

# The Commercial and FINANCIAL CHRONICLE

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## The Financial Situation

"Jobs" have become a fetish with us. No politician longer dares go on the hustings without promising "jobs" or "job opportunities" for all. Economists, or what pass for economists, begin their post-war plans with an estimate of the number of jobs that must be provided—and then proceed to formulate programs to provide them. Usually the process goes through an intermediate step, namely, that of computing the size the "national income" must take to provide the requisite jobs, and then projecting plans of action deemed necessary to raise the national income to the figure pre-determined. It is not wholly clear why it should be regarded as necessary to interject this "national income" complication into the situation, but the technique has now become standard with the post-war planners. In any event, "jobs" seem to be at the center of all popular thinking about the post-war world and about post-war plans.

### A Hazardous Approach

In view of the unemployment nightmare of the thirties, it is perhaps not difficult to understand this perverted approach to the economic problems of the post-war period, but no explanation of the phenomenon can in the least reduce the danger inherent in it. Hitler used to boast that he had been able in a very short time to abolish unemployment in Germany—and he had. Of course, no one in his senses would wish to follow the example of the German dictator, but any country which sets out to order its economic affairs with the creation of "jobs" as its primary end and aim is more than likely to find itself in a most unenviable position within a relatively short period of time. Any Government which undertakes to manage the economic activities of its people with job creation as its chief goal can be counted upon to do its people lasting if not irremediable harm.

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## Training For Business

### Roger W. Babson Forecasts Revolution In Education

BABSON PARK, MASS.—Education is the one industry in which almost no improvement has been made during the past fifty, or, perhaps, one hundred years. It is true that better schoolhouses have been built and the teachers are being better paid. Whether or not these teachers are as well succeeding in winning the hearts and bettering the lives of their students is debatable. Certainly, the educational stand-

ards have been declining, in Franklin's day, when electricity could be obtained only by flying a kite in the skies. School superintendents have yet to learn that the important things of life are the unseen and spiritual—not class recitations, written examinations and memory tests. With a set of Encyclopaedia Britannica on his desk, plus the ability to read, write and figure, the businessman has, for practical purposes, all the information available to any college graduate. The important question is whether he has those intangible assets, such as character, industry, initiative, courage and persistence. These are what our homes and schools should teach.

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### Statistics and Education

I have been able to get satisfactory statistics on every industry except the educational industry. Therefore, I cannot prove that the students receiving the highest marks in school do not turn out to be the most useful and successful citizens. Certainly, character, industry, initiative, courage and persistence are of infinitely more value than the ability to get high marks. In fact, I believe that

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Roger W. Babson

ment has slowly been reduced so that today a girl can graduate from a secretarial course by doing 35 words a minute.

### Schools Miss The Point

However, employers are not so much interested in the "words per minute," which one can do, as in the "thoughts per minute." The subjects which are not being taught in school are the important subjects. As a result, most employers believe that education today is as backward as was the

## New Deal Domestic And Foreign Policies Equally Chaotic: Dewey

Lists Numerous Administration Agencies Now Operating Throughout World In Charging That Nation's Representation "Is On The Brink Of Chaos." Says Need Is For Fresh And Vigorous Administration To Restore Honesty And Competence To Our National Government. Quotes Report Issued By President Roosevelt As Source Of Hershey Statement Regarding Administration's Proposal To Purposely Delay Demobilization Of Armed Forces.

Not only describing "the New Deal's record at home" as "one long chapter of failure," Governor Thomas E. Dewey of New York, Republican Presidential candidate, on Oct. 16 also criticized its policies abroad, asking "why is it that our representation in the vital areas abroad is on the brink of chaos?" In replying to his own query he said:

"The answer is the same abroad as it is at home.

"In addition to the duly constituted officers of the State Department and the Army and Navy, there are now operating all over the world the following agencies of this Administration:

"The FEA, RFC, WFA, OCIAA, OSS, OWI, WSA, WRB, OAPC, OC, OWN, PWRCB, OFAR, FRC and the ACPSAHMWA.

"There are more, but I won't read the rest."

Continuing, Governor Dewey had the following to say:

"Our country has a very important role to play in the world in the years to come. We can never achieve our objectives under an Administration too tired and worn out to bring order out of its own chaos, either at home or abroad.

"This nation of ours can be an inspiration to all the world. We can be a steadying influence for freedom and for peace. But first we must have peace in our own Government. We must set our



Thomas E. Dewey

own house in order. That can never be done by a weary and worn-out Administration. It can and must be done by a fresh and vigorous Administration which will restore honesty and competence to our national Government."

Among the objectives pledged by the Republican candidate in behalf of himself and Governor Bricker, his running mate, were "an administration which will root out waste and bring order out of present chaos; an administration which will give the people of this country value received for the taxes they pay; an administration in which the Constitution is respected so that the liberties of our people shall again be secure; an administration with a conscience and a sincere devotion to broad

and secure social security; an administration which will devote itself to the single-minded purpose of jobs and opportunity for all."

Governor Dewey's address, delivered in St. Louis, follows in full as reported by the Associated Press:

"Fellow Americans:

"I am happy to come to Missouri tonight to carry on the battle for honest and competent government. I am happy also to salute your distinguished Republican Governor, who, next January, will become United States Senator, Forrest C. Donnell, and your next Governor, Jean Paul Bradshaw.

"It is clear by now that the New Deal has been taken over by the combination of corrupt big city bosses; Communists and fellow travelers. The people of Missouri have shown their independence before by throwing off

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## From Washington Ahead Of The News

By CARLISLE BARGERON

Mid-October in a Presidential campaign is invariably the season of jitters. For one thing the State leaders who have not got in on the dough begin screaming that their State, heretofore considered to be in the bag, is slipping to the opposition. This adds to the general tension of those in charge of the National campaign. Costly boners have been pulled in the excitement of this stage, notably the famous

Rum-Romanism and Rebellion episode; more recently, in the campaign of 1936, when many big employers put slips in the wage envelopes attacking social security.

About as costly as any boner of which this writer has ever heard was that made in the 1928 campaign between Hoover and Al Smith. In the light of what happened in November, it is quite apparent that Hoover, was at no time in the campaign in the slightest bit of danger.

Yet the National headquarters, and presumably Hoover, got a bad case of jitters about this time in the campaign. The late Senator Borah was acting in his usually peculiar way. He was campaigning for Hoover, but on his own. He wouldn't let the National Committee have anything



Carlisle Bargeron

to do with his itinerary, just as is the case of Henry Wallace now.

This writer sat with him in a hotel in Lincoln, Neb., the night he got an excited call from the Republican National Chairman, Dr. Hubert Work, saying the Middle West was in a bad way and it was up to Borah to save it for Hoover.

We shall never forget the expression that came in Borah's eyes. He replied that it was impossible for him to save the Middle West unless Hoover would promise that the first thing he would do would be to call an extra session of Congress to revise the tariff "in favor of agriculture." Work said he would talk with Hoover and call back. When he did, he said Hoover had authorized him to say to Borah this would be done.

When Hoover won, the Republican Senators of the Eastern industrialist States pleaded with Hoover not to open up the tariff. Once it was opened up, they pointed out, it couldn't be confined to agricultural items. There would be pressure on them to hoist the industrial tariffs. But Borah persisted, finally making

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\*These items appeared in our issue of Oct. 16, on pages indicated.

## No Reason Why?

"We must expect, then, a gap between the wholesale cancellation of war contracts and the resumption, on what we hope will be a vastly expanded basis, of production for peace. How are we to bridge this gap with a minimum of hardship to returning soldiers and demobilized war workers?"

"For a long time I have felt that the construction industry, if adequately stimulated, can provide a partial answer to our problem.

\* \* \*

"The construction industry itself has little problem of reconversion. It can begin operations just as soon as materials and manpower are released from war production—provided plans for building are well prepared in advance.

"This actual, detailed, advance planning is the key to the opportunity for jobs in construction. Before any structure can be built a site or right-of-way must be acquired, legal and financial arrangements must be completed, engineering surveys must be made, working drawings prepared, specifications written and contract documents drawn up. Since these preliminaries consume a considerable amount of time it is obvious that unless they are disposed of before the war ends, whether in Europe or Asia, or both, construction cannot be begun at a time when it would be most useful as a source of jobs.

"In normal times about two-thirds of all construction is financed privately, while one-third is public work. There are no reliable statistics as to the amount of construction private business is planning. Such estimates as I have seen are not impressive. It is quite natural, I think, that private business should hesitate to make large capital commitments for the future before it has some assurance that such expenditures will prove profitable.

"But there is no reason why the various agencies of Government—Federal, State and local—should hesitate."—Major General Philip B. Fleming.

It seems to us that there is every reason why the Government should hesitate to launch upon most of the projects now being suggested.

## Neutral Nations Asked By U. S. And Britain To Prevent Enemy Govts. From Retaining Loot

Neutral Nations have been asked by the Governments of the United States and Great Britain to adopt measures to prevent enemy Governments from retaining their loot under neutral protection, or finding safe haven for their wealth in neutral territories. The request, it is stated, apparently went to all neutral countries except Argentina. The following was issued at the State Department at Washington on Oct. 4:

"On Oct. 2 the Government of the United States requested the neutral governments to institute measures to prevent enemy governments and leaders and their collaborators from retaining their loot under neutral protection and from finding safe haven for their wealth in neutral territories.

"These representations were made in keeping with Resolution Six of the Bretton Woods Conference and were directed at objectives similar to those of the United Nations' declaration of Jan. 5, 1943, with respect to looted property, and the declaration of Feb. 22, 1944, concerning looted gold. Similar representations were made by the British Government.

"The problem of uncovering and disentangling enemy and looted property is one of international character which can be most effectively handled in co-operation with the neutral countries. The enemy has been taking property of occupied countries and their nationals by open looting and plundering, by forcing transfers under duress, and by subtle and complex devices.

"The enemy has often operated through the agencies of public governments to give the cloak of legality to his robbery. The enemy has also been attempting to conceal his assets by passing the chain of ownership and control through occupied and neutral countries.

"In anticipation of impending defeat the enemy is increasing

these activities in order to salvage his assets and to perpetuate his economic influence abroad, and his power and ability to plan future aggrandizement and world domination.

"This Government, in presenting its note to the neutrals, indicated that it considered co-operation in this matter to be of primary importance to the welfare of occupied nations and to the protection of the lives and property of their nationals and to the peace and security of the post-war world."

## Returning Veterans Urged To Keep Nat'l Service Life Insurance

Veterans returning from World War II will be urged by 208 savings banks in New York, Massachusetts and Connecticut to retain their National Service Life Insurance, it was announced on Oct. 9 at the Tri-State Savings Bank Life Insurance Conference being held at the Westchester Country Club in Rye, New York. It was reported that the life insurance departments of the savings banks are already receiving many inquiries by veterans for advice and information in regard to their National Service Life Insurance.

After discussion at the conference, it was agreed that the savings banks should not only support the program of the Veterans' Administration to encourage servicemen to retain their Na-

## Calder Elected To NPA Business Com.

Beardsley Ruml, Chairman of the Business Committee on National Policy of the National Planning Association, on Oct. 10 announced the Committee's election of three new members and a committee counsel. The new members are Harold Boeschstein of Toledo, Ohio, President of the Owens-Corning Fiberglas Corp.; Alexander Calder, of New York City, President of the Union Bag & Paper Corp., and Vernon B. Stouffer of Cleveland, Ohio, President of the Stouffer Corp. Harry J. Rudick of Lord, Day & Lord, New York City, is the newly elected counsel to the Business Committee.

NPA's Business Committee, which recently issued its Report on Corporate Income Taxes during the Transition Period and the so-called "Ruml-Sonne" proposals for post-war taxation and fiscal policy, is currently studying other national problems calling for analysis and policy-making. It is one of three committees by which NPA is serving as an independent common meeting ground for widening areas of agreement on future national policies among leaders of the nation's chief economic groups. The other two committees are the Labor and Agriculture Committees.

## Urges N. Y. Savings Banks Seek Extension Of \$3,000 Insurance Policy Limit

New York savings banks were urged to seek an extension of the present \$3,000 limitation as to the maximum amount of insurance which may be written on the lives of Savings Bank Life Insurance policyholders in New York State by Henry W. Proffitt, President of the New Savings Banks Life Insurance Fund, speaking at the Tri-State Conference on Savings Bank Life Insurance held at the Westchester Country Club at Rye, N. Y.

"With our present base of insurance," said Mr. Proffitt, "we can safely write policies of \$10,000." "There is a substantial demand and need for them," he said, and he added:

"These facts, alone, make it our duty to ask for an amendment to our statute permitting the issuing of substantially larger policies than we are now allowed to write. The increase in the number of persons that we could serve, if our present limitation is extended, is, however, in my opinion, secondary to the fact that by increasing the average size policy, we will be able to provide even lower cost insurance to buyers of small policies."

Mr. Proffitt stated that judging from figures of the Savings Bank Life Insurance System in Massachusetts, where there is no statutory limitation, an increase in the New York limit to \$10,000 would make it possible, provided that the present compulsory reinsurance provision of the New York law is eliminated, to increase dividends on Savings Bank Life Insurance policies by over 10%.

tional Service Life Insurance, but that the savings banks should also make the services of their life insurance departments available, without charge, to all veterans with respect to advice and information on their life insurance problems.

Plans are being made to provide the staffs of the life insurance departments of the savings banks with complete information on National Service Life Insurance in anticipation of the increasing requests for information by veterans turning to civilian life.

## The State Of Trade

Action on the Little Steel formula by the War Labor Board on Wednesday of last week reached the point where the board by a vote of 8 to 4 decided to pass the controversy on to President Roosevelt without recommendation of any kind. Reaction to this procedure by the minority of labor members was one of severe criticism of the public and the industry members of the board. The A. F. of L.-C. I. O. group also voiced its displeasure by stating that it was "an inexcusable dereliction of duty" on the part of the board.

The board's action does not, however, mean that the case will be submitted to the President immediately, since the report is not fully completed and has yet to be passed upon by the board itself. Following this, it will be transmitted to Fred M. Vinson, Stabilization Director, for further scrutiny and possibly some time after the election will reach the President's desk.

In a resolution adopted by the board covering its position on the Little Steel formula and other phases of wage stabilization, it stated in part that "The board will submit to the President through the Economic Stabilization Director, a report setting forth pertinent data regarding the relationship of wages to the cost of living, and an appraisal of the nature and extent of alleged inequities created by the changes which have occurred.

"The board is not sufficiently informed as to the possible effects of a modification of the Little Steel formula on the price structure and on the national economy generally to warrant assurance that any modification could be made consistent with the stabilization needs of the country and with the provisions of the Act of Oct. 2, 1942" (as renewed by the Economic Stabilization Renewal Act of June 30, 1944). The board will therefore not include in its factual report to the President any recommendations for action one way or the other with regard to the Little Steel formula."

The formula as previously noted in this column limits wage increases to 15% of the January, 1941, level to compensate for increased living costs. According to official and labor indices, living costs have risen beyond the 15% limitation on wages.

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

At this point it is also fitting to harken back to June 30 of this year, at the time the President was signing the bill extending the Price Control Act for another year, he observed, "For more than two years, under the emergency price control and stabilization acts, we have been fighting inflation and fighting it successfully. . . . For a whole year the cost of living has been held without change. . . . The Stabilization Extension Act represents the considered judgment of the Congress that the policies and the programs which have resulted in this achievement are sound policies and sound programs and should be continued for another year."

In view of the President's previous position on this question the President's future course in this matter is not readily apparent and must await his decision.

**New Capital Flotations In September**—September financing broke all monthly records for corporate emissions since June, 1937 with the railroads in the vanguard for the second month in succession. The month's total of \$429,924,540 compared with \$246,180,985 for August and \$431,501,646 for June, 1937, the previous monthly high. In a breakdown of September's total, only \$28,-

707,720 or 6.6% represented new money, while \$401,216,820 or 93.4% was sought for refunding of existing obligations. Activity in September was stimulated by a desire for corporations to take advantage of the opportunity to reduce interest charges by refunding securities into lower interest-bearing obligations, and also to the fact that underwriters and issuers are cooperating in an effort to complete as much of this type of financing as is possible before the opening of the Sixth War Loan Drive, which is scheduled to start on Nov. 20, next. 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. The drive will end on Dec. 16.

**U. S. Debt, Income Payments and Dividends**—Interest charges on the national debt now approximate \$4,033,000,000 annually with the public debt at the end of August totaling \$209,764,000,000. This is at an annual rate of interest of 1.923%.

Per capita money in circulation in the United States amounted to \$171.97 on Sept. 30, last, the highest in history and an increase of \$3.30 from the end of August. This was an increase of \$34.30 since Sept. 30, 1943. Per capita circulation was based on a population of 138,359,000 compared with 138,240,000 on Aug. 31.

Increases in agricultural income and military payments were responsible for a rise in the Commerce Department's index of total income payments in August to a record high of 234.6, against 232.2 in July and 215.2 in August last year. Actual income payments to individuals in August amounted to \$12,661,000,000, off slightly from that of the preceding month as a result of seasonal influences and the usual July-August decline in dividend and interest payments. However, payments for the first eight months were \$101,252,000,000 or 11% above those of the corresponding period last year.

Cash dividends publicly reported were 7% higher in September than for the same month a year ago, totaling \$372,300,000. The total for the first nine months stood at \$2,486,300,000, or an increase of 3.5% above those reported in the like period of last year.

**Argentine Exports to U. S.**—Exports from Argentina to the United States in the first six months of 1944 increased 38.7% from the like 1943 period. The total for the January-June period this year was 373,431 tons, against 269,239 tons in the first six months of 1943, as reported by the Corporacion para la Promocion del Intercambio, S. A. and made public in a bulletin of the Argentina-American Chamber of Commerce, Inc.

**Steel Industry**—Summarizing the salient features of the steel market the past week, the "Iron Age," states:

"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 backlog has been accelerated and shipments this week are somewhat ahead of the volume of fresh steel business. 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."

The advance in steel ingot output this week and a concurrent drop in orders has caused practically all mills some anxiety over their ability to set up economic rolling mill schedules in the last

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## Roosevelt Tells Latin-American Groups That Community Of Good Nations Must Endure

### Says In Columbus Day Address United Nations Charter Must Be Adaptable To Social, Economic And Political Changes Throughout World

In a Columbus Day address delivered at the White House before diplomatic missions of 19 other American Republics (except Argentina) on Oct. 12, President Roosevelt stated that "it is our objective to establish the solid foundations of the peace organization without further delay, and without even waiting for the end of hostilities." These remarks by the President were preceded by the statement by him that "I know that Secretary Hull and Under-Secretary Stettinius, who led the United States delegation at Dumbarton Oaks, are looking forward to further exchanges of views with our good neighbors before the meeting of the general conference to establish the world organization." He added that "we must press forward to bring into existence this world organization to maintain peace and security. There is no time to lose."

The President likewise said that "like the Constitution of the United States itself—and of many other Republics—the Charter of the United Nations must not be static and inflexible, but must be adaptable to the changing conditions of progress, social, economic and political—all over the world." Observing that the peoples of the American Republics are joining in paying tribute to the courage and vision of Christopher Columbus, the President stated that "if the spirit of Columbus hovers over his native land today, we can be sure that he rejoices in the varied nature of the Allied voices. For he was one of the truly great internationalists of all times."

The President's speech was broadcast from Washington; in full it follows as recorded and transcribed by the New York "Times". Today is the birthday of the New World—the peoples of the American Republics are joining in paying tribute to the courage and vision of Christopher Columbus, whose name we honor and whose adventurous spirit we perpetuate.

The survival of that spirit is more important than ever, at this time when we are fighting a World War, and when we are building the solid durable foundations for future world peace.

The little fleet with which Columbus first crossed the ocean took ten weeks for the voyage, and the crews of those three ships totaled approximately 90 men.

Today, every day—many times that number of men and many tons of cargo that are carried across the ocean by air—they go across in a few hours. And by sea transport an entire division of some 15,000 men can be sent across the Atlantic in one ship in one week.

When we remember the rapid development of aviation since the last war we can look ahead to the coming years, and know that all the airways across all the seas are going to be constant lines of communication and commerce.

Thus the margin between the Old World and the New World—as we have been used to calling the hemispheres—becomes constantly narrower. This means that if we do not now take effective measures to prevent another World War and if there were to be a third World War, the lands of the Western Hemisphere would be as vulnerable to attack from Europe and Asia as were the island of Crete and the Philippine Islands five years ago.

It is a significant fact today that in Italy—the homeland of Christopher Columbus—forces from many parts of this hemisphere, and from many distant parts of the civilized world, are fighting for freedom against the German and Japanese threat of medieval tyranny.

Serving in the Allied armies in

Italy are men from 48 United States, from the kingdom of Britain and the republic of France. But we must remember, and this is the first anniversary of which we can say it, there are also strong, well-trained, well-equipped forces from Brazil; there are units from Puerto Rico; there are Greeks, there are Poles who distinguished themselves in bitter fighting at Cassino and Ancona and Rimini; there are gallant men from Canada and Ireland, New Zealand and South Africa; there are combat teams composed of Americans of Japanese ancestry who came from Hawaii—all providing an effective answer to the false Nazi claims of "Nordic superiority."

And there are also Italians themselves, fighting bravely for the liberation of their country. They are fighting in the Allied armies and they are fighting in the underground forces behind the German lines.

If the spirit of Columbus hovers over his native land today, we can be sure that he rejoices in the varied nature of the Allied forces. For he was one of the truly great internationalists of his day.

During the past century many millions of Italians have come to the Western Hemisphere seeking freedom and opportunity. In Italy there is hardly a town or a village that does not contain families who have blood ties with the New World. This is one of the many reasons why the forces of liberation have been welcomed so cordially by the Italian people after 22 years of Fascism.

The Fascists and the Nazis sought to deceive and to divide the American Republics. They tried, not only through propaganda from across the seas but also through agents, spies and fifth columnists operating all over the Western Hemisphere. But we know that they failed. The American Republics were not deceived by their protestations of peace and friendship; they were not intimidated by their threats.

The people of the United States will never forget how the other American Republics, acting in accord with their pledges of solidarity, rallied to our common defense when the continent was violated by Axis treachery in an attack on this country. At that time Axis armies were still unchecked, and even the stark threat of an invasion from Dakar hung over their heads.

We have maintained the solidarity of the governments of all the American Republics—except one. And the people of all the republics, I said without exception, will have the opportunity to share in the achievement of the common victory.

The bonds that unite the American Republics into a community of good neighbors must remain strong. We have not labored long and faithfully to build in this New World a system of international security and cooperation, merely to let it be dissipated in any period of post-war indifference.

Within the framework of the organization, this new world organization, we have heard so much of lately, this world organization of the United Nations which the governments and the people of the American Republics are helping to establish, the inter-American system can and must play a strong and vital role.

Secretary Hull has told me of the conversations he has had with representatives of our sister republics concerning the formation of a world security organization. We have received important and valuable expressions of opinions and views from many of these governments. And I know that Secretary Hull and Under-Secretary Stettinius, who led the United States delegation at Dumbarton Oaks, are looking forward to further exchanges of views with our good neighbors before the meeting of the general conference to establish the world organization.

We must press forward to bring into existence this organization to maintain peace and security. There is no time to lose, and this time I think it's going to work.

It is our objective to establish the solid foundations of the peace organization without further delay, without even waiting for the end of hostilities. There must, of course, be time for discussion by all the peace-loving nations—large and small. We know that substantial progress already has been made, and it must be continued as rapidly as possible.

Like the Constitution of the United States and of many other republics, the Charter of the United Nations must not be static and inflexible, but must be adaptable to the changing conditions of progress—social and economic and political—all over the world.

So in approaching great problems of the future—the future which we shall share in common with all the free peoples of this earth—we shall do well to remember that we are the inheritors of the tradition of Christopher Columbus, the navigator who ventured across uncharted seas.

I remember that when Christopher Columbus was about to set forth in the summer of 1492 he put at the beginning of his log book the following words:

"Above all it is very important that I forget sleep and that I labor much at navigation because it is necessary."

We shall require, all of us, the same determination, the same devotion; as we steer our course through the great age of exploration, the age of discovery that lies before us.

## French Govt. Bonds Called For Redemption

J. P. Morgan & Co., Inc., as sinking fund administrators, are notifying holders of the Government of the French Republic External Loan of 1924 25-Year Sinking Fund 7% Gold Bonds due Dec. 1, 1949, issued under loan contract dated Nov. 22, 1924, that \$3,990,000 principal amount of these bonds have been drawn by lot for redemption on Dec. 1, 1944, at 105%. The drawn bonds will be redeemed and paid on and after the redemption date, in United States dollars, at the office of the sinking fund administrators, 23 Wall Street, New York City, subject to the issuance of licenses under Executive Order No. 8389, as amended, permitting the disbursement of funds for the purpose, upon presentation and surrender of the bonds and all appurtenant coupons maturing after the redemption date. Interest will cease on the drawn bonds after Dec. 1, 1944. The announcement also says:

"Decrees of the French Government dated July 16, 1935 and Aug. 25, 1937, require certain deductions in paying the bonds and coupons as follows: (a) Bonds which are stamped to indicate non-French beneficial ownership will be redeemed at 105% without deduction, and coupons similarly stamped will be paid at the face amount without deduction; (b) Bonds which are stamped to indicate French ownership, and unstamped bonds, are subject to a deduction of 10% of the difference between the issue price and the redemption price (a deduction

## Stettinius Reports On Dumbarton Oaks Conferences On International Security

Reporting to Secretary of State Hull on the results of the Dumbarton Oaks conferences for an International Security Organization, Under-Secretary Stettinius, Chairman of the United States delegation to the conference held between representatives of the United States, Great Britain and China stated that "the conversations throughout were characterized by a spirit of complete cooperation and great cordiality among all participants, the proof of which is evident in the wide area of agreement covered in the proposals." "The few questions which remain for further consideration, though important," he added, "are not in any sense insuperable," and he recommended "that the necessary steps for obtaining agreement on these points be taken as soon as possible."

The text of the Dumbarton Oaks tentative proposals was given in our Oct. 12 issue, page 1611; and reference to the conclusion of the Chinese phase of the conference appeared on page 1605.

In full the report of Mr. Stettinius to Secretary Hull, made public along with the text of the proposals, as given in Associated Press Washington advices Oct. 9, follows:

I take great pleasure in submitting to you the results of the exploratory conversations on international organization held in Washington between representatives of the governments of the United States, the United Kingdom, the Soviet Union and China. The first phase of the conversations, between the representatives of the United States, the United Kingdom and the Soviet Union, took place from Aug. 21 to Sept. 28; the second phase, between representatives of the United States, the United Kingdom and China, were held from Sept. 29 to Oct. 7. The results of the work accomplished in both phases are embodied in the attached proposals which each of the four delegations is transmitting to its respective government as the unanimously agreed recommendations of the four delegations.

I am happy to report that the conversations throughout were

characterized by a spirit of complete co-operation and great cordiality among all participants, the proof of which is evident in the wide area of agreement covered in the proposals. The few questions which remain for further consideration, though important, are not in any sense insuperable, and I recommend that the necessary steps for obtaining agreement on these points be taken as soon as possible.

It is proper to emphasize, at the conclusion of these preliminary conversations, that the proposals as they are now submitted to the four governments comprise substantial contributions from each of the delegations. It is my own view, which I believe is shared by all the participants, that the agreed proposals constitute an advance over the tentative and preliminary proposals presented by each delegation. This has resulted from a single-minded effort of all the delegations at Dumbarton Oaks to reach a common understanding as to the most effective international organization capable of fulfilling the hopes of all peoples everywhere.

I wish to take this opportunity to express my grateful recognition of the contribution to the successful outcome of these conversations made by the members of the American delegation and to commend the advisers and the staff for their most helpful assistance. Above all, I wish to express my profound appreciation to the President and to you, Mr. Secretary, for the constant advice and guidance, without which our work could not have been accomplished with such constructive and satisfactory results.

## FD Says Poland Must Be Recast As Great Nation

To a delegation which claimed to represent 6,000,000 Americans of Polish descent, President Roosevelt on Oct. 11 made the statement that "it is very important that the new Poland be one of the bulwarks of the structure upon which we hope to build a permanent peace." The President also told the group that "you and I are all agreed that Poland must be reconstituted as a great Nation."

According to advices from Washington by C. P. Trussell to the New York "Times" the President's statement was made in a 45-minute conference at which the delegation—the Memorial Committee of the Polish-American Congress held at Buffalo last May—presented a memorial of urgent appeal for reassurances. The statement of the President follows:

I am glad of the opportunity I have had to talk about the present position of Poland in the war and about the future of Poland. You and I are all agreed that Poland must be reconstituted as a great nation. There can be no question about that.

Of course, we should all bear in mind that nobody here has accurate information about everything that is going on in Poland. Even I, as President of the United States, with access to all of the information which is available, am not fully informed of the whole story. As an example, I still do not know all the facts about the recent events in Warsaw. As new information comes every day, we will get a clearer picture about the whole situation.

of 1.1% of the principal amount), when in the ownership, French or foreign, of others than individuals. Coupons which are stamped to indicate French ownership, and unstamped coupons, are subject to a deduction of 10% of the face amount, when in the ownership, French or foreign, of others than individuals."

The broad objective which we all seek is excellent. I am certain that world opinion is going to back up that objective—not only to reconstitute Poland as a strong nation, but also as representative and peace-loving nation. I wish to stress the latter. It is very important that the new Poland be one of the bulwarks of the structure upon which we hope to build a permanent peace.

From the same advices to the "Times" we quote:

This meeting with the President was held on Pulaski Day as the exiled Polish Government's Ministry of Information announced in London that Premier Stanislaw Mikolajczyk had been invited to join the conferences now in progress between Prime Minister Churchill and Premier Stalin in Moscow. The invitation issued to Mr. Mikolajczyk and Foreign Minister Tadeusz Romer, dispatches emphasized, appeared to confirm the belief that the protracted Russian-Polish dispute was a principal cause of the visit of Mr. Churchill and Foreign Secretary Anthony Eden to Moscow and that efforts were under way to compose a potential rift in Allied relations.

Charles Rozmarek of Chicago, President of the Polish-American Congress, headed the White House delegation today and was its spokesman.

The memorial presented the President was a condensation of resolutions adopted in May at the Polish-American Congress.

## The Financial Situation

(Continued from first page)

Economic well-being is measured not by the amount of work that must be done, or is being done, but by the production and equitable distribution of goods and services found by the body public to be good and useful. Generally speaking, that people is the best off who are able to produce the most desired goods and services for the least expenditure of human energy—that is, work. Nothing would be easier than to double or treble the man hours of work done without increasing the output of goods and services one iota. By doing so many "jobs" would be created, and technically the aims of most post-war planners would be reached, but no one would be better off—except possibly at the expense of someone else. The only possible way to enable every one to have more of the good things of life is to produce more of them. If more, many more, can be produced without increasing man hours of labor, so much the better. It would then be quite possible, assuming that more man hours of labor are available, to increase still further the quantity of goods and services the rank and file have at their disposal.

### Popular Notions

If it be retorted that what is demanded for the post-war years is the opportunity (for the rank and file) to produce and to have more of the good things of life—that the creation of "jobs" or "job opportunity" is but another way of expressing this idea—the obvious reply is that the desired end is much less likely to be reached if the task is approached from the wrong direction. The disadvantage of such an approach is several-fold. It may well be doubted if the rank and file of the people understand current demands to mean any such thing. Most of them doubtless do not trouble to pursue the thought further than to demand that they be provided a "job" with regular pay days. The time serving politician is certainly not likely to go very much further than the voters in analyzing what is being done and what is desired.

How better could the stage be set for "make work" programs of all sorts? It is astonishing how many who really ought to know better are today talking about the "necessity" of providing "jobs" for a great many more men and women that ever were regular members of the working force prior to our entry into this war—the "necessity" of "private industry" providing these jobs under pain of having the Government do so in the event of failure on the part of private enterprise to do so. It is still more astonishing to find, not

one but a great many economists and others who should be furnishing light to the rank and file begin with this premise and proceed to figure the national income required, and even in some instances undertake, at least in a rough way, to apportion the amount of income which must be produced by the various sections of industry and the number of jobs which must be provided in the post-war world—and go up and down the country predicting dire things if industry as a whole fails to do as is thus expected of it. It is incredible that in all this almost nothing is heard about the value of the goods to be produced. Production appears to be regarded as the means by which "jobs" are to be created.

### Job Creation

One can find no better way of insuring failure of all such plans than this type of approach. "Job opportunities"—if they are something more than a dole called by another name—are created not by the Government, not by the politicians, not even by the employers, but by the great rank and file themselves! The sooner that simple fact is generally understood and fully appreciated the sooner shall we get started on the road to better things, economically speaking. The great rank and file create their own job opportunities, or they kill them off, whether they know it or not, while about their daily tasks and when they go to the polls on election day. "Job opportunities" arise when business opportunities occur. Business opportunities occur, other factors favorable, when labor is available, ready and willing to do a good day's work without unreasonable and burdensome restrictions for a reasonable day's pay, and when the dead hand of government in the person of the tax collector or in the form of needlessly restrictive regulation is not present or does not threaten. Another prerequisite is the absence of ruinous government competition, and the absence of positive threats of such competition. These things, and others like them, are obviously matters under the control not of "big business" or any other kind of business, or, in the long run, of the politician, but of the rank and file of the people themselves. Let them see to it—and they alone can see to it—that conditions are suitable and they need not worry further about such unemployment as they, or many of them, experience in the late thirties.

And there is no other approach that is at all likely to succeed. Certainly the constantly reiterated threat about what Government

## Johnston Of US Chamber Looks Forward To Day When Management, Labor Can Settle Problems

Eric A. Johnston, President of the Chamber of Commerce of the United States, in a statement on Oct. 2 before the National War Labor Board, holding hearings on wage stabilization policy, had the following to say:

"You will be greatly relieved to know that I shall not make a lengthy statement on our national wage stabilization policy. I do not want to add to the mountain of facts and figures already before you. I am neither an economist nor a statistician. I am a business man. I, therefore, want to hold my statement to broad fundamentals.

"Business accepts wartime controls as necessary to win the war. Labor, also, has accepted these wartime controls. I look forward hopefully to the day when management and labor, without Government intervention, again can manage their own affairs.

"Let me state a simple outline of my philosophy on prices, wages and production. I know that large volume, high wages and low unit costs have given us the best standard of living in the world. We must make every effort to preserve this pattern of progress.

"I believe in high wages for the American worker. Why? Because the American worker is the best producer in the world. A Bolivian tin miner getting 70 cents a day may be overpaid when compared with an American miner getting 10 times as much. It isn't so much what you pay a man; it is what he produces.

"Management, too, contributes to high production by its ingenuity and by the heavy investments in the most modern equipment.

"Together, the American team of management and labor produce more and distribute the fruits of their joint labors more equitably than anywhere else in the world.

"Let's admit the facts, and see where we go from there. The war has brought increased profits for business and increased income for the worker. But let's remember that we are borrowing against the future, and that as a nation we will have to pay in the future. The thing that I want to emphasize is that we cannot afford to place too great a burden on future generations.

"I am fully conscious of the fears that are now uppermost in the minds of the American worker. First, he is worried over the prospects of a shrinking pay envelope as reconversion brings cutbacks and a reduction in working hours. Next, he is worried about having a job after the war.

"American business men, too, are facing reconversion headaches. At the same time, they are not unmindful of the workers' fears,

"must" do in the event of failure on the part of business to provide full employment does not help at all. It is the height of absurdity to suppose that business can be stimulated and persuaded to provide more "jobs" under the threat of having its own living taken away from it. What is needed today—and what is woefully lacking today—is a serious effort on the part of men of influence to determine fairly and intelligently precisely what in the way of government policy, public programs, labor practices, business abuses, and what not is likely to prove a substantial deterrent to business when the war is over, and to tell the people frankly of their findings—and do what may be necessary to persuade the rank and file to support corrective measures.

THEN FORGET ABOUT "JOBS" THEY'LL BE THERE!

for they know that the fortunes of both are inextricably linked, and that management and labor go forward or slip backward together. For my part, I shall oppose wholesale wage-rate reductions after the war. On the contrary, I shall advocate progressive wage increases as improved methods permit increased production.

"What we must avoid is both inflation and deflation.

"That is why I come before the Board today to advocate holding the line on our wartime wage and price policies. Anything that causes inflation now inevitably will bring in its wake deflation later on. After the last war we had inflation, followed by deflation. We must avoid that mistake this time.

"I am anxious to see our stabilization policy continued for the rest of the war. If it is allowed to fail we lose the only anchor that we have against a spiral of rising costs and prices. Inflation can bring permanent benefits to no one. As has been pointed out many times, by increasing the cost of what the Government buys for war, inflation increases the national debt, already threatening to grow to unmanageable proportions.

"What causes inflation? Reduced to the simplest terms of an ordinary business man's language, it can come about in one or two ways—people either lose confidence in their currency, or currency and bank deposits increase more rapidly than goods. Perhaps no economist will agree that this definition is adequate.

"Today the American people have confidence in their currency. But today our purchasing power is greater than the supply of goods. The black market is an expression of that fact.

"Every country faces the dangers of wartime inflation. Some countries are controlling it. Others are not. In China inflation has produced a demoralizing effect on public morale.

"In Russia inflation finds outlet in legalized unrationed markets, owned and operated by the Government, which take the place of black markets in other countries. The basic necessities of life are rationed at moderate price by the Government in its regular stores. But if a Russian wants to buy in a legalized, unrationed store, he pays fabulous prices. For instance, a pound of sugar in an unrationed store costs 400 rubles, which is about half a month's wages for the average worker.

"With our high productive capacity, there is no danger of such extremes here. But if we lift the lid, we may, step by step, produce inflationary results which this Board and all the American people will live to rue.

"Your Board has been deluged with arguments and counter-arguments as to whether prices have outdistanced wages. I shall not labor the point. In all fairness, it must be said that we have done a creditable job of holding the line. True, there have been breaches but the over-all job is one to be commended. I hope that we shall continue to resist further breaches.

"We are living in an abnormal economy, with some half of our production going to war. In normal times national income and production for civilian use form a rough balance. Today there's a pressure of about two dollars against every dollar's worth of available civilian goods. Inevitably, if we don't hold the line now, we are still further widening the disparity between the

supply of goods and available purchasing power.

"The problem, gentlemen, is to decide whether we dare increase that pressure. Can we risk it at a time when we are beginning to revise our estimates as to the time the war will end? Can we risk it as we survey the problems ahead of us when the war is over?

"Aside from the dangers of inflation, there are other factors. What about the post-war picture? If hourly rates are increased now, to offset in advance decreased weekly earnings which will come when war work slackens, the higher costs would be immediately imposed on consumer industries that will seek to expand employment as soon as materials are available. That would put a handicap upon industries on which we must rely to increase employment and consumer goods. Can we afford such a handicap at a time when employment is our goal?

"Again, wage increases imposed now would come at a time when post-war production costs are a complete mystery. After the war there unquestionably will be great pressure for increased wage rates to compensate for the loss in the weekly take-home due to overtime war work. Most firms will want to increase hourly rates after the war if production and other factors justify it. All real wages are paid out of production.

"I wish to repeat for emphasis what I said at the beginning. After the war the problems of management and labor will be greater than ever before. We will not settle these problems without a genuine desire for cooperation between management and labor. Government cannot impose a satisfactory settlement of differences. Surely there is enough statesmanship in the ranks of management and labor to work out their difficulties. Both management and labor must learn to settle their problems around the conference table, and not run to government, or government will run us both.

"After the war we in America can have industrial peace or industrial conflict. The first will bring us new levels of prosperity for the average man and create a larger middle class society. The second will retard our economic advancement and weaken our entire democratic fabric.

"You members of this Board have a grave responsibility. You have a hard decision to make. But I know that you are striving to make it honestly and fairly and in the best interests of all the people. I hope that whatever decision you make in this case you will be able to look back 10 years from now as being made in the national interest. That is statesmanship!"

## Boston Stock Exchange Celebrates 110 Years

On Oct. 13 the Boston Stock Exchange celebrated its 110th anniversary. In the Boston "Herald" of Oct. 13 it was stated:

"The Exchange was founded in 1834 by a group of 13 men and has held sessions continuously since then, with the exceptions of the period of five months after the beginning of the First World War when all stock exchanges were closed from August to December, and during the brief period of the banking holiday in March, 1933.

"The Exchange began operating with one room, in a small building on State Street, and has remained in that central location ever since. Today the Exchange has offices on the first and second floors of 53 State Street and one of the most thoroughly equipped trading floors in the country.

"Three years ago the Exchange was the first of the larger bodies of its kind to admit incorporated securities firms to membership and now has seven such members."

## Net Operating Earnings Of National Banks For Six Months Ended June 30 \$182,229,000

Comptroller of the Currency Preston Delano announced on Oct. 5 that the national banks in the United States and possessions reported net operating earnings of \$182,229,000 for the six months ended June 30, 1944, an increase of \$25,102,000 over the first half of 1943. Adding to the net operating earnings, profits on securities sold of \$34,489,000 and recoveries on loans and investments, etc., previously charged off of \$71,921,000, and deducting therefrom losses and depreciation of \$80,857,000, the net profits before dividends for the six months ended June 30, 1944, he stated, amounted to \$207,782,000, which at an annual rate amounts to 10.11% of capital funds. This figure of net profits before dividends was \$50,344,000 more than the amount reported for the six months ended June 30, 1943. The Comptroller in his announcement also said:

"The principal items of operating earnings in the six month period ended June 30, 1944, were \$177,656,000 from interest and discount on loans, a decrease of \$5,338,000 under the corresponding period in 1943; and \$300,055,000 from interest and dividends on bonds and securities, an increase of \$67,970,000. The principal operating expenses were \$162,877,000 for salaries and wages of officers

and employees and fees paid to directors; \$46,161,000 expended in the form of interest on time and savings deposits; and \$84,835,000 for taxes, including income taxes. Gross earnings of \$582,274,000 were reported for this six month period. This represents an increase of \$77,016,000 over the gross earnings for the first six months of 1943. Operating expenses were \$400,045,000 as against \$348,131,000 for the first half of 1943.

"Cash dividends declared on common and preferred stock totaled \$68,983,000, in comparison with \$65,034,000 in the first half of 1943. The annual rate of cash dividends was 3.35% of capital funds.

"On June 30, 1944 there were 5,042 national banks in operation as compared to 5,066 in 1943."

## Anglo-Belgian Financial Pact Signed

The signing of an Anglo-Belgian financial agreement which the Belgian Minister of Finance said he "hoped" would prove preliminary to an economic understanding was announced by John MacCormac in London advices to the New York "Times," Oct. 5. Stating that it will be followed shortly by a similar Anglo-Dutch agreement the advices also had the following to say in part.

"The agreement confirms the existing rate of 176.625 Belgian francs to the pound, provides that it shall not be varied without consultation and stipulates that to support it Britain and Belgium will be prepared to sell up to £5,000,000 of sterling or 800,000,000 francs to each other, as the case may be.

"Sterling held by residents of the Belgian monetary area that includes Luxembourg and the Belgian Congo can be used for expenditure in the whole sterling area and, as opportunity offers, Britain will seek, with the consent of other interested parties, to make sterling usable for payments outside the sterling area.

"It is provided that if the contracting governments adhere to a general monetary agreement such as outlined at Bretton Woods, the present agreement can be reviewed to make any required amendment.

"Camille Gutt, the Belgian Finance Minister, said at a press conference today that the agreement did not conflict with Bretton Woods in letter or spirit. It is not intended to cover transfers of capital or big relief expenditures but only momentary disequilibrium in the balance of normal trade. It may be terminated by either country on three months' notice and will expire in three years unless renewed.

"This is only a beginning," said M. Gutt. "I hope it will prove to be the prelude to an economic agreement, but is not so yet, as the economic field is only indirectly touched."

"The Minister said that Belgium had also been negotiating with France and did not deny that all these negotiations might lead to a West European financial bloc that could later be fitted into a general understanding. For the moment, he said, no similar agreement with the United States was contemplated.

"The Anglo-Belgian exchange rate now to be stabilized has been in effect for Belgium since Sept. 5 and for the Belgian Congo long before that. As one result of the agreement the Belgian Congo will depart from the sterling bloc."

## FDR Says Italy Soon Be Restored To "Proud Place Among Nations"

In an address accepting on Columbus Day the Four Freedoms Award presented to him by the Italian-American Labor Council, President Roosevelt told the gathering at their dinner at the Hotel Commodore, New York on Oct. 12 that "the United Nations are determined that every possible measure be taken to aid the Italian people directly, and to give them an opportunity to help themselves." "When the military objective is accomplished," said the President, "the Italian people will be free to work out their own destiny, under a Government of their own choosing."

The address was delivered by the President from Washington by telephone, and the award was accepted in behalf of the Chief Executive by Attorney General Francis M. Biddle who, according to the Associated Press, said that "one day soon—sooner than most Italians dare hope—Italy will be restored to her proud place among nations."

In concluding his remarks the President declared that "to the people of Italy we have pledged our help—and we will keep the faith." From the New York "Times" we quote the President's address as follows:

"For over 20 years we in America have watched with anxious eyes the steps taken by the Fascist gangsters to enslave the Italian people. The Italian people were thrown into an alliance they detested. They were ordered against their will, to fight on the side of their traditional enemies against their traditional friends.

"Mussolini, the would-be Caesar, underestimated the will of his people. Large numbers of them were brave enough to rally to our ranks. As part of the Allied armies, and behind the German lines, they have carried on our common fight for liberty.

"The American Army—including thousands of Americans of Italian descent—entered Italy not as conquerors but as liberators. Their objective is military, not

political. When that military objective is accomplished—and much of it has not yet been accomplished—the Italian people will be free to work out their own destiny, under a government of their own choosing.

"The act of the Attorney General, removing the status of enemy alien from Italians, has been justified by their corresponding effort to help us wage war.

"Of course, the people of Italy have suffered terribly and it will not be humanly possible this winter to take wholly adequate measures to relieve all suffering until Germany has been finally and decisively defeated. But the United Nations are determined that every possible measure be taken to aid the Italian people directly, and to give them an opportunity to help themselves.

"The civilian administration has been fully discussed by me with the British Prime Minister. The British Government is agreed that as the problem is great—so also is our responsibility to help.

"The mails have been opened for letters to the liberated provinces. Facilities are now available for small remittances of funds from this country to individuals in Italy for their individual support. Shipments of food and clothing have been delivered. Normal life is being gradually introduced. We are taking every step possible to permit the early sending of individual packages by Americans to their loved ones in Italy. Our objective is to restore all avenues of trade, commerce and industry, and the free exercise of religion, at the earliest possible moment.

"I am deeply grateful, therefore, for this award. It represents your appreciation both of the problems and the efforts of the American Government.

"The charter from which this award takes its name—the Four Freedoms—is a firm bond between the great peace-loving nations of the world. To the people of Italy we have pledged our help—and we will keep the faith."

## Paris Bourse Resumes Foreign Loan Trading

Trading in foreign securities was resumed on the Paris Bourse on Oct. 10 amidst bearish interpretations of a decree ordering all foreign securities to be listed and filed with the Government. This was reported in Associated Press accounts from Paris on Oct. 10, which also had the following to say:

"No American issues appeared on the first day that operations were allowed in foreign securities since the German occupation of the capital.

"Interest in foreign shares centered in South African gold mining issues—Union Corp., Central Mining and East Geduld—and Swiss securities such as Nestle Liebig.

"Various Suez Canal shares suffered losses ranging from 500 to 2,000 francs. The regular stock dropped from 63,000 francs to 61,000.

"On the black market, American paper dollars brought 250 francs and British paper pounds 670 francs as people rushed to unload excessive profits accumulated in the occupation period and hedge against inflation of the franc."

Under date of Oct. 12 from Paris the Associated Press stated:

"Calm settled over the Bourse today after two sessions of flurry brought on by apprehension concerning possible government steps against excessive occupation profits and the expropriation of foreign securities.

There was a pronounced firming in the market with French government bonds leading in this tendency.

"Several classifications of Suez securities remained unchanged

## U. S. Supreme Court Declines To Review Ruling That Insurance Is Subject To Anti-Trust Laws

The United States Supreme Court denied on Oct. 9 a petition of the Southeastern Underwriters Association and the Attorneys-General of all States except six, for reconsideration of the court's ruling on June 5 that insurance is business in interstate-commerce and thus subject to Federal anti-trust laws. The motion, it is stated, was denied without comment. Justice Owen J. Roberts and Stanley Reed took no part. The Supreme Court's 4 to 3 opinion of June last was referred to in our June 8 issue, page 2383.

In these columns on Oct. 5, page 1514, it was noted that a bill, previously approved by the House, to exempt insurance business from anti-trust laws, was approved on Sept. 18 by the Senate Judiciary Committee. In the same item reference was made to the filing of petitions with the Supreme Court by nearly all the States asking for a rehearing of the case. In Washington advices to the New York "Times" Oct. 9 it was stated that "In their pleas for reconsideration the underwriters and Attorneys General made various points, but emphasized what they said was an abandonment of the court practice.

"They pointed out that with a total membership of nine, a court majority was five, but with the

self-disqualification of Justices Roberts and Reed, only seven justices remained sitting. Of these, four combined in a majority. Justice Hugo L. Black wrote the opinion against the insurance companies, and Justices William O. Douglas, Frank Murphy and Wiley Rutledge sided with him. Chief Justice Harlan F. Stone and Justices Felix Frankfurter and Robert H. Jackson dissented.

"Now that the efforts for a rehearing have been defeated in the Supreme Court, insurance interests are expected to stiffen their fight to have passed legislation now before Congress to counteract the court ruling.

The new term of the Supreme Court was opened on Oct. 2, with more than 500 cases before the court. Following a brief session, a recess was taken until Oct. 9.

## Pressures Of Inflation Greatest 4 To 8 Months After German Defeat, Says Chester Bowles

That the country would face its most critical post-war economic period when the various "pressures of inflation" reached a crisis four to eight months after the fall of Germany, was the warning given on Oct. 13 by Chester Bowles, Price Administrator, according to a special dispatch to the New York "Times" from Washington on the same day, from which we also quote:

Mr. Bowles predicted that the country would "pretty well know" how it was coping with the problem of inflation by next September if the war were over by the end of this year. It would be apparent then, he told a press conference, whether the forces which contribute to inflation were getting out of hand or declining.

In the latter event, which he expected, he said that the Office of Price Administration could begin "tapering off" its controls and regulations.

A persistent prophet of inflation if prices were not stabilized during the war, Mr. Bowles contended that the first economic danger after V-E Day would be deflation, which would be apparent before the pressures for inflation gained the upper hand.

The manifestations of deflation, he explained, would be a tendency for prices to slump, unemployment resulting from military demobilization and war contract termination and a reduction in the

income of most workers.

He cited estimates of 4,000,000 to 6,000,000 persons idle during the shift from war to civilian production, of a cut of \$12,000,000,000 to \$14,000,000,000 in income with the change from the 48 to the 44-hour week and of an over-all reduction of \$30,000,000,000 to \$40,000,000,000 in Government expenditures as a result of terminated war contracts.

A secondary force for deflation, he continued, would be the determination of many persons to preserve their war savings until consumer goods began returning to the market in quantity.

"And when these goods do come back the price has got to be right," he said, explaining that if prices were high they would curb full consumption and if too low would prevent full production. In his view, full production would guard against inflation and contribute toward a generally high standard of living.

## Full Employment Rests With Federal Govt. Declares Chester Bowles, OPA Head

Chester Bowles, head of the Office of Price Administration, said in Washington on Oct. 15 that the final responsibility for seeing to it that total investment—private, municipal, State and Federal—is sufficient to support full employment rests with the Federal Government. This was indicated in Associated Press dispatches from Washington, Oct. 15, which added:

Mr. Bowles was one of several Government officials who outlined their views on a proposal of James G. Patton, President of the National Farmers Union, that the Government underwrite the business structure of the country whenever expected investment fell below an annual level of \$40,000,000,000. This objective Mr. Patton proposes to accomplish through direct Federal loans and a public works program.

"While Federal underwriting of total investment is not the only measure required to convert our economy to full peacetime activity," Mr. Bowles said in a letter made public by Mr. Patton, "it is

although founding shares dropped 1,500 francs while Parts Civiles gained 450. Canadian Pacific reelected another day's gain of 100 franc to reach 1,000."

an essential element in a post-war program for full employment.

"We should, of course, do everything possible to encourage increased investment of risk capital by private business."

Mr. Bowles held also that one of the most important aspects of the program advanced by Mr. Patton, which the Senate had been asked to consider in legislative form, "is that if private business were assured that the Government stood ready, through public investment, to underwrite the huge markets that go with full production and full employment, there might be very little need for the Government actually to undertake investment above the normal amount involved in immediate essential public works."

## New Deal Domestic And Foreign Policies Equally Chaotic: Dewey

(Continued from first page)

the rule of the corrupt Pendergast machine. In the light of that record, I am sure they will never permit men who are products of that machine to succeed in their current attempt to take over our national government.

"The war in Europe is drawing to a close. But hard tasks remain. We must speed the drive for final victory. We must put behind our fighting men the backing of competent, effective government at home. We must make sure that when total victory is won, those fighting men are brought home promptly. We must take the leadership in bringing about effective international cooperation to prevent a future war.

"We in America face a mighty decision. Ten million heroes will be coming home, entitled to the fruits of victory—a prospering country with security and opportunity to get ahead. Millions of workers in war plants will demand their right to a good job in peace industry at good wages with security and stable employment. The farmers of America have a right to know that their tremendous efforts in the face of inadequate help and machinery will be rewarded by a new future of freedom from regimentation with stable and good prices for the fruits of their labor.

"Is the tired and quarrelsome New Deal all America has to offer? Must we go back to leaf raking and doles? Must our returning heroes go on the same old WPA? Must our farmers go back to detailed control by a host of New Deal agents, with falling prices to boot?

"These questions will all be decided in this election. The freedom and future of our country are at stake. Never in its history was it so important that we have a government which will be respected at home and respected abroad. Never was it so important that we choose a government which can restore our job-making machinery. Jobs and opportunity for every American and our chance for a lasting peace—all depend on this election.

"Now, what kind of administration do we need for the mighty problems we shall face after the war? As never before we shall need a government that meets these simple tests:

"1. Is it honest?  
"2. Are the people who run it trained and competent for their jobs?

"3. Is it a government with faith in the future of America and a wholehearted determination to make our system work?

"Let us apply these simple tests to what we now have so that we can find out whether it's time for a change.

"For 12 years the New Deal has treated us to constant bickering, quarreling and back-biting by the most spectacular collection of incompetent people who ever held public office. We must not trust our future to such people as Harry Hopkins, Madame Perkins and Harold Ickes. Certainly America can do better. I propose that we will do better.

"But we can never do better under the New Deal. The scars of its own failures and its own quarrels are too deep. Going right back to its beginning, if it wasn't a free-for-all fight in the WPA, it was Messrs. Ickes and Hopkins fighting over who got four billion borrowed dollars to spend on PWA or WPA, it was Henderson and Ickes squabbling over the right to be gasoline czar or a fight between the Rubber Director and the Under Secretary of War.

"If it wasn't the OPA fighting with itself, it was Mr. Ickes de-

nouncing the War Labor Board for its part in what he called a 'black—and stupid—chapter in the history of the home front. . . .

"The most disgraceful performance came when Vice-President Wallace accused Secretary of Commerce Jones of having 'done much to harass the . . . effort to help shorten this war. . . . And Mr. Jones charged the Vice-President with 'malice, innuendo, half-truths and no truths at all. . . .

"What kind of government is this that even a war cannot make it settle down and go to work? Little men rattling around in big jobs. Our country cannot afford the wasteful luxury of incompetent people in high places who spend their time fighting each other.

"Even Mr. Roosevelt publicly confessed on Aug. 21, 1942, that these conflicts within his Administration have been a 'direct and serious handicap to the prosecution of the war.' How costly they have been we will never know. But we do know one thing. Twelve years of this kind of government are too long. Sixteen years of it would be intolerable.

"This Administration has lived on conflict. They planned it that way. Listen to the President's executive order No. 9334. It says in part: 'The Secretary of Agriculture and the War Food Administrator . . . shall each have authority to exercise any and all of the powers vested in the other. . . .

"In other words, Mr. Roosevelt gives two men the same powers and then turns them loose to fight about it. He has been doing that for 12 straight years and it is one of the major reasons the New Deal failed in peacetime and would fail again if it got a chance. We can't afford this kind of planned, noisy chaos and bungling in the days ahead. That's why it's time for a change.

"Now there is another important reason why this New Deal Administration has been one long chapter of quarreling and confusion. That reason is the consistent practice of evading responsibility. High officials issue statements. Nobody rebukes or removes them. But when the statements later prove embarrassing, they are lightly disavowed or turned aside as unauthoritative.

"Last month I challenged a statement by the National Director of Selective Service in which he said: 'We can keep people in the Army about as cheaply as we could create an agency for them when they are out.'

"Mr. Roosevelt was quite upset. In fact, he spoke about 'reckless sources' based on unauthoritative sources' . . . and last Saturday he handed out from the White House a letter from General Hershey in which the General said the idea was all his own.

"Now, is Mr. Roosevelt quite accurate when he calls General Hershey, his own appointee, unauthoritative? The fact is that the Director of Selective Service is charged by law with the duty of helping to get jobs for returning veterans. If anybody in the country is an authority on that subject, he is the man.

"Now, where did General Hershey get this idea Mr. Roosevelt calls 'unauthoritative'? I'll tell you. He got it from another one of those 'White House' releases put out by Mr. Roosevelt himself.

"Moreover, it was submitted by Mr. Roosevelt's own uncle, Frederick A. Delano, Chairman of the National Resources Planning Board. It was the report of the conference on post-war readjustment of civilian and military per-

sonnel, appointed by the President.

"This discussed the pros and cons of speedy demobilization. After saying that good reasons exist for desiring a rapid rate of military demobilization, the report goes on to say that:

"Despite . . . compelling reasons for rapid military demobilization, the prospects of economic and industrial dislocation at the close of the war are so grave and the social consequences are so far-reaching that a policy of orderly, gradual, and, if necessary, delayed military demobilization has been strongly advocated. 'The following reasons,' it goes on to say, 'have been advanced:

"Rapid demobilization might throw into the labor market large numbers of men just at the time when the industries might be least able to absorb them. It might create unemployment and depression."

"Those in the services,' this report continues, 'will constitute the only large group of persons over whom the nation could, in the event of economic crisis, exercise any degree of direct control. . . . Then it says: 'The economic and social costs of retaining men in the services would be less than those involved in dealing with an unemployment depression through civilian relief. . . .

"So this idea of keeping men in the Army for fear that they won't get jobs after the war was in a report made public last year by Mr. Roosevelt himself. The New Deal has had it in mind right along.

"Now, let my opponent try to pass the buck to one of his assistants. They can slip and squirm in this New Deal, but when my opponent uses the word 'falsification,' as he did on the radio in the teamsters' speech, it comes home to haunt him.

"And let me add that as long ago as last April, Mr. Roosevelt remained silent while his director of selective service in a public speech in New York said he saw no purpose in letting men out of the Army 'into some kind of a WPA.' I do not see any such purpose either. Our fighting men ought to be brought home from the armed services at the earliest possible moment after victory and to jobs and opportunity. And that will be done when we get a new, an honest and a responsible administration in Washington.

"The truth is that the New Deal has been afraid all along that when the time came to let men out of the Army there would be no jobs for them—that it would be a case of back to normalcy under the New Deal with ten million unemployed.

"When the New Deal took office on March 4, 1933, the world-wide depression was already nearly four years old. In its first seven years it had more power than any government in our history. It spent nearly \$58,000,000,000. Yet the official figures of the League of Nations prior to the outbreak of the world war show that among the major nations of the world the United States had almost the poorest record of all. Out of 22 leading industrial nations of the world, 19 had made greater recovery than the United States from the crash of 1929. All but five had exceeded the 1929 level of production and gone well beyond it. The fact is that the New Deal depression in the United States was actually holding back economic recovery all over the world.

"It was Winston Churchill who, late in 1937, said: 'the Washington Administration has waged so ruthless a war on private enterprise that the United States . . . is actually at the present moment leading the world back into the trough of depression.

"Then he added: 'Those who are keeping the flag of peace and free government flying in the Old World have almost the right to ask that their comrades in the

new world should . . . set an example of strength and stability.'

"But Mr. Roosevelt ignored the warning. He went on with his war on business and employment, his experimentation—his quarrels and his chaos.

"The New Deal's record at home is one long chapter of failure. But some people still tell us: 'we agree that the New Deal is a failure at home but its foreign policies are very good.' Let me ask you: can an administration which is so disunited and unsuccessful at home be any better abroad? Can an administration which is filled with quarreling and back-biting where we can see it be any better abroad where we cannot see it? Well, the answer to that seeps through the brick wall of censorship.

"For example, on Feb. 11, 1943, while we were seeking vital war materials in Brazil, an artist in the New York 'Times' told how the conflict between Mr. Wallace and Mr. Jones was being echoed among our representatives in Brazil. It went on to say that dissension among the scores of agency representatives had actually 'led the Americans to participate in departmental rows among agencies of the Brazilian government itself.'

"Last year a special committee of United States Senators was sent to our war theaters overseas. Read what a Democratic Senator, Richard B. Russell, said in a report to the Senate on Oct. 28, 1943. These are his words: 'Our civil agencies abroad are numerous, but too often they are either working at cross purposes, or, worse to relate, in some cases have no apparent purpose.'

"Here is a report from the July 30, 1943, issue of 'The United States News.' It says: ' . . . in North Africa . . . field agents of half a dozen agencies—the Treasury, BEW, Lend-Lease, State Department and others—are reported to have brought confusion to the brink of chaos.'

"Why is it that our representation in the vital areas abroad is on the brink of chaos? The answer is exactly the same as at home.

"In addition to the only constituted officers of the State Department and the Army and Navy, there are now operating wholly or partly all over the world the following agencies of this Administration:

"The FEA, RFC, WFA, OCIAA, OSS, OWI, WSA, WRB, OAPC, OC, OWM, PWRCB, OFAR, FRC and the ACPAHMWA.

"There are more, but that's enough.

"Our country has a very important role to play in the world in the years to come. We can never achieve our objectives under an administration too tired and worn out to bring order out of its own chaos either at home or abroad.

"This nation of ours can be an inspiration to the world. We can be a steadying influence for freedom and peace. But first we must have peace in our own government. We must set our own house to order. That can never be done by a weary and worn-out administration. It can and must be done by a fresh and vigorous administration which will restore honesty and competence to our government.

"These things we pledge to you: 'An administration devoted to public service instead of public bickering.

"An administration working in harmony with Congress.

"An administration in which the Cabinet is restored as a responsible instrument of government.

"An administration in which you will not have to support three men to do one man's job.

"An administration which will root out waste and bring order out of chaos.

"An administration which will give the people of this country

value received for the taxes they pay.

"An administration made up of the ablest men and women in America who will receive full authority to do their jobs and will be let alone to do them.

"An administration free from the influence of Communists and the domination of corrupt big-city machines.

"An administration in which the Constitution is respected so that the liberties of our people shall again be secure.

"An administration which will devote itself to the single-minded purpose of jobs and opportunity for all.

"My distinguished associate, John W. Bricker, and I are united in our determination to these ends. We know that they can be achieved.

"We are united by these objectives and a firm determination under God to achieve them. America must never go back to the insecurity, unemployment and chaos of the New Deal. Because she must, America can and will go forward once again."

## U. S. Stops Printing Money For Italy

The Treasury Department at Washington has stopped printing and issuing allied military currency in Italy, according to an Associated Press dispatch from Washington on Oct. 13, which also said:

"The cease-printing order was laid down, it was ascertained here today, because of a belief the currency already brought into Italy is circulating sufficiently rapidly so that it comes back to the Italian Government via bank deposits and can be re-used by Allied troops.

"Financing the Allied operations in Italy remains an extremely complicated problem, however, because this is done primarily by a system of bookkeeping, rather than normal economic exchange. When the Army pays laborers to build barracks, buys Italian supplies, or otherwise spends money in Italy, an account is kept and these are considered occupation costs to be settled later.

"When a soldier decides to draw his pay in lire, however, and buy wine for himself, or pictures or jewelry to send home, that is not considered an occupation cost and the money is credited to the Italian Government, which buys supplies in this country with the equivalent in dollars. American soldiers already have spent considerably more than 100,000,000 lire on such personal items, it is understood.

"Italians are said to be depositing increasing amounts of money in banks, which pass it on to the Italian Government, which hands some back to Allied authorities for purchases in Italy. The completion of this circle has obviated the need for continued issuance of Allied currency."

## Col. A. Roosevelt Honored

A testimonial luncheon was tendered by the Municipal Bond Club of New York on Oct. 10 to Lieut.-Col. Archibald B. Roosevelt, who is home from the Southwest Pacific battle area on a 30-day leave. Col. Roosevelt, a former partner of Roosevelt & Weigold, New York investment banking firm, is a charter member of the Municipal Bond Club. In November, 1942, he received his commission as a Major and was sent to the South Pacific, where he joined the 162nd Infantry, 41st Division. He has seen action at Salamaua and Biak Island, where he was wounded. Among other decorations received for exploits in the New Guinea battle area, he recently was awarded the silver star for gallantry in action.

# White House Analysis Of Statements By Gov. Dewey In Oklahoma Speech

Following is the text of (as taken from Washington advices Oct. 12 to the New York "Times") a White House analysis of statements made by Governor Dewey in his campaign speech at Oklahoma City, Sept. 25 and "the facts" presented by the White House in reply to each:

### Dewey's Statement

"Now, were we prepared for war, or were we not? It's a perfectly simple question of fact.

"In 1940, the year after the war began in Europe, the United States was in such a tragic condition that it couldn't put into the field as a mobile force 75,000 men. The Army was only '25% ready.' Now, Mr. Roosevelt, did those statements come from Goebbels? Was that fraud or falsification? Those are the words of General George C. Marshall, Chief of Staff of the United States Army, under oath."

### The Facts

General Marshall's statement on Military Establishments Appropriation Bill, 1941, made May 1, 1940, before the subcommittee of the Committee on Appropriations of the United States Senate (Page 55):

"We could put in the field at the present time, as a mobile force, about 75,000 men of the Regular Establishment. They are seasoned soldiers, immediately ready to operate, organized into two partially completed Army corps, or into one Army complete corps with its special troops all on a basis of peace strength, to be promptly reinforced by 25,000 men from the Enlisted Reserve."

General Marshall's testimony before the Truman committee hearings, Part 1, on April 22, 1941:

"In February, 1940, I talked in a meeting before a historical group. I didn't have any preparation; I just went into it and talked—one statement I made was that compared to the Navy, which is 75% mobilized at all times, we at best were not over 25% prepared in the Army. Well, that was just for the purpose of illustrating the difference of the national policy. It was in no way a criticism. It was the national policy that the principal build-up would be behind the oceans and behind the Navy, that our great task was the development of a successful mobilization. What we wanted were a few divisions that were prepared to go anywhere, if the Administration and the Congress might decide that we should take action quickly. We had not been permitted to do that.

"But beyond that our problem was one of mobilization, of a successful mobilization. The Navy's problem was one of operation. They were already 75% mobilized, and at the time I talked they were close to 90%.

"And yet the mere statement that my guess was that we were only 25% prepared, considering all the motions that we had to go through, was very bitterly attacked in about February, 1940."

Excerpt from General Marshall's address before joint meeting of the American Military Institute with the American Historical Association, Dec. 28, 1939:

"The time factor is the other dominant consideration which influences the planning of the department. It is related to all our preparations—the production of material, the training of troops, of pilots and of mechanics, the organization of new units, and the mobilization of a war Army. The Navy in peace is 75% fully prepared. The Army machine is probably less than 25% ready for immediate action. Our problem, therefore, involves the development of a war force after the emergency has arrived. The time factor dominates the situation to a degree not approximated in any other great country. For this reason in particular the problem of a suitable war organization for the United States is one of many complications, and the influence

of a well-informed public is of profound importance."

### Dewey's Statement

"I quote again: 'Dec. 7, 1941, found the Army Air Forces equipped with plans but not planes.' Did that come from Goebbels? That statement was made in an official report on Jan. 4 of this year by H. H. Arnold, Commanding General of the Army Air Forces of the United States of America."

### The Facts

From the official report of the commanding general of the Army Air Forces to the Secretary of War, Jan. 4, 1944:

"Dec. 7, 1941 (Dec. 8, Hawaiian time) found the Army Air Forces equipped with plans but not with planes. When the Japanese struck our combat aircraft strength was little better than a corporal's guard of some 3,000 planes; of these only 1,157 were actually suited to combat service."

"The entire year 1941 was one of acceleration, in building bases and training facilities, teaching air crews and ground crews, establishing supply depots and supply lines, strengthening our continental defenses, expanding our aircraft and engine factories, furnishing friendly nations with more planes and equipment than we could spare, and getting ready for war. When the Japanese attacked on Dec. 7, 1941, we may not have had a powerful air force but we knew that we soon would have one. We had the plans, and our organization was growing every hour. We knew that we had done everything in our power, everything permitted us by a peace-loving nation to prepare to defend that nation against cruel and cunning foes."

"Germany required ten years to create her Luftwaffe; we were required to build our air force in one, and to fight with it in four corners of the world at the same time. By Dec. 7, 1941, our expansion program had been well started. The Army Air Forces had a two-fold task: to build up a gigantic training system, and to hold off the enemy until we could build up strength to take the offensive."

"The resourcefulness and energy of our people would have been of little avail against our enemies if the Army Air Forces had not begun preparations for war long before Pearl Harbor. By Dec. 7, 1941, we were in low gear and were shifting into second. That we were rapidly building up our strength at that time has been erased from the minds of many people by succeeding events. But due in large part to the initiative of our Commander in Chief, we did not start this war from scratch."

### Dewey's Statement

"Four months before Pearl Harbor, there was a debate in the United States Senate. The chairman of a Senate committee described on the floor of the Senate the shocking state of our defense program. Senator Vandenberg asked the chairman where the blame should be laid, and the chairman replied, 'There is only one place where the responsibility can be put.' Then Senator Vandenberg said, 'Where is that—the White House?' and the chairman of that committee replied, 'Yes, sir.'"

"Who was the committee chairman? It was Harry Truman, the New Deal candidate for Vice President of the United States."

### The Facts

During a discussion on the floor of the Senate following a speech

made by Senator Truman concerned chiefly with camp construction and raw materials, as reported in the Congressional Record of Aug. 14, 1941, page 7,117:

"Mr. Vandenberg: From the Senator's observations, can he tell me where the final authority rests in respect to priorities and curtailments? Does it rest with Mr. Stettinius, or with Mr. Henderson, or with Mr. Knudsen, or where?"

"Mr. Truman: If I could answer that question, it would not be necessary for the Committee to continue any further. We are trying to find that out. The last information I have is that it rests with Mr. Stettinius."

"Mr. Vandenberg: In other words, the Senator is now saying that the chief bottleneck which the defense program confronts is the lack of adequate organization and coordination in the administration of defense?"

"Mr. Truman: That is exactly what the hearings before our Committee will prove."

"Mr. Vandenberg: Who is responsible for that situation?"

"Mr. Truman: There is only one place where the responsibility can be put."

"Mr. Vandenberg: Where is that—the White House?"

"Mr. Truman: Yes, sir."

"Mr. Vandenberg: I thank the Senator." [Laughter.]

### Dewey's Statement

"Again, in a magazine article in November, 1942, this statement appeared: 'The reasons for the waste and confusion, the Committee found, were everywhere the same: the lack of courageous, unified leadership and centralized direction at the top.'"

### The Facts

The Senator was talking about the fights among various agencies. In the November, 1942, issue of "American Magazine," in an article entitled, "We Can Lose the War in Washington," in discussing business and the confusion at the top of the War Production Board in particular and dollar-a-year men in general, Senator Truman said:

"Chaotic conditions in war production are by no means a thing for which the Administration or the men in charge are alone to blame. Leadership implies 'followership.' And up to now we, who have been free in finding fault, have shown ourselves poor followers. If we wish to correct the situation, the power lies with us."

"Red tape makes it necessary for many companies with war contracts to employ clerks and bookkeepers who do nothing but fill out Government forms and questionnaires—forms for the War Department and the Navy, for the War Production Board, the Bureau of Internal Revenue, the Office of Price Administration, the Social Security Board, and many more besides.

"In peacetime red tape represents a necessary evil, keeping public servants from straying too far out of bounds. During the war emergency, however, we need administrators with the moral courage to slash through and get things done—and get them done on time."

"We are in danger of losing this war if we continue to permit personal self-seeking and business-as-usual to interfere with all-out production schedules."

"The reasons for the waste and confusion, the Committee found, were everywhere the same: the lack of courageous, unified leadership and centralized direction at the top."

"The need for a strong hand at the helm of America's war production finds fresh confirmation in each new batch of mail that lands on my desk."

"Some people have gathered the impression that my opposition to this type of dollar-a-year man in the employ of Uncle Sam is a

matter of New Deal antipathy to successful business men. That is not the case."

"Britain went through the same experience a couple of years ago. It was only after a newspaper publisher had been drafted to supervise the aircraft industry—and after there had been a general switching around of jobs, so that steel men were placed in charge of textiles, and textile men in charge of steel, that Britain's war output began really to hit its stride."

"Fundamentally, England's production crisis was a crisis of leadership. And the same thing holds true for the United States today."

"With the world going up in flames about us, we owe it to ourselves to insist that the President act promptly to halt the selfish fights for power, the endless bickering and dissension which have so far blocked the complete utilization of our productive energies."

"The leader of our production effort must be a man who can stand up to the generals and the admirals and tell them where to head in. He must have the authority required to rule the industrial roost, and the determination to use that power."

"He must have the imagination and industrial daring to conjure up unheard-of ways of doing things instead of reasons why they can't be done."

"The American people are ready to spend blood and sweat and tears to buy victory. American industry must be ready to sacrifice too. There can be no holding back of productive energy to protect post-war profits. Without victory there will be no profit for anyone but Hitler and the Japs."

### Dewey's Statement

"Again, on the floor of the Senate in May, 1943, these words were uttered: 'After Pearl Harbor we found ourselves woefully unprepared for war.' Was that Dr. Goebbels on the floor of the Senate?"

"The very words my opponent calls a falsification came from the mouth of his running mate, Harry Truman, the Democratic nominee for Vice-President."

### The Facts

The Senator was talking only about disputes between agencies with particular reference to rubber.

In a report to the Senate on the hearings which the Special Committee to Investigate the National Defense Program had been conducting, on May 6, 1943, Senator Truman stated:

"The task of control and guidance is of utmost importance. Clear leadership in strong hands is required. The influence from above must always be toward unity. Where necessary, heads must be knocked together."

"The issues in this dispute, involving war strategy, can and should be resolved by the agency established for that purpose, the War Production Board. This report is directed, not at these issues, but at the weaknesses in administration of the war effort which permit such disputes to reach the point of public controversy."

"After Pearl Harbor we found ourselves woefully unprepared for war. This Committee reported on the rubber situation and warned that supplies were dangerously low; that erection of synthetic rubber facilities were essential; that there would probably be no new rubber for civilians until 1944. Precious months were wasted in discussion after our findings were made public. Finally, after the President's Baruch Committee arrived at the same conclusion, synthetic rubber got under way. To accomplish this, a rubber czar was set up, within the War Production Board to be sure, but still more or less autonomous. . . ."

### Dewey's Statement

"Now listen to this: 'When the treachery of Pearl Harbor came we were not ready.' Mr. Roosevelt, was that from Dr. Goebbels? The man who said that was Alben Barkley, your majority leader of the United States Senate. And where do you suppose Alben Barkley said 'when the treachery of Pearl Harbor came we were not ready?' Right in his speech nominating Mr. Roosevelt for a fourth term."

### The Facts

Excerpt from Senator Barkley's nominating speech:

"For this foresight and forthrightness he (the President) was denounced as a war monger and assailed as the friend of the war profiteer, and he became the object of partisan and personal vilification like unto that which Washington suffered and which Lincoln endured."

"Whose was the voice then that cried from the wilderness? Who became then the major prophet—the man who saw and warned the people against approaching danger, or those who fulminated their jeremiads against him because he had the clarity of vision to see and the courage to proclaim the interest of our people and our welfare in the world's developments?"

"When the treachery of Pearl Harbor came we were not ready. The shock of it blasted us from our complacency, as the previous shock of Hitler's attack on Europe blasted his neighbors out of theirs."

"No democracy is ever ready for war at the drop of a hat. That is true of Europe and Asia no less than of America. And because the people themselves who live in those democracies have not wanted war, because they believed in the good faith of treaties made to prevent war, they were unwilling to believe that war would come or to be ready for war when it came."

### Dewey's Statement

"Now why is it we weren't ready when we were attacked? Let's look at my opponent's own words. In a message to Congress in 1935, he said: 'There is no ground for apprehension that our relations with any nation will be otherwise than peaceful.'"

### The Facts

In the President's Annual Message to the Congress, Jan. 4, 1935—on the state of the Nation:

"I cannot with candor tell you that general international relationships outside the borders of the United States are improved. On the surface of things many old jealousies are resurrected, old passions aroused; new strivings for armament and power, in more than one land, rear their ugly heads. I hope that calm counsel and constructive leadership will provide the steady influence and the time necessary for the coming of new and more practical forms of representative government throughout the world wherein privilege and power will occupy a lesser place and world welfare a greater."

"I believe, however, that our own peaceful and neighborly attitude toward other nations is coming to be understood and appreciated. The maintenance of international peace is a matter in which we are deeply and unselfishly concerned. Evidence of our persistent and undeniable desire to prevent armed conflict has recently been more than once afforded."

"There is no ground for apprehension that our relations with any nation will be otherwise than peaceful. Nor is there ground for doubt that the people of most nations seek relief from the threat and burden attaching to the false theory that extravagant armament cannot be reduced and limited by international accord."

### Dewey's Statement

"In 1937 he (the President) said, and I quote: 'How happy we

(Continued on page 1720)

## White House Analysis Of Statements By Gov. Dewey In Oklahoma Speech

(Continued from page 1719)

are that the circumstances of the moment permit us to put our money into bridges and boulevards \* \* \* rather than into huge standing armies and vast implements of war."

### The Facts

From the President's "Quarantine the Aggressors" speech in Chicago, Oct. 5, 1937:

"\* \* \* Let no one imagine that America will escape, that America may expect mercy, that this Western Hemisphere will not be attacked and that it will continue tranquilly and peacefully to carry on the ethics and the arts of civilization." \* \* \*

"There is a solidarity and interdependence about the modern world, both technically and morally, which makes it impossible for any nation completely to isolate itself from economic and political upheavals in the rest of the world, especially when such upheavals appear to be spreading and not declining. There can be no stability or peace either within nations or between nations except under laws and moral standards adhered to by all. International anarchy destroys every foundation for peace. It jeopardizes either the immediate or the future security of every nation, large or small. It is, therefore, a matter of vital interest and concern to the people of the United States that the sanctity of international treaties and the maintenance of international morality be restored." \* \* \*

"How happy we are that the circumstances of the moment permit us to put our money into bridges and boulevards, dams and reforestation, the conservation of our soil and many other kinds of useful works rather than into huge standing armies and vast supplies of implements of war."

"I am compelled and you are compelled, nevertheless, to look ahead. The peace, the freedom and the security of 90% of the population of the world is being jeopardized by the remaining 10% who are threatening a breakdown of all international order and law. Surely the 90% who want to live in peace under law and in accordance with moral standards that have received almost universal acceptance throughout the centuries can and must find some way to make their will prevail." \* \* \*

"When an epidemic of physical disease starts to spread, the community approves and joins in a quarantine of the patients in order to protect the health of the community against the spread of the disease."

### Dewey's Statement

"But war came just two years later (referring to the 1937 'happy' \* \* \* to put our money into bridges and boulevards \* \* \* than into \* \* \* standing armies and vast implements of war' statement). It was in January of 1940 that I publicly called for a two-ocean Navy for the defense of America. It was that statement of mine which Mr. Roosevelt called, and I quote his words: 'Just plain dumb.' Then, as now, we got ridicule instead of action."

### The Facts

In the President's press conference held on May 14, 1940, in which his message to the Congress on National Defense was discussed:

"Q.—Mr. President, has there been any revival of the discussion of the need for a two-ocean Navy, in view of the German gains in the air over the British Fleet?"

"The President: Well, when you talk about a two-ocean Navy in regard to our naval defense, I don't know. I think it probably goes back to the days of—when did we first get California? 1847, wasn't it?"

"Q.—Yes, sir.

"The President: In other words, it is an entirely outmoded conception of naval defense and it has been since about 1847 when we first acquired California. I just never discuss two-ocean Navy in one way or the other because it is dumb to talk of naval defense in those terms. \* \* \* Of course you are supposed to have a Navy that will go anywhere for national defense purposes and no human being can say where it will have to go—nobody."

"Q.—Isn't it conceivable we may have to split the fleet if something happened out in the Netherlands Indies and then—"

"The President: I am afraid that is a leading question."

"Q.—It would take ten years to create another Navy like this one?"

"The President: Yes, and then— Suppose you got an attack from three angles instead of two and then you would have to have three navies. In other words, it really, honestly, is a stupid conception that nobody who knows anything about defense would ever use. Nobody has ever used that term that knew anything about defense."

"Q.—Mr. President, if we cannot have a two-ocean Navy, would it be logical to have two canals between the Atlantic and the Pacific?"

"The President: Personally I wish we had 10 canals, because the more communications you have, which are capable, more or less, of defense, the better it is. I wish there weren't any isthmus. I wish there were a big open space down there."

"Q.—Mr. President, I do not mind seeming dumb, but if we have two oceans, why wouldn't it be a good idea to have two complete Navies, one for each?"

"The President: Well, because it is just exactly like Portland, Maine. If you break things down in those terms, we ought to have Navy ships at the mouth of every harbor to protect that harbor against any possible attacking for us because, you see, they might attack Portland, Maine, and Boston, Mass., at the same time. Now wouldn't that be awful? You really ought to have two Navies."

"Q.—Well, I just do not think that is the same thing because you have got oceans—"

"The President (interposing). That is what you call reductio ad absurdum."

Note—That very day the President sent a message to the Congress calling for 50,000 planes a year and for an immediate appropriation of \$896,000,000 for the Army and Navy in addition to items already included in the pending War and Navy Appropriations Bills. The press conference dealt largely with that, but Dewey said nothing about the message.

### Dewey's Statement

"The war rose in fury. When Hitler's armies were at the gates of Paris, Mr. Roosevelt once again soothed the American people with the jolly comment: There is no need for the country to be 'discomboomerated.'"

### The Facts

At his press conference on May 28, 1940, following his recent radio address (May 26, 1940) on national defense, in discussing the public response to the need for preparedness, the President said:

"... The answer has been fine all over the country. I am very, very appreciative of it and I think people understand the seriousness of the situation."

"At the same time, I think people should realize that we are not going to discomboomerate (discomboomerate) or upset, any more than we have to, a great many of

## Letters To President By Berle And Hershey On Assertions In Gov. Dewey's Speeches

In addition to the White House analysis issued Oct. 14 of statements made by Gov. Thomas E. Dewey in his address at Oklahoma City, and the inclusion in the analysis of "The Facts," other releases from the White House at the same time comprised two letters addressed to the President, bearing on remarks of Gov. Dewey in his campaign speeches—one by Assistant Secretary of State Berle, and the other by Maj. Gen. Hershey, Director of the Selective Service System.

With respect to these releases, advices from Washington Oct. 14 to the New York "Herald Tribune" by Carl Levin, said in part:

The first was an analysis of some 3,000 words of Gov. Thomas E. Dewey's Sept. 25 Oklahoma City speech, comparing the Republican Presidential candidate's allegations with the source material from which the White House indicated they were drawn.

This analysis, issued by the White House and not by the President, though undoubtedly with his knowledge, carried no words of introduction.

The second release, which followed closely that of the voluminous analysis, pertained to Governor Dewey's Charleston, W. Va., address of last Saturday [Oct. 7] and took the form of an announcement that the President has received from Adolf A. Berle, Jr., Assistant Secretary of State, a letter stating that Mr. Dewey had misquoted him in Charleston.

The third release, following the pattern of the second, contained a letter to the President from Maj. Gen. Lewis B. Hershey, Director of the Selective Service System, explaining the military demobilization statement attributed to him by Governor Dewey in his opening campaign address at Philadelphia on Sept. 7.

This letter referred to Mr. Dewey's charge that a statement by the Selective Service Director was a clear demonstration that the Roosevelt administration so "lacked faith in America" that it intended to demobilize the armed forces gradually because of fear of unemployment. Mr. Dewey, at the time, quoted General Hershey as having explained the need for gradual demobilization by saying "we can keep people in the Army about as cheaply as we could create an agency for them when they are out."

General Hershey's letter, dated Thursday [Oct. 12], explained to the President that in making the remark he was merely giving his "personal opinion in a field over which I have no responsibility" and that the publicity that has been given to it "has tended to attach a significance which is completely out of accord with the facts in the matter."

These letters as given in the "Herald Tribune," from its Washington bureau, follow:

### BERLE'S LETTER

My Dear Mr. President:

At Charleston last Saturday Governor Dewey misquoted a personal memorandum of mine dated May 23, 1939, to the Temporary National Economic Committee, in a surprisingly dishonest effort to claim that your administration

is the normal processes of life. There is one of the ladies in the room, for instance, who was going to ask that question and wanted to know whether we are not only going to have no new automobiles next year, new models, but whether it meant a lot of other things that could be put into the luxury class would have to be foregone by the population and... the answer is that this delightful young lady will not have to forego cosmetics, lipsticks, ice-cream sodas and—(laughter)... We do not want to upset the normal trend of things any more than we possibly can help."

Governor Dewey's speech at Oklahoma City Sept. 25 was referred to in our issue of Sept. 23, page 1353.

was secretly trying to set up a communist system.

To do this, he ripped a single sentence from a section dealing with the dangers of a closed capital market. One of the dangers set out was the fact that if capital did not flow into necessary enterprise, the Government would be compelled to enter direct financing of activities supposed to be private. If this happened, "over a period of years, the Government will gradually come to own most of the productive plants of the United States"—this "being just what we wanted to avoid. Governor Dewey put this sentence forward as the doctrine advocated, though the entire memorandum showed the exact contrary.

He then built a speech on the theory that this was "your program." The record shows not only that this was not your program, but also that it was not any one's program. In the circumstances this was a clear attempt to play fast and loose with the American public.

The program actually advocated was clearly stated just three paragraphs later:

"In a democratic organization of economy the obvious end should be to permit and require private initiative to do as much of the work as it can, consistent with maintaining the national economy on a reasonably even flow, distributing the burdens and benefits meanwhile that no class will be unduly favored, no class unduly burdened, and a maximum of opportunity be provided for every one to use his abilities usefully with corresponding reward. It is the definite function of the financial system to make this possible at all times."

Governor Dewey knows me quite well. He asked and got my help in getting him the independent nomination which made possible his election as District Attorney in New York. We served together for two years in New York City. He knows, as does everybody else, that while I want a finance system that takes care of little people as well as big, I have never been a Communist.

Faithfully yours,

ADOLF A. BERLE, JR.

### HERSHEY'S LETTER

Oct. 13, 1944.

My Dear Mr. President:

Widespread and recurring publicity has been given to a reply which, I made to a hypothetical question in a press conference held in Denver in August of this year during my inspection of the state headquarters of Selective Service in that city.

This reply was given as my personal opinion in a field over which I have no responsibility. That fact, I am sure, was understood by all present.

It was clearly indicated by me at the time that my personal opinion was not popular and would probably not be given consideration.

There was no question at this press conference in Denver but that the responsibility for demobilization of the armed forces personnel was a responsibility of the heads of the War and Navy Departments, and not a responsibility of the director of Selective Service.

The interest of the director of Selective Service in demobilization stems from his legal responsibilities for replacing veterans in their former positions or for aiding them in finding new ones. In

fact, that was the purpose and the subject matter of the press conference and the circumstances through which the question was asked in Denver.

I have refrained from comment since then with the feeling that the announcements by the War and the Navy Departments subsequent to the time of this press conference clearly indicated the policies of the Government in regard to demobilization.

Representatives of the War Department, the Navy Department and the Selective Service system appeared before the military committee of the House of Representatives prior to the announcement by the War Department of its plan for discharging veterans, a plan evolved after numerous polls of Army personnel.

The committee of the Congress was at that time informed that the needs of the armed forces to defeat Japan and the availability of shipping would be the only regulating factors governing rate of demobilization of personnel after the defeat of Germany. The Selective Service system at that time indicated its intention and desire to carry out its responsibilities based on the plans of the War Department. Mr. Stimson, in his press conference last week, set out clearly the reasons which had been given by War Department representatives in this joint meeting with the Congressional committee on Sept. 5, 1944.

The Selective Service system has been operated by the coordinated efforts of many Americans of divergent political faiths. Partisanship has had no place in Selective Service as the four years' participation by all of the governors of the States testifies.

My non-participation in any activities or any organizations of a political nature has been the continuation of a practice which began with the first Presidential campaign in which I was old enough to vote. I was in the armed forces at that time. I still am an officer of the armed forces.

My political philosophy I believe to a personal affair, but I have never withheld the information that I have been and am a Republican. I have voted whenever it was possible for me to do so. I plan to continue to vote as I believe that to be my right and my duty.

The publicity that has been given to my reply at Denver has tended to attach a significance which is completely out of accord with the facts of the matter. I trust that this information will make clear the circumstances under which the subject matter was discussed.

Respectfully yours,

LEWIS B. HERSHEY.

## Results Of Treasury Bill Offering

The Secretary of the Treasury announced on Oct. 16 that the tenders of \$1,300,000,000, or thereabouts, of 91-day Treasury bills to be dated Oct. 19 and to mature Jan. 18, 1945, which were offered on Oct. 13, were opened at the Federal Reserve Banks on Oct. 16. The details of this issue are as follows:

Total applied for, \$2,183,869,000. Total accepted, \$1,313,861,000 (includes \$59,721,000 entered on a fixed price basis at 99.905 and accepted in full).

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

Range of accepted competitive bids:

High, 99.909, equivalent rate of discount approximately 0.360% per annum.

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

(5% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Oct. 19 in the amount of \$1,206,589,000.

## Reply Of Gov. Dewey To White House Analysis Of His Oklahoma Speech And Berle Letter

The following statement, made available by the Associated Press, en route to St. Louis with Governor Thomas E. Dewey, Republican candidate for President, was issued by Gov. Dewey on Oct. 15 in answer to documents released from the White House:

I have read Mr. Roosevelt's statement issued by him at "the White House" in which he belatedly attempts to answer my speech of three weeks ago at Oklahoma City.

But this statement he puts out is not new. Exactly the same statement was put out by the publicity director of the Democratic party to its speakers ten days before. Mr. Roosevelt has found it necessary to dust it off and issue it with the sponsorship of the White House.

In this statement Mr. Roosevelt confesses that every single statement I made in my Oklahoma City speech was exactly correct down to the last period and comma.

Mr. Roosevelt's failure to prepare this country and the resulting price we have had to pay is established out of the mouths of his own followers. As I have said, I did not intend debating the tragic results of Mr. Roosevelt's total failure of leadership. But the facts are even more clearly etched as a result of his statement of yesterday.

It is the fact that the Chief of Staff of the United States testified that in 1940 our Army was "only 25% ready."

It is the fact that General Arnold, on Jan. 4 of this year stated that "Dec. 7, 1941, found the Army Air Force equipped with plans but not planes."

It is the fact that four months after Pearl Harbor Mr. Roosevelt's current running mate admitted on the floor of the United States Senate the responsibility for the shocking state of our defense program was right in the White House.

It is the fact that both Senator Truman and Senator Barkley have publicly admitted that our nation was not prepared for the attack on Pearl Harbor.

The list is endless. The record is dreadfully bad. It cannot be concealed by epithets or by hiding behind the symbol of the White House.

It is equally amazing that Mr. Roosevelt should find it necessary to get his subordinate and close associate, Mr. Berle, the Assistant Secretary of State, to write him a letter accusing me of "misquoting," "dishonesty" and of having "ripped" a sentence from its context. Mr. Roosevelt also released this from the White House.

Once again, the facts are very simple. Mr. Roosevelt and Mr. Berle again admit my statement that Mr. Berle said in a memorandum:

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

Mr. Berle claims that he meant the opposite and cites other language in the memorandum. But he skillfully omits to quote the relevant language in the very same passage from which I have quoted above. It reads:

"If the country desires to make wealth creation a function of government (I personally believe it must do so in larger measure than it has heretofore) the choice should be the considered choice of the country, and not the result of a policy of drift.

"The Government's ability to create wealth efficiently is denied by a good many people. It seems to me a good many of these attacks are unjustified, though I am frankly biased in favor of public ownership of certain forms of wealth."

There is more of the same doctrine in Mr. Berle's memorandum.

The conclusion seems to be that Mr. Roosevelt is continuing the slippery tactics the New Deal has always employed.

It seems regrettable that the

man who wants to be President for 16 years should find it necessary to hide behind evasion by his associates and should sink to using the White House to make a headline for a ten-day-old release by the publicity director of his party.

## The State of Trade

(Continued from page 1714)

few months of this year. Cutbacks are increasing and the general delivery situation is better than it was a few months ago, notes the magazine.

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 and signs are current that before many weeks have passed the possibilities of greater production of civilian orders will be much brighter. Some mills plan to use newly found rolling mill space, for further cutting down of backlogs, and in the cast of others for soliciting new sheet business to fill the gap.

Should new or additional flat rolled business fail to materialize to replace landing mat cancellations and plate cutbacks, a reduction in raw steel output at some plants may be expected. Plate cutbacks by the Maritime Commission are expected to be steeper at an earlier date than was anticipated, the trade journal notes.

Lend-lease steel requirements for the fourth quarter will reach the lowest point than at any time since this method of supplying the Allies was instituted. Shipments of this type in the final quarter may not even reach 200,000 tons compared with past peak loads of more than 1,000,000 tons per quarter.

Lend-lease steel requirements for the first quarter of 1945 are expected to be a negligible factor in the steel distribution picture. Regular steel export orders have expanded recently, however, the increased tonnage has not been sufficient to offset the decline in lend-lease steel shipments, observes "The Iron Age."

Should the European War continue through the winter months there is adequate capacity and production to take care of urgent war needs and at the same time have an ever-increasing segment of the industry available for civilian output.

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 magazine concludes.

The American Iron and Steel Institute announced last Monday that the operating rate of steel companies (including 94% of the industry) will be 97% of capacity for the week beginning Oct. 16, compared with 96.9% one week ago. This week's operating rate is equivalent to 1,745,000 tons of steel ingots and castings, compared with 1,743,200 net tons last week and 1,755,000 tons one year ago.

**Electric Production** — The Edison Electric Institute reports that the output of electricity increased to approximately 4,375,079,000 kwh. in the week ended Oct. 7,

from 4,365,907,000 kwh. in the preceding week. The latest figures approximate a gain of 0.8% from the level of one year ago, when output reached 4,341,754,000 kwh.

Consolidated Edison Co. of New York reports system output of 176,300,000 kilowatt-hours in the week ended Oct. 8, 1944, and compares with 219,800,000 kilowatt-hours for the corresponding week of 1943, or a decrease of 19.7%.

Local distribution of electricity amounted to 167,600,000 kilowatt-hours, compared with 200,100,000 kilowatt-hours for the corresponding week of last year, a decrease of 16.2%.

**R. R. Freight Loadings** — Carloadings of revenue freight for the week ended Oct. 7 totaled 877,942 cars, the Association of American Railroads announced. This was a decrease of 35,057 cars, or 3.8% below the preceding week this year and a decline of 28,415 cars or 3.1% below the corresponding week of 1943. Compared with a similar period in 1942, a decrease of 31,308 cars, or 3.4% is shown.

**Coal Production** — The U. S. Bureau of Mines reports production of Pennsylvania anthracite for week ended Oct. 7, 1944, at 1,245,000 tons, a decrease of 91,000 tons (6.8%) from the preceding week, and 75,000 tons, or 5.7% below the corresponding week of 1943. The 1944 calendar year to date shows an increase of 5.3% when compared with corresponding period of 1943.

The report of the Solid Fuels Administration placed bituminous production for the week ended Oct. 7 at 11,620,000 net tons, representing a decrease of 460,000 tons, or 3.8% compared with 12,050,000 tons in the preceding week. Production in the corresponding week of last year amounted to 12,086,000 net tons, while output for Jan. 1 to Oct. 7, 1944, totaled 482,730,000 net tons, as against 456,909,000 tons in the same 1943 period, or a gain of 5.7%.

Estimated production of beehive coke in the United States for the week ended Oct. 7, 1944, as reported by the same source, shows an increase of 1,600 tons when compared with the output for the week ended Sept. 30, last, and a decline of 53,900 tons from the corresponding week of 1943.

**Copper Output in September** — Crude copper production in September dropped to 82,572 tons from 82,769 in the preceding month and output of the refined metal slumped to 88,384 tons from 91,047 tons, as noted by the Copper Institute. Domestic deliveries for the month amounted to 118,054 tons as against 139,515 tons in August.

**Silver** — The London market for silver was unchanged at 23½d. The New York Official for foreign silver continued at 44¾c, with domestic silver at 70½c.

**Lumber Shipments** — The National Lumber Manufacturers Association reports that lumber shipments of 504 reporting mills were 4.9% below production for the week ended Oct. 7, while new orders of these mills were 2.9% less than production for the same period. Unfilled order files amounted to 100% of stocks.

For 1944 to date, shipments of reporting identical mills exceeded production by 3.0% and orders ran 6.1% above output.

Compared to the corresponding weeks of 1935-39, production of reporting mills was 16.8% greater, shipments 13.7% greater, and orders 15.5% greater.

**Crude Oil Production** — Daily average gross crude oil production for the week ended Oct. 7, as estimated by the American Petroleum Institute, was 4,691,550 barrels. This represented a decrease of 70,750 barrels from the preceding week, and a decline of 16,950 barrels from the daily average figure recommended by the Petroleum Administration for War

for the month of Oct., 1944. When compared with the corresponding week last year, crude oil production was 301,250 barrels per day higher. For the four weeks ended Oct. 7, 1944, daily output averaged 4,735,800 barrels.

Reports from refining companies indicate that the industry as a whole ran to stills (on a Bureau of Mines basis) approximately 4,506,000 barrels of crude oil daily and produced 14,252,000 barrels of gasoline. Kerosene output totaled 1,271,000 barrels, with distillate fuel oil placed at 4,706,000 barrels and residual fuel oil at 3,676,000 barrels during the week ended Oct. 7, 1944. Storage supplies at the week-end totaled 78,554,000 barrels of gasoline; 14,322,000 barrels of kerosene; 46,078,000 barrels of distillate fuel, and 64,644,000 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 Oct. 7 was at 96.1% of capacity as against 95.2% 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. 9, last year, was 90.9% of capacity. As for paperboard, production for the same period was reported at 96% of capacity, compared with 95% in the preceding week.

**Business Failures** — Business failures in the United States for the week ended Oct. 5 advanced to 27 from 15 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 19 against 11 in the preceding week and 20 a year earlier. There were three Canadian failures compared with two a week earlier, and unchanged from a year ago.

**Retail and Wholesale Trade** — Reports from department and other stores reveal that retail buying for the country as a whole rose sharply during Columbus Day and registered gains of from 10 to 15% the past week, touching levels reached usually just before Christmas. Candies and cigarettes were especially in demand with the rate of buying curtailed only by shortages. Apparel too, attracted much attention, but shortages as in other lines, worked to hold down volume. The wholesale field also was confronted with the same problem, states Dun & Bradstreet.

In retail buying greater concentration was noted on gifts for men overseas. Buying was also strong in accessories and sports wear. The call for black dresses of better quality was large. Men's suits showed an expansion in volume, though the increases everywhere have been less this month than they were in September. House furnishings and wares usually in good demand at this season were handicapped by lessening inventories.

The food store business held to the pace developed in the previous week, which was one moderately improved over that of a year ago. Rationed meats continued scarce, while poultry was in plentiful supply. Throughout the country retail increases as reported by Dun & Bradstreet were estimated at 8 to 14% above this time last year. Regional percentages show New England, 5 to 9%; East, 12 to 16%; Middle West, 7 to 11%; Northwest, 8 to 12%; South, 14 to 18%; Southwest, 3 to 7% and the Pacific Coast 11 to 15% higher.

A slight increase was noted in the wholesale food field the past week over the same period a year ago. Demand for fancy groceries was especially good and trading in fresh produce held steady. As for sugar, orders showed a falling off for the first time, but butter continued scarce.

Department store sales on a country-wide basis, as taken from

the Federal Reserve Board's index, were 16% ahead of a year ago for the week ended Oct. 7. For the four weeks ended Oct. 7, 1944, sales increased by 12%. An 8% increase in department store sales for the year to Oct. 7, 1944, over 1943, was also noted.

Marked improvement was noted in retail trade here in New York the past week when compared with one year ago. Estimates according to the New York "Times" placed department store volume at about 20% above that of 1943. Columbus Day helped trade materially and this factor also contributed to the higher sales volume for the country as a whole. In the outer garment line demand suffered to some extent due to fairly moderate weather. In the wholesale markets tight supply conditions ruled. The opening for spring sportswear took place in the week and heavy orders were booked. Orders will be filled on an allotment basis by manufacturers.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Oct. 7 increased by 17% over the same period of last year. This compared with a revised figure of 19% in the preceding week. For the four weeks ended Oct. 7 sales rose by 12%, and for the year to Oct. 7 they improved by 9%.

## Business Failures Lower-Liabilities Up In September

Business failures in September were lower in number but the amount of liabilities involved was higher than in August and in September a year ago. Business insolvencies, according to Dun & Bradstreet, Inc., totaled 75 and involved \$4,065,000 liabilities as compared with 77 in August involving \$1,054,000 liabilities and 124 involving \$1,488,000 in September a year ago.

The Manufacturing and Retail groups had fewer failures in September than in August, the Construction and Commercial Service groups had more failures in September than in August, while the Wholesale group had the same number. When liabilities are considered it is found that only the Retail group had a smaller amount of liabilities involved in September than in August.

Manufacturing failures last month numbered 24, involving \$3,288,000 liabilities compared with 28 in August with \$557,000 liabilities. Wholesale failures numbered 5, the same as in the previous month but liabilities increased to \$188,000 from \$86,000 in August. In the Retail Trade section insolvencies were down from 32 to 26 and liabilities from \$272,000 to \$161,000. Construction failures rose from 9 in August to 12 in September and liabilities from \$123,000 to \$273,000. Commercial Service failures numbered 8 in September against 3 in August and liabilities \$155,000 in September against \$16,000 in August.

When the country is divided into Federal Reserve Districts it is found that the Boston, New York, Philadelphia and Richmond Reserve Districts had fewer failures in September than in August, the St. Louis, Kansas City and Dallas Reserve districts had the same number and the remaining districts show more failures in September than in August. When the amount of liabilities involved is considered, it is found that the Boston, Philadelphia and Richmond Reserve districts had less liabilities involved in September than in August, while all of the remaining districts had more. The Richmond Reserve District is distinguished by not having had any failures.

## War Loans And Commitments To Manufacturers By Banks Exceed \$8,000,000,000 Says ABA

War production loans to manufacturers of the nation and commitments for such loans reported as outstanding on June 30, 1944, by 430 of the country's larger banks aggregated \$8,166,632,106, according to the semi-annual survey of the American Bankers Association released for publication on Oct. 5. The survey is conducted by the Association by means of a questionnaire addressed to the 500 largest banks. Of these, the 430 supplied data on their war production lending activities, as against 436 banks in the previous survey which covered loans and commitments outstanding Dec. 31, 1943. The advices from the Association state:

"Of this \$8,166,632,106 of total war loans and commitments by the banks outstanding on June 30, \$7,875,286,080 represents loans and commitments for war supplies and materials and is an increase of \$128,299,157 above the \$7,746,986,923 reported in a previous survey. The larger figure on June 30, even though reported by fewer banks, reflects the increasing quantities of arms and supplies flowing from

the factories financed by loans from the banks. The remaining \$291,346,026 represents loans and commitments for building of war plants and factories, compared with \$678,891,230 for the same purpose as of Dec. 31 and is a reflection of the completion of America's war workshop.

"The total \$8,166,632,106 of loans and commitments for loans reported by 430 banks on June 30 was \$259,246,047 lower than the \$8,425,878,153 reported by 436 banks for Dec. 31. The lower total for June 30 is attributable to fewer reporting banks as well as the completion of war contracts for factory construction."

## FDR To Name Justice Byrnes For Interim Term As War Mobilization And Reconversion Chief

The appointment of Justice James F. Byrnes for an interim term as War Mobilization and Reconversion Director was made known by President Roosevelt on Oct. 3, on which date the signing of the bill (recently enacted by Congress) was announced.

In his statement the President said:

"Under the law creating the new Office of War Mobilization and Reconversion the appointment of a director must be confirmed by the Senate. The Senate will not be in session until Nov. 14.

"Justice Byrnes has agreed to accept an interim appointment as director and will serve until the Congress reconvenes, at which time I will send to the Senate for confirmation the appointment of a director who will serve for the two-year term provided in the statute.

"Two years ago I asked Justice Byrnes to leave the Supreme Court and assist me in the war effort. He has done a magnificent job. His contribution to the successful prosecution of the war is recognized by a grateful nation.

"I fully understand Justice Byrnes's expressed desire not to remain as director for two more years. I have assured him that I will not ask him to continue to serve as Director beyond the interim term."

## ABA Savings & Mortgage Conference At Atlanta

Various aspects of the financial services which banks will render to returning veterans in accordance with the "G. I. Bill of Rights" will be discussed at a two-day savings and real estate mortgage conference sponsored by the Savings Division of the American Bankers Association, which will be held at the Hotel Ansley in Atlanta, Ga., on November 9 and 10, according to H. R. Templeton, President of the Division, who is also Vice-President of the Cleveland Trust Co., Cleveland, Ohio.

Bankers from the seven southern States of Florida, Georgia, South Carolina, Alabama, Tennessee, Louisiana and Mississippi will be in attendance during the two days. The first day of the conference, on November 9, will be devoted to a discussion of savings banking, while the second day will be divided between a real estate mortgage conference in the morning, and the afternoon will be given over to a review of the "G. I. Bill," it was announced by Mr. Templeton, who will preside at the sessions on both days.

W. Randolph Burgess, President of the American Bankers Association, and Dr. William A. Irwin, economist of the Association, will address the morning session of the savings conference on Nov. 9, which will be called to order by Mills B. Lane, Jr., Chairman of the Arrangements Committee, who is First Vice-President of the Citizens and Southern National

Bank, Atlanta. Adding to the interest in the address by Mr. Burgess is the fact that besides being President of the Association, he is also Vice-Chairman of the Board of the National City Bank of New York, which stresses the importance of its savings department.

Dr. Irwin will speak on "Savings — An Economic Imperative."

An open forum on savings banking will be held during the afternoon of Nov. 9, which will be led by Dr. Irwin and discussed by Mr. Lane and one other prominent southern banker. According to a tentative program for the sessions on Nov. 10, Ernest M. Fisher, director of research in mortgage and real estate of the American Bankers Association, will speak during the morning mortgage conference on "Making Mortgage Loans" and will later lead an open forum and discussion on the subject which will be guided by two southern bankers experienced in that field.

The afternoon will be given over to a thorough review of banking's responsibilities under the "G. I. Bill" and the program will consist of three addresses discussing its legal and technical aspects from the standpoint of banks as well as mortgage loans which may be granted under its provisions and the public relations involved. An open forum will follow to be led by a member of the Association's legal staff, and two bankers familiar with the bill and competent to interpret its provisions.

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## Veterans Bur. Explains Loan Arrangements Of GI Bill Of Rights

An explanation of the basic interest and guarantee arrangements for loans to veterans under the G. I. Bill of Rights was made public on Oct. 14 in Washington by the Veterans Administration, according to an Associated Press dispatch from Washington on that day given in the New York "Herald-Tribune," which went on to say:

At the same time, Harold W. Breining, assistant administrator in charge of finance and insurance, denied assertions of some banking groups that the bill and the final draft of regulations will

## Morgenthau's Plan To Strip Germany Of Its Industry Criticized As "Utter Nonsense"

Secretary Morgenthau's plan to strip Germany of its industry suggests "mental bankruptcy," according to "Industrial and Engineering Chemistry," publication of the American Chemical Society, of which Walter J. Murphy is editor. Direct supervision of the industries of the Reich under scientific leadership is urged.

"The idea of turning a nation of some 80,000,000 people, in fact the most industrialized nation in Europe, into an agricultural country exclusively is utter nonsense," the journal says editorially. "We are, indeed, admitting complete mental bankruptcy if this is the only plan we can devise to assure peace in Europe." The editorial added:

"Germany's criminal and militaristic classes must be punished according to their crimes against civilization. Her industries must be directly supervised for many years to come by scientifically trained individuals who will be able to detect and prevent the prostitution of science and industry for war purposes.

"She must provide the labor to help restore the devastated countries, the close tie between the military and industry must be eliminated, and the large trusts broken up. This, together with gradual reeducation of the German masses, constitutes the best means of preventing another world holocaust. Now is the time when our scientific leadership must assume a great responsibility and statesmen must accord it an opportunity to assist in maintaining the peace of the world."

lay the homecoming service man open to jerry-builders and land sharks.

Emphasizing that not only the bill but the tentative regulations to govern the administration of it are necessarily complicated, the Veterans Administration explained how the bill would work under the two separate lending plans.

One of these, Section 501, provides for loans to be made by any one, with the Veterans Administration guaranteeing up to 50%, or not to exceed \$2,000. The Veterans Administration will pay the first year's interest on the part it guarantees. The alternate, Section 505, provides for 100% Federal guarantee or insurance of the money loaned, with a selected Federal agency making, guaranteeing or insuring the principal loan and the Veterans Administration limited to an additional \$2,000 or 20% of the total.

Taking loans of \$10,000 as examples, the Veterans Administration offered this explanation: Under Section 501: Loan, \$10,000. Lender: Any one.

Interest: 4%, or \$400 a year with the provisions that the Veterans Administration will pay \$80 representing the first year's interest at 4% on \$2,000, the amount guaranteed by the Veterans Administration.

Under Section 505: Loan, \$10,000. Lender: A Federal agency.

Interest: (paid by veteran) 4½% plus ½% insurance charge. On \$8,000 of the total amount loaned; 4% interest on the remaining \$2,000. Thus the veteran will pay annual interest of \$400 on \$8,000 and \$80 on \$2,000 for a total of \$480. He still will get the same prepayment by the Veterans Administration of the first year's interest on its part in the loan.

Either of these borrowing opportunities is open to the veteran. Some bankers have raised the contention that the first plan, with no provision for Federal Housing Authority inspection or appraisal on any building bought or built, does not provide the veteran with proper guards against crooked builders or crooked real estate dealers. The Veterans Administration emphasizes, however, that, before it completes the regulations for loans to the service personnel, adequate guards will be set up.

## From Washington Ahead Of The News

(Continued from first page) it a point of Hoover's honor. The result is well known. Over a period of many months, when tariff revision was brought up, a coalition of Western Progressives and Southern Democrats wrote the rates, increasing agricultural protection and denying increased industrial protection.

But in the trading back and forth the coalition was broken in the last few weeks of consideration of the measure. The Eastern bloc moved in and completely rewrote the bill with the result that we got the Hawley-Smoot monstrosity. Then and there Hoover's political death warrant was signed.

We bring this up by way of saying that the jitteriness now is almost solely confined to the New Dealers. They are bordering on panic. The gentleman may be wrong, but the most confident man in the country today is Governor Dewey. And the more the New Dealers contemplate what they consider his sheer audacity the more hysterical they become. Watching them as they listen to the Governor on the radio it is downright amusing at the way they squirm in their seats and get red in the face when Dewey refers to their man "as the man who wants to be President for 16 years."

If the Governor keeps it up, a lot of New Dealers are going to have apoplexy. Ever since Dewey's name came into the Presidential speculation, back in pre-Convention days of 1940, he is the only one who actually made them see red. They look upon him and they are trying hard to picture him to the country as a contemptible little upstart. We frequently wondered whether their contempt for him was genuine or whether they were actually afraid of him. We have come to the conclusion that it is the latter. They have known all along that of all the Republican possibilities, he would make the most effective campaign. And as the realization dawns that their "little upstart" campaign against him has backfired, their panicky despondence increases.

He is lifting the eyebrows of the ultraconservatives, the ultraconservative press with his hard-hitting, but he is talking to the man in the street just as Roosevelt does, and he is warming the hearts of the party workers. Of that, there is no doubt. Occasionally we have thought he was making slips, only to learn from a later speech that he knew just exactly what he was doing.

We thought, for example, he had let himself in for something when he used the General Hershey statement on demobilization of the boys, when the New Deal intentions could have better been cited with statements and actions on the part of those closer to the throne. We feared he would be criticized by the ultraconservative press of his own party. And he was. But then it developed he was just waiting for the New Dealers to wade in so he could let them have another wallop, which he has just done by pointing out that Hershey's idea came from the National Resources and Planning Board headed by the President's own uncle, Frederic A. Delano. The way he has been conducting his campaign he has had the New Dealers denying and screaming misrepresentation from the beginning. And from a crowd that has been past master in the art of misrepresentation, this is funny, indeed.

## Training For Business

(Continued from first page) those who have these qualities will make a success in life whether or not they ever see the inside of a college; while young people lacking these qualities could never amount to anything with a dozen Ph.Ds.

What is the reason and what is the answer? Educators tell us that it's a question of inheritance and home training, but I believe it is much more than this. There is something physically and spiritually wrong with a boy who has not these vital qualities. His brain, eyes, ears or his glands need physical attention. Educators should go about stamping out ignorance, faulty judgment, laziness, etc., as physicians have stamped out smallpox, cholera and typhoid fever.

## Colleges 50 Years Hence

The preachers should be of greater help in re-generating youth. Jesus hit the educational nail on the head when He said that we all must be born again in order to amount to anything. I am much interested in what the mental experts are accomplishing at certain state insane asylums. It seems paradoxical that the laboratories in these asylums may solve the educational problem of the schools and colleges; but present experiments are pointing that way.

The Babson Institute of 1994 will have a surgical department to operate on the glands and a dietary kitchen to supply certain students with needed minerals which they lack because of their home soil conditions. I am told that dumping students in ice water has waked them up and has changed the entire course of their lives. At any rate, only when we have discovered a foolproof method of arousing youth spiritually and mentally, will we be able to pay our present public debts of \$300,000,000,000.

## Broome Heads Group For Sixth War Loan

Robert E. Broome, Vice-President of the Guaranty Trust Company of New York, has been appointed director of the Banking and Investment Division of the War Finance Committee for New York, it was announced by Frederick W. Gehle, State Chairman.

Mr. Broome, whose headquarters will be located at 33 Liberty Street, in the heart of the financial district, will direct the sales efforts of the 17 commercial bank, dealer, savings bank, and savings and loan association teams during the Sixth War Loan. He succeeds William R. White, also a Vice-President of the Guaranty Trust, who has been made vice-chairman of the State committee.

Mr. Broome, a native of New York City, was educated at New York University, and served during the last war in the U. S. Marine Corps. Following the war he was associated with Paine, Webber, Company, and in 1920 joined the Bond Department of the National Bank of Commerce. In 1926 he became assistant cashier of that bank, and in 1928 he was made second vice-president. He joined the Guaranty Trust Company in 1929, and in that same year was appointed a vice-president. He resides in North Tarrytown, New York.

Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES (Based on Average Yields) Table with columns for 1944 Daily Averages, U.S. Govt. Bonds, Corporate Ratings (Aaa, Aa, A, Baa, R.R., P. U., Indus.), and various dates from Oct. 17 to Oct. 17, 1942.

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices) Table with columns for 1944 Daily Averages, U.S. Govt. Bonds, Corporate Ratings, and various dates from Oct. 17 to Oct. 17, 1942.

\*These prices are computed from average yields on the basis of one "typical" bond (3 1/2% 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.

Commercial And Savings Bank Assets On June 30 Established New High Of \$139,560,000,000

The total assets of all commercial and savings banks in the United States and possessions on June 30, 1944 reached a new peak of \$139,560,000,000, Comptroller of the Currency Preston Delano announced on Oct. 4. This figure, which covers the returns of the 14,598 active banks of all classes, exceeds by \$22,308,000,000, or 19.03% the total assets of banks on June 30, 1943, said Mr. Delano, who pointed out that consolidated figures for all active banks are made possible through the cooperation of State supervisory authorities who furnish the Comptroller with summaries of the returns of banks under their supervision. From the Comptroller's announcement we also quote: "The total deposits of banks on June 30, 1944 amounted to \$129,367,000,000, also a new peak, in comparison with \$107,784,000,000 at the end of June in 1943, an increase of \$21,583,000,000, or 20.02%. Demand deposits of individuals, partnerships and corporations were \$58,421,000,000, an increase of \$4,134,000,000 in the year, or 7.62%; time deposits of individuals, partnerships and corporations were \$33,441,000,000 an in-

Electric Output For Week Ended Oct. 14, 1944 Slightly Lower 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. 14, 1944 was approximately 4,354,575,000 kwh., compared with 4,382,260,000 kwh. in the corresponding week a year ago, a falling off of 0.6%. The output for the week ended Oct. 7, 1944, was 0.8% higher than that of the similar period in 1943.

PERCENTAGE INCREASE OVER PREVIOUS YEAR Table with columns for Major Geographical Divisions (New England, Middle Atlantic, Central Industrial, West Central, Southern States, Rocky Mountain, Pacific Coast) and Total United States, comparing Oct. 14, Oct. 7, Sept. 30, and Sept. 23.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours) Table with columns for Week Ended (July 7 to Oct. 28) and % Change over 1943, comparing 1944, 1943, 1942, 1932, and 1929.

Bank Debits For Month Of September

The Board of Governors of the Federal Reserve System issued on Oct. 10 its usual monthly summary of "bank debits," which we give below:

SUMMARY BY FEDERAL RESERVE DISTRICTS (In millions of dollars) Table with columns for Federal Reserve District (Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, San Francisco) and Total, 334 centers, comparing Sept. 1944, Sept. 1943, and 3 Months Ended (Sept. 1944, Sept. 1943).

Harrow Says War Contractors Should Not Be Assessed Before Renegotiation

Urges Fair Basis Under New York Franchise Tax Law A change in the New York State franchise tax law to relieve war contractors who, at present, are forced to pay on the basis of net income calculated before Federal renegotiation of excess profits, was urged Oct. 11 by Benjamin Harrow, Chairman of the State taxation committee of the New York State Society of Certified Public Accountants, in a letter to Rollin H. Browne, President of the State Tax Commission.

"The purpose of renegotiation, to eliminate excess war profits, should also apply to States and communities which derive a tax measured by estimating profits before completion of renegotiation," Mr. Harrow declared in asking Commissioner Browne to recommend to the Legislature a change in State tax laws which would rectify this condition. He further stated: "Our recommendations, if adopted by the Legislature, would permit deduction from franchise tax returns filed before May 15th of the renegotiation adjustment from the income of the year to which the deduction applies, provided the Federal adjustment has been made at any time between Jan. 1 and May 15. This would take place before payment of the franchise tax to the State which, in turn, distributes such taxes among the communities."

Under the present law, according to Mr. Harrow, repayments to the Federal Government of excessive profits are not deductible unless the renegotiation was finally determined during the tax year affected. Instead, the reduction in franchise tax which would have resulted if the deduction had been permitted may be taken as a credit against franchise tax payable in succeeding years. Such credit is allowable for as many subsequent years as are necessary to absorb it. In his letter Mr. Harrow also said: "If the renegotiation has been completed prior to the payment of the second half of the franchise tax, but after filing of the return, the renegotiation adjustment should be allowed as a deduction

from income for the year upon which the adjustment is based. Necessarily, this would require the filing of an amended return. This provision would apply to any renegotiation adjustments completed between May 15 and Dec. 31. Here, too, the effect would be to allow the deduction before actual payment of the second half of the tax which is turned over to the communities. Adoption of these recommendations would leave open for consideration the renegotiation adjustment consumed after payment of the franchise tax. This confines the subject to such an extent that possibly it could be considered by the Tax Commission in the same manner as other adjustments to taxable net income by the Bureau of Internal Revenue. These are disposed of as a matter of course regularly by the State Tax Commission, in view of their nominal effect upon the revenues of municipalities.

"As an alternative, you might consider permitting the companies affected to defer payment of a reasonable amount of the franchise tax to cover the anticipated effect of renegotiation based upon their past renegotiation experience. That would conform with the requirements of the Securities and Exchange Commission and would be recognized as good accounting practice in the preparation of financial statements.

"We are confident that further review of the subject by the Tax Commission should result in constructive recommendations to the Legislature, aimed at curing the present hardships and difficulties imposed on those taxpayers subject to renegotiation."

Export Freight Movement Up

Cars of export freight, excluding coal and grain, handled through United States ports totaled 166,360 in the month of September and compared with 134,217 cars in September, 1943, or an increase of 24%, the Association of American Railroads announced on Oct. 14. The current figure also compares with 156,902 cars in August of this year.

The Association further reported as follows:

Export grain unloaded at the ports, totaled 3,151, compared with 2,842 in September 1943, or an increase of 11%. The railroads handled 248 carloads of coastal freight in September, 1944, compared with 714 in the same month in 1943, or a decrease of 65%.

The total of 169,759 cars of export and coastal freight, excluding coal handled through the ports represented an average daily unloading of 5,659 cars, the highest on record. This also is the seventh consecutive month that the average daily unloading has exceeded 5,000 cars.

Moody's Daily Commodity Index

Table showing Moody's Daily Commodity Index for Tuesday, Oct. 10, 1944, and previous days, including 1943 High and Low, and 1944 High and Low.

Moody's have revised their Commodity Index as follows:

Table showing Moody's revised Commodity Index for Sept. 11 to Sept. 27, 1944, and Oct. 2 to Oct. 11, 1944.

### Market Value Of Bonds On N. Y. Stock Exchange

The New York Stock Exchange announced on Oct. 10 that as of the close of business Sept. 30, there were 1,062 bond issues, aggregating \$101,398,754,393 par value listed on the New York Stock Exchange with a total market value of \$102,017,012,414. This compares with 1,059 bond issues aggregating \$101,581,322,714 par value; total market value \$102,328,885,992; average price of 100.74 on Aug. 31.

In the following table listed bonds are classified by governmental and industrial groups with the aggregate market value and average price for each:

Table with columns: Group, Sept. 29, 1944 (Market Value, Average Price), Aug. 31, 1944 (Market Value, Average Price). Rows include U. S. Government, U. S. companies, and All listed bonds.

The following table, compiled by us, gives a two-year comparison of the total market value and the total average price of bonds listed on the Exchange:

Table comparing Market Value and Average Price for 1942 and 1943 across various months (Sept. 30, Oct. 31, Nov. 30, Dec. 31).

### Latest Summary Of Copper Statistics

The Copper Institute on Sept. 11 released the following statistics pertaining to production, deliveries and stocks of duty-free copper:

SUMMARY OF COPPER STATISTICS REPORTED BY MEMBERS OF THE COPPER INSTITUTE (In Tons of 2,000 Pounds)

Table with columns: U. S. Duty Free Copper, Production (Crude, Refined), Deliveries to Customers (Domestic, Export), Refined End of Period, Stock Increase (+) or Decreases (-) (Blister, Refined).

\*Mine or smelter production or shipments, and custom intake including scrap. †Beginning March, 1941, includes deliveries of duty paid foreign copper for domestic consumption. ‡At refineries, on consignment and in exchange warehouses, but not including consumers' stocks at their plants or warehouses.

### Civil Engineering Construction \$57,679,000 For Week—Tops Last Week By 118%

Civil engineering construction volume in continental United States totals \$57,679,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is 118% higher than in the preceding week, and 72% above previous four-week moving average, but is 21% below the total for the corresponding 1943 week as reported to "Engineering News-Record".

The report made public on Oct. 12, continued as follows: Public Construction gains 125% over last week, and is 22% higher than last year. Private construction exceeds a week ago by 62%, but is 82% below a year ago.

The current week's construction brings 1944 volume to \$1,463,770,000 for the 41 weeks, a decrease of 44% from the \$2,599,012,000 reported for the period in 1943. Private construction, \$299,993,000, is 18% under a year ago, and public construction, \$1,163,777,000, is down 48% as a result of the 53% decline in federal work. State and municipal construction, however, is 19% higher than in the period last year.

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

Table showing Total U. S. Construction, Private Construction, Public Construction, State and Municipal, and Federal for Oct. 14, 1943, Oct. 5, 1944, and Oct. 12, 1944.

In the classified construction groups, gains over the last week are in sewerage, industrial, commercial and public buildings, and streets and roads. Public building volume is the only one to gain over the 1943-week totals. Subtotals for the week in each class of construction are: waterworks, \$735,000; sewerage, \$1,026,000; bridges, \$170,000; industrial buildings, \$3,619,000; commercial building and large-scale private housing, \$1,080,000; public buildings, \$38,507,000; earthwork and drainage, \$1,486,000; streets and roads, \$2,621,000; and unclassified construction, \$8,435,000.

New capital for construction purposes for the week totals \$2,880,000. It is made up of \$2,830,000 in state and municipal bond sales, and \$50,000 in corporate security issues. The week's new financing brings 1944 volume to \$1,618,350,000, a total 47% below the \$3,041,566,000 reported for the 41-week 1943 period.

### National Fertilizer Association Commodity Price Index Unchanged From Previous Week

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on Oct. 16, remained unchanged from the previous week at 139.3 in the week ending Oct. 14. A month ago this index stood at 138.7 and a year ago at 136.3, based on the 1935-1939 average as 100. The Association's report went on to say:

The farm products group marked its first decline after having advanced for four consecutive weeks. This fractional decline is reflected in each of the three sub-groups which also registered a slight decline. Higher prices on rye and some grades on wheat were not sufficient to balance lower prices on some grades of wheat, thus causing a slight downward trend in the grains group. The livestock group receded somewhat as lower quotations were given for choice cattle, lambs, and live fowls. The foods group continued a fractional advance as the result of higher prices for eggs. The slight rise in the price of raw spot cotton was not sufficient to effect a change in the textiles group. All industrial commodities remained at the previous week's level.

During the week 3 price series in the index advanced and 5 declined; in the preceding week 9 price series advanced and 3 declined, the same as in the second preceding week.

WEEKLY WHOLESALE COMMODITY PRICE INDEX. Table with columns: Group, Latest Week (Oct. 14, 1944), Preceding Week (Oct. 7, 1944), Month Ago (Sep. 16, 1944), Year Ago (Oct. 16, 1943).

\*Indexes on 1926-1928 base were: Oct. 14, 1944, 108.7; Oct. 7, 108.7; and Oct. 16, 1943, 106.2.

### Steel Operations Maintained At Peak Levels—Mat Cancellation Eases Tight Sheet Market

"Evidence was again piling up this week that the steel industry was losing or would soon lose more of its production difficulties such as carryovers, unwieldy backlogs and intense delivery pressure," "The Iron Age" states in its issue of today (Oct. 19), further adding in part as follows:

"Coupled with these conditions has been the fairly steady steel ingot production at high levels with a concurrent drop in net order volume.

"Although actual steel tonnages booked in the past week have been relatively heavy, some part of this has been nullified by a high rate of cancellations. The latter have stemmed mostly from the drastic curtailment in the landing-mat program.

"Little difficulty has been experienced in filling gaps in mill schedules which opened up when the landing-mat program was all but cut to the bone. The greater part of the cancellations affected advanced schedules, but there has been evidence that the steel industry generally will be able to trim its flat-rolled carryover substantially by the end of this month and still further by the end of November. Unless a significant reversal in the steel-buying trend occurs, steel carryovers should be a thing of the past for most mills by the end of this year. "The steel industry noted this

which despite heavy cancellations is still far from unhealthy, long delayed repairs are being scheduled more frequently.

"With one exception this week, scrap markets were still reflecting a waiting attitude. Heavy melting steel at Chicago declined \$1 a ton, thus bringing 'The Iron Age' composite down 33 cents a gross ton to \$15.75 a gross ton. The next few weeks or so should definitely establish whether or not scrap will continue downward or strengthen considerably. Scattered evidence this week tended to support a strengthened market viewpoint."

The American Iron and Steel Institute on Oct. 16 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 97.0% of capacity for the week beginning Oct. 16, compared with 96.9% one week ago, 95.3% one month ago and 100.7% one year ago. The operating rate for the week beginning Oct. 16 is equivalent to 1,745,000 tons of steel ingots and castings, compared to 1,743,200 tons one week ago, 1,714,300 tons one month ago and 1,755,200 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on Oct. 16 stated in part as follows:

"Reduction in the landing mat program has caused cancellations in the sheet market and opened gaps in nearby rolling schedules, as early as November in some cases. These earlier openings have been filled quickly but future schedules show effects of this curtailment, with some producers in position to offer tonnage a month or more earlier than heretofore, sometimes as early as February.

"General trend in other major products shows little variation. Plate mill schedules continue to ease, although producers expect production to be sustained at least until after the turn of the year. Later in first quarter output may sag, following a more pronounced lull in new demand, regardless of the war. At present December delivery is available.

"In spite of the easing in hot-rolled sheets, cold-rolled deliveries show little change. Galvanized sheets are becoming steadily tighter, with practically no mill tonnage available for first quarter. Most producers of galvanized are booked solidly into second quarter. Cold-rolled sheet promises fall mainly in February and March.

"Lighter demand for structural shapes for shipbuilding and impending completion of such contracts has caused fabricators to compete strongly for such construction projects as come out. Considerable volume of potential building demand is accumulating, held off the market by restrictions, promising large requirements when released.

"Lower prices on steelmaking scrap at important centers caused the average composite price on that commodity to decline 50 cents to \$16.58. Other composites are unchanged, finished steel at \$56.73, semi-finished at \$36 and steel-making pig iron at \$23.05."

### Foreign Funds Control Of Reserve Bank Moves

Allan Sproul, President of the Federal Reserve Bank of New York, announced on Oct. 10 that beginning Oct. 16, its Foreign Funds Control Department would be located on the seventh and ninth floors of 67 Wall Street, New York, N. Y., and that the telephone number of the department will remain HANover 2-9440. Mr. Sproul states that "notwithstanding this change of location, it is requested that mail for the attention of the Foreign Funds Control Department be addressed as follows: Federal Reserve Bank of New York, Foreign Funds Control Department, Federal Reserve P. O. Station, New York 7, N. Y.

### 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 Oct. 7, 1944, is estimated at 11,620,000 net tons, a decrease of 460,000 tons, or 3.8%, from the preceding week. In the corresponding week of 1943, output amounted to 12,086,000 tons. Cumulative production of soft coal from Jan. 1 to Oct. 7, 1944 totaled 482,730,000 tons, as compared with 456,909,000 tons in the same period of 1943, an increase of 5.7%.

According to the U. S. Bureau of Mines, output of Pennsylvania anthracite for the week ended Oct. 7, 1944 was estimated at 1,245,000 tons, a decrease of 91,000 tons (6.8%) from the preceding week. When compared with the production in the corresponding week of 1943 there was a decrease of 75,000 tons, or 5.7%. The calendar year to date shows an increase of 5.3% when compared with the corresponding period of 1943.

The Bureau of Mines also reported that the estimated production of beehive coke in the United States for the week ended Oct. 7, 1944 showed an increase of 1,600 tons when compared with the output for the week ended Sept. 30, 1944; but was 53,900 tons less than for the corresponding week of 1943.

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

	Week Ended			January 1 to Date		
	Oct. 7, 1944	Sept. 30, 1944	Oct. 9, 1943	Oct. 7, 1944	Oct. 9, 1943	Oct. 9, 1937
Bituminous coal and lignite	11,620,000	12,080,000	12,086,000	482,730,000	456,909,000	342,521,000
Total incl. mine fuel	11,620,000	12,080,000	12,086,000	482,730,000	456,909,000	342,521,000
Daily average	1,937,000	2,013,000	2,014,000	2,025,000	1,906,000	1,443,000

#### ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

	Week Ended			Calendar Year to Date		
	Oct. 7, 1944	Sept. 30, 1944	Oct. 9, 1943	Oct. 7, 1944	Oct. 9, 1943	Oct. 9, 1937
Penn. anthracite	1,245,000	1,336,000	1,320,000	50,429,000	47,869,000	39,209,000
Total incl. coll. fuel	1,245,000	1,336,000	1,320,000	50,429,000	47,869,000	39,209,000
Commercial product	1,195,000	1,283,000	1,267,000	48,413,000	45,954,000	37,249,000
Beehive coke	119,200	117,600	173,100	5,725,500	6,086,600	2,700,800

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

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

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

State	Week Ended			
	Sep. 30, 1944	Sep. 23, 1944	Oct. 2, 1943	Oct. 2, 1937
Alabama	383,000	358,000	390,000	258,000
Alaska	7,000	5,000	6,000	5,000
Arkansas and Oklahoma	91,000	100,000	86,000	92,000
Colorado	153,000	144,000	159,000	164,000
Georgia and North Carolina	1,000	1,000	-	-
Illinois	1,397,000	1,344,000	1,533,000	1,159,000
Indiana	544,000	458,000	573,000	407,000
Iowa	42,000	45,000	50,000	92,000
Kansas and Missouri	186,000	187,000	133,000	135,000
Kentucky—Eastern	1,000,000	944,000	978,000	915,000
Kentucky—Western	359,000	394,000	309,000	204,000
Maryland	36,000	36,000	37,000	34,000
Michigan	3,000	3,000	2,000	16,000
Montana (bitum. & lignite)	97,000	85,000	90,000	79,000
New Mexico	30,600	32,000	35,000	33,000
North & South Dakota (lignite)	49,000	50,000	52,000	61,000
Ohio	683,000	690,000	675,000	552,000
Pennsylvania (bituminous)	2,945,000	2,970,000	2,978,000	2,330,000
Tennessee	135,000	134,000	149,000	118,000
Texas (bituminous & lignite)	3,000	2,000	3,000	19,000
Utah	133,000	133,000	115,000	85,000
Virginia	387,000	350,000	394,000	322,000
Washington	30,000	30,000	30,000	47,000
West Virginia—Southern	2,157,000	2,038,000	2,278,000	1,920,000
West Virginia—Northern	1,045,000	1,070,000	970,000	639,000
Wyoming	134,000	176,000	193,000	139,000
Other Western States	1,000	1,000	-	-
Total bituminous & lignite	12,080,000	11,850,000	12,178,000	9,826,000
Pennsylvania anthracite	1,245,000	1,282,000	1,290,000	1,155,000
Total, all coal	13,416,000	13,132,000	13,468,000	10,981,000

\*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.

### Wholesale Prices Up 0.1% For Week Ended Oct. 7, Labor Department Reports

During the first week in October commodity prices in primary markets continued to edge gradually upward, having risen slightly for the past three weeks. Further advances in prices for grains, cotton, fresh fruits, eggs, and cotton yarns and higher quotations for cereals and quicksilver were largely responsible for the rise of 0.1% during the week ended Oct. 7, said the U. S. Department of Labor in its report of Oct. 12, which also stated:

"The Bureau of Labor Statistics' all-commodity index now stands at 103.9% of the 1926 average, slightly under the high point reached in the first week of July of this year. In the past four weeks the index has risen 0.3% and is 1.1% above the level for the first week of October, 1943." The Labor Department's report continued:

"Farm Products and Foods—Wheat quotations again advanced more than 2%, influenced by higher subsidy rates and increased purchase prices in some markets by the Commodity Credit Corporation. Prices were also higher for corn, oats, and rye and there were seasonal advances for eggs, sweet potatoes and oranges. Average prices for white potatoes, onions and apples were seasonally lower. The level for the farm products group rose 0.4% during the first week in October and was nearly 1% higher than early September and 0.5% above the corresponding week of last year.

"The index for food prices in primary markets rose 0.2% during the week, led by higher prices for cereal products, reflecting the increase in grain prices. There were also advances for certain fresh fruits and canned pears and eggs. The average for the group is 0.2% above four weeks ago but 0.8% below the first week in October, 1943.

"Industrial Commodities—Average prices for industrial commodities continued relatively steady with but few exceptions. Quotations for sheepskins were higher and prices for cotton yarns moved upward sharply, reflecting the effect of the Stabilization Extension Act of 1944. A rise in prices was also reported for quicksilver, malleable iron castings, prepared roofing, sand, and turpentine. Lower quotations were reported for ponderosa pine lumber, which

was selling slightly under ceilings for the first time in several months. The scrap steel market continued weak and quotations were approximately 5% below the previous week."

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. 9, 1944 and Oct. 9, 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. 30 to Oct. 7, 1944.

#### WHOLESALE PRICES FOR WEEK ENDED OCT. 7, 1944 (1926=100)

Commodity Groups—	10-7	9-30	9-23	9-9	10-9	Percentage change to Oct. 7, 1944 from—		
	1944	1944	1944	1944	1943	1944	1944	10-9
All commodities	103.9	103.8	103.7	103.6	102.8	+0.1	+0.3	+1.1
Farm products	123.3	122.8	122.8	122.2	122.7	+0.4	+0.9	+0.5
Foodstuffs	104.1	103.9	104.3	103.9	104.9	+0.2	+0.2	-0.8
Hides and leather products	116.8	116.5	116.5	116.5	118.4	+0.3	+0.3	-1.4
Textile products	98.8	98.5	98.3	98.2	97.0	+0.3	+0.6	+1.9
Fuel and lighting materials	83.8	83.7	83.7	83.8	81.8	+0.1	0	+2.4
Metals and metal products	116.1	115.9	115.9	116.0	112.5	+0.1	+0.1	+0.1
Building materials	104.9	104.9	104.9	104.9	100.3	+0.2	+0.1	+3.2
Chemicals and allied products	106.1	106.1	106.1	106.1	104.2	0	0	+1.8
Housefurnishing goods	93.4	93.4	93.3	93.1	91.0	+0.1	+0.1	+0.3
Miscellaneous commodities	113.7	113.2	113.3	112.8	112.1	+0.4	+0.8	+1.4
Raw materials	94.6	94.3	94.1	94.1	92.8	+0.3	+0.5	+1.9
Semimanufactured articles	101.2	101.1	101.1	101.1	100.2	+0.1	+0.1	+1.0
Manufactured products	99.7	99.6	99.6	99.6	98.6	+0.1	+0.1	+1.1
All commodities other than farm products	98.9	98.8	98.8	98.8	97.5	+0.1	+0.1	+1.4
All commodities other than farm products and foods	98.9	98.8	98.8	98.8	97.5	+0.1	+0.1	+1.4

#### PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM SEPT. 30, 1944 TO OCT. 7, 1944

Increases		Decreases	
Brick and tile	2.9	Cement	0.4
Hides and skins	2.3	Cereal products	0.4
Grains	1.8	Other farm products	0.3
Cotton goods	0.8	Dairy products	0.2
Fruits and vegetables	0.7	Iron and steel	0.1
Other foods	0.1		
Lumber	0.1		

### Non-Ferrous Metals—WPB Plans Removal Of Copper, Lead and Zinc Controls After V-E Day

"E. & M. J. Metal and Mineral Markets," in its issue of Oct. 12, stated: "Center of interest in the markets was over the hastily called meetings held last week between WPB and copper, lead, and zinc industry groups. General impression is that WPB disclosed the intention of virtually abandoning its activities in regard to these metals after V-E Day, leaving such controls as are required in the hands of OPA, and sought the in-

dustry reaction. The industry view was generally inclined toward relaxation of controls, particularly in lead, but reactions were qualified by questions over the disposition of premium prices, continuance of Government purchases, and probable amounts to be declared surplus. To these questions there were no definite answers, WPB simply indicating a desire to avoid creating unnecessary unemployment and dislocations during reconversion. Many in attendance expressed dissatisfaction over the lack of conclusive results." The publication further went on to say, in part:

#### Copper

The copper market this week was quiet, with the industry awaiting next month's allotments. Undertone of the market, however, continued firm. Discussion focused on WPB's announcement that it intended to revoke most conservation and limitation orders, including M-9 and M-9-c for copper, after "Victory in Europe" Day. Copper industry members approved the plan in general, but were anxious to have clarified the policies that would then govern premium prices and surplus metals. The WPB added that foundries may now accept unrated orders for brass and bronze castings, but may not fill them until after V-E Day, and then only as they do not hold up military orders.

Production of brass rod during August totaled 94,000,000 pounds, an all-time monthly high, according to preliminary figures compiled by the Copper Division, WPB.

#### Lead

A lively demand for lead continues, and it appears that some buyers are ready to acquire reserve stocks if it becomes possible. October orders are 98% covered, and November requirements are about 25% filled. The

American Zinc Institute revealed that slab zinc smelter output dropped 4,390 tons for the month, to a total of 66,891 tons, the lowest figure since February, 1941. Labor shortages at smelters and the short month were held responsible. The August and September statistics, in tons, follow:

	Sept.	Aug.
Production	66,891	71,281
Production, daily rate	2,230	2,299
Shipments:		
Domestic	64,612	64,158
Export	223	137
	64,835	64,295
Stock at end	243,749	241,693
Unfilled orders	20,983	25,516

#### Tin

There were no price developments in tin during the last week, and so far as the domestic market is concerned, none are in prospect for some time to come.

Straits quality tin for shipment, in cents per pound, was nominally as follows:

	Oct.	Nov.	Dec.
Oct. 5	52,000	52,000	52,000
Oct. 6	52,000	52,000	52,000
Oct. 7	52,000	52,000	52,000
Oct. 9	52,000	52,000	52,000
Oct. 10	52,000	52,000	52,000
Oct. 11	52,000	52,000	52,000

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

#### Quicksilver

Buying interest in forward quicksilver continues slow, but the market for spot metal stiffened steadily during the week to a low of \$106, with small lots being quoted as high as \$109, depending on quantity. A heavy demand for spot quicksilver is reported, but round lots are subject to negotiation. There is still a notable hesitancy in making future commitments because of uncertainty over possible changes in the international situation.

Consumption of quicksilver in the United States during August totaled 3,900 flasks, a gain of 900 flasks over July. September consumption, the trade believes, also was larger than that of July. Owing to the steady fall in prices that occurred here over the first half of the year, domestic production declined from 4,400 flasks in January to 2,500 flasks in August.

Mexican producers have been embarrassed because of a growing shortage in flasks. Flasks have not been coming into the country from European sources, and large numbers of the metal containers are tied up because of stockpiles in this country. The Government's stock of quicksilver exceeds two years' supply at close to the peak rate of consumption.

#### Silver

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

#### Gold

Output of gold in South Africa during July was 1,040,000 ounces, which compares with 1,038,000 ounces in June and 1,090,000 ounces in July last year.

### Former ICC Head Dies

Frank McManamy, for eight years Chairman of the Interstate Commerce Commission, died on Oct. 3 at the age of 74 years. In 1911 Mr. McManamy joined the staff of the ICC as assistant chief inspector of locomotives, later becoming chief inspector, and in 1918 was named to the post of Assistant Director of Transportation of the United States Railroad Administration. In reporting his death from Washington on Oct. 4, the New York "Times" said: "He had charge of construction of all railroad equipment from 1920 to 1923, when the railroads were under Federal control. "Mr. McManamy was appointed a member of the ICC in 1923 and became its Chairman in 1930, serving until his retirement in 1938."

#### In ore:

	Aug.	July
Domestic	34,873	29,982
Foreign	8,717	3,737
Total	43,590	33,719
*In scrap, etc.	3,999	3,138
Total	47,589	36,857

\*Only scrap smelted in connection with ore, plus some scrap received by primary refiners.

Shipments of refined lead by domestic producers during the first eight months of 1943 and 1944, in tons, according to the American Bureau of Metal Statistics:

	Jan.-Aug. 1943	1944
Cable	73,311	73,829
Ammunition	38,146	16,172
Foil	5,125	7,237
Batteries	42,890	53,688
Brass Mills	4,105	5,607
Sundries	31,588	41,683
Jobs	4,111	4,002
*Unclassified (a)	160,677	170,033
Total	359,953	372,241

\*Includes white lead, red lead, litharge and other oxides; sheet and pipe; solder; babbitt, and lead used in making tetraethyl for gasoline.

#### Zinc

The zinc market continues slow, with some uneasiness apparent over the future of "C" premiums and of the continuance of MRC purchases of producers' excess metal. The failure to add materially to stocks in September was due to production losses, not to an improved market. Zinc industry members are awaiting with considerable interest further word from the WPB with regard to price and stockpile policies following the promised V-E Day relaxation of copper, lead, and zinc control orders.

The September statistics of the

### Daily Average Crude Oil Production For Week Ended Oct. 7, 1944 Decreased 70,750 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Oct. 7, 1944 was 4,691,550 barrels, a decrease of 70,750 barrels when compared with the record daily average output of 4,762,300 barrels reached in the preceding week, and a decline of 16,950 barrels from the daily average figure recommended by the Petroleum Administration for War for the month of October, 1944. The current figure, however, was 301,250 barrels per day higher than the production in the week ended Oct. 9, 1943. Daily output for the four weeks ended Oct. 7, 1944 averaged 4,735,800 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,506,000 barrels of crude oil daily and produced 14,252,000 barrels of gasoline; 1,271,000 barrels of kerosine; 4,706,000 barrels of distillate fuel oil, and 8,676,000 barrels of residual fuel oil during the week ended Oct. 7, 1944; and had in storage at the end of that week 78,554,000 barrels of gasoline; 14,322,000 barrels of kerosine; 46,078,000 barrels of distillate fuel, and 64,644,000 barrels of residual fuel oil. The above figures apply to the country as a whole, and do not reflect conditions on the East Coast.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

P. A. W. Recommendations	*State Allowables	Actual Production		4 Weeks Ended	Week Ended	
		Week Ended	Change from Previous Week			
Oct. 1	Oct. 1	Oct. 7	Previous Week	Oct. 7, 1944	Oct. 9, 1943	
Oklahoma	340,000	343,000	+344,050	+650	343,150	326,850
Kansas	274,000	269,400	+251,300	-26,300	272,600	265,600
Nebraska	1,000	---	+950	+50	900	1,750
Panhandle Texas	---	98,800	+100	98,750	88,100	
North Texas	---	148,800	+1,050	148,000	138,300	
West Texas	---	492,800	-11,250	501,250	354,050	
East Central Texas	---	149,500	-300	149,700	135,250	
East Texas	---	371,350	+400	371,050	368,700	
Southwest Texas	---	334,400	-7,350	339,900	288,150	
Coastal Texas	---	537,700	-5,350	541,700	519,350	
Total Texas	2,133,000	\$2,134,113	2,133,350	-22,700	2,150,350	1,891,900
North Louisiana	---	74,050	+1,050	74,050	81,500	
Coastal Louisiana	---	289,750	+1,350	288,750	279,000	
Total Louisiana	350,000	396,000	363,800	+2,400	362,800	360,500
Arkansas	78,000	80,295	80,600	-200	80,950	78,450
Mississippi	46,000	49,250	+300	47,800	47,550	
Alabama	---	300	---	300	---	
Florida	---	50	---	50	---	
Illinois	205,000	193,900	-16,800	201,200	235,900	
Indiana	13,500	13,200	-350	12,950	14,150	
Eastern (Not incl. Ill., Ind., Ky.)	72,500	65,650	-4,000	68,650	72,500	
Kentucky	25,000	24,650	-400	25,600	26,500	
Michigan	50,000	51,900	+2,550	50,350	54,700	
Wyoming	95,000	96,900	+3,400	99,400	105,150	
Montana	22,000	22,400	---	21,000	21,400	
Colorado	8,500	9,050	+400	9,100	7,350	
New Mexico	110,000	103,950	-2,250	105,600	109,350	
Total East of Calif.	3,823,500	3,805,250	-73,550	3,852,750	3,619,600	
California	885,000	886,300	+2,800	883,050	770,700	
Total United States	4,708,500	4,691,550	-70,750	4,735,800	4,390,300	

\*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. Oct. 5, 1944. ‡This is the net basic allowable as of Oct. 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 1 to 15 days, the entire state was ordered shut down for 7 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 7 days shutdown time during the calendar month.

§Not yet available.

### CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED OCT. 7, 1944

(Figures in Thousands of barrels of 42 Gallons Each)

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

District	Daily Refining Capacity	Crude Runs to Stills	Production		Stocks of Gas Oil	Stocks of Distillate Fuel Oil	Stocks of Residual Fuel Oil
			at Refineries	Finished and Unfinished			
Combin'd: East Coast, Texas Gulf, Louisiana Gulf, North Louisiana-Arkansas, and Inland Texas	2,518	90.3	2,280	90.5	7,046	35,573	25,237
Appalachian							
District No. 1	130	83.9	100	76.9	301	2,211	502
District No. 2	47	87.2	49	104.3	197	1,451	158
Ind., Ill., Ky.	824	85.2	780	94.7	2,776	16,629	6,663
Okl., Kans., Mo.	418	80.2	361	86.4	1,386	6,797	2,105
Rocky Mountain							
District No. 3	13	17.0	12	92.3	35	56	14
District No. 4	141	58.3	97	68.8	341	1,467	407
California	817	89.9	827	101.2	2,170	14,370	10,992
Total U. S. B. of M. basis Oct. 7, 1944	4,908	87.2	4,506	91.8	14,252	178,554	46,078
Total U. S. B. of M. basis Sept. 30, 1944	4,908	87.2	4,775	97.3	14,494	78,028	45,329
U. S. Bur. of Mines basis Oct. 9, 1943			4,115		12,281	69,014	40,513

\*At the request of the Petroleum Administration for War. †Finished, 65,316,000 barrels; unfinished, 13,238,000 barrels. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,271,000 barrels of kerosine, 4,706,000 barrels of gas oil and distillate fuel oil and 8,676,000 barrels of residual fuel oil produced during the week ended Oct. 7, 1944, which compares with 1,396,000 barrels, 4,622,000 barrels and 9,292,000 barrels, respectively, in the preceding week and 1,272,000 barrels, 4,760,000 barrels and 7,816,000 barrels, respectively, in the week ended Oct. 9, 1943.

Note—Stocks of kerosine at Oct. 7, 1944, amounted to 14,322,000 barrels, as against 14,583,000 barrels a week earlier and 10,831,000 barrels a year before.

### Trading On New York Exchanges

The Securities and Exchange Commission made public on Oct. 11 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. 23, 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. 23 (in round-lot transactions) totaled 1,240,272 shares, which amount was 18.41% of the total transactions on the Exchange of 3,368,930 shares. This compares with member trading during the week ended Sept. 16 of 1,352,960 shares, or 17.53% of the total trading of 3,857,170 shares. On the New York Curb Exchange, member trading during the week ended Sept. 23 amounted to 282,010 shares, or 15.34% of the total volume on that exchange of 919,385 shares; during the Sept. 16 week trading for the account of Curb members of 256,815 shares was 12.91% of total trading of 1,951,350 shares.

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

WEEK ENDED SEPT. 23, 1944

A. Total Round-Lot Sales:	Total for week	%
Short sales	113,300	
†Other sales	3,255,630	
Total sales	3,368,930	
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	335,380	
Short sales	44,650	
†Other sales	264,620	
Total sales	309,280	9.57
2. Other transactions initiated on the floor—		
Total purchases	222,330	
Short sales	11,000	
†Other sales	163,520	
Total sales	174,520	5.89
3. Other transactions initiated off the floor—		
Total purchases	89,735	
Short sales	22,190	
†Other sales	86,837	
Total sales	109,027	2.95
4. Total—		
Total purchases	647,445	
Short sales	77,850	
†Other sales	514,977	
Total sales	592,827	18.41

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

WEEK ENDED SEPT. 23, 1944

A. Total Round-Lot Sales:	Total for week	%
Short sales	13,425	
†Other sales	905,960	
Total sales	919,385	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	75,280	
Short sales	5,925	
†Other sales	73,670	
Total sales	79,595	8.42
2. Other transactions initiated on the floor—		
Total purchases	38,050	
Short sales	1,400	
†Other sales	22,350	
Total sales	23,750	3.36
3. Other transactions initiated off the floor—		
Total purchases	29,980	
Short sales	4,000	
†Other sales	31,355	
Total sales	35,355	3.56
4. Total—		
Total purchases	143,310	
Short sales	11,325	
†Other sales	127,375	
Total sales	138,700	15.34
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
†Customers' other sales	48,738	
Total purchases	48,738	
Total sales	30,257	

\*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."

### Commercial Paper Outstanding

Reports received by the Federal Reserve Bank of New York from commercial paper dealers show a total of \$140,800,000 of open market paper outstanding on Sept. 29, 1944, the bank announced on Oct. 10. This compares with \$140,900,000 outstanding on Aug. 31, 1944, and \$169,500,000 on Sept. 30, 1943.

Following are the totals for the last two years:

1944—	\$	1943—	\$
Sep 29	140,800,000	Sep 30	169,500,000
Aug 31	140,900,000	Aug 31	156,200,000
July 31	142,900,000	July 31	149,800,000
June 30	136,500,000	June 30	143,300,000
May 31	150,700,000	May 29	159,600,000
Apr 29	171,500,000	Apr 30	178,900,000
Mar 31	194,600,000	Mar 31	200,600,000
Feb 29	213,700,000	Feb 27	209,100,000
Jan 31	208,900,000	Jan 30	220,400,000
1943—		1942—	
Dec 31	202,000,000	Dec 31	229,000,000
Nov 30	203,300,000	Nov 30	260,600,000
Oct 30	187,800,000	Oct 31	271,400,000

### NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Oct. 11 a summary for the week ended Sept. 30 of complete figures showing the daily volume of stock transactions for odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

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

Week Ended Sept. 30, 1944

Odd-Lot Sales by Dealers (Customers' purchases)	Total for Week
Number of orders	15,096
Number of shares	423,978
Dollar value	\$17,658,725
Odd-Lot Purchases by Dealers (Customers' sales)	
Number of Orders:	
Customers' short sales	135
Customers' other sales	15,429
Customers' total sales	15,564
Number of Shares:	
Customers' short sales	4,783
Customers' other sales	399,519
Customers' total sales	404,302
Dollar value	\$14,093,222
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	30
†Other sales	109,520
Total sales	109,550
Round-Lot Purchases by Dealers:	
Number of shares	141,290

\*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."

### U. S. Foreign Policy Basis Of World Peace

The self-interest of the United States requires our Government to have an international perspective, Reuben B. Hays, First Vice-President of the Federal Reserve Bank of Cleveland, on Oct. 10 told members of the Rotary Club of Geneva. "This is clearly demonstrated," Mr. Hays declared, "by our involvement in a world conflict for the second time in our generation, by the tremendous increase in speed of travel and communications and by the fact that the domestic economy of nations is so interwoven that strain on one is reflected in others."

Speaking on "International Agreements," with emphasis on proposals for an international bank arising at the Bretton Woods Conference last July, Mr. Hays said:

"The peaceful progress of this country and of the world depends in large measure upon the foreign policies adopted by the United States. Decision as to whether these policies are to be forward-looking and dynamic, or passive and reactionary, depends upon public opinion. Whether the United States takes its place among the nations of the world or whether it again refuses to face realities and accepts no responsibility for maintaining world peace will be determined by the attitude of farmers, urbanites and that large group who have contributed so much to American life—the men and women in the thousands of towns and villages across the country.

"We might at this time quite appropriately ask ourselves, 'will this war be enough to teach the Government of the United States that our interests are so interwoven with those of other nations that we cannot live apart from the rest of the world, or will a third lesson be necessary?' Could anything be more foolhardy than for us to suffer the anguish of two wars and then, as a nation, refuse to participate in international agreements which are attempts to establish ways of living amicably in one world?"

## Revenue Freight Car Loadings During Week Ended Oct. 7, 1944 Decreased 35,057 Cars

Loading of revenue freight for the week ended Oct. 7, 1944 totaled 877,942 cars, the Association of American Railroads announced on Oct. 12. This was a decrease below the corresponding week of 1943 of 28,415 cars, or 3.1%, and a decrease below the same week in 1942 of 31,308 cars, or 3.4%.

Loading of revenue freight for the week of Oct. 7 decreased 35,057 cars, or 3.8% below the preceding week.

Miscellaneous freight loading totaled 401,180 cars, a decrease of 16,521 cars below the preceding week, and decrease of 167 cars below the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 108,311 cars, a decrease of 1,486 cars below the preceding week, but an increase of 5,451 cars above the corresponding week in 1943.

Coal loading amounted to 171,814 cars, a decrease of 8,356 cars below the preceding week, and a decrease of 7,480 cars below the corresponding week in 1943.

Grain and grain products loading totaled 45,550 cars, a decrease of 4,475 cars below the preceding week and a decrease of 13,973 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of Oct. 7, totaled 29,847 cars, a decrease of 3,445 cars below the preceding week and a decrease of 11,240 cars below the corresponding week in 1943.

Livestock loading amounted to 23,645 cars, an increase of 813 cars above the preceding week and an increase of 1,576 cars above the corresponding week in 1943. In the Western Districts alone loading of livestock for the week of Oct. 7 totaled 18,860 cars, an increase of 884 cars above the preceding week, and an increase of 1,091 cars above the corresponding week in 1943.

Forest products loading totaled 42,529 cars, a decrease of 2,321 cars below the preceding week and a decrease of 2,924 cars below the corresponding week in 1943.

Ore loading amounted to 71,100 cars, a decrease of 2,321 cars below the preceding week and a decrease of 9,999 cars below the corresponding week in 1943.

Coke loading amounted to 13,813 cars, a decrease of 390 cars below the preceding week, and a decrease of 899 cars below the corresponding week in 1943.

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

	1944	1943	1942
6 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
5 weeks of September	4,428,427	4,456,466	4,410,669
Week of October 7	877,942	906,357	909,259
Total	34,298,875	33,325,395	34,056,360

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Oct. 7, 1944. During the period 51 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED OCT. 7

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
<b>Eastern District—</b>					
Ann Arbor	301	264	317	1,475	1,498
Bangor & Aroostook	1,488	1,395	1,332	344	194
Boston & Maine	6,905	6,895	6,252	14,537	15,486
Chicago, Indianapolis & Louisville	1,188	1,444	1,479	2,044	2,153
Central Indiana	25	54	45	39	30
Central Vermont	1,125	1,174	1,075	2,511	2,714
Delaware & Hudson	5,751	6,297	6,259	12,704	11,379
Delaware, Lackawanna & Western	7,997	7,705	7,486	10,648	11,440
Detroit & Mackinac	415	289	839	134	115
Detroit, Toledo & Ironton	1,860	1,929	1,736	1,322	1,231
Detroit & Toledo Shore Line	357	302	367	2,602	2,276
Erie	13,782	13,800	12,428	17,428	20,270
Grand Trunk Western	3,685	3,761	4,432	8,164	7,907
Lehigh & Hudson River	171	206	176	2,336	2,524
Lehigh & New England	2,099	2,139	1,713	1,686	1,867
Lehigh Valley	8,842	8,916	8,207	12,998	15,575
Maine Central	2,398	2,432	2,461	3,420	3,037
Monongahela	5,404	6,218	6,125	335	481
Montour	2,701	2,323	2,407	20	40
New York Central Lines	51,326	54,580	49,893	55,973	55,743
N. Y., N. H. & Hartford	9,488	9,904	9,636	17,982	20,374
New York, Ontario & Western	1,184	1,404	1,137	2,960	2,549
New York, Chicago & St. Louis	6,400	7,100	8,298	15,002	17,531
N. Y., Susquehanna & Western	504	683	422	2,235	2,223
Pittsburgh & Lake Erie	7,738	7,907	7,870	9,431	8,155
Pere Marquette	5,462	5,557	5,792	7,542	7,391
Pittsburgh & Shawmut	754	1,130	779	19	10
Pittsburgh, Shawmut & North	307	409	418	241	316
Pittsburgh & West Virginia	1,108	1,165	1,031	2,748	2,974
Rutland	389	385	403	1,241	1,104
Wabash	5,282	6,851	6,168	13,052	13,979
Wheeling & Lake Erie	5,410	5,516	5,668	4,414	4,448
<b>Total</b>	<b>161,846</b>	<b>170,134</b>	<b>162,649</b>	<b>227,587</b>	<b>237,005</b>
<b>Allegheny District—</b>					
Akron, Canton & Youngstown	729	830	733	1,440	1,286
Baltimore & Ohio	46,587	44,859	40,384	28,800	29,423
Bessemer & Lake Erie	5,672	6,081	6,855	1,848	1,863
Buffalo Creek & Gauley	275	305	336	7	4
Cambria & Indiana	1,647	1,758	1,862	4	8
Central R. R. of New Jersey	6,646	7,102	7,344	20,564	21,738
Cornwall	534	674	718	60	72
Cumberland & Pennsylvania	202	229	244	13	11
Ligonier Valley	101	143	131	47	37
Long Island	1,547	1,543	1,365	3,707	3,937
Penn.-Reading Seashore Lines	1,992	1,988	1,960	2,304	2,833
Pennsylvania System	86,364	86,146	84,827	65,537	62,697
Reading Co.	15,128	15,324	15,517	29,584	28,463
Union (Pittsburgh)	19,269	21,223	21,156	6,396	8,148
Western Maryland	4,030	4,065	3,888	12,840	12,220
<b>Total</b>	<b>190,723</b>	<b>192,270</b>	<b>187,320</b>	<b>173,151</b>	<b>172,740</b>
<b>Pocahontas District—</b>					
Chesapeake & Ohio	29,084	28,656	28,038	13,886	15,209
Norfolk & Western	21,708	22,369	22,448	8,048	6,863
Virginian	4,406	4,525	4,530	2,303	2,527
<b>Total</b>	<b>55,198</b>	<b>55,550</b>	<b>55,016</b>	<b>24,237</b>	<b>24,599</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1944	1943	1942	1944	1943
<b>Southern District—</b>					
Alabama, Tennessee & Northern	340	329	314	348	423
Atl. & W. P.—W. R. of Ala.	863	717	779	2,710	2,805
Atlanta, Birmingham & Coast	817	707	769	1,339	1,102
Atlantic Coast Line	11,593	10,897	10,848	10,519	9,785
Central of Georgia	3,799	3,866	4,276	4,183	4,751
Charleston & Western Carolina	459	431	382	1,598	1,377
Clinchfield	1,685	1,676	1,800	3,147	2,678
Columbus & Greenville	291	353	566	298	189
Durham & Southern	166	144	122	774	651
Florida East Coast	865	1,075	865	1,344	1,381
Gainesville Midland	51	49	39	116	105
Georgia	1,249	1,188	1,460	2,371	3,285
Georgia & Florida	384	402	360	734	572
Gulf, Mobile & Ohio	4,510	4,329	4,887	4,133	4,546
Illinois Central System	28,353	30,359	32,205	18,283	17,685
Louisville & Nashville	25,522	25,873	28,827	11,825	12,592
Macon, Dublin & Savannah	174	180	240	896	680
Mississippi Central	372	239	214	665	401
Nashville, Chattanooga & St. L.	3,234	3,714	3,837	4,510	4,784
Norfolk Southern	1,144	1,161	1,297	1,786	1,977
Piedmont Northern	400	382	321	1,558	1,265
Richmond, Fred. & Potomac	337	425	597	9,458	9,698
Seaboard Air Line	9,236	9,911	10,116	9,222	8,548
Southern System	24,423	23,508	24,170	25,298	24,138
Tennessee Central	492	553	540	845	914
Winston-Salem Southbound	160	154	130	1,178	983
<b>Total</b>	<b>120,919</b>	<b>122,622</b>	<b>126,761</b>	<b>119,148</b>	<b>117,272</b>

<b>Northwestern District—</b>					
	1944	1943	1942	1944	1943
Chicago & North Western	20,282	23,340	22,974	15,210	15,978
Chicago Great Western	2,479	3,168	2,522	3,655	3,526
Chicago, Milw., St. P. & Pac.	22,615	23,816	23,293	11,186	11,821
Chicago, St. Paul, Minn. & Omaha	3,507	4,317	3,943	4,402	4,605
Duluth, Missabe & Iron Range	26,111	28,166	28,116	221	191
Duluth, South Shore & Atlantic	743	1,095	992	518	571
Elgin, Joliet & Eastern	9,063	8,633	10,410	10,089	11,316
Fl. Dodge, Des Moines & South	434	498	551	61	94
Great Northern	24,221	28,720	29,240	6,623	5,910
Green Bay & Western	600	660	572	1,033	1,081
Lake Superior & Ishpeming	1,673	1,750	2,263	84	37
Minneapolis & St. Louis	1,860	2,633	2,421	3,164	2,864
Minn., St. Paul & S. S. M.	7,332	8,078	8,460	2,999	3,149
Northern Pacific	13,921	14,550	14,684	6,536	6,034
Spokane International	225	123	252	489	431
Spokane, Portland & Seattle	2,347	2,646	2,784	3,488	3,462
<b>Total</b>	<b>137,414</b>	<b>152,193</b>	<b>153,477</b>	<b>69,758</b>	<b>71,070</b>

<b>Central Western District—</b>					
	1944	1943	1942	1944	1943
Atch., Top. & Santa Fe System	24,937	23,635	24,928	17,404	14,984
Alton	3,275	3,250	3,640	4,696	4,030
Bingham & Garfield	441	487	515	67	89
Chicago, Burlington & Quincy	20,267	21,897	23,122	14,467	13,166
Chicago & Illinois Midland	2,892	3,066	2,497	955	910
Chicago, Rock Island & Pacific	12,779	12,709	13,378	13,933	13,002
Chicago & Eastern Illinois	2,871	2,702	3,038	5,690	5,851
Colorado & Southern	889	1,240	1,230	3,101	2,793
Denver & Rio Grande Western	5,225	4,801	5,335	7,927	5,854
Denver & Salt Lake	948	551	1,026	33	17
Fort Worth & Denver City	895	1,497	1,502	2,219	1,804
Illinois Terminal	2,196	2,096	1,970	2,353	2,243
Missouri-Illinois	1,258	1,189	1,385	667	494
Nevada Northern	1,605	2,013	2,219	89	142
North Western Pacific	1,392	1,152	1,151	854	772
Peoria & Pekin Union	17	10	19	0	0
Southern Pacific (Pacific)	33,767	32,631	33,595	14,720	14,761
Toledo, Peoria & Western	257	329	394	2,194	1,828
Union Pacific System	20,984	20,457	21,027	20,042	18,657
Utah	421	607	687	6	6
Western Pacific	2,477	2,239	2,480	5,256	5,020
<b>Total</b>	<b>139,794</b>	<b>138,570</b>	<b>145,198</b>	<b>116,075</b>	<b>106,423</b>

<b>Southwestern District—</b>					
	1944	1943	1942	1944	1943
Burlington-Rock Island	726	350	804	424	168
Gulf Coast Lines	5,079	5,642	4,700	2,490	3,143
International-Great Northern	2,520	2,486	3,974	3,751	3,502
Kansas, Oklahoma & Gulf	358	261	423	1,141	1,183
Kansas City Southern	4,736	5,734	5,157	2,994	2,977
Louisiana & Arkansas	3,766	3,108	3,637	2,481	2,559
Litchfield & Madison	300	326	258	1,275	1,558
Midland Valley	715	699	946	496	304
Missouri & Arkansas	149	170	225	375	

## Items About Banks, Trust Companies

At the regular meeting of the board of directors of The National City Bank of New York on Oct. 17 Russell T. Jacobus was appointed Assistant Vice-President. He started as messenger in the bank in 1917 and since 1931 has been Assistant Cashier in the Comptroller's Division. At the same meeting John C. Macy was appointed Assistant Cashier.

Harold H. Helm, Vice-President of the Chemical Bank & Trust Co., New York, has been elected a director of the Home Insurance Company, New York.

At their monthly meeting on Oct. 10, the board of directors of the Federation Bank & Trust Co. of New York elected William L. Maxson a director of the bank. Mr. Maxson is President of the W. L. Maxson Corp.

Archibald C. Falconer, Senior Vice-President of Manufacturers Trust Co., New York, died on Oct. 13 at his home in Port Washington, L. I., after a long illness. He was 59 years old. Mr. Falconer, who was born in November, 1884, in Sherbrook, Nova Scotia; began his banking career with the Commercial Bank of Windsor, Canada, in 1902, and when that bank was merged with the Union Bank of Halifax, he continued with the latter institution. In 1904, he became affiliated with the Canadian Bank of Commerce as head of the Credit Department. Some time later, Mr. Falconer came to New York as Senior Vice-President of the Citizens Central National Bank of New York. He left that bank in 1910 to organize the Credit Department of Goldman, Sachs & Co., where he remained for 11 years, specializing in foreign credits. Mr. Falconer became affiliated with Manufacturers Trust Co. in 1921. For a time he was in charge of the bank's West Side office at Eighth Avenue, corner of 34th Street, and later was placed in charge of the bank's Fifth Avenue office at Fifth Avenue, corner 43rd Street. Subsequently he was named Senior Vice-President at the bank's principal office. Mr. Falconer was also President and Director of the Utility Service Corp.

Harvey Edward Fisk, retired New York banker, died on Oct. 8; he was 88 years of age. Advices from Trenton, N. J., to the New York "Times" reporting his death said in part:

He was eldest and only surviving son of Harvey Fisk, who founded the banking house of Fisk & Hatch in 1862 and helped the Union finance the Civil War. For many years he was associated with his brother, the late Pliny Fisk, an outstanding investment banker before the first World War, in the management of their father's firm.

Mr. Fisk was born in Jersey City. He was graduated from Princeton University in 1877 and immediately joined the firm of Fisk & Hatch. In 1885 the firm was reorganized and became Harvey Fisk & Sons. Mr. Fisk specialized in railroad securities.

In 1898 he resigned from the family's concern and a year later formed a partnership with the late George H. Robinson for investment banking purposes. The firm of Fisk & Robinson was dissolved in 1914 and three years later Mr. Fisk joined the Bankers Trust Co. as a research writer.

He specialized in the preparation of pamphlets and books on public finance and, in one book, calculated that the total direct expenditure for the first World War amounted to \$223,000,000,000. He remained with the Bankers Trust until his retirement in 1930.

William R. Morrison, Vice-President of the East River Savings Bank of New York, died Oct. 16 after a brief illness. A native of

New York City, he was born in 1888. Mr. Morrison joined the East River Savings Bank staff as a Vice-President in September, 1934 and since that time had been in charge of the bond investment division. Prior to that he was a Vice-President of the National City Company starting as an office boy, becoming head of the bond trading department in 1916, and Vice-President in 1934.

Joseph W. Catharine, prominent in the real estate field and civic leader of Brooklyn, N. Y., died on Oct. 9; he was 58 years of age. After being with the Crown Cordial & Extract Co. of New York for a short time in 1905, Mr. Catharine joined the D. & M. Chauncey Real Estate Co. of Brooklyn, N. Y., in which he was successively Assistant Treasurer, Secretary, Vice-President, and finally in 1935, becoming President of the company.

From the New York "Times" of Oct. we take the following:

"He was a past President of the Real Estate Boards of the State of New York, a trustee of the Brooklyn Savings Bank, member of the advisory board of the Chase National Bank, Hamilton Trust branch; a director of the Homeland Insurance Company, a director of the Home Title Guaranty Co. and a director of the Towers Hotel Corp.

"Mr. Catharine was also a director of the Brooklyn Real Estate Exchange, Ltd.; a past Vice-President of the Brooklyn Real Estate Board, a director of the Brooklyn Chamber of Commerce, a director of the Brooklyn Downtown Association, a director of Polytechnic Institute of Brooklyn, a member of the American Institute of Real Estate Appraisers, a member of the Long Island Society of Real Estate Appraisers and a member of the Real Estate Board of New York."

Arthur H. Brown, Treasurer of the Fitchburg Savings Bank of Fitchburg, Mass., and a member of the Chamber of Commerce, died on Oct. 4. Mr. Brown was also a director of the Fitchburg Mutual Life Insurance Co., and former President of the Rotary Club.

At a meeting of the directors of the National Bank of Commerce & Trust Co. of Providence, R. I., on Oct. 2, Clarence H. Rison, newly elected Treasurer of Grinnell Corp. of that city and former President of the Rhode Island Association of Credit Men, was elected to the board of the bank.

Horace K. Corbin, President of Fidelity Union Trust Co., Newark, N. J., announced on Oct. 16 following the October meeting of the board of directors, a retirement of \$1,000,000 of preferred stock. The board also approved an addition to the surplus account of \$1,000,000. Following the action of Oct. 16 the capital of the bank is: preferred stock, \$1,000,000; common stock, \$4,000,000; surplus, \$9,000,000, and undivided profits, approximately \$2,900,000.

Walter C. Janney, President of the investment banking firm of Janney & Co., of Philadelphia, Pa., died on Oct. 11; he was 68 years of age. In 1911 Mr. Janney joined the banking house of Montgomery, Clothier & Tyler, which became Janney & Co., with Mr. Janney at its head in 1921.

During the First World War Mr. Janney served as Executive Manager of the Liberty Loan campaigns in the Third (Philadelphia) Federal Reserve District. He held directorates in a number of companies and was Chairman of the finance committee and a trustee of the Museum of Art, a member of the board of managers of Haverford College and a director of Bryn Mawr Hospital.

## Aldrich And Five Others Named Delegates To International Business Conference

The six delegates who are to represent the economic interests of the United States at the International Business Conference in November, have been chosen by Eliot Wadsworth, Chairman, American Section, International Chamber of Commerce; Eric A. Johnston, President, Chamber of Commerce of the United States; Robert Gaylord, President, National Association of Manufacturers, and Eugene P. Thomas, President, National Foreign Trade Council, who are jointly sponsoring the conference.

The six American delegates are: Winthrop W. Aldrich, Chairman of the board, Chase National Bank, N. Y.

Curtis E. Calder, President, American & Foreign Power Company, Inc., New York.

Henry F. Grady, President, American President Lines, San Francisco, Calif.

Edward C. Riley, Vice-President, General Motors Corp., and General Manager of General Motors Overseas Division.

Harper Sibley, Manager, Sibley Farms, operating in Illinois, New York and California.

George W. Wolf, President, U. S. Steel Export Co., N. Y.

The six American delegates are proceeding to choose advisers and technical experts. They will deal with an agenda at the International Business Conference which already includes: Commercial policy of nations, currency relations among nations, industrialization in new areas, transportation and communication, raw materials, cartels, and encouragement and protection of investments.

The Conference has been in preparation since early this year, when the four sponsoring organizations first proposed to bring to the United States the outstanding representatives of business of the United and neutral nations of the

At a meeting of the board of the Mellon National Bank of Pittsburgh, held on Oct. 9, H. B. Higgins, President of the Pittsburgh Plate Glass Co., was elected a director. Mr. Higgins is also President of Pittsburgh Corning Corp. and a director of the Pittsburgh Plate Glass Co., A. M. Byers Co., Montour Railroad, and a trustee of the Dollar Savings Bank, University of Pittsburgh and Elizabeth Steel Magee Hospital. Shortly after graduating from Harvard in 1904, he became associated with the Pittsburgh Plate Glass Co., where he has spent his entire business career.

J. Frank White, President of the National Bank of Washington, of Washington, D. C., announced on Oct. 3 the promotion of Salvador J. Cosimano and R. Bruce Keiner as Assistant Cashiers. Both have been with the bank 26 years.

In celebration of the 70th anniversary of the Farmers & Mechanics Savings Bank of Minneapolis, Minn., the employees and trustees of the bank held a dinner on Oct. 9. According to the Minneapolis "Journal" the principal speaker was Frank P. Bennett, Jr., of Boston, editor of the "United States Investor," financial weekly.

Coincident with the anniversary, bank officials announced that deposits went over the \$100,000,000 mark shortly after the bank opened on the day of the anniversary.

William Alexander Bog, Vice-President of the Bank of Montreal, Montreal, Canada, died on Oct. 7 at the age of 81 years. The Montreal "Gazette" of Oct. 9 in reporting his death, said:

"Prominent in Montreal banking circles, Mr. Bog entered the Bank of Montreal in 1881 in his native town, Picton, Ont. He had been Vice-President of the bank since 1936 and prior to that was general manager. He was a director of the Royal Trust Co. and was on the Canadian board of the Standard Life Assurance Co. of Edinburgh, Scotland, and a trustee of the Royal Victoria Hospital."

world, to prepare the restoration and enlargement of international trade.

In prompt recognition that international trade is a major factor in long-run prosperity here and elsewhere, some 34 nations have already replied that they will each have up to six delegates here when the International Business Conference meets in the Westchester Country Club, Rye, N. Y., Nov. 10 through 18, with a concluding luncheon in New York, Nov. 20.

The organization of the Conference is in the hands of a committee representing the four sponsoring bodies. They have established a staff office for the International Business Conference at 10 Rockefeller Plaza, under the direction of Reginald Orcutt, Vice-President for Overseas, Mergenthaler Linotype Co.

## Italy Supplied With Dollars Equal To Pay Of U. S. Troops And To Finance Purchases Here

Announcement that the United States is making available to the Italian Government dollars equivalent to the Italian lire issued to pay American troops in Italy, was made on Oct. 10 by President Roosevelt, who said that the dollars "will be used by the Italian Government to pay for essential civilian supplies purchased in this country for use in liberated Italy." The President also stated that "this step was taken after consul-

ation with the British Government, which has also been providing essential civilian supplies to the Italians and will continue to provide its share of an agreed program of such supplies but under different financial arrangements."

The President's statement, as given in Washington advices to the New York "Times" follows:

"I have today approved the recommendation of the Secretaries of State, Treasury and War and of the Foreign Economic Administrator that the United States Government currently make available to the Italian Government the dollars equivalent to the Italian lire issued up to now and hereafter as pay to United States troops in Italy.

"The dollar proceeds of remittances made by individuals in this country to friends and relatives in Italy are also being made available to the Italian Government, as are the dollar proceeds of any products exported by Italy to this country.

"It has been our intention to make available to the friendly western European countries dollars equivalent to the local currency issued as pay to American troops in their territory. This policy differs from that to be applied in the case of Italy, since in the latter case it is subject to special restrictions reserved to the United States in connection with the final peace settlement.

"The dollars made available to Italy will be used by the Italian Government to pay for essential civilian supplies purchased in this country for use in liberated Italy. The United States Army has supplied substantial amounts of certain essential civilian goods, such as food, clothing and medical supplies, as a necessary part of military operations in Italy. The funds which I am now making available will enable the Italian Government, under the control of appropriate Allied authorities, to obtain in this country other essential civilian supplies and to continue to obtain essential supplies after the United States Army program ceases.

"This step has been taken after consultation with the British Gov-

## Wallace Hits Wall St. On Post-War Jobs

Full post-war employment cannot be maintained by "giving the green light to Wall Street," said Vice-President Henry A. Wallace on Oct. 15 at Gary, Indiana, according to United Press dispatches from there on that day, which continued:

"That's Taftism," he told a rally sponsored by the Lake County, Ind., Democratic organization. "That reminds me of the bird who flies with his head backward, sees where he's been but doesn't know where he's going, and I suggest that bird might serve as the new symbol for the Republican Party."

He said that although 80% of the job must be done by private industry, Government funds should be used "if there is any indication of unemployment."

Charging that the job of converting to war manufacture was done by labor, Government and "certain enlightened leaders of industry" despite those who wanted to hold it back, he said:

"Industry was very patriotic, but it was also very mindful of the dollar."

ment, which has also been providing essential civilian supplies to the Italians and will continue to provide its share of an agreed program of such supplies, but under different financial arrangements.

"The Fascist dictatorship which led Italy into war against the United States and the other United Nations has been overthrown. Today the Italian people are co-operating with the United Nations forces in driving the Germans from Italy. Our soldiers, sailors and airmen are welcomed and assisted by the civilian population in Italy wherever they go. Italian troops are joined with our forces at the front. And, behind the German lines, Italian partisans are heroically giving their lives in the struggle.

"It is to our interests that Italy be able to contribute as fully as possible to the winning of final victory. While the reestablishment of Italy as a free, independent and self-supporting nation must be primarily the responsibility of the Italian people themselves, it is also to our interest that the Italian people be given the opportunity to obtain and pay for the necessities they need from us if they are to be able to help themselves."

From the "Times" advices we also quote:

"Coincidentally with this announcement, the War Department said that shipments of clothing, vitamins and medical supplies for the relief of the civilian population in the liberated areas of Italy had already begun. The collection of the relief goods, it explained, is being made by American Relief for Italy, Inc.

"Shipments, the War Department added, are being made in Army ships when space is available. The warehousing and distribution are being handled by an Italian committee named by Myron C. Taylor. The shipments thus far, the War Department reported, have included 35,000 bales of salvaged clothing, 498 cases of new clothing, 1,722 cases of shoes, 3,128 cases of vitamins and food supplements and 170 cases of medical supplies."