000 bales estimated on Sept. 1, and compares with 11,427,000 bales produced in 1943 and 12,455,000 bales for the 10-year (1933-42) average.

The computed lint yield per acre, at 284.6 pounds is approximately 12 pounds above the previous all-time record yield of 272.4 pounds produced in 1942. Average yield for the 10-year (1933-42) period is 226.9 pounds per acre.

Present prospects as compared with a month ago are for increased production for all States except Virginia, North Carolina, Oklahoma, and California, where production is unchanged and in Florida, New Mexico, and Arizona where reductions are indicated. Greatest percentage improvement is in Arkansas, Louisiana, and in the area comprising South Carolina, Georgia, and Alabama in which five States prospective production is now 335,000 bales above a month ago.

Climatic conditions during most of September were generally favorable for maturity of the crop, but in some areas harvesting has been delayed by too frequent showers. An unusually large proportion of the crop is open in the fields and there is considerable uneasiness regarding the inability of producers to secure adequate labor for picking. If favorable weather prevails for the remainder of the season, the crop may be harvested with no more than usual losses, but with unfavorable weather considerable losses could result.

Assuming the ratio of cotton lint to cottonseed to be equal to the average for the past five years, a production of 4,953,000 tons of cottonseed is indicated.

The slow rate of harvesting the crop this year is reflected by gin-nings to Oct. 1 as reported by the Bureau of the Census. According to the Census report, ginning to Oct. 1 amounted to only 3,984,761 bales, compared with 5,749,745 bales in 1943 and 5,006,307 bales in 1942.

In the textile markets higher prices were reported for cotton yarn and twine and for underwear, reflecting the effect of the Stabilization Extension Act of 1944.

## Wholesale Prices Up 0.1% For Week Ended September 30, Labor Dept. Reports

A slight upward tendency was evidenced in commodity prices in primary markets during the last week of September largely due to higher textile and wheat prices. The Bureau of Labor Statistics' all-commodity index rose 0.1% to 103.8% of the 1926 average, said the U. S. Department of Labor in its Oct. 5 report, which added: "In the past four weeks the index has risen 0.2% to a point 0.8% higher than at the same time last year." The advices from the Department further reported:

**Farm Products and Foods**—In the farm products group there was an increase of nearly 3% for wheat, influenced by higher subsidy rates to millers and an announcement of increased purchase prices in some markets by the Commodity Credit Corporation. Quotations were also higher for cotton, calves, sheep, and live poultry at New York. The increase was offset by lower prices for corn, oats and rye, and for wool, eggs, oranges, apples and potatoes. The level for farm products remained unchanged at 122.8% of the 1926 average. Average prices for this group are 0.7% higher than at the end of August but 0.6% lower than for the corresponding week of last year.

**Led by a decline of 3.2% for fruits and vegetables**, average prices for foods in primary markets dropped 0.4% during the week. Higher prices were reported for flour, oatmeal, raisins and lemons. Food prices have declined slightly, by 0.2%, over the past four weeks and are now 1.0% lower than at this time last year.

**Industrial Commodities**—Prices for industrial commodities with but a few exceptions continued relatively steady. The scrap steel market fell from \$1 to \$2 under ceilings as buyers became more selective and inventory conscious. Quotations for goatskins again declined and prices were also lower for ground bones and for rosin and turpentine.

In the textile markets higher prices were reported for cotton yarn and twine and for underwear, reflecting the effect of the Stabilization Extension Act of 1944.

The Labor Department included the following notation in its report:

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

The following tables show (1) index numbers for the principal groups of commodities for the past three weeks, for Sept. 2, 1944 and Oct. 2, 1943, and the percentage changes from a week ago, a month ago, and a year ago, and (2) percentage changes in subgroup indexes from Sept. 23 to 30, 1944.

WHOLESALE PRICES FOR WEEK ENDED SEPT. 30, 1944 (1926=100)

Commodity Groups—	9-30	9-23	9-16	9-2	10-2	Percentage change to Sept. 30, 1944 from—		
	1944	1944	1944	1944	1943	9-23 1944	9-2 1944	10-2 1943
All commodities	*103.8	*103.7	*103.6	*103.6	103.0	+0.1	+0.2	+0.8
Farm products	122.8	122.8	122.1	122.0	123.6	0	+0.7	-0.6
Foodstuffs	103.9	104.3	103.8	104.1	105.0	-0.4	-0.2	-1.0
Hides and leather products	116.5	116.5	116.6	116.5	118.4	0	0	-1.6
Textile products	98.5	98.3	98.3	98.1	97.0	+0.2</		

### Daily Average Crude Oil Production For Week Ended Sept. 30, 1944 Reached New High Level

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Sept. 30, 1944, was 4,762,300 barrels, a new high record. This was 18,450 barrels in excess of the daily average for the preceding week and exceeded the output in the week ended Oct. 2, 1943, by 434,800 barrels per day. The current figure was also 6,100 barrels in excess of the daily average figure recommended by the Petroleum Administration for War for the month of September, 1944. Daily production for the four weeks ended Sept. 30, 1944, averaged 4,735,250 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 4,775,000 barrels of crude oil daily and produced 14,494,000 barrels of gasoline; 1,396,000 barrels of kerosene; 4,622,000 barrels of distillate fuel oil, and 9,292,000 barrels of residual fuel oil during the week ended Sept. 30, 1944; and had in storage at the end of that week 78,028,000 barrels of gasoline; 14,583,000 barrels of kerosene; 45,329,000 barrels of distillate fuel, and 64,226,000 barrels of residual fuel oil. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

	*P. A. W. Recommendations September 1944	*State Allowables begin. Sep. 1 1944	Actual Production		4 Weeks Ended Sep. 30, 1944	Week Ended Oct. 2, 1943
			Week Ended Sep. 30, 1944	Change from Previous Week		
Oklahoma	344,000	340,000	1343,400	+ 550	342,050	325,800
Kansas	274,000	269,400	1277,600	- 3,300	273,350	272,250
Nebraska	1,000	---	900	---	900	1,750
Panhandle Texas	---	---	98,700	---	98,700	104,000
North Texas	---	---	147,750	---	147,750	140,600
West Texas	---	---	504,050	---	504,050	333,500
East Central Texas	---	---	149,800	---	149,800	131,200
East Texas	---	---	370,950	---	370,950	390,000
Southwest Texas	---	---	341,750	---	341,750	263,550
Coastal Texas	---	---	543,050	---	543,050	485,300
Total Texas	2,163,000	2,165,030	2,156,050	---	2,156,050	1,838,150
North Louisiana	---	---	73,000	- 1,550	73,950	81,500
Coastal Louisiana	---	---	288,400	---	288,400	278,500
Total Louisiana	350,000	396,200	361,400	- 1,550	362,350	360,000
Arkansas	78,000	78,235	80,800	- 250	81,100	76,650
Mississippi	45,000	---	48,950	+ 200	47,200	49,000
Alabama	---	---	300	---	300	---
Florida	---	---	50	---	50	---
Illinois	210,000	---	210,500	+ 15,300	204,900	219,700
Indiana	14,000	---	13,550	+ 800	13,350	14,100
Eastern (Not incl. Ill., Ind., Ky.)	74,200	---	69,650	+ 1,200	68,500	78,000
Kentucky	25,000	---	28,750	+ 4,150	26,050	22,650
Michigan	51,000	---	49,350	- 650	49,750	56,400
Wyoming	100,000	---	100,300	- 1,250	97,450	101,800
Montana	24,000	---	22,400	+ 2,800	20,300	21,400
Colorado	8,000	---	8,650	+ 500	8,950	7,000
New Mexico	110,000	110,000	106,200	+ 50	106,100	109,350
Total East of Calif.	3,871,200	---	3,878,800	+ 17,150	3,858,700	3,554,000
California	885,000	885,000	883,500	+ 1,300	876,550	773,500
Total United States	4,756,200	---	4,762,300	+ 18,450	4,735,250	4,327,500

\*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. 28, 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. 30, 1944

District	Daily Refining Capacity	Crude Runs to Still Daily Average	Crude % Op-erated	Gasoline Production	at Re-fineries	Stocks of Gas Natural	Stocks of Gas Finished	Stocks of Gas Oil and Distillate	Stocks of Residual Fuel Oil
Combin'd East Coast	2,518	90.3	2,492	99.0	7,167	35,835	24,658	22,292	---
Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and inland Texas	---	---	---	---	---	---	---	---	---
Appalachian	130	83.9	112	86.2	297	2,204	506	277	---
District No. 1	47	87.2	49	104.3	168	1,355	162	162	---
District No. 2	824	85.2	788	95.6	2,930	16,334	6,327	4,055	---
Ind., Ill., Ky.	418	80.2	387	92.6	1,487	6,814	2,037	1,574	---
Okla., Kans., Mo.	---	---	---	---	---	---	---	---	---
Rocky Mountain	13	17.0	11	84.6	31	56	13	29	---
District No. 3	141	58.3	108	76.6	333	1,524	403	669	---
District No. 4	817	89.9	828	101.3	2,081	13,906	11,223	35,168	---
California	---	---	---	---	---	---	---	---	---
Total U. S. B. of M. basis Sept. 30, 1944	4,908	87.2	4,775	97.3	14,494	78,028	45,329	64,226	---
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	---
U. S. Bur. of Mines basis Oct. 2, 1943	---	---	4,204	---	12,475	69,260	39,806	66,827	---

\*At the request of the Petroleum Administration for War. †Finished, 65,294,000 barrels; unfinished, 12,734,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,396,000 barrels of kerosene, 4,622,000 barrels of gas oil and distillate fuel oil and 9,292,000 barrels of residual fuel oil produced during the week ended Sept. 30, 1944, which compares with 1,585,000 barrels, 4,717,000 barrels and 9,180,000 barrels, respectively, in the preceding week and 1,388,000 barrels, 4,534,000 barrels and 6,511,000 barrels, respectively, in the week ended Oct. 2, 1943.

Note—Stocks of kerosene at Sept. 30, 1944 amounted to 14,583,000 barrels, as against 14,138,000 barrels a week earlier and 10,903,000 barrels a year before.

### Trading On New York Exchanges

The Securities and Exchange Commission made public on Oct. 4 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. 16, 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. 16 (in round-lot transactions) totaled 1,352,960 shares, which amount was 17.53% of the total transactions on the Exchange of 3,857,170 shares. This compares with member trading during the week ended Sept. 9 of 1,630,426 shares, or 15.80% of the total trading of 5,158,850 shares. On the New York Curb Exchange, member trading during the week ended Sept. 16 amounted to 256,815 shares, or 12.91% of the total volume on that exchange of 1,951,350 shares; during the Sept. 9 week trading for the account of Curb members of 327,280 shares was 13.17% of total trading of 1,242,025 shares.

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

A. Total Round-Lot Sales:	Total for week	%
Short sales	134,130	---
†Other sales	3,723,040	---
Total sales	3,857,170	---
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	324,640	---
Short sales	42,650	---
†Other sales	289,340	---
Total sales	331,990	8.51
2. Other transactions initiated on the floor—		
Total purchases	254,290	---
Short sales	17,730	---
†Other sales	210,390	---
Total sales	228,120	6.25
3. Other transactions initiated off the floor—		
Total purchases	91,380	---
Short sales	10,900	---
†Other sales	111,640	---
Total sales	122,540	2.77
4. Total—		
Total purchases	670,310	---
Short sales	71,280	---
†Other sales	611,370	---
Total sales	682,650	17.53

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

A. Total Round-Lot Sales:	Total for week	%
Short sales	20,390	---
†Other sales	1,030,960	---
Total sales	1,051,350	---
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	71,730	---
Short sales	5,270	---
†Other sales	82,300	---
Total sales	87,570	7.58
2. Other transactions initiated on the floor—		
Total purchases	24,135	---
Short sales	5,200	---
†Other sales	20,405	---
Total sales	25,605	2.36
3. Other transactions initiated off the floor—		
Total purchases	20,570	---
Short sales	4,200	---
†Other sales	37,675	---
Total sales	41,875	2.97
4. Total—		
Total purchases	116,435	---
Short sales	14,670	---
†Other sales	140,380	---
Total sales	155,050	12.91
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	---
Customers' other sales	40,162	---
Total purchases	40,162	---
Total sales	33,158	---

\*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."

### Currie Sees Need For Government Guaranteed Foreign Loans To Stimulate Post-War Exports

### Deputy Foreign Economic Administrator Tells Congressional Committee Expanding World Trade Is Key To Full Employment.

The statement that it was "apparent that if a high level of exports is to be maintained" after the war, it would be necessary for the U. S. Government to make and guarantee foreign loans on favorable terms, was made on Sept. 28 by Lauchlin Currie, Deputy Foreign Economic Administrator before a Congressional Committee, according to Associated Press advices from Washington on that date,

given in the New York "Journal of Commerce," which further stated:

Testifying before the Foreign Trade Subcommittee of the House Post-War Planning Committee, Mr. Currie advocated resumption after the war of Government loans and Government-guaranteed loans abroad "on a large and sound scale," since, he said, the ability of a number of countries to obtain dollars on loan would be one of the principal factors governing our foreign trade after the war.

One of the ways of achieving full post-war employment, he said, "would be to export far more than ever before."

"Merely to fill the gap left by Lend-Lease exports our present exports must be raised from \$2,800,000,000 to \$14,300,000,000," he explained.

"Fourteen billion dollars would admittedly be a high level of exports compared with the past," Currie said. "But we shall need to export much more than before the war and foreign countries will need much more from us."

Mr. Currie said the fact that other countries are seeking post-war export markets "need not result in economic warfare between them or between us and them. But serious shrinkage in German and Japanese exports will not alone make room for all the exports that the exporting nations will wish to make. It will also be necessary to expand world trade as a whole. Only in this way can the danger of nationalistic controls of foreign trade, such as developed during the 30's be avoided. Only in this way can American exports be raised to levels that will aid in maintaining unemployment in this country without resulting in unemployment elsewhere."

### NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Oct. 4 a summary for the week ended Sept. 23 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

Odd-Lot Sales by Dealers (Customers' purchases)	Total for Week
Number of orders	14,237
Number of shares	396,287
Dollar value	\$16,763,384
Odd-Lot Purchases by Dealers (Customers' sales)	
Number of Orders:	
Customers' short sales	139
Customers' other sales	14,616
Customers' total sales	14,755
Number of Shares:	
Customers' short sales	4,866
Customers' other sales	371,641
Customers' total sales	376,507
Dollar value	\$13,211,453
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	30
†Other sales	87,620
Total sales	87,650
Round-Lot Purchases by Dealers:	
Number of shares	138,460
*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."	

### David Blair Dies

David H. Blair, attorney and former U. S. Commissioner of Internal Revenue, died on Sept. 12. He was 76 years of age. Mr. Blair was identified with the enforcement of the Prohibition Amendment. He served as Commissioner of Internal Revenue from 1921 to 1929.

### Revenue Freight Car Loadings During Week Ended Sept. 30, 1944 Increased 14,332 Cars

Loading of revenue freight for the week ended Sept. 30, 1944, totaled 912,999 cars, the Association of American Railroads announced on Oct. 5. This was an increase above the corresponding week of 1943 of 2,355 cars, or 0.3%, and an increase above the same week in 1942 of 5,713 cars, or 0.6%.

Loading of revenue freight for the week of Sept. 30 increased 14,332 cars, or 1.6% above the preceding week.

Miscellaneous freight loading totaled 417,701 cars, an increase of 6,747 cars above the preceding week, and an increase of 11,081 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 109,797 cars, an increase of 2,238 cars above the preceding week, and an increase of 7,558 cars above the corresponding week in 1943.

Coal loading amounted to 180,170 cars, an increase of 4,993 cars above the preceding week, and an increase of 898 cars above the corresponding week in 1943.

Grain and grain products loading totaled 50,025 cars, an increase of 193 cars above the preceding week, but a decrease of 3,471 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of Sept. 30 totaled 33,292 cars, a decrease of 504 cars below the preceding week and a decrease of 4,020 cars below the corresponding week in 1943.

Livestock loading amounted to 22,832 cars, an increase of 1,003 cars above the preceding week but a decrease of 676 cars below the corresponding week in 1943. In the Western Districts alone loading of livestock for the week of Sept. 30 totaled 17,976 cars, an increase of 670 cars above the preceding week, but a decrease of 1,032 cars below the corresponding week in 1943.

Forest products loading totaled 44,850 cars, an increase of 821 cars above the preceding week but a decrease of 1,091 cars below the corresponding week in 1943.

Ore loading amounted to 73,421 cars, a decrease of 2,146 cars below the preceding week and a decrease of 11,244 cars below the corresponding week in 1943.

Coke loading amounted to 14,203 cars, an increase of 483 cars above the preceding week, but a decrease of 700 cars below the corresponding week in 1943.

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

	1944	1943	1942
5 Weeks of January	3,796,477	3,531,811	3,858,479
4 weeks of February	3,159,492	3,055,725	3,122,942
4 weeks of March	3,135,155	3,073,445	3,174,781
5 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
Week of September 30	912,999	910,644	907,286
Total	33,420,933	32,419,038	33,147,110

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Sept. 30, 1944. During the period 65 roads showed increases when compared with the corresponding week a year ago.

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		
	1944	1943	1942	1944	1943	1942
<b>Eastern District—</b>						
Ann Arbor	322	250	279	1,513	1,673	
Bangor & Aroostook	1,376	1,347	1,148	534	190	
Boston & Maine	6,995	7,114	6,428	14,539	15,058	
Chicago, Indianapolis & Louisville	1,236	1,426	1,603	2,132	2,244	
Central Indiana	37	36	38	29	44	
Central Vermont	1,114	1,074	1,028	2,567	2,702	
Delaware & Hudson	6,041	6,263	6,377	12,556	11,809	
Delaware, Lackawanna & Western	8,431	7,569	7,616	10,425	11,770	
Detroit & Mackinac	402	270	740	130	127	
Detroit, Toledo & Ironton	2,030	1,959	1,713	1,277	1,176	
Detroit & Toledo Shore Line	343	353	330	2,679	2,453	
Erie	14,568	14,025	13,664	17,178	19,899	
Grand Trunk Western	4,107	3,993	4,347	8,250	7,099	
Lehigh & Hudson River	153	222	155	2,372	2,611	
Lehigh & New England	2,311	2,024	2,395	1,632	1,671	
Lehigh Valley	8,833	8,957	8,735	12,370	14,777	
Maine Central	2,494	2,397	2,242	3,764	2,926	
Monongahela	6,490	6,143	6,137	303	433	
Montour	2,642	2,363	2,352	14	55	
New York Central Lines	52,140	54,787	51,160	55,774	57,792	
N. Y., N. H. & Hartford	10,182	10,008	9,548	18,209	19,624	
New York, Ontario & Western	1,166	1,328	977	3,354	2,396	
New York, Chicago & St. Louis	6,798	7,058	8,018	14,978	16,714	
N. Y., Susquehanna & Western	489	657	400	2,368	2,344	
Pittsburgh & Lake Erie	8,182	8,321	8,003	9,157	8,618	
Pere Marquette	5,468	5,694	5,637	7,154	7,481	
Pittsburg & Shawmut	793	964	779	7	20	
Pittsburg, Shawmut & North	321	436	360	238	294	
Pittsburg & West Virginia	1,219	1,117	1,019	3,138	3,346	
Rutland	373	420	434	1,328	1,232	
Wabash	6,096	6,453	6,491	11,874	14,154	
Wheeling & Lake Erie	5,853	6,172	5,464	4,453	4,683	
Total	169,005	171,200	165,617	226,296	237,415	
<b>Allegheny District—</b>						
Akron, Canton & Youngstown	790	732	768	1,349	1,337	
Baltimore & Ohio	47,356	46,446	42,844	28,181	29,170	
Bessemer & Lake Erie	5,835	6,893	6,241	1,739	2,160	
Buffalo Creek & Gauley	*319	341	319	*9	5	
Cambria & Indiana	1,743	1,699	1,899	6	8	
Central R. R. of New Jersey	7,102	7,752	7,496	19,511	20,923	
Cornwall	536	665	658	55	72	
Cumberland & Pennsylvania	191	212	238	14	17	
Ligonier Valley	117	146	139	37	38	
Long Island	1,559	1,665	1,366	3,721	4,102	
Penn.-Reading Seashore Lines	2,028	1,861	1,907	2,476	3,138	
Pennsylvania System	91,627	85,818	84,930	68,655	65,117	
Reading Co.	16,072	14,982	15,141	29,631	27,860	
Union (Pittsburgh)	20,009	20,857	21,579	6,631	8,379	
Western Maryland	4,135	3,955	4,147	13,383	12,327	
Total	199,419	194,024	189,672	175,401	174,653	
<b>Pocahontas District—</b>						
Chesapeake & Ohio	30,129	28,898	27,979	14,235	14,774	
Norfolk & Western	22,331	23,118	23,104	8,355	6,929	
Virginian	4,531	4,743	4,672	2,437	2,451	
Total	56,991	56,759	55,755	25,027	24,154	

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
<b>Southern District—</b>					
Alabama, Tennessee & Northern	340	326	452	354	416
Atl. & W. P.—W. R. R. of Ala.	865	700	704	2,487	2,487
Atlanta, Birmingham & Coast	908	727	753	1,447	1,229
Atlantic Coast Line	11,568	11,673	10,642	10,810	10,327
Central of Georgia	3,627	3,831	4,740	4,706	4,847
Charleston & Western Carolina	408	380	426	1,676	1,422
Clinchfield	1,601	1,678	1,780	3,762	2,535
Columbus & Greenville	356	359	612	347	216
Durham & Southern	163	147	125	469	606
Florida East Coast	789	1,360	814	1,521	1,659
Gainesville Midland	52	44	45	93	72
Georgia & Florida	1,182	1,182	1,243	2,865	3,345
Georgia & Alabama	404	442	351	585	539
Gulf, Mobile & Ohio	4,854	4,365	4,532	3,988	4,552
Illinois Central System	30,589	29,892	31,286	18,092	17,737
Louisville & Nashville	26,030	25,495	26,496	11,521	12,389
Macon, Dublin & Savannah	211	192	204	671	729
Mississippi Central	406	263	256	513	457
Nashville, Chattanooga & St. L.	3,437	3,682	3,737	4,739	4,970
Norfolk Southern	1,121	1,034	1,301	1,872	1,718
Piedmont Northern	396	368	313	1,374	1,227
Richmond, Fred. & Potomac	469	363	464	9,163	10,007
Seaboard Air Line	9,073	9,924	9,840	8,868	9,244
Southern System	24,994	23,282	23,864	25,219	23,970
Tennessee Central	747	602	523	955	831
Winston-Salem Southbound	143	176	123	1,175	1,068
Total	124,733	122,487	125,626	119,272	118,599

<b>Northwestern District—</b>					
Chicago & North Western	21,075	22,749	20,784	15,305	16,202
Chicago Great Western	2,590	2,987	2,316	3,656	3,411
Chicago, Milw., St. P. & Pac.	22,905	23,471	22,833	11,412	11,747
Chicago, St. Paul, Minn. & Omaha	3,711	4,305	4,100	4,341	4,620
Duluth, Missabe & Iron Range	26,957	29,677	27,200	216	271
Duluth, South Shore & Atlantic	918	1,079	1,081	560	638
Elgin, Joliet & Eastern	9,408	9,379	10,418	10,458	10,692
Ft. Dodge, Des Moines & South	423	410	506	82	74
Great Northern	26,461	28,464	28,775	6,532	5,698
Green Bay & Western	599	736	514	931	1,022
Lake Superior & Ishpeming	1,935	2,184	2,402	61	43
Minneapolis & St. Louis	2,399	2,599	2,377	2,904	2,891
Minn., St. Paul & S. S. M.	7,793	8,191	9,014	2,977	2,929
Northern Pacific	13,976	14,089	14,342	6,608	5,928
Spokane International	196	171	303	597	503
Spokane, Portland & Seattle	2,918	2,901	2,916	3,804	2,653
Total	144,270	153,392	149,881	70,444	69,322

<b>Central Western District—</b>					
Atch., Top. & Santa Fe System	25,527	23,263	25,648	16,303	15,502
Alton	3,792	3,403	3,272	4,554	3,746
Bingham & Garfield	234	505	802	113	132
Chicago, Burlington & Quincy	21,634	22,031	21,694	14,568	13,691
Chicago & Illinois Midland	2,983	2,947	2,415	764	889
Chicago, Rock Island & Pacific	13,208	12,925	13,830	13,490	12,165
Chicago & Eastern Illinois	3,057	2,829	2,994	5,203	5,760
Colorado & Southern	885	970	1,084	3,220	2,596
Denver & Rio Grande Western	*5,804	4,956	5,255	*7,464	7,392
Denver & Salt Lake	966	467	998	36	17
Fort Worth & Denver City	923	1,592	1,407	2,098	1,770
Illinois Terminal	2,197	1,971	1,685	2,193	1,979
Illinois Terminal	1,443	1,223	1,283	586	481
Missouri-Illinois	1,590	2,203	1,241	87	124
Nevada Northern	1,334	1,138	1,241	764	691
North Western Pacific	1	8	0	0	0
Peoria & Pekin Union	37,847	33,823	34,253	15,059	14,836
Peoria & Pekin Union	268	308	335	2,028	2,072
Southern Pacific (Pacific)	20,276	18,680	18,614	21,241	19,313
Toledo, Peoria & Western	530	599	653	5	5
Union Pacific System	2,375	2,179	2,831	6,009	4,788
Utah					
Western Pacific					
Total	144,974	137,861	142,446	115,785	107,946

<b>Southwestern District—</b>					
Burlington-Rock Island	718	311	573	475	221
Gulf Coast Lines	4,974	6,101	4,767	2,497	2,607
International-Great Northern	2,563	2,677	3,783	3,601	3,468
Kansas, Oklahoma & Gulf	266	640	367	1,178	1,050
Kansas City Southern	5,315	5,418	5,115	3,143	3,109
Louisiana & Arkansas	3,613	3,129	3,970	2,522	2,543
Litchfield & Madison	296	359	292	1,319	1,946
Midland Valley	893	745	951	554	280

## Items About Banks, Trust Companies

The First National Bank of the City of New York, in its report of condition at the close of business Sept. 30, 1944, shows total resources of \$1,137,195,262 and total deposits of \$1,003,615,339, compared with \$1,139,258,110 and \$1,005,698,921 on June 30, 1944; cash and due from Federal Reserve banks and other banks, including exchanges, is listed at \$155,974,909, against \$154,072,955 three months ago; holdings of U. S. obligations are shown at \$818,436,859, compared with \$747,135,630, and loans and discounts are now \$52,533,011, against \$132,840,170; capital and surplus remained unchanged at \$10,000,000 and \$100,000,000 respectively. Undivided profits on Sept. 30 are given as \$17,042,577 after making provisions for the Oct. 2 dividend of \$2,000,000, compared with \$16,463,085 on June 30, after providing for the July 1 dividend of \$2,000,000.

Fulton Trust Co. of New York reports total deposits of \$30,019,005 and total assets of \$35,382,141 in its statement of Sept. 30, 1944, as compared with deposits of \$36,026,711 and total assets of \$41,381,277 on June 30, 1944. As of Sept. 30, 1943, total deposits were \$37,170,263 and total assets \$42,382,719. Cash, U. S. Government securities and demand loans secured by collateral amounted to \$31,467,897 on Sept. 30, 1944, as compared with \$37,596,827 on June 30, last, and \$38,053,322 a year ago. Capital and surplus showed no change in total at \$4,000,000, but undivided profits increased to \$1,092,384, after dividend payable Oct. 2, 1944, as against \$1,074,703 shown on June 30, 1944, and \$986,608 on Sept. 30, 1943.

Colonial Trust Co. of New York reported as of Sept. 30 total deposits of \$36,290,865 (U. S. Government war loan deposit, \$4,938,739), compared with \$35,825,761 (U. S. Government war loan deposit \$7,013,000), and total resources of \$38,066,363, compared with \$37,527,939 on June 30, last. Cash and due from banks amounted, at the latest date, to \$8,666,967, against \$9,840,385; U. S. Government securities, \$20,190,799 against \$17,252,053, and loans and bills purchased, \$8,452,743 compared with \$9,395,208. Capital is unchanged at \$1,000,000 and surplus and undivided profits now amount to \$585,558 against \$555,527.

The Federation Bank & Trust Co. of New York reported as of Sept. 30, 1944, deposits of \$25,298,841 and total resources of \$28,601,194 as against \$23,951,102 and \$26,961,729, respectively, as of June 30, 1944. Cash on hand and due from banks now amounts to \$4,877,628 against \$5,134,175. Holdings of U. S. Government securities now total \$12,489,449 against \$12,161,002; loans and discounts were \$8,260,259 against \$8,293,174. Capital and surplus are unchanged at \$825,000 and \$1,175,000, respectively, while undivided profits have increased to \$409,963 from \$373,888.

Incident to the coming sixth war loan drive, the Union Dime Savings Bank of New York points out that within a short time we shall be urging people to buy more bonds—to buy extra bonds—but at the same time it is definitely our responsibility to urge that bonds already purchased be held to maturity. The bank further says: "It is for these reasons that the Union Dime, Bowery and Emigrant chose as their current poster at the Fifth Avenue and 42nd Street crossroads the telling Treasury poster—'War Bonds—To Have and To Hold.'"

"Abandoned accounts are not always invisible, but they have a mysterious way of becoming invisible to their owners, and for a decade the East River Savings Bank of New York has attempted to revive the accounts, or at least remind the owners of the accounts," says the bank in calling the attention to such of its depositors having accounts of the kind. This year, in addition to a campaign of reminder letters, the bank is enclosing a blotter which reads: "I'll talk, if you dip me in water." Upon dipping the blotter in water the following message comes to view to continue the reminder to the depositor; until he does take action on his account: "Your inactive account, like this invisible ink, can be brought to life through your action."

Cornelius Roach Berrien, former Vice-President of the Central Hanover Bank & Trust Co. of New York, died on Oct. 1 at 71 years of age. In the New York "Sun" of Oct. 2 it was stated: "Joining the staff of the 'Sun' in 1898, Mr. Berrien covered the Spanish-American War, was an editorial writer from 1906 to 1909, and financial editor from 1909 to 1916, when he went to the bank." Mr. Berrien held the post of Vice-President of the Central Hanover Bank & Trust Co. for 21 years before his retirement in 1938.

The Liquidation Bureau of the New York State Banking Department announces that \$1,700,000 of unclaimed depositors' funds of the liquidated Bank of United States awaits owners. The Bureau says: "The final distribution was made on May 15 to former depositors of the Bank of United States in Liquidation, whose present addresses are on file with the Banking Department. This appeal is not directed to them. About 200,000 former depositors of the bank, however, have not received all or part of the nine distributions that have been made, and checks sent to their last known addresses have been returned."

"Some of the accounts to which the \$1,700,000 of unclaimed funds are credited came to the Bank of United States from the following banking institutions absorbed by it: National American Bank, Broadway Central Bank, Colonial Bank, Municipal Bank, Seventh National Bank, Nostrand Bank, Cosmopolitan Bank, Central Mercantile Bank, Bank of Rockaways, Progress National Bank, West End Bank, and Kensington Bank."

The Bureau requests that all persons entitled to unclaimed balances in any of the foregoing institutions apply to the office of the Bank of United States in Liquidation, 80 Spring St., New York.

Harold W. Osterhout, Assistant Vice-President of the National City Bank, N. Y., and former President of the Kings County Bankers Association, died on Sept. 28. The Brooklyn "Daily Eagle" states: "He was a certified public accountant and for more than 15 years had been in charge of the organization and personnel on the Brooklyn and Queens branches of the National City Bank. He also was a trustee of the Fulton Savings Bank of Brooklyn." Mr. Osterhout was 50 years of age.

Lafayette National Bank of Brooklyn in New York reported as of Sept. 30, 1944, total deposits of \$25,033,145 and total assets of \$26,600,776, compared, respectively, with \$23,981,381 and \$25,496,534 on June 30, 1944. Cash on hand and due from banks Sept. 30 amounted to \$7,501,563 against \$7,178,832; holdings of U. S. Gov-

ernment obligations to \$13,816,360 compared with \$12,704,548; loans and discounts to \$4,309,225 against \$4,034,708. Capital and surplus are now reported as \$1,110,000 against \$1,100,000.

Abram Mosler, President of the Half Dime Savings Bank of Orange, N. J., died on Oct. 4 at the age of 82. According to the Newark "News" Mr. Mosler, elected in 1907 to the bank's board of managers, became Vice-President in 1925 and President in 1935, when he succeeded the late Thomas M. Cusack.

Noel Rush, President of the Lincoln Bank & Trust Co. of Louisville, Ky., announced on Oct. 3 that the directors of that bank have voted a 33 1/3% stock dividend amounting to \$250,000, after which it is planned to change the \$100 par value stock into \$25 shares. At the same meeting the board approved a plan for pension retirement with life insurance for officers and employees. At the same time a pension retirement plan for officers and employees was adopted with life insurance provided in event of death before retirement.

The foregoing advices were reported on Oct. 4 by Donald McWain, financial editor of the Louisville "Courier Journal," who stated that these changes are subject to approval by stockholders at a special meeting on Oct. 26. He also said, in part:

"Lincoln Bank has \$750,000 capital represented by 7,500 outstanding shares of \$100 par value stock. Giving effect to the stock dividend, it will increase capital to \$1,000,000 with 10,000 shares of \$100 par stock outstanding. Each stockholder will receive an additional share for each three shares now held.

"After the stock dividend, which is payable to all stockholders of record as of the close of business Oct. 26, holders may exchange their \$100 par stock four for one into new \$25 par value stock. Capital then will become 40,000 shares of \$25 par value, or \$1,000,000.

"Surplus and undivided profits, after transfer of \$250,000 into the capital account, will be \$901,459, Mr. Rush said."

O. M. Souden, Los Angeles banker, died on Sept. 29. He was 76 years of age. The Los Angeles "Times" states that: "A pioneer banker in Los Angeles, having been associated originally with the Hellman interests, Mr. Souden was a former President of the United States National Bank in Los Angeles. He also was a former member of the Los Angeles Harbor Commission and active in the California Club."

John H. Griffin, banker and oil company executive of Los Angeles, died on Oct. 1 at the age of 75. From the Los Angeles "Times" of Oct. 3 we take the following:

"Mr. Griffin came to California as a youth and began his banking career in San Diego in 1890. Affiliated with the Security-First National Bank and its predecessor institutions since 1895, Mr. Griffin had the distinction of being manager of the bank's first branch, now known as the Civic Center Branch. Elected Vice-President and Assistant Secretary in 1935, he served in that capacity until his retirement four years ago. He also recently retired as Vice-President and director of the Ojai Oil Co. Appointed Trust Officer of the Security-First National in 1916, he was associated with the management of many famous trusts, including the Henry E. Huntington and Griffith G. Griffith estates."

## Sees Invasion Of Property Rights If Amendment To Federal Rules Of Civil Procedure Adopted

The prospect that the Federal Government will have the power to seize the property of thousands of property owners without their ever being advised of the action until the transfer has been completed, is seen by H. G. Woodruff, Detroit, President of the Mortgage Bankers Association of America, if the Lands Division of the Attorney General's office succeeds in having a new amendment to the Federal rules of civil procedure adopted. In indicating this on Oct. 2 the Association said:

This amendment, known as Rule 71-A, would make it possible for the Government to wave aside practically all the requirements of present State and Federal statutes in condemning property for public use, and as such, Mr. Woodruff said, seems to be the most serious invasion of private property rights proposed in a century. The American Bar Association has expressed opposition to the measure. Mr. Woodruff also stated:

"Our State and Federal laws, which follow the common law of England, have always been such that property rights were protected by titles duly recorded and could not be taken from the owners except through due process of law.

"The proposed Rule 71-A makes no requirement that the Government search the public records to determine who the real owners are or even that those whose names do appear as owners would be named in the condemnation proceedings.

"Thus it is a likely prospect that if such an amendment is made to the Federal rules of civil procedure, property owners could have their property taken from them without them knowing about it until the action is all over. The rule would even do away with the traditional summons as this country and England have known it for centuries. Notice would be given merely by a brief, probably obscure, publication and posting of notice on the property, which certainly wouldn't be of much help to an absentee owner or the holder of a lien against the property who also has an interest in the action.

"Criticism of this proposed amendment does not in any way imply a criticism of the right of the Federal Government to take over any and all property needed in the war effort. That right is indisputable. What is condemned is this proposed new method since, under this amendment, thousands may lose their property in a manner seemingly contrary to all law and custom of our people."

## Insurance Committee Meeting Of US Chamber

The Insurance Committee of the Chamber of Commerce of the United States held its first meeting for the current Chamber year on Sept. 21 in the Chamber's Board Room in Washington. Among other action taken by the Committee, were adopted two recommendations, one seeking to prevent a recurrence of huge foreign trade losses prevailing after World War I, and the other embodying a proposed amendment to the Federal Revenue Laws. These recommendations had been proposed by the Committee's Special Marine Insurance Section, which is under the direction of William D. Winter.

Meeting on the following day, the Chamber's Board of Directors adopted Recommendation No. 1 with respect to preparation for foreign trade expansion. Accepted Recommendation No. 2 for reference to the Chamber's Committee on Federal Finance for consideration and action at the earliest practicable date.

Recommendation No. 1 called attention to the large losses that

were incurred in the foreign trade boom following World War I—losses that were costly to banks, shippers, steamship companies, exporters and importers and also marine underwriters who often were saddled with large claims which, with little foundation in fact, had been certified by underwriters' agents or had been paid by foreign settling agents. To avoid a repetition of such losses in the unprecedented expansion in foreign trade that is believed probable following World War II the Marine Insurance Section recommended that the National Chamber and its various concerned departments and committees working with associations and firms in foreign trade, banking, shipping, insurance, etc., take immediate steps to develop and emphasize safe measures and procedures with respect to packaging of goods, use of reliable steamship lines, sales terms, credits, insurance, etc.

Recommendation No. 2 called attention to the fact that marine insurance, in common with the durable goods industry and several other fields of business vital to the national economy, operates under long-profit cycles embracing periods of substantial or catastrophic losses. It cited the possibility that following the present war marine underwriters may be called upon to settle big accounts of delayed claims arising out of unavoidable wartime conditions.

The present Federal Revenue Laws, the report stated, allow a net operating loss to be carried back or forward for only two years which produces equitable results only in businesses having only short profit cycles, or occasional losses not large in relation to profits from normal operations in such a narrow span. The short period within which such net operating losses that may be availed of produces great hardship and inequity in businesses having long-profit cycles embracing periods of substantial or catastrophic losses, resulting often in the imposition of an income tax upon that which is not in truth and in fact income, as well as producing unfair distribution of tax burden. It is, therefore, recommended that the Chamber urge Congress to make more adequate provision for balancing operating losses against income before imposition of income tax and that Sec. 122(B) of the Internal Revenue Code be amended by substituting a six-year carry-forward in lieu of the present inadequate provision for a two-year carry-forward, and that the present two-year carry-back be retained.

The Insurance Committee gave consideration to its program of activities for the coming months and authorized Chairman Madden to appoint various subcommittees for the study and development of specific subjects.

Chamber President Eric A. Johnston and General Manager Ralph Bradford addressed the Committee. Mr. Johnston touched on his recent trip to Russia and expressed his confidence that American business will find the solution to the many problems that will confront the nation at the conclusion of the war. Mr. Bradford gave an illustrated talk on the functions, operations and current program of the National Chamber. Paul L. Hardesty, Secretary of the Insurance Committee, reported on the work of the Insurance Department.