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## The Financial Situation

It is most earnestly to be hoped that the authorities in Washington, and for that matter a good many others in this country, are not deluding themselves about post-war foreign trade as badly as current dispatches would appear to indicate. If their thought on the subject is only half as muddled as it appears to be we shall not fare well in the years following the end of the war—that is so far as they shape our conduct. It is true enough as is so often said in these days that we shall need foreign trade in the years to come if we are to prosper in full measure, but further than this it is not often possible to go with many of those who have taken it upon themselves to plan our post-war foreign policies.

### Upside Down Thinking

Instances of upside down thinking about foreign trade abound, and it is worth while to take special note of some of them, but they prevail by default. Take the matter of foreign balances in this country. Foreigners have been able to establish and accumulate large claims against the American people in recent years. Some of the claims which have so arisen have been settled in gold, but many of them remain in the form of bank deposits and other assets in this country owned by foreign nationals and foreign governments. So far, so good. But these claims upon us are being described as a source of wealth to us in the post-war period!

Our debt to foreigners, huge in the gross for a long while past, has grown tremendously during the war years—and is now a prospective source of substantial wealth to us! What nonsense is this? The New Deal from the first has rested in large part upon the notion that we could grow

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## President Roosevelt Advocates Compulsory Military Training for Youths in Peacetime

Expresses Preference for Wadsworth Bill, But is Vague on Character of "Training" He Advocates. Recalls Advantages Provided by Civilian Conservation Corps Program and Says That Basic Idea is for Young Men Between 18 and Possibly 23 to Give Year of Service to Nation. Opposition to Plan Voiced by Catholic and Protestant Church Groups and Lay Organizations. "Whale of a Fight in Congress" Indicated.

The hope that Congress would act this winter on legislation to provide for one year of compulsory peace-time service to the country by young men was expressed by President Roosevelt on Nov. 17. That the President favors the enactment of permanent training and service legislation for youths, along the general lines of the Wadsworth Bill, was indicated by Samuel W. Bell, in Washington advices (Nov. 17) to the New



President Roosevelt

York "Herald Tribune," who said: Mr. Roosevelt declined to say that the training should be military or that the program should include young women.

The special House Committee on Post-War Military Policy may hold hearings on this measure before the present Congress expires on Jan. 3.

Although Mr. Roosevelt's statement, made at a press conference, caused no surprise beyond comment on its vagueness, it was noted that it came immediately after the annual Assembly of the Catholic Archbishops and Bishops, meeting here yesterday, had

adopted a resolution advocating postponement of action on peace-time compulsory military training until after the war.

The Catholic assembly held that it was no more than fair to defer legislation until the men in the armed services were in a position to express their sentiments and until the international situation at the end of the war was known.

The Federal Council of Churches of Christ in America and the American Federation of Labor's American Federation of Teachers' commission on educational reconstruction also have urged postponement, although proponents of action now in Congress, where much controversy on the proposal is expected, have attributed delaying efforts to hope of "pacifists" that delay may mean no action at all.

General George C. Marshall, Army Chief of Staff, and James Forrestal, Secretary of the Navy, have urged a peace-time military training program.

Recalling that he had been for universal training right along, Mr. Roosevelt said his basic idea was that every young man between 18 and possibly 23 should give one year of service to the nation.

When asked about suggestions that establishing a military reserve for the nation might be handled through the National Guard, Mr. Roosevelt replied flatly that this wouldn't work.

When asked whether he thought the training of young men should be "essentially military," Mr. Roosevelt turned the question away by asking whether instruction in cooking or carpentry or the like could be considered military training.

While Mr. Roosevelt did say that he approved the Wadsworth Bill, he explained that it often took six months in military camp for boys to know their right hand from their left, that a lot of boys have never learned to brush their teeth or live with other men in a camp. Some people, he elaborated, don't realize the percentage of boys re-

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## From Washington Ahead of The News

By CARLISLE BARGERON

Congress, back in Washington for a few weeks before the new Congress comes in, is in a rather bewildered state. Newspersons go around asking what is likely to happen now; will the Congress be conservative or "liberal"? They don't get very much information. The holdovers among the Congressmen themselves don't know, and the outgoing ones don't care.

What has happened to the Congress is a rather ironic commentary on those trustful souls who reasoned that even if Roosevelt won the Presidency a Republican Congress would be elected against him. Not in the memory of this writer has that ever happened, and we frankly wish, in future campaigns, that people would quit saying this.

It is a fact that the Republicans, because of the close popular vote, did not lose as many seats as they might have. They only lost a net of 22 in the House while they picked up a net of one in the Senate.

It is a fact also that the Republicans feel much cockier than they did after 1940, notwithstanding that they lost fewer House seats



Carlisle Bargeron

at that time. They talk of, and apparently they are determined, to pep up their organization machinery, such as the Republican National Committee, the Congressional Committee and the Senatorial Committee. As of this writing they undoubtedly have a lot of fight in them.

It will be interesting to see how much of that fight they show in the months ahead. Our legislative set-up does not make for independent and hard-fighting members of the House. They only make \$10,000 a year and they are up against another campaign just two years hence. They have just witnessed the spectacle, even those Democrats who were opposed to a fourth term and didn't lift their finger in its behalf, and those Republicans who came through—they have just witnessed the spectacle of the American people saying they wanted FDR for a fourth term. It takes a harder person than the average Congressman, be he Democrat or Republican, to oppose that.

We have sought to find out from these gentlemen what influence the CIO-PAC is likely to

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\*These items appeared in our issue of Nov. 20 on pages indicated.

## T. J. Watson Acclaims Success of International Business Conference

In Farewell Address He Urges an Adjustment of International Trade Barriers for All Nations

At a farewell luncheon given by the International Business Conference at the Waldorf-Astoria Hotel in New York on Nov. 20,

the National Foreign Trade Council.

I know it will be your pleasure to join me now in paying tribute to the vision and leadership of the Presidents of these four organizations which have made it possible for the delegations from more than fifty countries to meet here for the mutual advantage of all: Mr. Eliot Wadsworth, Mr. Eric A. Johnston, Mr. Robert M. Gaylor, and Mr. Eugene P. Thomas.

Also the members of the organizing committee and of the conference staff: Mr. Reginald Orcutt, Dr. Alexander V. Dye, Mr. Robert Boomer, Mr. Noel Sargent, Mr. Irving I. Denison, and Miss Lillian Schoedler.

Also the members of the Reception Committee, and all who have assisted in preparing for the Conference.

This has been a real foreign exchange conference—an exchange of men and methods, ideas and ideals, which is the only way we can help to develop fair policies for the exchange of goods and services between the nations.

It is the spirit of cooperation among the United Nations and the

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Thomas J. Watson

## Mixed Economic Doctrines

"The function of the international organization must be the maintenance of international peace and security, the promotion of international cooperation and the adoption of common policies for the solution of common economic, social and other humanitarian problems. In the maintenance of peace it is reasonable that the organization have at its disposal resources for coercing outlaw nations even by military measures."

"In fostering and promoting international cooperation it must seek to guarantee to the weak and poor nations economic opportunities which are necessary to give their peoples reasonable standards of living, and it must seek to prevent selfish monopolistic control of raw materials which are needed for the economic stability of other nations."

"Effective international cooperation lays definite duties on favored nations. No nation may view with unconcern conditions that permit millions of workers in any country to be without the opportunity to secure from their labor adequate family support. Nations rich in natural resources must remember that ownership of property never dispenses with the social obligations of stewardship. Nations gifted with inventive and productive genius are obligated to serve the reasonable needs of other nations."

"Nations should open, under effective guarantees, world lanes of commerce and world avenues of communication to all law-abiding countries. Protective national legislation for legitimate national economic interests must not impede the flow of international commerce and the right social function of international exchange." — Catholic Bishops of the United States.

What a pity it is that along with some sound sense there should be mingled so much plausible economic nonsense.

It would be necessary to make only relatively minor change in certain parts of this doctrine of economic noblesse oblige to have some quite definitely communistic tenets.

## Green of A. F. of L. Says Wage Rise Is Necessary for Post-War Prosperity

William Green, President of the American Federation of Labor, in a speech opening the annual convention of the American Federation of Labor at the Municipal Auditorium in New Orleans on Nov. 20, declared that higher wages were justified for labor to maintain prosperity in the post-war world because of technological developments which enable the individual worker to produce more goods.

Associated Press advices from New Orleans on Nov. 20, from which we quote, also had the following to say regarding Green's remarks:

The workers of America must produce the income to pay the public debt and obligations of the war, Mr. Green said, "and they cannot do it if they do not have the wages."

"The goods which must be sold to keep the nation's economy going can be sold only by putting into the hands of those who buy the money to buy them," Mr. Green said.

The head of the AFL, without calling the Congress of Industrial Organizations by name, appealed in his address for "those who left the home of labor to come back and unite with us."

"If there ever was a time when labor should be united it is now," Mr. Green said, adding that "labor will pay the penalty after the war for this division in its ranks."

"I hope the erring ones will return," he said. "If we stand as one we can meet the common enemy on equal terms."

Mr. Green said that the AFL now had more than 1,500,000 members in the armed forces, and that on their return "practically all" unions would admit them as new members without the payment of initiation fees. And he said, "there will be no lines drawn

between the civilian workers and the service men. They will be our comrades and we will be theirs."

On the home front, Mr. Green declared that there were "7,000,000 members of the army of production who also had been sharing the sacrifices of war." Because, he said, "more men have been injured and killed in workshops, mills, mines and factories than on the battlefields."

He declared in conclusion that the AFL "still favors the capitalistic system and that it will adhere strictly to the economic policy which it espoused from the beginning, and which was so ably championed by Samuel Gompers."

Mr. Green's address was one of several major talks on opening day of the two-week convention which is expected to lay labor's groundwork for the post-war conversion period.

Others included Frances Perkins, Secretary of Labor, who urged labor and industry to join in a mutual program of cooperation and goodwill; Lieut.-Gen. Brehon Somervell, commanding general of the Army Service Forces, who declared production for war "a miracle," but told of a lagging 40% in arms and equipment which he said "stands like a well between us and quick, sure victory."

## Illinois Bankers Form Special Committee

"The banks of the Illinois Bankers Association pledge their full cooperation to our returning G. I.'s," was the promise made by Floyd M. Condit, President of the Association, on Nov. 10 following a meeting of the Executive Committee which authorized the appointment of a special committee to service the veterans banking interests in Illinois in cooperation with a similar committee of the American Bankers Association, of which Chester R. Davis, Vice-President of the Chicago Title and Trust Company, is Chairman. The special committee will be headed by W. B. Allen, Vice-President, Continental Illinois National Bank & Trust Company of Chicago, and the Vice-Chairman will be M. B. Stine, Trust Officer, First National Bank, Danville, Ill. One member of each of the ten groups of the I. B. A. will be appointed to serve on the committee.

The Illinois Bankers Association has also planned an all day session for the discussion of credit and investment possibilities for banks during the reconversion period and after the war. "G. I. Joe," said Mr. Condit, "is very prominent in our plans. The Bill of Rights which Congress passed on his behalf is far from perfect. The Veterans Bureau, which is charged with the administration of that law, has much to contend with on account of its imperfection, but in spite of these problems the banks will meet G. I. Joe more than half way. It is, of course, most important that the G. I.'s understand what this law actually does for them. The Bill provides Government guarantees on portions of loans made to discharged veterans who possess very definite credit qualifications set up in the law. Some well intended friends of veterans apparently have overlooked that feature and have the idea that these loans are in the nature of a bonus or a handout. This, of course, is not true. Any veteran can be assured that, when the regulations are finally established and a complete understanding is had by the Veterans Administration and the banks, these loans will be made to any qualified applicant."

## Feels Apprehension For Bretton Plan

W. Latimer Gray, Vice-President of the First National Bank of Boston, on Nov. 14 at the conference on International Credit and Finance said that apprehensions respecting the Bretton Woods plan for an international bank and monetary fund might disappear if it were certain that the fund would content itself with problems of currency stabilization and not end up in a cure-all for internal economic ills, according to the New York "Sun" of Nov. 14 from which we have also taken the following:

"As a starter, I dislike the fact that participating nations can dip into it at will for reasons that at least the extent of their quotas do not have to be discussed," said Mr. Gray. "I have been brought up as a credit man and have been accustomed to borrowers making requests for loans, and to having banks only extend such credit when they consider the risks secure. We must be sure that the fund cannot develop into an extended worldwide WPA."

Mr. Gray also called for a lowering of tariff bars both here and in Great Britain and elimination of other trade barriers that were the product of economic warfare in the 1930s.

## The State of Trade

The post-war period will place in business and industry's way a great opportunity to improve the common lot of man and the nation by directing its efforts in the proper channels.

The phenomenal advances in technological development, due largely to the war, promise much in the way of comfort and general betterment for the people through a more efficient and wider distribution of the fruits of this development at lower costs. This can be accomplished providing all other things are equal. With technology as the fountain-head of production, efficiency flows from it in the regular course, and where much labor was formerly expended, a reduced or a minimum amount of labor becomes necessary, since increased mechanization of the means of production make for more efficient methods of output. This spells less jobs for labor.

Displacement of sizable segments of the country's manpower, due to technological advances, correspondingly reduce the potential markets for our national production and what appears to be a benefit to man is reflected as an evil running the whole gamut of society from the man of wealth down to the butcher, the baker and the candle-stick-maker.

How are we to cope with this condition? Wherein lies the remedy? One logical answer would appear to be found in the field of "distribution," and another, in the mutual recognition by management and labor of each other's rights.

On the first point emphasis on "distribution" is vital, since we must largely look to the field of merchandising to provide employment for a large number of workers which industry will be unable to absorb. Markets must be created to dispose of our increased production and provide the jobs to sustain it.

In embarking upon a policy of wider "distribution" of consumer goods, the task must be undertaken in a scientific way if it is to succeed and meet the challenge of an increase of 12,000,000 or more jobs in the post-war. Our present system of "distribution" accustomed to handling approximately \$80,000,000,000 of consumer goods is at present inadequate to meet the needs of a national post-war output which may well double that of pre-war years.

We must pattern our distributing methods more along the lines of production to accomplish our purpose. New and improved accounting practices must be utilized to give management a clearer picture of the distributing functions within the organizations, together with a multiplicity of other aids such as proper planning, marketing and diversification of products, that will promote the more even flow of output and make for uninterrupted employment. Hopes for great expansion in our foreign trade is expected to make for a greater number of jobs, but since foreign trade is a two-way street the benefits to be derived are problematical and too uncertain to place too much reliance upon them. An America as self-contained as possible must be the answer. By this is not meant an America bound to a policy of strict isolationism. Lacking this, we will fall back into old practices which might well lead to the same conditions that confronted the people in the depression years of 1929-1940.

Constructive thought is necessary if we would avoid the pitfalls of the past and cope intelligently with the problem. Closely related to the task of bigger and better "distribution" to insure more jobs for the American people is the harmonious relationship between management and labor. It is desirous that management become more labor-minded and that labor become more business-minded for the good of all. Both management and labor unions are products of a free coun-

try, being social and economic factors in our National life and they are here to stay.

Wrongs can be laid at the door of both management and labor and the end of such strife lies in both groups casting aside all recrimination and abuse and approaching a solution in an objective way.

Eric A. Johnston, President of the Chamber of Commerce of the United States, in an address delivered before Founder's Day Dinner at Boston University went to the core of this vital problem which is mainly economic when he said, "Gentlemen of management—you don't get laid off. You're part of what we call the 'overhead' of a business. The 'overhead' has to go on even between jobs in order to hold the business together.

"But doesn't it occur to you that the worker also has an 'overhead?' He has his family to hold together. He has to keep on paying the landlord and the grocer and the butcher. His costs don't stop just because he is laid off.

"We have to have more job security in America. We must strive to give our workers continuous employment; and where that's impossible, we must develop a sane and sensible program for adequate unemployment insurance which will take care of the worker's 'overhead' during his times of being laid off."

The Wagner Labor Act known as labor's Magna Charta, while it has been the medium through which many of the benefits of labor have been secured, it has at the same time worked to the distinct disadvantage of management. The Act makes legal the right to strike no matter what the circumstances, and says nothing of practices which interfere as effectively and disastrously with "the free flow of commerce" as would anything that the employer could do.

Discrimination of the Wagner Labor Act is known to all who are not blind to truth. Employers are frequently charged under the Act with responsibility for labor disputes when it is notorious that labor is often equally responsible, penalizing them for refusal to bargain collectively while completely exempting labor from any obligation to observe the collective agreements which it makes, and ignoring the meddling of government which has repeatedly worked to the detriment of management. A revision of the Wagner Act to correct these abuses would help materially in furthering the cause of better industrial relations.

On management's side, a frank discussion with labor of the company's aims and objectives; recognition of increased effort; maintenance of the wage-scale and assurance, if possible, of steady employment; participation with management in matters relating to production and such other factors that will promote the common good, will work toward a better and healthier national economy.

**United States War Expenditures in October**—United States war expenditures in October averaged \$286,400,000 a day, and total war spending in the month was \$7,447,000,000, the WPB announced officially on Nov. 15.

Daily expenditures were \$13,200,000 higher than in September, when total expenditures for war were \$7,104,000,000. The daily rate, the WPB said, was based on 26 days in each month when checks were cleared.

Total war expenditures from (Continued on page 2281)

## Davis Report to President Places Rise In Living Cost at 29%; Labor Claims Rejected

Chairman William H. Davis, of the special committee named to investigate its wartime rise in living costs, reported to President Roosevelt on Nov. 18 that for the bulk of wage earners it amounts to 29 to 30%, said an Associated Press dispatch from Washington on Nov. 18, which also had the following to say:

Rejecting union labor claims that the rise is about 44%, Chairman William H. Davis, with two industry members concurring "in the main," concluded that 3½ to 4½ percentage points should be added to the 25.5% increase shown by the Bureau of Labor Statistics index as of last Sept. 15.

The two labor members, though not agreeing with Mr. Davis's conclusions, pointed to them, nevertheless, as support for AFL and CIO arguments that wage controls should be eased.

In a letter to the President, George Meany of the AFL proposed specifically that the "Little Steel" formula be relaxed to permit wage increases of 30% above the January, 1941, level. The formula limits general wage increases to 15% above that base date.

Mr. Davis's report emphasized that the Bureau of Labor Statistics index did not undertake to be all inclusive, but was aimed to measure the prices of supplies going to make up the family budget of big city dwellers with an average income of \$1,524, based on a 1934-36 survey.

He expressed the opinion that for those with low incomes the increase in living costs had been higher than 30%, but praised the technical competence and care of those preparing the BLS.

"No substantial criticism of the BLS methods has survived the searching studies presented to this committee," he said.

It might be well, Mr. Davis concluded, to make periodic broader studies than are included in the BLS statistics, but he said that was a matter for study by the Budget Bureau and others.

And he recommended that some name other than "cost of living" index be chosen for the BLS figure—a recommendation on which labor and industry members agreed.

The report is expected to weigh importantly in the President's consideration of labor's demands for a change in the "Little Steel" formula, but the major report on that issue is yet to come.

The War Labor Board currently is working on a general report on wage policies growing out of demands by the CIO United Steel Workers and other CIO unions for increases above the limits of the "Little Steel" policy. This will deal with wages in relation to living costs, maintenance of future purchasing power and other factors but will not make recommendations. It is expected to be several weeks at a minimum before it reaches the White House.

Mr. Davis accepted, in preparing his report, most of the findings by a technical committee headed by Dr. Wesley C. Mitchell, director of research of the National Bureau of Economic Research.

Dr. Mitchell's group agreed that there was some substance to the labor argument that the BLS index failed to reflect quality deterioration, disappearance of cheaper consumption items, declines in special sales and increased under-reporting of prices actually charged.

It was on the basis of such "hidden increases" that Mr. Davis concluded 3 to 4 percentage points should be added to the BLS index. Saying there was evidence the increase had been greater in small cities than in large, he said another one-half percentage point should be added if the index was to reflect costs of workers in both small and large communities.

The special committee to study the war-time increase in living costs was appointed on Oct. 22, 1943. A day earlier, a group of

American workers who live in urban communities."

For workers in the lowest income groups, however, Mr. Davis said that "the rise in the cost of living is certainly greater than the BLS figures would indicate."

Fred M. Vinson, Director of Economic Stabilization, issued a statement on Nov. 19, in comment on the cost of living report submitted to President Roosevelt, which indicated that the Administration is not contemplating a general upward revision of the "Little Steel" formula governing wages. Mr. Vinson's statement follows:

Mr. William H. Davis's report on the cost of living index presents a careful, thorough and disinterested survey of the subject. The conclusions which Mr. Davis has reached do not differ significantly from those of the Bureau of Labor Statistics; and they are supported by the overwhelming weight of impartial and expert evidence. The minor differences between Mr. Davis's conclusions and the bureau's index relate almost entirely to matters not sufficiently precise to be measured by an official index.

Naturally, I am gratified at this confirmation of the general belief that a good job has been done in stabilizing wartime prices and living cost.

We cannot afford to relax our efforts. So long as the war absorbs half of our national production, we must hold prices at their present level in order to preserve the purchasing power of the worker's pay envelope. Wherever our present price and production controls are too lax—as in the case of textiles and clothing—we must tighten them.

I am frankly disturbed to note that, after a year of complete stability, the cost of living has risen slightly but perceptibly during the past six months. This must stop. The Price Administrator and I will use special vigilance to this end.

Meanwhile we must plan to meet the changes with which "V-E" Day will put us face to face. We must put consumer goods from our reconverted industries on the market at prices low enough to provide mass markets and full employment. We must have a wage policy to provide workers with earnings high enough to buy the products of our expanded and reconverted industries. Wage and price policies geared to expanded output and high employment will insure high and stable profits for free American enterprise.

Our price and wage policies must aim for economic stability in war, a goal of 60,000,000 jobs and a high national income in peace.

## Export Freight Movement

Cars of export freight, excluding coal and grain, handled through United States ports totaled 167,299 in the month of October compared with 126,013 cars in October, 1943, or an increase of 33%, the Association of American Railroads announces. The current figure also compares with 166,360 cars in September of this year.

Export grain unloaded at the ports totaled 3,879 compared with 2,285 in October, 1943, or an increase of 70%.

The railroads handled 515 car-loads of coastal freight in October, 1944, compared with 378 in the same month of 1943, or a decrease of 11%.

The total of 171,693 cars of export and coastal freight excluding coal handled through the ports represented an average daily unloading of 5,538 cars. This is the eighth consecutive month that the average daily unloading has exceeded 5,000 cars.

## Launching of Sixth War Loan Drive—

### President Calls for Sacrifice of Comforts

Pointing out that "there is one front on which all of us can serve in the war," President Roosevelt, in an address bringing under way the Sixth War Loan Drive, declared that "we can all practice self-denial" and "sacrifice some of our comforts to the needs of the men in the service." Citing that the war in this month alone (November) will cost us 7½ billion dollars, the President observed that that is \$250,000,000 a day. He reminded

the people of the Nation that the wartime election, demonstrating to the people of the world the deep roots of our democratic faith.

The Sixth War Loan, I am confident, will be a further example of democracy in action in a world at war.

There is an old saying about sticking to the plow until you have reached the end of the furrow. Every rule of common sense and patriotic thought makes that maxim applicable to our conduct in this war.

And so, in the name of our wounded and sick, in the name of our dead, and in the name of future generations of Americans, I ask you to plow out this furrow to a successful and victorious end.

In New York City the opening of the drive was featured by a parade on Fifth Avenue, and it was noted in the New York "Times" that Frederick H. Gehle,

Chairman of the New York State War Finance Committee, unveiled a three-and-one-half-foot mirrored Blue Star as the symbol of the drive. The paper from which we quote added: "The blue star, emblem in so many windows of the lad who has gone to war, has been chosen as the distinctive mark for service in this drive. An army of 498,207 Blue Star Brigadiers have volunteered in New York State for a door-to-door canvass in behalf of the drive."

Among those on the reviewing stand during the parade were Rear Admiral Monroe Kelly, commandant of the Third Naval District; and Major General Thomas A. Terry, commanding general of the Second Service Command. It was stated in the "Times":

Approximately \$100,000,000 worth of Navy ships was lost in the great naval victory in the second battle of the Philippines. Admiral Kelly told a crowd of 5,000 persons gathered before the reviewing stand at ceremonies preceding the arrival of the parade. He said that it was necessary to replace these ships as well as pay for the vast amounts of ammunition that were expended.

On Nov. 16 a huge replica of the Statue of Liberty was dedicated at Times Square in New York City, the torch being lighted with the pressing of a button by President Roosevelt at his desk in Washington.

The President's address from Washington Nov. 19 follows:

The Sixth War Loan Drive that starts tomorrow is something more than just a money-raising affair.

We cannot all fight the enemy face to face. We cannot all produce the weapons and the raw materials that are so vital to our armed forces.

But there is one front on which all of us—every man, woman and child—can serve, and serve for the duration. We can all practice self-denial. We can all sacrifice some of our comforts to the needs of the men in service; and, yes, even some of our needs to their comforts.

The war in this present month of November alone will cost us \$7,500,000,000. That is \$250,000,000 a day.

That is why it's so important that we end the war as soon as we can; that is why every war bond that you buy is so important.

The war is not over—no, not by many a costly battle. While we have every reason to be proud of what has been done—even optimistic about the ultimate outcome—we have no reason to be complacent about the tough road that still lies ahead of us.

We have just been through a

## Rand McNally Directory Shows Big Bank Loans

The final 1944 edition of the Rand McNally Bankers Directory, just issued, indicates a healthy condition as far as bank earnings are concerned. In the last six months bank loans went up almost \$2 billion, \$1,905,154,000 to be exact.

During the same period deposits increased \$11,115,663,000 and the holdings of Government securities \$10,188,198,000, to an all-time high of \$76,122,535,000. Small declines were registered in other securities and in cash and exchange, due from other banks. Although capital remains substantially the same during the six-month period, undivided profits and reserves show an increase of \$217,303,000.

Other pertinent banking statistics shown in the "Blue Book" indicate the unprecedented quota of bank assets and stability of the whole banking structure.

Slight decreases have been registered in a number of banks in all categories in the past half-year. The total of national banks decreased from 5,044 to 5,039. State banks and trust companies decreased from 9,507 to 9,496, and private banks from 148 to 145, leaving 14,791 head-office banks, a decrease of 21 in the past six months. There are also 4,111 branch offices. Approximately 118,000 directors are listed in this directory.

The final 1944 edition of the "Blue Book," revised to September, 1944, and containing 2,593 pages of banking and financial information, includes the latest available statements, nearest banking points to all non-bank towns, a five-year list of discontinued bank titles, all bank associations and Government banking agencies and the FDIC status of all banks. A separate bound book listing the attorneys for every bank town accompanies each copy of the directory. Latest maps of each State and all foreign countries adds a great deal to the information and reference value of the book.

## Hope Favors Two-Price System for Farms

Representative Hope, ranking minority member of the House Agriculture Committee, on Nov. 15 said that he favors a two-price system for major farm products after the war, according to an Associated Press dispatch from Washington on the same day.

Thursday, November 23, 1944

## The Financial Situation

(Continued from first page)

rich by incurring debt with utter recklessness. Now we are being told that the payment of debt to foreigners will greatly enrich us. It appears almost incredible that such an idea should be put forward. Yet there can be no doubt that it is. This large debt we owe on current account was incurred in pre-war years in part out of conditions peculiar to the war. In effect, for one reason or another, foreign peoples for three-quarters of a decade prior to our entry into World War II sent us large amounts of money, primarily in the form of gold, for safe keeping. We accepted it with more or less of a promise to repay upon demand. Since our entry into the war, we have been buying heavily in many neutral countries to obtain materials actually needed by us or our allies, to keep our enemies from obtaining supplies needed by them and to acquire friends. Meanwhile, with our economy geared to war and with shipping facilities stretched to the utmost to serve the most essential purposes, we have not been able to export in correspondingly great quantities (i.e., outside lend-lease).

In fine, we have acquired large amounts of goods and services, and some goodwill (as well, we are afraid, as some bad will), payment being deferred by one means or another to a more convenient season. Now, it is apparently rather widely believed that the "more convenient season" is approaching with the end of the war—and, according to current reasoning, we shall grow rich not by reason of what we receive for our goods but in the process of shipping goods and rendering services to other peoples to satisfy our creditors!

### Charity and Business

But strange as this doctrine is, there are a number of fitting companion pieces. One of them is the strange idea that somehow we can grow rich by playing the good Samaritan to virtually the remainder of the world.

As expounded by some current observers this profitable charity is to include not only that which is obviously necessary to prevent wholesale starvation and to ameliorate as best we may the immediate and dire need of suffering millions, but materials and goods required to set them up in business again. Here doubtless a great many have permitted their kind hearts to blind them to otherwise quite obvious facts. It is probably all too true that there is now—and there will be much suffering in various parts of the world when this war is over. It may well be that the extent of the damage done has been

over-estimated in some instances, but there will be many cases where the generous American will wish to be of direct and material assistance. There is nothing to be ashamed of in this, and nothing to be condemned. What this generous American must not do, however, is to mistake this kind of a contribution for an investment. The fact is, of course, that many of the peoples whose condition will cry out for assistance when the war is over have never been and probably will never be in our time in a position to service large foreign loans.

Failure on the part of influential leaders to understand this simple fact is clearly revealed in a number of proposed programs, and the result is a danger of no small magnitude. The suggestion now apparently rather well received that the Import-Export Bank be authorized to lend not hundreds of millions as in the past but billions is a case in point. It could be, of course, that such an institution would be careful to confine its accommodation to borrowers who really could show a reasonable prospect of servicing the loan—but, if so, it would certainly not be

operating in the spirit of those who are making such plans as these for the institution. More realistic by far are those who suggest "grants-in-aid" as the means to be used in affording the relief abroad which we feel called upon to provide, although it can not be said that there is no ground to fear that our sympathies may make us victims of shrewd mendicants. But there are many proposals, the international fund and bank programs, for instance, where the opportunity would be present and the temptation great to confuse charity with business—a mistake fully as destructive of international friendship as of individual friendship.

### Confusion About Cartels

But not in such matters alone do we find confusion worse confounded in our international thinking. In current discussions of cartels, for example, there is much to cause concern. There is the Secretary of State, who has long insisted upon much freer international trade. Indeed, he has consistently preached something as near free trade as any one in this country has found it advisable to champion for decades past. Cartels have, of late, been charged with about all the crimes in the calendar. Yet it is far from clear that any one, the New Deal leaders included, really wishes to do away with international cartels and cartel-like organizations. What apparently is wanted is merely to have gov-

## Thanksgiving Season

### Babson Gives Ten Reasons for Which to Be Thankful

BABSON PARK, MASS.—This Thanksgiving Day we have much for which to be thankful. I should like to comment specifically upon ten reasons:

1. First and foremost, we can celebrate this year for the same reason that occasioned the first Thanksgiving of the Pilgrim Colony in 1623, namely, A FINE HARVEST. Crop yields this year surpass all

previous records. There is plenty of wheat, corn and other farm products for us to feed ourselves and the needy everywhere.

2. Without HEALTH and STRENGTH none of us can work or think efficiently. Combined with the right spiritual outlook, health is the greatest of all blessings.

The past year has seen an improvement in both on the part of the American people.

3. Although the Thanksgiving season finds us in the midst of our greatest war, we should be thankful for the progress which has been made toward a successful peace. We are justified in believing the European War will be over in a few months and the hope that total peace may come before another Thanksgiving Day.

4. Whether Republicans or Democrats, we should be thankful that we live in a country where a free ELECTION can be held. Here is tangible evidence of the continued existence of our country as a true democracy.

5. We should be thankful for the MORAL AND PHYSICAL COURAGE that our men and women have shown both at home and at the front. Our fighting forces first believe that they are engaged in a great moral crusade; and, second, they have the courage to back up their beliefs.

Yes, we have much to be thankful for this year!

### Ass'n of Insurance Commissioners Proposed Bill to Free Insurance From Federal Control

On November 15, a joint statement was issued by Newell R. Johnson, President; Edward L. Scheufler, Chairman of the Executive Committee, and F. J. Harrington, Chairman of the Sub-Committee of Federal Legislation of the National Association of Insurance Commissioners. This statement was induced by the threat arising from the U. S. Supreme Court decision last spring (see "Chronicle" issue of June 8, page 2383) in the case of

United States vs. South-Eastern Underwriters Association, holding that insurance constitutes interstate commerce and was therefore subject to Federal regulation and Federal anti-trust laws. The immediate effect of the decision was the introduction of bills both in

ernment control, or perhaps even better, actually operate them. Again, at the very time that so much is being said of more liberal trade policies we are showing, as in the case of cotton, for example, that we are quite ready to pursue courses which are the very negation of liberation of foreign trade.

At some time in the future—and we can only hope it will not be too far in the future—we shall have to learn in the hard way if we refuse to learn in any other way that there are certain inexorable fundamentals, rooted deep in human nature itself, which neither political dodging nor clever machinery can budge or avoid.

the Senate and the House of Representatives to exempt the insurance business from the Federal regulation. The House has already passed such a measure, but the Senate bill has not yet come up for consideration on the floor. In the meantime the National Association of Insurance Commissioners appointed a committee to draw up a bill along these lines for congressional enactment.

The text of legislation, to be proposed for enactment by the Congress of the United States has been completed in a joint meeting at Chicago of the Executive Committee and its sub-committee on Federal legislation of the National Association of Insurance Commissioners. The legislation is designed to provide, in the public interest, relief from the effects of the Supreme Court decision of June 5, 1944, that insurance is commerce. By this decision insurance became subject to Congressional acts regulating commerce which may impair some of the cooperative procedures on rates, forms and operating practices long recognized as essential to the sound conduct of the insurance business and to the protection of the public.

Fundamental to the suggested legislation is the principle that continued regulation of insurance by the states is in the public interest, and should have the constructive support of companies, producers and policyholders.

gress of its endorsement of this principle is essential. The bill provides in its first and second sections for the statement of this principle and for the validation of state statutes regulating insurance, together with a provision that acts of Congress shall not invalidate, impair or supersede state insurance laws unless such acts specifically so provide. A declaration is made that the Federal Trade Commission Act and the Robinson-Patman Anti-Discrimination Act shall not apply to insurance. The states are now empowered to deal with practices contemplated by the Federal Trade Commission Act, and while it seems clearly to have been the intention of Congress that the Robinson-Patman Act should have no application to the insurance business, any possible doubt should be removed.

Section 4 of the proposed legislation deals with the Sherman and Clayton Acts, and its drafting required most exhaustive consideration. It is these Acts which may impair some of the essential cooperative practices which have brought the business of insurance, under state supervision, to its present position of great strength and have permitted insurance managements to act intelligently in the preparation of broad policy forms and promulgation of reasonable rates for the protection of the policyholder. A suspension until July 1, 1948, is requested, in which the Sherman and Clayton Acts shall not apply, in order to allow adjustments within the business and time for enactment by states of such further legislation as they may deem necessary or desirable. After July 1, 1948, it is provided that the Sherman Act shall not apply to the use of cooperative rates, forms and underwriting plans where state-approved, to adjustment, inspection and similar agreements, to acts of reinsurance or reinsurance, to commission agreements, to the collection of statistics, nor to cooperative action for making of rates, rules or plans where their use is not mandatory.

No exemption is sought nor expected for oppressive or destructive practices. On the whole, insurance has been conducted on a high plane, with great benefit to the public, and if inconsistent procedures are found, they must be eradicated. Provision is made that the Sherman Act shall not now or hereafter be inapplicable to any act of boycott, coercion or intimidation.

Neither does the proposed legislation seek exemption from the National Labor Relations Act or the Fair Labor Standards Act.

No attempt has been made to deal with the subjects of joint stockownership and interlocking directorates, which will have further study.

The legislative measure now proposed has been the product of the same high type of cooperative action which it seeks to preserve. The committees of the National Association of Insurance Commissioners have received able assistance from all segments of the insurance business, and have enjoyed the advice of eminent counsel and experts on constitutional law both within and without the business. The decision of the Supreme Court has created a grave situation which can be immediately remedied only by Congressional action. In recognition of their responsibility as administrators of the state regulatory system, the insurance commissioners, through appropriate committees of their national association, have given most careful study to the problems now faced. While no claim can safely be made that the proposed legislation is a perfect or complete answer, it is firmly believed that it will provide the broad, basic and immediate relief now essential. As such it is presented for Congressional consideration and should have the constructive support of companies, producers and policyholders.



Roger W. Babson

## International Organization Needed for Preservation of Just Peace Say U. S. Bishops Favors World Court and Principles of Atlantic Charter

In a statement presenting their views as to means for bringing about "a just and lasting peace," the Catholic Bishops of the United States state that such a peace "must be the creation of a sane realism, which has a clear vision of the moral law, a reverent acknowledgment of God, its author, and a recognition of the oneness of the human race underlying all national distinctions."

Reference is made in the statement to the proposals formulated at Dumbarton Oaks, and to the hope expressed by the Secretary of State that "leaders of our national thought and opinion will discuss them in the spirit of constructive effort." The statement points out that "if public opinion is indifferent or uninformed, we shall run the risk of a bad peace and perhaps return to the tragedy of 'power politics.'" The statement likewise says "if public opinion is alert and informed, we can have a lasting peace and security."

According to the statement "an international institution, based on the recognition of an objective moral obligation and not on the binding force of covenant alone, is needed for the preservation of a just peace and the promotion of international cooperation for the common good of the international community."

The statement sets out that "while it is reasonable to set up a security council with limited membership, this council must not be an instrument for imperialistic domination by a few powerful nations. Before it every nation must stand on its rights and not on its power. It must not allow any nation to sit in judgment in its own case."

"The function of the international organization," says the Bishops' statement, "must be the maintenance of international peace and security, the promotion of international cooperation and the adoption of common policies for the solution of common economic, social and other humanitarian problems. In the maintenance of peace it is reasonable that the organization have at its disposal resources for coercing outlaw nations even by military measures." It is further stated that "in the international organization there should be a world court to which justiciable disputes among nations must be submitted. Its authority should not be merely advisory but strictly judicial."

"We hold," says the Bishops, "that if there is to be a genuine and lasting world peace, the international organization should demand as a condition of membership that every nation guarantee in law and respect in fact the innate rights of men, families and minority groups in their civil and religious life."

"It is a Christian hope we want to realize," the Bishops state—"the hope of a world at peace, a world of sovereign States cooperating in assuring all men the full enjoyment of their rights, a world of free men and free nations with their freedom secured under law." They add:

"War may come, but if our hope is realized it will be a war of punishment meted out to outlaw nations."

In special advices from Washington to the New York "Times" Nov. 18 it was observed that included in the Bishops' recommendations are:

"1. Uprooting of ideologies which violate the rights of man.

"2. A universal institution with a democratic constitution before which every nation stands on its rights and not on its power.

"3. A world court the authority of which should be not merely advisory but strictly judicial.

"4. The world organization must not allow any nation to sit in judgment in its own case."

"5. Assistance for prostrate na-

tions and means for revising treaties."

From Associated Press accounts we quote:

"The Soviet Union has been insisting that major powers should sit and vote with the council, even if themselves accused of aggression. This would permit a major power to veto international collective action against itself since it is proposed that no action be taken without a unanimous decision by the major powers."

The statement of the Bishops, who compose the Administrative Board of the National Catholic Welfare Conference, was adopted at the annual meeting of the American hierarchy; it follows in full:

"We have met the challenge of war. Shall we meet the challenge of peace?

"This is the question uppermost in the minds of men everywhere who in suffering and hardship have stood out against ruthless aggression. The men of our armed forces, the masses of our citizens, our leaders, all want to be true to our soldiers who have given so much, some even their lives, in this war for freedom. They want to be true, as well, to future generations on whom we have been forced to place a heavy burden as the price for their freedoms.

"Honestly, earnestly we want to garner from the sacrifices, hardships and losses which have gone into this war the full fruits of victory in a good peace. The foremost problem in post-war planning is how to secure for ourselves and all the world a just and lasting peace.

"Recently representatives of the United States, the United Kingdom, the Soviet Union and China at Dumbarton Oaks formulated and presented to their Governments broad tentative proposals for an international organization for the maintenance of peace and security and the creation of conditions which make for peace. These proposals have been given to the public for full study and discussion by peoples of all countries.

"Our own Secretary of State has expressed the hope that leaders of our national thought and opinion will discuss them in the spirit of constructive effort.

### Freedom From Hatred, Greed

"Public opinion in our country can exert a tremendous effort in making the peace and determining the manner of international collaboration for its maintenance. If public opinion is indifferent or uninformed, we shall run the risk of a bad peace and perhaps return to the tragedy of 'power politics,' which, in the past, divided nations and sowed the seeds of war.

"If public opinion is alert and informed, we can have a lasting peace and security. It is imperative that all our citizens recognize their responsibility in the making and maintenance of the peace. They must inform themselves on the issues and form their judgments in the light of sound reason and our Christian democratic traditions."

"They must free themselves from hatred, from distrust, from the spirit of mere expediency, from national greed and from indifference to right in the use of might, and they must form their judgments on the basis of stern objective realities.

"This war came largely from

bad education. It was not brought on by primitives or unlettered peoples. The contemporary philosophy which asserts the right of aggression is the creation of scholars. Discarding moral principles and crowding God out of human life, scholars produced the monstrous philosophies which, embodied in political and social systems, enslave human reason and destroy the consciousness of innate human rights and duties.

"In these systems the notion of the common good is utterly distorted; it is no longer conceived as the consequence of the common enjoyment of rights and the common discharge of duties, but the creation of the caprice of a dictator or a group or a party.

"The gilded dreams of a new era, which these systems heralded, have proved to be a hideous nightmare. If we are to have a just and lasting peace, it must be the creation of a sane realism, which has a clear vision of the moral law, a reverent acknowledgment of God's Author, and a recognition of the oneness of the human race underlying all national distinctions.

### Atlantic Charter, Without Equivocations

"We have no confidence in a peace which does not carry into effect, without reservations or equivocations, the principles of the Atlantic Charter. We feel, too, that it should provide assistance for prostrate nations in reconstructing their economic, social and political institutions.

"If justice is compromised, if unreasonable concessions are made to might, grievances will rankle in the bosom of aggrieved nations to endanger the peace of the world. If prostrate nations are not assisted in giving to their peoples fair economic opportunities, they will become the arena of civil strife and turmoil. No international organization will be able to maintain a peace which is unfair and unjust.

"There is an international community of nations. God Himself has made the nations independent for their full life and growth. It is not therefore a question of creating an international community, but of organizing it. To do this we must repudiate absolutely the tragic fallacies of 'power politics,' with its balance of power, spheres of influence in a system of puppet governments, and the resort to war as a means of settling international difficulties.

### Might Must Yield to Law

"After the last World War an attempt was made to organize the international community. It failed not because its objective was mistaken but because of inherent defects in its charter, and more especially perhaps because the nations were not disposed to recognize their duty to work together for the common good of the world.

"International law must govern international relations. Might must be subordinated to law. An international institution, based on the recognition of an objective moral obligation and not on the binding force of covenant alone, is needed for the preservation of a just peace and the promotion of international cooperation for the common good of the international community. The common good of every nation is inseparably connected with the common good of the international community.

"The international institution must be universal. It must seek to include, with due regard to basic equality of rights, all the nations, large and small, strong and weak. Its constitution must be democratic. While it is reasonable to set up a Security Council with limited membership, this Council must not be an instrument for imperialistic domination by a few powerful nations. Before it every nation must stand on its rights, and not on its power. It

must not allow any nation to sit in judgment in its own case.

"Frankly, it must recognize that for nations as well as individuals life is not static. It must therefore provide in its charter for the revision of treaties in the interest of justice and the common good of the international community, as well as for the recognition of a people's coming of age in the family of nations.

"The function of the international organization must be the maintenance of international peace and security, the promotion of international cooperation and the adoption of common policies for the solution of common economic, social and other humanitarian problems. In the maintenance of peace it is reasonable that the organization have at its disposal resources for coercing outlaw nations even by military measures.

"In fostering and promoting international cooperation it must seek to guarantee to the weak and poor nations economic opportunities which are necessary to give their peoples reasonable standards of living, and it must seek to prevent selfish monopolistic control of raw materials which are needed for the economic stability of other nations.

"Effective international cooperation lays definite duties on favored nations. No nation may view with unconcern conditions that permit millions of workers in any country to be without the opportunity to secure from their labor adequate family support. Nations rich in natural resources must remember that ownership of property never dispenses with the social obligations of stewardship.

Nations gifted with inventive and productive genius are obligated to serve the reasonable needs of other nations.

"Nations should open, under effective guarantees, world lanes of commerce and world avenues of communication to all law-abiding countries. Protective national legislation for legitimate national economic interests must not impede the flow of international commerce and the right social function of international exchange.

### Teeth for World Court

"In the international organization there should be a World Court, to which justiciable disputes among nations must be submitted. Its authority should not be merely advisory, but strictly judicial. A condition for the right functioning of this Court is the proper development and codification of international law.

"Competent international authority must enact into positive law the principles of the moral law in their international references, and to these will be added positive treaty provisions and the charter and legislation of the international organization.

"The World Court should be empowered to render decisions in cases submitted to it either by any party in interest or by the international organization. It must have authority to refer its decisions to the international organization for execution.

"It would be useless to set up a World Court and either deny it the right to demand the execution of its decisions or make the execution of them subject to the discretion of the international organization.

"Nations which refuse to submit their international disputes which constitute a threat to the peace or the common good of the international community, should be treated by the international organization as outlaw nations. Moreover, obligatory arbitration of international disputes which threaten world peace would mark a signal advance in international relations.

**Insist on Innate Rights of Man**

"The international organization must never violate the righteous

sovereignty of nations. Sovereignty is a right which comes from the juridical personality of a nation and which the international organization must safeguard and defend.

"However, national sovereignty may not be interpreted as absolving a nation from its obligations in the international community. Moreover, even within the State, national sovereignty is limited by the innate rights of men and families. Since civil authority does not confer these God-given rights it may not violate them.

"The ideology of a nation in its internal life is a concern of the international community. To reject this principle is tantamount to maintaining that the violation of the innate rights of men in a country by its own government has no relation to world peace.

"Just at this moment, in the interest of world peace, our nation is exerting itself to root out some ideologies which violate human rights in the countries we are liberating. We hold that if there is to be a genuine and lasting world peace, the international organization should demand as a condition of membership that every nation guarantee in law and respect in fact the innate rights of men, families and minority groups in their civil and religious life. Surely our generation should know that tyranny in any nation menaces world peace.

"A nation which refuses to accord to its own people the full enjoyment of innate human rights cannot be relied upon to cooperate in the international community for the maintenance of a peace which is based on the recognition of national freedom. Such a nation will pursue its own selfish international policies, while paying lip service to international co-operation.

### Free Men, Free Nations

"We have it within our power to introduce a new era, the era for which peoples have been longing through the centuries, the era in which nations will live together in justice and charity.

"It is a Christian hope we want to realize, the hope of a world at peace, a world of sovereign States cooperating in assuring all men the full enjoyment of their rights, a world of free men and free nations with their freedom secured under law.

"War may come, but if our hope is realized it will be a war of punishment meted out to outlaw nations. Through all the sufferings and sacrifices of this war we have remembered and we recall today the words of our Chief Executive, written at its beginning:

"We shall win this war, and in victory we shall seek not vengeance but the establishment of an international order in which the spirit of Christ shall rule the hearts of men and of nations."

### Limited Mail Service Resumed with Switzerland

Postmaster Albert Goldman announced on Nov. 7 that information has been received from the Post Office Department at Washington that limited mail service with Switzerland is resumed effective Nov. 7, 1944. The advices state:

"Letters weighing not more than one ounce, and postcards, will be accepted when addressed for delivery to civilians in Switzerland. The postage rate is five cents for a letter and three cents for a postcard. Registration, money order, air mail and parcel post services are not available at this time. Existing regulations regarding prisoner-of-war mail are not affected by the Postmaster General's order."

## International Business Conference Reports

The International Business Conference, with representatives of organized business from 52 nations which assembled at Rye, N. Y., on Nov. 10, concluded its deliberations on Nov. 20 and issued, through its Sections, eight final reports as follows: (1) Report of Private Enterprise Section; (2) Raw Materials and Foodstuffs; (3) Encouragement and Protection of Investments; (4) Industrialization in New Areas; (5) Currency Relations Among Nations; (6) Transportation and Communications; (7) Commercial Policy; (8) Cartels.

The conference was sponsored by the four leading American organizations of business men comprising the American Section; International Chamber of Commerce; the Chamber of Commerce of the United States; the National Association of Manufacturers, and the National Foreign Trade Council. The conference was entirely non-political and its representatives were chosen from non-governmental business organizations, except in the case of Russia, which sent "observers" who took no part in the proceedings.

The following are the texts of the reports of the principal Sections of the conference:

### Report of Private Enterprise Section

The deliberations of the Private Enterprise Section were based upon the premise that private enterprise is the right of the citizen, as an individual, or jointly with others, to set up in business for himself—to venture his personal efforts and capital; to own, use and risk the mechanical and other means of production. The reward of success is not only profit, but increased employment and prosperity for all. The penalty of failure is not only the loss of what has been ventured but also the loss of employment with consequent injury to the general economy. Nothing else than this can provide the incentive to that initiative and efficiency upon which economic progress is built. The processes of exploration, research, invention and experiment are all characteristic of free private enterprise.

The consensus of opinion of the Section is that the private enterprise system is the best known means of bringing about effective world prosperity and employment, of securing and maintaining world peace, thereby assuring a higher standard of living for all peoples. Accordingly, it is urged that governments recognize and adhere to the principles of private enterprise, which are:

1. Equality of opportunity;
2. Equality under law;
3. Reward for initiative;
4. Privilege for thrift;
5. A tax structure that encourages incentive and risk;
6. Restriction of monopoly;
7. Abstinence of Government from competition with private business;
8. Freedom of production and sale;
9. Equitable distribution of profits with consumers' and labor's interest safeguarded to the end that more and more things may be supplied to more and more people, thereby producing maximum employment at the highest possible level of wages;

10. Government—under law—that will provide encouragement to business through provision of an economic atmosphere in accord with the above principles.

It is recognized, however, that in some countries State control of certain enterprises has long existed and can probably continue without harmful effect on their own national economy, but that extension of such control into new fields is neither desirable nor necessary.

The post-war policies of the governments of various countries, especially those that are underdeveloped or have been occupied by the Axis Powers, may be influenced in large measure by their own economic necessity. The

Section realizes that under times of extraordinary emergency it may in all wisdom be proper to control the free play of private enterprise and initiative. Such emergency suspension being in violation of principles must, however, be for a specific purpose and of limited duration and should never be permitted to annul or be substituted for the basic requirements of a continuing system of private enterprise.

To restore private enterprise to its proper place in national economies and to assure its greatest possible development and expansion, the delegates strongly urge continuance of the cordial international relations which have characterized this conference.

As a means to this end they unanimously suggest that an international organization actively undertake measures designed to bring about the restoration and the development and expansion of private enterprise.

The Section agrees that in view of its existing world-wide affiliations the International Chamber of Commerce is a suitable nucleus of such an organization which could undertake these measures, and its status should be formally recognized by the Governments of all nations. However, it is strongly recommended that because of the very important position which it occupies in the Western Hemisphere, the Permanent Council of American Associations of Commerce and Production should be an active participant in the program and that these two organizations work out effective means of collaboration.

It is the recommendation of the Private Enterprise Section that steps be taken immediately to put the aforementioned proposal into action as it is believed that such a program would increase international trade and bring about better and closer international economic relations.

**Addendum to Private Enterprise Section Report Presented by the U. S. Delegation and Added by Vote of the Plenary Session**—The American delegation is wholeheartedly committed to private enterprise in preference to government enterprise; to free enterprise in preference to controlled enterprise; and to competitive enterprise in preference to monopolistic enterprise. This is because the American people proudly cherish in their hearts the traditions of self-reliance, liberty and equal opportunity which are involved in those preferences and which have been the fundamentals of their political and economic system.

We think this is best for us as a nation. We frankly acknowledge that other nations may follow other courses than the one we take. Our course, as we see it, is to produce freely and trade among our various communities as we always have, as private enterprisers, and in that spirit to trade with other peoples in other lands in so far as may be, without handicap or prejudice or discrimination. To the extent that other nations' economic policies differ from our own, difficulties may arise; to the solution of these difficulties we pledge our earnest attention and cooperation; but we cannot conscientiously part with our birth-right, in so far as concerns our own participation in international trade.

We recognize that in our own short history the principles on which our American concepts are based have been broadly applied

to accommodate the expansion of Government functions and controls. The public attitude toward these compromises has not been static—many divergences from these principles have been urged and accepted as clearly for the nation's good, or as emergency measures. Yet the fact is clear that in America today enterprise is more solidly in private hands, that here it is freer, and that here it is more truly competitive, than in many other lands. And to this, we believe, is due the superb vitality which has enabled our nation to perform the American miracle of production over the years.

The basis of private enterprise is the right of the citizen, as an individual, or jointly with others, to set up in business for himself—to venture his personal efforts and capital; to own, use and risk the mechanical means of production. The reward of success is profit, and the penalty of failure is the loss of what has been ventured. Nothing else than this can provide the incentive to that initiative and efficiency upon which economic progress is built. The processes of exploration, research, invention and experiment are all characteristic of free private enterprise.

And without such economic freedom, without substantial freedom of the individual to seek his living where he can find it, and to venture his means where profit seems likely, and to be obliged to no man for this—without these it is pure delusion to imagine that political freedom, even if it exists, can long endure. As Benjamin Franklin said, as long ago as 1759, "They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety."

We hold that for us no further ground should be yielded to State activities or controls, unless the ends to be served are clearly in the interests of all, and reconcilable with our basic concepts.

We do not, therefore, accept the necessity of Government devoting its resources to or engaging in business enterprise; the resources of Government are but the resources of the citizens, and in this area its activity is inherently competitive with theirs.

We believe that controls which are adopted as emergency measures cannot be allowed to be exercised longer than the emergency itself, without serious damage to economic health.

Government cannot create wealth apart from the wealth of the governed, or provide for the needs of all its citizens as well as these citizens can themselves provide. We believe that Government can best serve by providing a maximum of opportunity for the individual. We believe, moreover, that this is wholly consistent with Government providing some reasonable level of individual security. But in the last analysis a reliable basis of security for the individual, commensurate with our American standard of living, can be provided only by the individual enterprise, energy, and productivity of the people themselves.

**Report of the Section for Encouragement and Protection of Investments**

**1. Economic Justification for Export of Capital**—Investment capital should have as a related purpose the ultimate economic improvement of the peoples of the recipient country. Creditor countries can justify foreign investment only by a reasonable expectation of an ultimate return in the form of goods and services in a commensurate amount. To accomplish this the creditor country must endeavor to reduce obstacles which may impede the im-

portation into the creditor country of goods and services. Creditor countries should recognize that borrowing countries have the right to safeguard their national resources from wasteful exploitation, by sound principles of conservation.

**2. Social Objectives of Capital**—Whenever foreign private companies make investments of capital in underdeveloped areas, the social purposes and effects of such investments should receive every consideration. Account should also be taken of the social and labor laws in the recipient countries and endeavors should be made to improve further the health and standard of living of the local people.

Both borrowing and lending countries should recognize the mutuality of their interests, to insure against discrimination and unfair treatment on the part of the borrower, and selfish exploitation on the part of the lender.

**3. Nature of Investments**—Private enterprise in the past has assumed, and justly so, the responsibility of making capital available, where needed, for the development of latent resources, transportation and communications facilities and for industrialization. The extension of public capital in the form of Government loans or credits may be advisable under special conditions, when confined to considerations of national defense or public welfare.

When private capital from one country is invested in another country it is strongly recommended that consideration should be given to association and co-participation with local capital. This participation should not be required by law, because such restrictive legislation may have the effect of turning venture capital away.

Special attention should be given to the policy of industrialization of countries possessing adequate conditions for the building of their own manufacturing structure.

### 4. Treatment of Foreign Capital

Nations in the early stages of industrial development usually require the assistance of foreign capital in developing their raw material resources, establishing and extending communication facilities, and initiating the process of industrialization. Nations which need foreign capital to strengthen and diversify their economy, and which seek it intelligently, will make a conscious effort to attract capital and give it adequate protection. This can be done by establishing records of fair treatment for the foreign capital which already has been incorporated into the national life. This means abiding by the terms of existing contracts and concessions and refraining from taking arbitrary unilateral action in connection therewith; avoidance of retroactive legislation prejudicial to foreign investment interests; consistent and unbiased interpretation of laws; affording foreign capital the same rights and privileges as those enjoyed by local capital, and avoidance of discriminatory tax policies.

No property should be expropriated without adequate compensation. Confiscation on racial or religious grounds is condemned.

The expectation of obtaining an adequate return in his own currency is the inducement which leads the private investor to employ his capital in foreign countries.

Fluctuating exchange rates, multiple currency practices, and arbitrary or unnecessary foreign exchange restrictions hamper the flow of investment capital across international boundaries. It is recommended that freedom of exchange in connection with the transfer of capital be safeguarded. Governments should limit themselves to a policy of supervision.

The heavy impact of taxation, at the high rates which now prevail and conceivably will prevail after the war, is a definite obstacle to capital accumulation. This effect is aggravated in international investment by uncertainties and inequities in legislation and administration. It can be mitigated, and foreign investments encouraged, by sound principles of taxation, consistently followed in practice. To provide reliable assurance of relief from double, extraterritorial and discriminatory taxation, it is urged that comprehensive tax treaties be concluded between friendly countries, equitably defining the taxing sphere of each, and implemented by clear and simple legislation in each country.

To establish a tax regime which is economically sound and constructive, international business conducted in any country should be taxed as is other business in that jurisdiction, irrespective of ownership. There are two applications of this principle which are important: First, the host country should not impose unduly burdensome taxes on foreign capital or on its returns, since such impositions on imported capital operate like a tariff and tend to increase the "price" of all capital to its nationals, and may thus readily become a deterrent to natural development and expansion. Secondly, the country in a position to export capital should not levy additional taxes upon interest, dividends and earnings received from abroad. Such additional taxes reduce or eliminate the incentive to foreign investment by its nationals, and place them at a disadvantage in competition with capital from some other nations, or with local capital.

Foreign investments which are not correlated with the most advanced methods of utilizing capital fail to realize full productivity for the importing country. Operating efficiency must be maintained through the selection of the best available technical and administrative personnel, be they local residents or foreigners. If exported capital is detached from the technical skill for its efficient application, both parties to the transaction fail to realize its full benefits. The owners of the capital fail to benefit from its full productivity, and the importing country does not obtain the output possible under competent administration. Countries which import capital should not impose restrictions on its technical application nor limit the foreign personnel for its effective use, wherever the necessity can be justified.

The restoration to rightful owners of title to properties or interest therein should be a precedent to any settlements reached by the United Nations with the Axis Powers. Furthermore, as enemy, or enemy-occupied territory is conquered or liberated, property owned by citizens of allied or neutral nations should be restored to its owners at the earliest possible moment, with every effort being made to avoid a lengthy period of Government operation and control. Where property has suffered loss of value from acts of the enemy or other acts of war, the conditions imposed upon the Axis Powers should assure that the rightful owners receive satisfactory compensation. Prior to the final determination of such conditions, the United States and other Allied Governments are urged to give consideration to the views of potential claimants.

It is recommended and urged that frozen assets held by Allied Nations, in the names of private citizens of allied and neutral nations, be released and turned over to the rightful owners as quickly as possible following the liberation of the occupied countries. This recommendation would apply to all such assets except those in which enemy citizens might have

an interest. In any instance where an enemy interest is indicated, careful study should be made to ascertain the rightful owner beyond a reasonable doubt before releasing the assets in question.

**5. Code of Fair Practice**—As contributing to these purposes, we recommend that this conference urge the adoption of an international code of fair practice and business ethics, and we recommend including in such a code such of the foregoing points of policy and procedure as may be pertinent.

**Addendum to the Report on Encouragement and Protection of Investments Added Unanimously by the Plenary Session on Motion of Mr. Guinness, Chairman of United Kingdom Delegation**—Although a detailed examination of the mechanism of the International Bank for Reconstruction and Development, proposed at Bretton Woods, was not made by the Section, opinion was expressed that such an institution would be an encouragement to sound international investment in the post-war period by giving protection to both borrower and lender.

#### Report of the Section on Industrialization in New Areas

A high living standard anywhere in the world can be realized only through increased consumption. Increased consumption requires increased production and the delivery of the fruits of that production into the hands of the consumer at prices he can afford to pay. The people of any nation can prosper and develop their own well-being only by making more effective use of their own national resources, whatever those resources may be. The bounties of nature are where we find them, and if these bounties are to be used effectively in raising the standard of living everywhere, production in each nation must be supplemented and supported by international trade and exchange.

Increased production, increased trade, and increased consumption are the realities through which men can win freedom from want and freedom from fear. Through these realities people everywhere can realize the universal demand for a chance to work in peace and security. The great opportunity that the age of power and tools has given us lies in the increased ability of the peoples in every land to make more of the things they need for themselves and to get from others whatever "good bargains" are available for their own use. This means that each nation must seek to increase its own productive capacity to the greatest degree made possible by the resources it possesses or can develop, and that this productive capacity must be used, either directly or through international trade, as the basis for increased consumption.

Those nations which possess experience in industrial techniques, and which have capital available for investment and lending abroad, have a vital and critical part to play in the post-war international trade world. This part lies both in the field of international trade itself—the multilateral interchange of goods and services among the nations of the world—and in the field of active and constructive participation in the increased industrialization which is inevitable in many lands. The part of any capital-exporting country in the process of world industrialization can best be realized through the exercise of sound judgment in the investment of capital in productive foreign enterprise, and the projection of managerial and technical skills to support it and give it effect.

As the countries of the world improve themselves economically, as they increase their productive

efficiency, as they expand their purchasing power by developing their resources, the pattern of world trade will change, but the whole tempo of trade and industrial activity in all areas will increase. The benefits of increased industrialization throughout the world are therefore recognized as applying not only to the areas where such increased industrialization occurs, but also to the world at large, including countries already heavily industrialized.

In treating with this question of increased industrialization, the scope of our consideration embraces industrialization of underdeveloped countries, modernization or expansion of existing industries, and the longer-term re-industrialization of devastated areas. It is recognized that considerations of humanitarian relief and immediate rehabilitation of devastated areas have a prior claim on whatever resources are available. Industrialization, as discussed by this Section of the Conference, should be understood to mean the progressive modernization of the means of production of those things which are essential to improved living standards. In this field there is much opportunity for cooperative effort and mutual benefit.

Mutual benefit is the only proper basis for the movement of capital from one country to another for purpose of industrialization. Capital will not move from the lending or investing country unless there is a reasonable assumption that it will be safe from discrimination and confiscation and productive in the country of its destination. The capital-exporting country should minimize obstacles in the way of servicing and repaying the foreign investments of its nationals. The capital-importing country should accord fair and equitable treatment to foreign capital and recognize its right to earn a reasonable return. The foreign investment interests, on their part, operating within the framework of the laws of the country in which their investments are made, should seek to contribute to the social and economic welfare of the country receiving the investment.

An important factor to be considered in this connection is the rate at which industrialization can be undertaken within a given country. Neither the undue ambitions of relatively undeveloped countries nor the unbridled enthusiasms of some individuals and groups in the more advanced industrial countries should be allowed to overcome good judgment. The peoples of underdeveloped countries may legitimately look forward to an increasing development of their own industries based upon the use of their own natural resources and supported by their own productive labor, even though this may result, in certain instances, in higher costs. In seeking to expand their industrialization, from the standpoint of their social standards, they may elect to pay, in some cases, a somewhat higher price for the goods they produce than the price at which such goods could be imported. This is understandable up to a point, but the price can be, and often is, too high. No country can be self-sufficient in all things, and efforts to become so through premature or over-ambitious steps may result in imposing an intolerable burden on the domestic economy. No nation should deprive itself, for reasons of pride or ill-conceived social gain, of the many "good bargains" which other countries can provide.

An important factor in this consideration is the ability of any national economy to absorb a program of industrialization in step with a balanced development of its whole economy. Economic dislocation will inevitably occur if too much industrialization is attempted too soon. The rapidity

with which increased industrialization can be undertaken in different countries will vary according to the different conditions prevailing. Too rapid an expansion of industry, when artificially stimulated, will bring profound economic dislocations and may have highly dangerous social consequences.

Another consideration is the exercise of selectivity by industrially advanced countries in the assistance they extend to the industrialization of new and underdeveloped areas. Tools, capital, materials and technicians are not unlimited in their availability, and should be so employed as to give priority to projects of first importance.

It is recognized that a capital-exporting nation must relate the amount of its capital exported to the magnitude and internal balance of its own economy, and to the prospect for eventual importation of the goods and services required to substantiate the loans, credits or investments made.

Countries seeking increased industrialization should recognize that the success of their efforts will largely depend on:

a. Raw materials of proper quality and quantity and at competitive prices.

b. Adequate and reliable sources for the economic production or purchase of power.

c. Availability of national or foreign management, and of labor, with the necessary degree of skill.

d. Labor laws and administrative practices which are fair and reasonable.

e. Markets which are sufficiently broad and available.

f. Tax systems and administrative regulations which permit the hope of earning and retaining an adequate return on capital.

g. Access on equal terms, and without restriction, to sufficient foreign exchange to provide funds for interest and amortization payments on loans and dividends on equity capital.

h. Overall unit production costs which permit profitable operations.

Any program of industrialization requires, as a first essential, adequate capital and efficient plant and equipment. Equally essential, however, is the application of management technique and "know-how" to make continuing and effective use of the facilities provided. To this end management and technical personnel from the capital exporting country should be admitted freely to the country undertaking industrialization, and accorded equality of treatment with locally employed personnel. It is important that local personnel be trained as rapidly and efficiently as possible to participate in the managerial and technical responsibility. The education and training of such local personnel should be extensively undertaken in the capital-exporting country, where the required techniques and "know-how" have their origin.

Underlying all of these considerations, and of vital importance to any program of industrialization undertaken in any country, is the need for internal stability and justice in the country in which industrialization occurs, and for a world structure which will guarantee international security and peace. These purposes, as business men, we call upon our governments everywhere to strive to assure.

As contributing to these purposes, we recommend that this conference urge the adoption of an international code of fair practice and business ethics, and we recommend inclusion in such a code of such of the foregoing points of policy and procedure set forth above as may be pertinent.

**Statement Read by Dr. Alexander V. Dye, on Behalf of Eugene P. Thomas, Presiding Officer at the 2:30 p. m. Plenary Session,**

**Friday, Nov. 17**—The supplemental statement submitted after the report yesterday of the Private Enterprise Section, and the additional statement made by the British delegation at this morning's session made it desirable to say that although any plenary session may make its own rules and regulations, it should be clearly understood that the purpose of the sponsoring organizations in calling this International Business Conference was to enable the business men from many nations who are attending the conference to exchange views and information.

It was clearly stated in the invitation to attend the conference that it was not the purpose of the conference to adopt resolutions, or to make common declarations of policy.

The Section reports rendered at the plenary sessions may, or may not, represent unanimous opinion. In some cases additional statements made by various delegations have been added in the plenary sessions, as an expression of the views of that delegation.

The Chairmen of the Sections presenting the Section reports to the plenary sessions have indicated, and will indicate, the extent of accord regarding the reports submitted.

As to the additional statements made by various delegations in the plenary sessions, these represent the views of the delegation presenting them; and any delegation voting to include such additional statements is not thereby bound to the views therein expressed.

**Extracts from the Remarks of Henry F. Grady, Chairman of the United States Delegation at the Opening of the Afternoon Session, Nov. 17, 1944**—". . . We want to make it clear that, while our delegation is free to take a position, that does not mean we are against anything that happened at Bretton Woods. The reason is that, as a business group, we must take into consideration what may be the views of the important groups in the United States now studying this matter. As a matter of fact, the American Bankers Association, the National Foreign Trade Council, and the New York State Bankers Association are all studying this matter. We feel it would be presumptuous for us to take a position without having the benefit of the studies of these groups.

" . . . Let us not judge the results of this meeting from the standpoint of tangible results. We feel we have done much to bring the opinion of the world together on the vital international economic questions even if we had not come to an exact agreement of minds."

**Extracts from the Remarks of Arthur Guinness, One of the Chairmen of the United Kingdom Delegation**—". . . I would, as one of the Chairmen of the British delegation, like to associate myself with the words of Mr. Grady. My understanding is that no resolutions are being passed at this meeting, that the reports submitted by each Section to the plenary sessions are reports or summaries of the actual work done in the sessions.

"When 52 nations get together, how can we expect to get exactly similar ideas? What we should set out to do is to ascertain the areas of agreement.

" . . . We are the representatives of private enterprise, firmly backing the idea of the enterprise of the individual, and the thing that amazes me is that there is such an area of agreement, considering our very different positions.

"This morning, in asking an addendum to the monetary report, we thought a mention of the International Bank should be included. We never felt that a vote for the addendum meant a vote

for the bank. It was simply to place the British view on record."

#### Report of the Section on Currency Relations Among Nations

The Section on Currency Relations Among Nations held four sessions and heard statements and discussions from the majority of the delegates present. Some of the statements were concerned with the special problems faced by the individual countries, most of them dealt with broad aspects of post-war monetary reconstruction. It was the feeling of the Section that the discussion should not concern itself with the intricacies of monetary technique, nor with problems which, though very important, are special issues that must be faced by individual countries on account of their particular situation. Attention was therefore primarily devoted to basic policies and to the broad framework within which the world economy, and especially its monetary mechanism, is to be rebuilt. Throughout the discussions there reigned the spirit of mutual understanding and of international good will.

The Section surveyed the problems of international monetary organization, with reference to the Bretton Woods proposals and to alternative plans and suggestions; it then moved on to the discussion of problems of monetary standards that it might be desirable to adopt after the war, and other problems incident in the workings of international monetary relations. It was the general feeling that the world should keep gold as a monetary metal and use it as a constituent part of the post-war monetary system. That system might depart in certain particulars from the older forms of the gold standard but should eventually be characterized by stable parities between currencies and by the freedom of international payments. It was felt that transitional period would be necessary after the end of hostilities before an international monetary system could be fully organized. It was fully recognized that a stable exchange relationship between the U. S. dollar and the pound sterling is an essential condition of international monetary stabilization.

References were made, to the need for domestic measures, in the several countries, to bring national economies into equilibrium. It was recognized that such domestic policies would be required for the achievement of stable monetary and commercial relations among nations. What domestic measures would be appropriate to the problems of individual countries was not dealt with in detail.

The immediate post-war years will be fraught with difficulties and many obstacles will have to be overcome before a new world economy emerges. These transitional situations leading from war to peace received recognition in the work of this Section. Reference was frequently made to the plight of countries which underwent the ordeal of enemy occupation, and to the financial problems inherited from the war, such as that of blocked balances, which will best be solved by friendly cooperation based on mutual confidence and understanding.

A great deal of emphasis was placed by the several speakers on the need for a large volume of trade freely moving throughout the world. Indeed, it was the general sentiment of the Section that monetary measures alone would not be sufficient to create and maintain international monetary stability, but that they would have to be based upon the firm foundations of a liberalized trade. While it has been acknowledged that problems of commercial policy were being dealt with by another section of this Conference,

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# International Business Conference Reports

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the close link between free trade our path, this section recommends: and monetary stability was stressed throughout our debates.

## Report of the Section on Commercial Policy

The objective of commercial policies of nations should be the raising of the standard of living of all peoples. The increase in agricultural and industrial productivity has in modern times reached a point where this objective is within the bounds of possibility. This Conference of Businessmen could perform no more useful task than to suggest means by which private enterprise can make material contributions toward the attainment of this end.

The restoration of a multilateral trading system permitting the resources of the world to be utilized in the most efficient manner is an indispensable condition for the raising of the standard of living of all peoples. By removing barriers to trade all countries will be contributing to the expansion of production, employment and exchange and consumption of goods which in the words of Article VII of the Mutual Aid Agreements "are the material foundations of the liberty and welfare of all people."

In the post-war transition period many of the restraints to which production, distribution and consumption have been subjected during the war period may have to be retained, particularly in those countries which have suffered severely during the war. It is essential, however, that this period should not be prolonged to a point where control is maintained for control's sake. Further,

the legitimate aspirations of many countries, especially those predominantly agricultural, to diversify their economy by developing appropriate industries, should be recognized. The protective measures necessary for the furtherance of such a policy should, nevertheless, have regard to the general economy of the country concerned and to the repercussions on the economy of other countries. For reasons of national security certain countries may also insist on maintaining key industries supported by protective measures of one kind or another. Here, too, the dangers of exaggerated nationalism should not be ignored.

Apart from those exceptions to the general principle of free trade, it is necessary to recall the many hindrances to international commerce which characterized the period between the two wars.

Their name was legion: high tariffs, import embargoes, quotas, government subsidies, foreign exchange restrictions, and the like. Most, if not all of these, sprang from the difficulty in which nearly all non-aggressive, peace-loving countries found themselves, of establishing and maintaining a balance in their international accounts. This problem of the balance of payments has engaged the attention of another section of this Conference but it is essential to emphasize that a sound commercial policy is closely dependent on a satisfactory solution of the question of each country's international solvency. The decisive influence on world trade exercised by the level of economic activity in the major industrial countries deserves increasing attention. Prosperity or depression in those countries is all pervasive. A particular responsibility, therefore, rests on them to curb the undue fluctuations which have hitherto characterized their economies.

In order to achieve the objective of free trade and to remove so far as possible the obstacles in

(1) The concluding of a Multilateral Trade Convention, to which all countries might adhere committing the contracting parties to:

- (a) The progressive lowering of tariff barriers;
- (b) The elimination of quotas and import embargoes;
- (c) The adoption in letter and spirit of the most favored nation clause in unconditional and unlimited form as a general principle to be incorporated in all commercial treaties;
- (d) The abandonment of discriminatory trade practices, particularly those leading to closed trading systems;
- (e) The abandonment of national sales and production monopolies, which, in effect discriminate against foreign producers.

(2) The concluding of Treaties of Commerce for periods of at least ten years to enable persons engaged in international trade to make long term provision for production and marketing.

(3) An International Economic Charter between Governments formulated if possible, by the Multilateral Trade Convention which would incorporate the provisions of these treaties with additional provisions covering certain other aspects of commercial policy. Such an instrument would assure an equality of trading opportunity and freedom from discrimination.

(4) An International Economic Organization, which would be entrusted with the task of supervising and coordinating national commercial policies from an International angle in accordance with the provisions of Economic Charter.

(5) That Governments, particularly of creditor countries, should strive to find ways and means of increasing imports into their countries so as to enable debtor countries to meet their obligations.

(6) That Governments should seize the opportunity presented at the conclusion of hostilities by the world-wide demand for goods and services to establish through a liberal trade policy conditions which will lay the foundations of a broad and expanding world trade, and by taking action in advance of an expected upward movement in the trade cycle to mitigate many of the difficulties of the transition period from war to peace.

**Addendum to Commercial Policy of Nations Section Report, Moved by Sir Chunilal B. Mehta, Chairman Indian Delegation, Accepted by Vote of the Plenary Session**—It is recognized that economic competition in world markets for disposing of a country's surplus, by giving a subsidy thereby enabling the exporters of surplus countries to compete in world markets, is not desirable.

### Report of the Cartel Section

1. We attempt a definition of what we are considering. This might be:

Agreements—either between independent private parties or between governments, or both, which provide, in respect of commodities and raw materials the subject of international trade for all or any of the following:

Regulation of production

Orderly marketing

Coordination of prices

Exchange of technical "knowledge" and experience and of patents where they are connected with production or marketing schemes.

This definition is designed to cover "international" commodity

agreements as well as agreements covering semi- or fully-manufactured products.

2. We note the extent to which such agreements operated in world trade before the war.

It is reasonable to say:

(a) that a substantial part of world trade before the war was conducted under such agreements; but

(b) in the absence of accurate statistical information it is difficult to form a definite view on either the volume or flow of trade affected by them.

3. There are two main opposing views:

The view of those who hold that such agreements, whether private or governmental:

Limit trade

Discourage competition

Raise prices

Retard development

Prejudice national security and economy and,

where they are between independent private parties, privately control the direction of trade.

The view of those who hold that such agreements

Promote the exchange of technical information and patents

Improve quality

Lower costs and,

by keeping supplies at a level which will satisfy and stimulate demand,

Maintain and increase employment

Further peaceful relations in trade

Enable living standards to be raised

Open and expand markets in an orderly and progressive manner.

4. It is the sense of the Section that it is essential to preserve the benefits of such agreements, and to avoid their use in a manner which is contrary to the public interest of any nation.

We therefore strongly recommend that the governments concerned, in association with their respective business interests should immediately take steps continuously to study and consult together on the various issues raised and, in particular, to consider the effect of such agreements in relation to:

Employment

Standards of living

Industrial development

Prices

Volume and flow of trade.

Further, it is vital to economic cooperation between nations, that they reconcile their views and practices in regard to these agreements over as wide an area as possible and establish rules and standards to govern such agreements in international trade.

## Ton-Miles of Revenue Freight Increased 2.6%

The volume of freight traffic handled by Class I railroads in October 1944, measured in revenue ton-miles, amounted to approximately 63,500,000,000 ton-miles, according to the Association of American Railroads. This was a decrease under October, 1943, of 2.6%.

The class I railroads in the first nine months of 1944 performed 2.3% more revenue ton-miles of service than in the same period of 1943. The 1944 total was 18% greater than 1942 and 2 1/4 times the ton-miles volume of the first ten months in 1939.

The following table summarizes revenue ton-mile statistics for the first ten months of 1944 and 1943 (000 omitted):

	1944	1943	Chge
1st 8 mos.	475,733,012	478,773,954	+3.5
Mo. of Sep.	61,000,000	62,545,917	-2.5
Mo. of Oct.	63,500,000	65,225,870	-2.6
1st 10 mos.	620,273,400	605,545,741	+2.3

\*Revised estimate. †Preliminary estimate.

## Sproul of Reserve Bank in Circular on

### 6th War Loan Warns Banks on Credit Abuse

Calling attention not only to the request of the Secretary of the Treasury that banks aid in the elimination of speculative subscriptions for Government securities in the 6th War Loan Drive, which opened on Nov. 20, Allan Sproul, President of the Federal Reserve Bank of New York, also on Nov. 13 warned against an abuse which appears "to be developing in connection with war loan deposit accounts" as to which he says:

Apparently some banks have solicited sales of outstanding securities, either directly from customers or through the Government securities market, with the understanding that the sellers will use the proceeds of such sales to pay for subscriptions entered through these banks for substantially equivalent amounts of new securities offered during the drive.

The initiative has also come from present holders of securities, who wish to sell the securities to a bank, with the same understanding with respect to a subsequent subscription to be made through the bank. In either case the banks appear, in effect, to be purchasing the privilege of creating war loan deposit balances, an undesirable practice in itself and one which exaggerates natural adjustments in security portfolios.

Mr. Sproul adds:

Ample provision has been made in the Sixth War Loan Drive for the sale of securities to investors who have accumulated funds, who can pay out of current income,

who can pay with the proceeds of normal portfolio adjustments,

who wish to borrow and buy in anticipation of future income, or

who can use a deferred payment plan.

Every effort should be concentrated on making the maximum amount of sales to such investors.

Specifically, you are requested:

1. Not to make loans to facilitate speculative purchases of Government securities;

2. Not to make loans for the purpose of acquiring indirectly, for your own account, securities offered in the drive to non-bank subscribers; and

3. Not to solicit sales of outstanding Government securities, either directly from your customers or through the Government securities market, with an understanding that the sellers will use the proceeds of your purchase to pay for subscriptions entered through your bank during the drive.

The twelve Federal Reserve Banks are endeavoring to obtain the utmost support from the banking community for the Treasury's policies with respect to speculative subscriptions and the use of war loan deposit accounts,

so that there may be uniform treatment of subscribers throughout the country. The banks of

this district have cooperated in similar efforts during past drives.

By continuing to do so, they can help to assure the real success of the Sixth War Loan.

In the earlier portion of his letter of Nov. 13, addressed to the

banking institutions in the New

York Reserve District, Mr. Sproul said:

The Secretary of the Treasury has requested the banks of the

country to aid in the elimination

of speculative subscriptions for

Government securities during the

Sixth War Loan Drive which begins November 20, 1944. The principal objective of the drive is to

sell as many securities as possible to non-bank investors, who will

retain their investment unless

there arises a pressing and urgent

need for its liquidation. Banks can

help achieve this objective by

continuing to give their enthusiastic

support to the sales program

of the War Finance Committee

of the district, by declining to

make loans to their customers, or

others, which will permit specula-

tive subscriptions for the market-

able obligations offered during

the drive, and by discouraging

subscriptions made in anticipa-

tion of quick resale after the close of the drive.

A procedure has been formulated for dealing with speculative subscriptions. It was set forth in a letter addressed to all banks by the Secretary of the Treasury, under date of November 1, 1944, and was part of the information concerning the Sixth War Loan Drive included in this bank's Circular No. 2857, also dated November 1, 1944. You are asked to examine subscriptions for marketable issues presented through your bank to see if the amounts of such subscriptions are in excess of the ability of the subscribers to pay for the securities. If, in your opinion, subscriptions are in excess of ability to pay, or appear to have been submitted for the purpose of acquiring securities for resale shortly after the drive, you are requested to submit a statement of the circumstances and all available information to the Federal Reserve Bank of New York, as fiscal agent of the United States, for the attention of the Securities Department. This bank will then send you instructions, as promptly as possible, as to the disposition to be made of each case.

Earlier reminders by Mr. Sproul to dealers and brokers in the local Reserve District relative to loans to finance war bond purchases, were noted in our Nov. 9 issue.

## Cotton Spinning for Oct.

The Bureau of the Census announced on Nov. 18 that, according to preliminary figures, 23,138,762 cotton spinning spindles were in place in the United States on Oct. 31, 1944, of which 22,228,138 were operated at some time during the month, compared with 22,279,574 for September, 22,240,676 for August, 22,289,904 for July, 22,373,494 for June, and 22,599,574 for October, 1943. The aggregate number of active spindle hours reported for the month was 9,486,971,017, an average of 410 per spindle in place, compared with 9,380,598,254, an average of 404 per spindle in place, for last month, and 10,069,362,601, an average of 432 per spindle in place for October, 1943. Based on an activity of 80 hours per week, cotton spindles in the United States were operated during October, 1944, at 117.4% capacity. This percentage compares, on the same basis, with 122.3 for September, 116.3 for August, 115.5 for July, 118.5 for June, and 129.5 for October, 1943.

## Mail for War Prisoners

Announcement was made on Nov. 9 by Postmaster Albert Goldmann that according to information received from the Post Office Department at Washington the War Department has advised it is no longer necessary for persons in this country to wait to be informed of the prison camp in which an American prisoner of war is confined in order to send correspondence to him.

Letter mail for such persons may be addressed in the following form: Rank and name, U. S. Prisoner of War in Germany, c/o International Red Cross Directory Service, Geneva, Switzerland.

The advices add that the above address should not be used for letters after a definite camp address has been furnished, and no parcels may be sent until a definite camp is received.

## The State of Trade

(Continued from page 2274)

July 1, 1940, to Oct. 31 of this year were \$229,600,000,000.

**Living Costs Up In October—** The National Industrial Conference Board reports that October living costs for the average family of wage earners and low-salaried clerical workers in the United States advanced 1/10th of 1% from September. The conference pointed out that the increase brought living costs back to the August level.

**Business Failures in October—** Business failures in October were lower in number and amount of liabilities involved than in September. When compared with October a year ago, the number of failures is smaller, but the amount of liabilities involved is larger. Business insolvencies, according to Dun & Bradstreet, totaled 74 and involved \$3,819,000 liabilities as compared with 75 in September involving \$4,065,000 liabilities and 169 involving \$3,785,000 in October a year ago.

**Weekly Business Failures—** Business failures in the United States for the week ended Nov. 16 decreased to 13 from 22 in the preceding week, and compared with 29 a year ago, according to Dun & Bradstreet.

**Commodity Price Index—** Bureau of Labor Statistics weekly index of commodity prices at the primary market level rose 0.1% during the week ended Nov. 11 to the highest point reached since the end of June. This was announced by the U. S. Department of Labor on Nov. 16, which further stated: Continued seasonal advances in prices for fruits and vegetables and for eggs accounted for the rise. The increase brought the all-commodity index to 104.1% of the 1926 average. In the past four weeks average prices for these commodities have risen 0.3% and are now 1.3% higher than at the same time last year.

**Steel Industry—** "Swept by the tide of orders placed and commitments made in the past two weeks, the early 1945 steel production pattern has been clarified. Steel makers this week are in possession of production probabilities which leave them somewhat less in a quandary than was the case a few weeks ago. Furthermore, grounds for more optimism on an orderly reconversion period are found in the statement by Hiland Batcheller, WPB chief of operations, who in New York this week pledged that the WPB would soon give to all industry, in advance, the blue-print of streamlined regulations which would become effective when Germany is defeated," states the "Iron Age," in its November 16 issue.

Contrary to reports from other centers, many civilian industries in the Chicago district have made definite commitments as to the type and quantities of material they will require as soon as restrictions on production are removed.

Barring unexpected developments in the European war, shell steel will replace plates as the controlling factor in the steel product mix. Plate directives are expected to be cut further as maritime demand continues to drop, recent reports indicating that the Maritime Commission's steel needs for the first quarter of 1945 will be roughly about one-half of what they are for the fourth quarter of this year.

With a drop in plate commitments, the steel industry will be in a better position to consider the mass of sheet orders which have drifted high on mill order books in recent weeks despite substantial cancellations.

The Office of Defense Transportation has asked the WPB to give the railroads 2,400,000 tons of their requested 2,900,000 tons

for the 1945 rail program, of which 600,000 tons is asked for in the first quarter. With a cut of nearly 20% from the requested railroad requirements placed before it, states the magazine, it is difficult to see how WPB can shave this request much further, particularly in view of the fact that the 1944 ODT rail request was slashed. Notwithstanding this, the rail program will also be in direct competition with shell steel and structural steel if further pressure is exerted, it may feel the axe.

Warehouses are again building up inventories with WPB's blessing, one major warehouses interest currently being in the market for about 20,000 tons of various products. Almost alone among consumers holding allotments, the farm implement industry is outstanding in its willingness to make commitments beyond the first quarter.

Cancellations within the past several weeks have been an important factor in the steel market. One mill has been piling up as much as 500,000 tons in that category with delivery spread out well into 1945.

Termination of such business is proceeding in good order with at least 75% of the terminated contracts either settled or applied to other orders.

The only major war production program which will get strong emphasis in the future, states "The Iron Age," is the heavy artillery shell requirement. Three large shell producers are yet to come into production and others are currently getting under way.

The trend in scrap prices this week appeared to be definitely upward, but the magnitude of this movement is still to be determined. Heavy melting steel and associated grades are higher at Pittsburgh. Increases occurred at other centers also.

The American Iron and Steel Institute announced last Monday that the operating rate of steel companies (including 94% of the industry) will be 95.4% of capacity for the week beginning Nov. 20, compared with 96% one week ago. This week's operating rate is equivalent to 1,716,200 net tons of steel ingots and castings, compared with 1,727,000 net tons last week and 1,727,300 tons one year ago.

**Electric Production—** The Edison Electric Institute reports that the output of electricity increased to approximately 4,396,595,000 kwh. in the week ended Nov. 11 from 4,354,939,000 kwh. in the preceding week. The latest figures approximate a decline of 1.9% from the level of one year ago, when output reached 4,482,665,000 kwh.

**Railroad Freight Loading—** Carloadings of revenue freight for the week ended Nov. 11 totaled 839,489 cars, the Association of American Railroads announced. This was a decrease of 53,844 cars, or 6% below the preceding week this year, and 8,483 cars, or 1% below the corresponding week of 1943. Compared with a similar period in 1942, an increase of 12,794 cars, or 1.5%, is shown.

**Coal Production—** Despite the fact that some mines were closed on election day and others operated only part time, the production of both bituminous coal and anthracite measured well up to expectations during the week ending with Armistice Day, Nov. 11. Solid Fuels Administrator Harold L. Ickes disclosed. The U. S. Bureau of Mines reports production of Pennsylvania anthracite for week ended Nov. 11, 1944, at 1,158,000 tons, an increase of 20,000 tons (1.8%) over the preceding week, and an increase of 68,000 tons, or 6.2% above

the corresponding week of 1943. The 1944 calendar year to date shows an increase of 7.4% when

compared with corresponding period of 1943.

The report of the Solid Fuels Administration placed bituminous production for the week ended Nov. 11 at 10,660,000 net tons, representing a decrease of 1,290,000 tons, or 10.8%, compared with 11,950,000 tons in the preceding week. Production in the corresponding week of last year amounted to 11,534,000 net tons, while output for Jan. 1 to Nov. 11, 1944, totaled 541,165,000 net tons, an increase of 7.2% over the 504,822,000 tons mined in the same 1943 period.

The above increase reflects this year's longer working periods and uninterrupted work, together with heavy gains due to the growth of strip mining, while the 1943 output was handicapped severely by strikes.

Estimated production of beehive coke in the United States for the week ended Nov. 11, 1944, as reported by the same source, showed an increase of 4,500 tons when compared with the output for the week ended Nov. 4, last. There was, however, a decrease of 27,100 tons less than for the corresponding week of 1943.

**Silver—**The London market for silver the past week was unchanged at 23½d. The New York Official for foreign silver continued at 44¾ cents, with domestic silver at 70¾ cents.

**Lumber Shipments—**The National Lumber Manufacturers Association reports that lumber shipments of 500 reporting mills were 4.0% above production for the week ended Nov. 11, while new orders of these mills were 15.0% less than production for the same period. Unfilled order files amounted to 89% of stocks.

For 1944 to date, shipments of reporting identical mills exceeded production by 2.7% and orders ran 4.1% above output.

Compared to the average corresponding week of 1935-39, production of reporting mills was 22.5% greater, shipments 42.1% greater, and orders 16.1% greater.

**Crude Oil Production—**Daily average gross crude oil production for the week ended Nov. 11, as estimated by the American Petroleum Institute, was 4,727,400 barrels. This represented an increase of 7,500 barrels per day over the preceding week, and 6,900 barrels in excess of the daily average figure recommended by the Petroleum Administration for War for the month of November, 1944. When compared with the corresponding week last year, crude oil production was 290,950 barrels per day higher. For the four weeks ended Nov. 11, 1944, daily output averaged 4,733,300 barrels.

Reports from refining companies indicate that the industry as a whole ran to stills (on a Bureau of Mines basis) approximately 4,650,000 barrels of crude oil daily and produced 14,464,000 barrels of gasoline. Kerosene output totaled 1,512,000 barrels, with distillate fuel oil placed at 4,492,000 barrels and residual fuel oil at 9,431,000 barrels during the week ended Nov. 11, 1944. Storage supplies at the week-end totaled 78,091,000 barrels of gasoline; 14,070,000 barrels of kerosene; 48,259,000 barrels of distillate fuel, and 63,999,000 barrels of residual fuel oil.

**Paper Production—**Paper production for the week ended Nov. 11 was at 92.3% of capacity, as against 94.1% of capacity in the preceding week, the American Paper and Pulp Association's index of mill activity disclosed. The rate during the week ended Nov. 11 last year was 89.6% of capacity. As for paperboard, production for the same period was reported at 96% of capacity, unchanged from the previous week.

**Hardware Jobber Sales in Sept.—**Sales of wholesale hardware distributors in the United States in September showed an average

gain of 8% over those for the same month in 1943, reports the "Hardware Age," the current week in its every-other-week market summary. Sales for the first three quarters of this year showed an average gain of 2%, in dollar volume, over the same period in 1943. Accounts receivable during the month, were less than ½ of 1% under those for the same month last year. Collection percentages showed a good gain over those for September, 1943.

Average wholesale hardware distributor inventories the end of September, 1944, were 8% higher, in dollar value, than at the same time last year, but averaged 3% lower than at the end of August, 1944.

**Wholesale and Retail Trade—**Retail trade last week for the country as a whole was stimulated by Christmas shopping, with estimates ranging from 8 to 12% over last year, according to Dun & Bradstreet. Factors such as favorable weather, the Armistice Day holiday, and growing interest in holiday gift items were said to be responsible for the heavy trading. The upturn in volume was shored by almost all departments.

Activity was especially marked in gloves, novelty jewelry sets, compacts and cigarette cases, monogrammed silver and leather goods, scarfs and neckwear. Holiday items selling well were books, stationery and gift wrappings, while in household furnishings demand was limited to small items. Toy sales were high with stocks larger than that of a year ago.

In clothing section, women's dresses and suits continued popular and men's suits were selling well with supplies little changed from the previous year.

Heavy interest was noted in piece goods with special emphasis on better quality dress fabrics. Supplies of toweling, sheeting and other linen fell short of consumer demand. In the food department, sales continued to run high with stocks of some dairy products scarce.

Percentage increases on a regional basis for the week were: New England, 8 to 12%; East, 7 to 11%; Middle West, 12 to 15%; Northwest, 8 to 10%; South, 7 to 10%; Southwest, 5 to 9%, and Pacific Coast, 9 to 13%.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, were 9% ahead of a year ago for the week ended Nov. 11. This compared with 6% in the preceding week. For the four weeks ended Nov. 11, 1944, sales increased by 9%. A 9% increase in department store sales for the year to Nov. 11, 1944, over 1943, was also noted.

Gift shopping here in New York as elsewhere the past week increased. Colder weather was instrumental in spurring the sale of seasonal merchandise, including furs. Gains in sales by department stores over a year ago ranged upwards of 15%, the New York "Times" reveals.

Wholesale markets the past week were crowded with buyers attempting to replenish depleted stocks of Christmas goods and to place orders for spring merchandise. Many women's suit lines for spring have already been withdrawn, and scarcities continue to persist in cotton goods.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Nov. 11 increased by 10% over the same period of last year. This compared with 3% in the preceding week. For the four weeks ended Nov. 11 sales rose by 9%, and for the year to Nov. 11 they improved by 9%.

## AIB Job Relations Training Program

A Job Relations Training program, which is expected to be of special value to the banks of the country was inaugurated in New York on Nov. 13 by the American Institute of Banking, with the opening of a master J. R. T. Institute, at which the first group of bankers is being trained. The program being employed by the A. I. B., is an adaptation to the banking business of the J. R. T. program developed by the War Manpower Commission for use in industry. Nine bank officers from eight States are taking the initial 40-hour course here in New York this week. Also taking the course this week is Robert C. Rutherford, Assistant to the Secretary of the American Institute of Banking, who will select from chapter groups throughout the country men who will be trained by these nine. They in turn will give the course in their chapters to the supervisors in the banks in their areas. This is the second such training course sponsored by the American Institute of Banking. More than 3,500 bankers were trained last year in the Job Instruction Training program conducted by the Institute, and it is expected that more than 5,000 will be trained this year in the Job Relations Training program. The Job Relations Training is directed primarily at the handling of the human relations by the supervisory personnel in the banks.

The nine bankers taking the course here this week are: Hartwell F. Taylor, Assistant Cashier, Morris Plan Bank of Virginia, Richmond, Va.; Ralph Endicott, Assistant Treasurer, Washington Loan & Trust Company, Washington, D. C.; Joseph Fitzer, Planning Department, Continental Illinois National Bank & Trust Co., Chicago, Ill.; William G. Barry, Assistant Branch Manager, First National Bank, Boston; Edmund B. Welshans, Secretary, St. Louis Chapter, American Institute of Banking, St. Louis, Mo.; Mercer C. Macpherson, director, Community Relations, Montclair Savings Bank, Montclair, N. J.; Robert F. Goodwin, Auditor, Wachovia Bank & Trust Co., Winston-Salem, N. C.; G. Stephen Henninger, Assistant Secretary, Irving Trust Company, New York; Charles Krummel, Chief Clerk, Seamen's Bank for Savings, New York.

## Adjustment Offered Bogota Dollar Bond Holders

The Colombian Ambassador to the United States, Dr. Gabriel Turbay, has announced that the municipality of Bogota, the capital city of the Republic of Colombia, has arranged to make an offer of adjustment to the holders of its 1924 and 1927 dollar bonds. According to the announcement which will be published presently by the City of Bogota, the holders of the bonds of the municipality will be given an opportunity to receive in exchange for their present holdings equal par amounts of Republic of Colombia 3% bonds, which were issued in 1940 and are currently quoted on the New York Stock Exchange.

The Ambassador stated that copies of the formal offer to bondholders may be obtained from the National City Bank of New York, which has been designated as the exchange agent. The Ambassador pointed out that this adjustment by the capital city of Colombia follows other similar adjustments made by the Republic of Colombia and by the Agriculture Mortgage Bank of Colombia.

Holders of municipal bonds who desire to make the exchange should deliver their bonds to the exchange agent, with a properly executed letter of transmittal. The offer will remain open until Oct. 1, 1946, or such later date as the municipality may designate.

## Roosevelt Advocates Compulsory Military Training in Peacetime

(Continued from first page)

jected for military service in the United States for physical reasons. He recalled the advantages provided by camps of the Civilian Conservation Corps as a corrective measure.

The announcement of the President was expected to determine the immediate program of the House Post-War Military Policy Committee, of which Representative Clifton A. Woodrum, Democrat of Virginia, is Chairman. The Committee, which had deferred hearings on peace-time universal military training until after the elections, was expected to meet next week to decide whether to take testimony on the subject before the present Congress ends. The Committee, created by a resolution sponsored by Representative James W. Wadsworth, Republican, of New York, will be continued into the next Congress.

Saying that he had been for universal training right along, Mr. Roosevelt declined to be pinned down on whether he thought this training should be military, according to Associated Press accounts from Washington on Nov. 17, from which we also quote:

"Whether the plan should apply to young women, too, the President said was another matter and would depend on the legislation itself."

Asked flatly whether he thought the training should be military, the President instead of answering directly posed several questions of his own.

Told that some factions wanted to carry out the training program in the National Guard in periods of two or three months a year or in weekly drill periods, the President said flatly it will not work.

Meanwhile, Catholic Church and peace organization officials went on record against peace-time conscription.

Five peace organizations, the Fellowship of Reconciliation, National Council for the Prevention of War, War Resisters League, Women's Committee to Oppose Conscription and the Women's International League for Peace and Freedom, opposed permanent conscription on religious, practical and constitutional grounds.

Other observations relative to the President's views, as given in the Associated Press, follow:

The question of peace-time military training seems certain to bring prolonged controversy in the new Congress, which takes office in January.

As the discussion went along, these were some of the President's observations:

It was appalling the number of men turned down in the draft because of physical defects.

It was important to teach men to live with other men.

As for the military aspects, cooking might be military and it might not, and so might carpentry.

Anyhow, there were lots of things boys could do for their country.

Asked whether the National Guard would continue if Congress enacted a peace-time universal training law, he said he did not know, that it would depend on Congress.

Universal peace-time military training has been endorsed by Secretary of the Navy Forrestal and by Gen. George C. Marshall, Army Chief of Staff, and already has the support of a sizable group in Congress. Several measures to put it into effect are pending at the Capitol.

The likelihood of heavy battling in Congress over compulsory training was seen on Nov. 18, with Senator Chan Gurney, Republican, of South Dakota, promising "a whale of a fight if they try to dilute it." Reporting this, the As-

sociated Press, according to the "Herald Tribune," said:

The real fight won't come off until after the first of the year. Then, when the new Congress meets, legislative committees will tackle the issue of whether to order a year's military training in peace-time for every physically fit American youth.

A new suggestion from President Roosevelt for compulsory "Government" training touched off pro and con pyrotechnics in advance.

"He's figuring on vocational training," remarked Senator Gurney, author of a bill for a year's compulsory military service. "I'm going to have a lot to say on this subject. We've got to have the proper kind of training to keep the country strong."

"That's the purpose of my bill, and the only thing that would justify passage of legislation of that kind. There'll be a whale of a fight if they try to dilute it."

Mr. Roosevelt indicated at a news conference yesterday that he had in mind something broader than mere military instruction; that he might like to see it linked with physical and vocational education.

One of those applauding Mr. Roosevelt's idea was Senator Edwin C. Johnson, Democrat, of Colorado. Like Mr. Gurney, a member of the Senate Military Committee, Mr. Johnson said:

"I'd fix it, if I had the say-so, so that we might give youth a year's training in high school or college, so that any military training would be coordinated with education. A reserve enlisted corps could be formed, along lines of the Reserve Officers' Training Corps.

"I'd even put the age limit down to 17 to get them in the reserves earlier, when they are more flexible."

"Future wars will be won," he said, "by marching science and marching resources, directed by skilled technicians, and not by the number of marching men."

## President Tells New Australian Minister Victory Is in Sight

In accepting on Nov. 14 the credentials presented by Sir Frederic William Eggleston, the new Minister from Australia, President Roosevelt stated that "ultimate victory, both in Europe and in the Far East, is in sight." From Associated Press Washington advices we quote:

Saying that together the United Nations have largely solved the problems of waging war, Mr. Roosevelt added that the time has come to organize the peace "without a moment diminishing our war effort." He said the United States, "especially looks forward to a mutually beneficial cooperation with Australia in the Pacific."

According to the New York "Times" Washington account Sir Frederic told the President:

"Australia will never forget the help given to her by the United States." His country hopes to cooperate "in establishing a peaceful order based on law and on recognition of the rights and responsibilities of nations," he said.

He offered congratulations on the invasion of the Philippines and the recent naval victory over the Japanese.

"Now that the period of acute danger to Australia is over," he said, "Australia is determined to contribute her due share in bringing to other countries the security which she now enjoys."

## From Washington Ahead of The News

(Continued from first page) exercise in the future. This organization is something new in American politics; it has demonstrated its effectiveness; it has announced that it intends to remain in being. It has got to be reckoned with.

In the recent campaign we heard a lot of conservatives say that it was nonsense to worry about this crowd because Roosevelt had shown how to kiss off John L. Lewis who was so prominent in his 1936 reelection. There is this difference: Roosevelt could have won easily without John L. Lewis, and knows it. He became quite annoyed when in the sit-down strike period Lewis pressed him too hard. Roosevelt was sympathetic to the sit-down strike movement, but Lewis, with his domineering way, would not let him go along with it with his usual political finesse.

Sidney Hillman will never make the mistake of Lewis. He will never openly challenge Roosevelt. He is much too subtle for that. A distinct difference is that Hillman and Phil Murray both realize that their political bread and butter revolves around Roosevelt. They will never get their feet off the ground to the extent of thinking they can fight him. They will therefore have a more cunning, and at the same time, more effective influence in the shape of things to come.

As to their influence on Congress, there seems not to be the slightest doubt. They claim to have been responsible for the election of more than 100 members. A study of the list of those they claim to have been responsible for shows their exaggeration, but nevertheless there are enough Congressmen who came through by the skin of their teeth, over the PAC's opposition, who will now want to placate this new movement, to make it very formidable, indeed.

Perhaps what Congress will do and will not do is not of so much importance as the statement which Mr. Roosevelt made to a Republican Governor in the course of the campaign. This Governor asked him how on earth he really intended to provide jobs for everybody after the armed forces came home. In his usual amiable way he replied that that was easy, that the boys were not to be returned to their own communities necessarily, but to places where there would be jobs. The Governor asked if Congress would permit that. Mr. Roosevelt thought it a huge joke and replied, in words to this effect:

"Governor, you and I know how to get around legislative bodies."

There seems to be no doubt that Mr. Roosevelt can do that. In looking over the prospects of the Republicans in Congress making a fight or developing an issue, one is up against the inescapable fact that Governor Dewey, in his admittedly courageous campaign, has taken the ground out from under them on one proposition: the extension of social security. The Governor came out for that when Mr. Roosevelt has had a bill up before Congress for more than a year to accomplish that very thing. Governor Dewey also said he would eliminate the taxes from the small pay envelopes. Secretary Morgenthau proposed that in his tax bill of early 1944, and both Republicans and Conservative Democrats rejected it, in the hope, certainly on the part of the Republicans, that the broadening of the tax base would make the wage-earners more conscious of what their Government was doing.

The darndest thing, however, and something to prove a nuisance to many employers, is the Republican platform pledge, and Mr. Roosevelt's personal pledge, to continue the Fair Employment Practices Commission, by which the employer will be told how many of this and that racial element he must employ. The Southern Democrats had kept that out of their party's platform. But now they have thrown up the sponge. This writer gets a little kick, too, out of those Conservatives who said that now, "in his last four years," Mr. Roosevelt would swing to the right. The first thing he digs up is that long-forgotten about proposition of seven TVAs over the country.

The thing really to watch, however, is whether the Leftists succeed in running Jesse Jones or men of his mind, out of the administration of the surplus property disposal. The question involved here is whether this disposal shall be in such a way as to help private enterprise, or to "break up monopoly," as it is coyly put, or more frankly, to redistribute wealth. The war against Jones, a symbol, is on.

## Thomas J. Watson Acclaims Success of Rye International Business Conference

(Continued from first page)

neutral countries that has brought so many delegates to this Conference.

It is the coordination of effort among them that has carried the Conference forward toward success.

In the future it is cooperation—and coordination of effort—for fair economic policies among the free peoples of the world that will bring about lasting peace.

We hear and read a great deal about the problem of the reconversion of industry from wartime to peacetime activities.

I believe we must consider a more important type of reconversion—the reconversion of our thinking, our ideas and ideals—so that we will be prepared to face the new and changed world after Victory.

That is the kind of reconversion that will require our thoughts, efforts and talents to the fullest extent.

We cannot yet visualize fully what we have to do in the way of reconverting ourselves, because we do not yet know what new type of thinking—or what aims and ambitions of different countries—must be fitted in, and dealt with, in the post-war world.

I am giving serious consideration to the reconversion of my own thinking, and every day more things open up before me and make me realize that I must make greater adjustments in my thinking processes.

In raising my sights, I must think along lines that I hope may be of some help in this new and changed world.

Everything depends upon this reconversion job done by individuals and by groups.

We have an opportunity before us to work, as individuals and as groups, within our own countries to convert our people to the realization that all nations are interdependent.

By so doing, we can play an important part in the development of a world program that can be agreed upon as being in the best interests, not only of our individual countries, but of the entire world.

I have talked on the subject of "World Peace Through World Trade" many times, and I have worked for its accomplishment to the best of my ability with representatives of forty countries during the period between the two wars.

At the meeting of the International Chamber of Commerce at Copenhagen, in July, 1939, I said:

"The spirit of conciliation and a desire to understand national and international problems is the essence of civilization."

"It is the basis on which rests the philosophy and the accomplishments of the International Chamber of Commerce, which be-

Practices Commission, by which the employer will be told how many of this and that racial element he must employ. The Southern Democrats had kept that out of their party's platform. But now they have thrown up the sponge.

This writer gets a little kick, too, out of those Conservatives who said that now, "in his last four years," Mr. Roosevelt would swing to the right. The first thing he digs up is that long-forgotten about proposition of seven TVAs over the country.

The thing really to watch, however, is whether the Leftists succeed in running Jesse Jones or men of his mind, out of the administration of the surplus property disposal. The question involved here is whether this disposal shall be in such a way as to help private enterprise, or to "break up monopoly," as it is coyly put, or more frankly, to redistribute wealth. The war against Jones, a symbol, is on.

The present issue of 2½% National War Bonds 1952-'54, which was originally placed on sale in Sept., 1943, has already reached the total of about \$2,760,000,000," Sir John said.

lieves that world peace will come through world trade."

One thing on which we can all agree, is that in order to maintain peace we must bring about economic adjustments that will make possible the proper flow of goods and services both ways across the borders of nations.

The exchange of goods and services comes down to a very simple formula—an adjustment of trade barriers.

I do not mean free trade, but an adjustment of trade barriers which will be as fair to one country as to another, regardless of their size or political importance.

The natural resources of the world are not evenly distributed—which means certain people are able to produce some things to better advantage than they can be produced in other parts of the world.

We must come to an agreement on a proper plan for the distribution of these products on a fair basis.

I like the old motto—"A fair deal cannot injure anyone"—and I am sure it will help us all if we keep that in mind.

A proper flow of goods and services between the free countries of the world means increased production.

Increased production means increased employment, and increased employment means higher standards of living.

Better standards of living all over the world will be the direct consequence of the fair adjustment of trade barriers.

And that is the greatest contribution to permanent peace that the businessmen of the world can participate in.

Let every country build for greater consumption at home.

We should and will increase our consumption in the United States, and raise the standards of living of our under-privileged.

In the cooperation of all the free peoples, and in the coordination of their efforts, lies the opportunity for the creation of an expanding world economy, which will benefit all people in all parts of the world.

In closing, I want to express our deep appreciation to you who have traveled so far under difficult conditions to come here and make your contribution to the Conference.

We wish you all a safe journey home, and we shall all hope and pray for a speedy end of the war.

Thank you.

## British Nat'l War Bonds Discontinued After Nov. 6

The sale of British National War Bonds was discontinued after Nov. 6 and in their place an offering of a new security known as the 1¾% Exchequer Bond 1950 was proposed, Sir John Anderson, Chancellor of the Exchequer, announced on Oct. 31. This was indicated in Associated Press advices from London, which also stated:

"He told Commons that the bond was to be issued at par and repayable at par Feb. 15, 1950."

"He said Great Britain's total expenditures during five years of the war up to Sept. 2 were \$96,000,000,000, of which war services totaled \$80,000,000,000."

"Of the total expenditures, \$44,936,000,000 was raised by taxation and other revenue, and the remainder by borrowing."

"The total national debt as of Sept. 30, he said, was approximately \$84,800,000,000, an increase of \$51,200,000,000 since the beginning of the war."

"The present issue of 2½% National War Bonds 1952-'54, which was originally placed on sale in Sept., 1943, has already reached the total of about \$2,760,000,000," Sir John said.

## Steel Output Slightly Lower—Shell Program Increased—Scrap Prices Advance Further

"The complexion of steel orders has changed considerably in the past few weeks and more changes are expected in the distribution picture during the first quarter of 1945," states "The Iron Age" in its issue of today (Nov. 23), which further adds in part as follows:

"Several months ago accent was on many war programs as far as steel supply was concerned, but now the spotlight shows brightly upon only one major war steel item—shell steel.

It was apparent early this week that the increased shell program will not be at the expense of steel rails in the first quarter, but will gain its extra supplies from cutbacks in steel plate directives.

"It is expected that shell steel production will increase about 5,000 tons a month, starting in January with an indication that in May of next year shell steel demand will exceed monthly capacities for that item by some thousands of tons. It is quite possible that because of the rapid turn of events abroad, subsequent changes may be made in various parts of the shell steel program. For this reason it is believed that any item which stands in the way of full and rapid shell steel output will definitely be sidetracked until such time as the Armed Forces are adequately supplied with their requirements.

"Apparently a clear track has been definitely established for first quarter steel rail requirements which will total about 600,000 tons. It is expected that this tonnage will be supplied despite competition with shell steel for hot-topping facilities. This will mean a step-up of present steel rail output levels."

"Maritime Commission requirements, written off many times in the past only to rise again, appear to have finally and definitely hit the skids. Contracts rapidly nearing completion are not being renewed. Otherwise the war production picture is mixed with some contract reductions and cancellations and other new commitments.

"Most scrap markets this week followed up last week's advances in price with further increases. Some areas claim that prices are heading for the ceiling level. 'The Iron Age' steel scrap composite price is up \$1 a gross ton this week to \$17.08 a gross ton."

The American Iron and Steel Institute on Nov. 20 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 95.4% of capacity for the week beginning Nov. 20, compared with 96.0% one week ago, 96.3% one month ago, and 99.1% one year ago. The operating rate is equivalent to 1,716,200 tons of steel ingots and castings, compared to 1,727,000 tons one week ago, 1,732,400 tons one month ago, and 1,727,300 tons one year ago.

"Steel," of Cleveland, in its summary of the iron and steel markets, on Nov. 20 stated in part as follows:

"Accelerated demand for shells and other types of heavy ammunition and greater pressure for combat tanks and heavy trucks are causing a tighter situation in bars and shapes and have strengthened the plate situation somewhat."

"Pressure from the armed services for greater production of some types of munitions and a possible spurt in steel consumption for a short time strengthen the situation currently, but most steel leaders expect the easing trend of the past few months to continue with few important variations. In spite of the lift in demand for plates the overall trend continues downward, with little to alter the expectation of considerable reduction in first quarter. This is based on present likelihood of a sharp cut in the Maritime Commission program in first quarter, although Liberty ship cancellations following V-E Day

## Treasury Offers Notes And Bonds In Exchange

The terms of an exchange offering to holders of \$1,036,692,400 of 4% Treasury bonds of 1944-54, which were called for redemption on Dec. 15, and holders of the \$3,539,755,000 of series G-1944 7/8% certificates of indebtedness, which will mature on Dec. 1, were made public by Secretary of the Treasury Morgenthau on Nov. 16. The announcement follows:

Secretary of Treasury Morgenthau today released the official circulars containing the detailed terms and conditions of the exchange offerings open to holders of the 4% Treasury bonds of 1944-54 called for redemption on Dec. 15, 1944, and to holders of the certificates of indebtedness of series G-1944 maturing Dec. 1, 1944.

"All holders of the called bonds except commercial banks, which are defined for this purpose as banks accepting demand deposits, will be permitted, beginning Nov. 20, to exchange such called bonds for the 2 1/2% Treasury bonds of 1966-71, the 2% Treasury bonds of 1952-54 and the 1 1/4% Treasury notes of series C-1947, which will open for cash subscription on the same date in the Sixth War Loan Drive. Commercial bank holders will be permitted to exchange for the 2% bonds and the notes, but not for the 2 1/2% bonds, which are not available to commercial banks, except under limited provisions, until Dec. 1, 1954. All of these exchanges will be made as of Dec. 15, 1944, the date on which the called bonds cease to bear interest, in authorized denominations beginning with \$500 for the bonds and \$1,000 for the notes. Accrued interest will be charged on the new securities from Dec. 1 to Dec. 15 at their respective rates as set forth in the official circulars.

"Holders of the maturing certificates will be permitted, also beginning Nov. 20, to exchange them, par for par, for Treasury notes of series C-1946. The notes will be dated Dec. 1, 1944, will bear interest at the rate of 0.90% per annum, payable on a semi-annual basis on July 1, 1945, and Jan. 1, 1946, and will mature on Jan. 1, 1946. They will be issued in bearer form only with two interest coupons attached, in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000.

Pursuant to the provisions of the Public Debt Act of 1941, interest upon the bonds and notes now offered shall not have any exemption, as such, under Federal tax acts now or hereafter enacted. The full provisions relating to taxability are set forth in the official circulars released to day.

"Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington, and should be accompanied by the securities to be exchanged. Where coupon bonds are presented, the subscription should also be accompanied by the payment of accrued interest at the rate of \$0.966 per \$1,000 for the 2 1/2% bonds, \$0.77 per \$1,000 for the 2% bonds, and \$0.49 per \$1,000 for the 1 1/4% notes. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Subject to the usual reservations, all subscriptions for any of the four issues will be allotted in full.

The subscription books for the offering of 0.90% Treasury notes of series C-1946 in exchange for the maturing certificates will close at the close of business Wednesday, Nov. 22, except for the receipt of subscriptions from holders of \$100,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter

## Power to Commit U. S. to Use of Force In World Organization Debated by Senators

In a symposium in Town Hall on Nov. 16 on the question of "Should the American representative in a World Organization have the power to commit us to use force?" three United States Senators participating therein spoke pro and con on the subject. Answering in the affirmative, said the New York "Times," were Senator Joseph H. Ball, Republican, of Minnesota, and Senator Claude Pepper, Democrat, of Florida. Opposed

was Senator Chapman Revercomb, Republican, of West Virginia. Supporting him was John T. Flynn, writer and economist. They spoke before America's Town Meeting of the Air under the auspices of "The Reader's Digest," it was stated in the "Times," from which we also quote the following:

1. The whole purpose of the United Nations Organization is to maintain peace, not make war. It would use military force not in the traditional sense of making war, but to stop aggression before it grows into war on a broad scale.

2. Under either the general welfare or national defense clause of the Constitution, in the light of modern conditions, Congress would have authority to delegate in advance such power as is proposed for the American representative in the council of the World Organization.

3. Congress would have the authority to clothe the American representative with the power in question under Article I of the Constitution, which empowers Congress "to define and punish piracies and felonies committed on the high seas and offenses against the law of nations."

4. A simple solution to the fears over delegation of this authority to a non-elective official would be to provide by legislation for the election by the people of our representative, thereby making him directly responsible to the people.

"Unless there is certainty that in the event all else fails, force will be promptly available to stop war, all the other important peace promoting machinery of the organization will fail," Senator Ball said. "Would-be aggressors will respect only one argument—force, which they know can and will be used against them."

Senator Pepper argued that agreement by two-thirds vote of the Senate to the instrument creating a world organization and providing it with the necessary forces to enforce peace would imply our assent, in a constitutional way, to use of such forces.

"The only thing that remains is for the conditions justifying the use of such forces to be found to exist," he said. "Obviously the Council of the United Nations must make this decision, for its decisions, to be effective, must be quickly made and the forces at its command must be subject to instant use if war is to be stopped before it gains momentum."

Senator Revercomb maintained that a World Organization based upon proper principles, with the participation of the United States, would function effectively for the maintenance of peace without giving "dictatorial power" to any representative such as, he said, was implied in the proposal under discussion. He denied that refusal to grant such power would involve danger of delay in any situation requiring speedy action and maintained that Congress always could be relied upon to authorize action whenever the preservation of peace required it, once it was furnished with the necessary facts and information.

"To give the power to one man to decide and commit this nation to use force would in effect be to replace the decision of Congress with the decision of one person on an important function of Government," he said. "That would be a fatal step toward the destruction of Government by a free people and of their right to control and order their own affairs."

Mr. Flynn maintained that to grant this power to one individual, especially at a time when Europe is likely to be divided into conflicting camps of Communist and Fascist States, would mean to "plunge this country into another world war without even consulting Congress."

## Third War Conference On Fire Prevention

Announcement was made recently by the Insurance Department of the Chamber of Commerce of the United States that the Third War-time Conference on Farm and Rural Fire Prevention to cope with the continuous increase of rural fire losses and their serious effect on the nation's production of food will be held on Dec. 11, at the Palmer House, Chicago. The conference is sponsored jointly by the Agricultural Committee of the National Fire Waste Council and the Farm Fire Protection Committee of the National Fire Protection Association, with the cooperation of the National Chamber's Insurance Department. Dr. David J. Price, U. S. Department of Agriculture and past President, National Fire Protection Association, and Rush W. Carter, Assistant Manager, Aetna Insurance Company, Chicago, are the Chairmen of the sponsoring committees.

Attending the meeting will be rural fire insurance leaders, State fire marshals, farm equipment manufacturers, Chamber of Commerce executives, rural fire prevention authorities, representatives of the Department of Agriculture, American Red Cross, as well as officials of the National Board of Fire Underwriters, National Fire Protection Association, National Association of Insurance Agents, Mill Mutual Fire Prevention Bureau, National Association of Mutual Insurance Companies, Western Actuarial Bureau, U. S. Chamber of Commerce, and others. The program will feature talks and discussions on ways to arrest the alarming upward trend of destruction by fire of food and food production facilities. Among the subjects to be considered are: the present status of rural fire prevention; use of war emergency fire fighting equipment in rural areas in the post-war period; State committees for rural fire districts; a county system of rural fire prevention; use of water-fog in rural areas and fire resistive materials for buildings on farms and in rural communities.

Farm and rural fire losses annually aggregate approximately \$200,000,000 and cause the death of at least 3,500 people.

Thursday, November 23, 1944

## Trading on New York Exchanges

The Securities and Exchange Commission made public on Nov. 15 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 Oct. 28, continuing a series of current figures being published weekly by the Commission. (except odd-lot dealers) during the week ended Oct. 28 (in round-lot sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (lot transactions) totaled 1,808,789 shares, which amount was 18.47% of the total transactions on the Exchange of 4,896,230 shares. This compares with member trading during the week ended Oct. 21 of 1,589,429 shares, or 17.63% of the total trading of 4,507,160 shares. On the New York Curb Exchange, member trading during the week ended Oct. 28 amounted to 371,810 shares, or 14.18% of the total volume on that exchange of 1,311,720 shares; during the Oct. 21 week trading for the account of Curb members of 423,330 shares was 15.71% of total trading of 1,347,400.

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

WEEK ENDED OCT. 28, 1944		
A. Total Round-Lot Sales:	Total for week	†%
Short sales	161,240	
†Other sales	4,734,990	
Total sales	4,986,230	

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	439,080	
Short sales	52,650	
†Other sales	389,820	
Total sales	442,470	9.00
2. Other transactions initiated on the floor—		
Total purchases	259,200	
Short sales	21,840	
†Other sales	307,800	
Total sales	329,640	6.01
3. Other transactions initiated off the floor—		
Total purchases	126,670	
Short sales	19,300	
†Other sales	192,420	
Total sales	211,720	3.46
4. Total—		
Total purchases	824,950	
Short sales	93,790	
†Other sales	890,049	
Total sales	983,839	18.47

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

WEEK ENDED OCT. 28, 1944		
A. Total Round-Lot Sales:	Total for week	†%
Short sales	17,575	
†Other sales	1,294,145	
Total sales	1,311,720	
B. Round-Lot Transactions for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	95,425	
Short sales	8,700	
†Other sales	118,265	
Total sales	126,965	8.48
2. Other transactions initiated on the floor—		
Total purchases	30,150	
Short sales	1,310	
†Other sales	41,633	
Total sales	42,945	2.79
3. Other transactions initiated off the floor—		
Total purchases	32,445	
Short sales	5,600	
†Other sales	38,280	
Total sales	43,880	2.91
4. Total—		
Total purchases	158,020	
Short sales	15,610	
†Other sales	198,180	
Total sales	213,790	14.18
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
Customers' other sales	48,798	
Total purchases	48,798	
Total sales	44,439	

\*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."

## 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 Nov. 11, 1944, is estimated at 10,660,000 net tons, a decrease of 1,290,000 tons, or 10.8%, from the preceding week. This decrease was due to the shutting down of mines in some communities while the miners went to the polls on Election Day, and to the observance of Armistice Day in some sections of the country. In the week of Nov. 13, 1943, output of soft coal amounted to some 11,534,000 tons.

Production of bituminous coal during the calendar year through Nov. 11 totaled 541,165,000 net tons, as compared with 504,822,000 tons in the like period of 1943. The increase of 7.2% reflects this year's longer working periods and uninterrupted work, together with heavy gains due to the growth of strip mining, while the 1943 output was handicapped severely by strikes.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Nov. 11, 1944, was estimated at

1,158,000 tons, an increase of 20,000 tons (1.8%) over the preceding week. When compared with the output in the corresponding week of 1943 there was an increase of 68,000 tons, or 6.2%. The calendar year to date shows an increase of 7.4% 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 Nov. 11, 1944, showed an increase of 4,500 tons, when compared with the output for the week ended Nov. 4, 1944, but was 27,100 tons less than for the corresponding week of 1943.

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

Bituminous coal and lignite	Week Ended		January 1 to Date	
	Nov. 11, 1944	Nov. 4, 1944	Nov. 13, 1943	Nov. 13, 1944
Total incl. mine fuel	10,660,000	11,950,000	11,534,000	541,165,000
Daily average	\$1,928,000	1,992,000	1,955,000	504,822,000

\*Subject to current adjustment. \$Average based on 5.5 working days.

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

Penn. anthracite	Week Ended		Calendar Year to Date	
	Nov. 11, 1944	Nov. 4, 1944	Nov. 13, 1943	Nov. 13, 1944
Total incl. incl. fuel	1,158,000	1,138,000	1,050,000	56,647,000
Commercial produc.	1,112,000	1,092,000	1,046,000	54,382,000

Beehive coke—  
United States total 117,200 112,700 144,300 6,322,100 6,810,100 2,944,900  
\*Includes washery and dredge coal and coal shipped by truck from authorized operations. †Excludes colliery fuel. \$Subject to revision. \$Revised.

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

State	Week Ended		Calendar Year to Date	
	Nov. 11, 1944	Nov. 4, 1944	Nov. 13, 1943	Nov. 13, 1944
Alabama	352,000	360,000	89,000	253,000
Alaska	7,000	7,000	7,000	2,000
Arkansas and Oklahoma	103,000	110,000	43,000	64,000
Colorado	153,000	150,000	46,000	164,000
Georgia and North Carolina	1,000	1,000	1,000	1,000
Illinois	1,484,000	1,488,000	353,000	1,094,000
Indiana	542,000	543,000	103,000	359,000
Iowa	53,000	49,000	28,000	80,000
Kansas and Missouri	184,000	197,000	130,000	142,000
Kentucky—Eastern	1,024,000	990,000	155,000	803,000
Kentucky—Western	392,000	376,000	173,000	168,000
Maryland	35,000	36,000	4,000	31,000
Michigan	3,000	3,000	1,000	16,000
Montana (bitum. & lignite)	89,000	105,000	92,000	78,000
New Mexico	35,000	32,000	10,000	29,000
North & South Dakota (lignite)	60,000	66,000	73,000	62,000
Ohio	643,000	643,000	178,000	503,000
Pennsylvania (bituminous)	2,695,000	2,860,000	768,000	2,034,000
Tennessee	148,000	134,000	19,000	118,000
Texas (bituminous & lignite)	2,000	3,000	4,000	17,000
Utah	129,000	111,000	40,000	96,000
Virginia	380,000	388,000	70,000	283,000
Washington	36,000	32,000	18,000	42,000
West Virginia—Southern	2,118,000	2,176,000	346,000	1,814,000
West Virginia—Northern	1,031,000	1,095,000	284,000	556,000
Wyoming	190,000	195,000	67,000	138,000
Other Western States	1,000	1,000	1,000	1,000

Total bituminous & lignite 11,950,000 12,150,000 3,061,000 8,947,000

Pennsylvania anthracite 1,138,000 1,319,000 147,000 1,060,000

Total, all coal 13,088,000 13,469,000 3,208,000 10,007,000

\*Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and in 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.

## 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 Nov. 20, remained at 139.5 in the week ending Nov. 18, the same as in the preceding week. A month ago the index registered 139.9 and a year ago 135.0, based on the 1935-1939 average as 100. The Association's report went on to say:

The farm products group registered a decline last week mainly as a result of lower prices in the livestock group. Lower prices on cattle and hogs more than offset fractional advances on lambs and ewes. Although higher prices were quoted for some grades of wheat only in the grains group, this group advanced very slightly. Prices for rye dropped considerably, partially as a result of a WPB order abolishing the compulsory use of 10% of rye in the making of industrial alcohol. Some other grades of wheat declined slightly. The foods group index number remained unchanged from last week. The textiles group declined fractionally as cotton prices moved lower last week. The only other group index to change was the metals group which reached a new high as the result of advancing prices for both finished and scrap steel.

During the week 5 price series in the index advanced and 7 declined; in the preceding week 10 price series advanced and 4 declined; and in the second preceding week 7 price series advanced and 10 declined.

### WEEKLY WHOLESALE COMMODITY PRICE INDEX

Compiled by The National Fertilizer Association

1935-1939=100\*

%	Latest	Preceding	Month	Year
Each Group	Group	Week	Week	Ago
Bears to the		Nov. 18,	Nov. 11,	Nov. 20,
Total Index		1944	1944	1943
25.3	Foods	143.7</		

## Moody's Bond Prices And Bond Yield Averages

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

MOODY'S BOND PRICES*											
(Based on Average Yields)											
1944— Daily Averages	U.S. Avge.		Corporate by Ratings*				Corporate by Groups*				
	Govt.	Bonds	Corp. rate*	Aaa	Aa	A	Baa	R.R.	P.U.	Indus.	
Nov. 21	119.95	112.93	118.60	117.20	113.12	103.64	107.98	113.50	117.80		
20	119.99	112.93	118.80	117.20	113.12	103.64	107.98	113.50	117.80		
18	119.97	112.93	118.60	117.20	113.12	103.64	107.80	113.50	117.60		
17	119.97	112.93	118.60	117.20	113.12	103.64	107.80	113.50	117.60		
16	119.92	112.93	118.60	117.20	113.12	103.64	107.62	113.50	117.60		
15	119.86	112.75	118.40	117.00	112.93	103.47	107.62	113.31	117.60		
14	119.80	112.75	118.40	117.00	112.93	103.30	107.62	113.31	117.40		
13	119.80	112.75	118.40	117.00	112.93	103.30	107.62	113.31	117.60		
11	Stock Exchange Closed										
10	119.77	112.75	118.40	117.00	112.93	103.30	107.62	113.31	117.40		
9	119.73	112.50	118.40	116.80	112.93	103.30	107.62	113.31	117.40		
8	119.77	112.50	118.20	116.80	112.93	103.30	107.62	113.12	117.20		
7	Stock Exchange Closed										
6	119.67	112.55	118.40	116.80	112.93	103.30	107.62	113.31	117.20		
4	119.55	112.75	118.40	116.80	112.93	103.47	107.62	113.31	117.20		
3	119.55	112.75	118.40	116.80	112.93	103.47	107.62	113.31	117.20		
2	119.55	112.56	118.40	116.80	112.93	103.30	107.44	113.31	117.20		
1	119.55	112.56	118.40	116.80	112.93	103.30	107.62	113.50	117.20		
Oct. 27	119.33	112.56	118.40	116.61	112.93	103.47	107.62	113.50	117.20		
20	119.55	112.75	118.60	116.80	112.93	103.64	107.44	113.50	117.40		
13	119.61	112.75	118.60	117.00	112.93	103.47	107.27	114.08	117.20		
6	119.52	112.75	118.60	117.00	112.75	103.30	106.92	114.08	117.20		
Sep. 29	119.50	112.56	118.60	116.80	112.56	103.12	106.74	114.08	117.00		
22	119.22	112.56	118.60	117.20	112.37	103.13	106.74	114.08	117.20		
15	119.42	112.56	118.80	117.20	112.19	103.13	106.74	114.27	117.20		
8	119.48	112.56	118.80	117.20	112.00	103.13	106.74	114.27	117.00		
1	119.81	112.56	118.80	117.20	112.00	103.13	106.74	114.27	117.20		
Aug. 25	119.89	112.75	118.80	117.40	112.19	103.10	106.74	114.27	117.20		
18	119.84	112.56	118.60	117.20	112.37	103.30	106.92	114.08	117.20		
11	119.84	112.56	118.60	117.20	112.37	103.30	106.92	114.08	117.20		
4	120.08	112.56	118.80	117.00	112.19	103.30	106.74	114.08	117.20		
July 28	120.10	112.37	118.60	116.80	112.19	103.13	106.56	114.27	117.00		
June 30	120.15	112.37	118.60	116.80	112.00	103.80	106.04	113.89	117.40		
May 26	119.66	112.19	118.40	116.80	111.81	102.30	105.86	113.89	117.00		
Apr. 28	119.35	111.81	118.40	116.61	111.62	101.47	105.34	113.70	116.41		
Mar. 31	119.68	111.44	118.20	116.41	111.25	100.81	104.66	113.70	116.22		
Feb. 25	120.21	111.23	118.20	116.41	110.77	100.32	104.31	113.50	116.22		
Jan. 28	119.47	111.07	118.20	116.22	111.07	100.16	104.14	113.31	116.41		
High 1944	120.44	112.93	118.80	117.40	113.12	103.64	107.80	114.27	117.60		
Low 1944	119.20	110.70	118.20	116.22	110.88	99.04	103.30	113.12	116.02		
High 1943	120.87	111.44	119.41	117.00	111.81	99.36	103.47	114.27	117.40		
Low 1943	116.85	107.44	116.80	113.89	108.88	92.35	97.16	111.81	114.46		
1 Year Ago	119.61	110.70	118.60	116.02	110.88	98.73	103.13	113.50	115.82		
2 Years Ago	119.20	107.44	117.00	114.27	108.70	92.50	97.00	112.00	114.66		
Nov. 21, 1942	117.24	107.44	117.00	114.27	108.70	92.50	97.00	112.00	114.66		

MOODY'S BOND YIELD AVERAGES  
(Based on Individual Closing Prices)

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices)											
1944— Daily Averages	U.S. Avge.		Corporate by Ratings*				Corporate by Groups*				
	Govt.	Bonds	Corp. rate*	Aaa	Aa	A	Baa	R.R.	P.U.	Indus.	
Nov. 21	1.84	3.01	2.72	2.79	3.00	3.53	3.28	2.98	2.76		
20	1.84	3.01	2.71	2.79	3.00	3.53	3.28	2.98	2.76		
18	1.84	3.01	2.72	2.79	3.00	3.53	3.29	2.98	2.77		
17	1.84	3.01	2.72	2.79	3.00	3.53	3.29	2.98	2.77		
16	1.84	3.01	2.72	2.80	3.00	3.53	3.30	2.98	2.77		
15	1.85	3.02	2.73	2.80	3.01	3.54	3.30	2.99	2.77		
14	1.85	3.02	2.73	2.80	3.01	3.55	3.30	2.99	2.78		
13	1.85	3.02	2.73	2.80	3.01	3.55	3.30	2.99	2.77		
11	Stock Exchange Closed										
10	1.86	3.02	2.73	2.80	3.01	3.55	3.30	2.99	2.78		
9	1.86	3.02	2.73	2.81	3.01	3.55	3.30	2.99	2.78		
8	1.86	3.03	2.74	2.81	3.01	3.55	3.30	2.99	2.78		
7	Stock Exchange Closed										
6	1.86	3.03	2.73	2.81	3.01	3.55	3.30	2.99	2.78		
4	1.87	3.02	2.73	2.81	3.01	3.54	3.30	2.99	2.79		
3	1.87	3.02	2.73	2.81	3.01	3.54	3.30	2.99	2.79		
2	1.87	3.03	2.73	2.81	3.01	3.55	3.31	2.99	2.79		
1	1.87	3.03	2.73	2.81	3.01	3.55	3.31	2.99	2.79		
Oct. 27	1.89	3.03	2.73	2.82	3.01	3.54	3.30	2.98	2.78		
20	1.86	3.02	2.72	2.81	3.01	3.53	3.31	2.98	2.78		
13	1.85	3.02	2.72	2.80	3.01	3.54	3.32	2.98	2		

Thursday, November 23, 1944

## Daily Average Crude Oil Production for Week Ended Nov. 11, 1944 Increased 7,500 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended Nov. 11, 1944, was 4,727,400 barrels, an increase of 7,500 barrels over the preceding week and 290,950 barrels per day more than produced in the corresponding week of last year. The current figure is also 6,900 barrels in excess of the daily average figure recommended by the Petroleum Administration for War for the month of November, 1944. Daily output for the four weeks ended Nov. 11, 1944, averaged 4,733,300 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,650,000 barrels of crude oil daily and produced 14,464,000 barrels of gasoline; 1,512,000 barrels of kerosene; 4,492,000 barrels of distillate fuel, and 9,431,000 barrels of residual fuel oil during the week ended Nov. 11, 1944; and had in storage at the end of that week 78,091,000 barrels of gasoline; 14,070,000 barrels of kerosene; 48,259,000 barrels of distillate fuel, and 63,999,000 barrels of residual fuel oil.

### DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*P. A. W. Recommen- dations November	*State Allow- ables begin- Nov. 1	Actual Production Week Nov. 11, 1944	Change from Previous Week	4 Weeks Ended Nov. 11, 1944	Week Ended Nov. 13, 1943
Oklahoma	345,000	346,000	1359,400	+ 600	352,550	327,700
Kansas	274,000	269,400	266,000	+ 5,750	277,200	288,900
Nebraska	1,000		1,000	+ 50	950	1,700
Panhandle Texas		94,150	— 2,000	96,950	85,500	
North Texas		151,200	+ 1,000	149,750	141,900	
West Texas		473,950	— 8,100	485,400	359,750	
East Central Texas		144,600	+ 2,100	147,600	137,950	
East Texas		367,900	— 1,500	370,000	376,400	
Southwest Texas		347,100	+ 5,500	339,400	298,100	
Coastal Texas		553,400	+ 6,700	543,850	524,600	
Total Texas	2,133,000	2,138,385	2,132,300	— 500	2,132,950	1,924,200
North Louisiana		71,850	— 1,450	72,850	78,650	
Coastal Louisiana		291,300	+ 650	290,350	272,200	
Total Louisiana	350,000	395,500	363,150	— 800	363,200	350,850
Arkansas	78,000	79,975	80,750	+ 250	80,700	78,550
Mississippi	50,000	51,500	52,200	+ 2,200	50,650	52,500
Alabama		300	+ 100	150		
Florida		50		50		
Illinois	200,000	205,000	200,000	+ 1,000	200,000	215,500
Indiana	13,000	13,150	150	+ 150	13,050	13,150
Easter— (Not incl. Ill., Ind., Ky.)	72,000	65,950	— 2,100	67,400	71,000	
Kentucky	26,000	30,350	— 500	29,700	22,350	
Michigan	50,500	50,000	+ 3,450	47,250	60,600	
Wyoming	100,000	92,150	— 6,300	97,700	100,950	
Montana	24,000	21,350	+ 300	21,550	21,350	
Colorado	9,000	9,800	+ 550	9,500	7,300	
New Mexico	110,000	110,000	104,900	— 104,900	112,550	
Total East of Calif.	3,835,500	3,847,100	3,829,450	+ 2,700	3,829,450	3,649,150
California	885,000	885,000	886,300	+ 4,800	883,850	787,300
Total United States	4,720,500	4,727,400	4,733,300	+ 7,500	4,733,300	4,436,450

\*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. Nov. 9, 1944.

This is the net basic allowable as of Nov. 1 calculated on a 30-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 2 to 15 days, the entire state was ordered shut down for 6 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 6 days shutdown time during the calendar month.

Recommendation of Conservation Committee of California Oil Producers.

### CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED NOV. 11, 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—									
\$Gasoline Production									
District—	Daily Refining Capacity	Crude	at Re-	Stocks	Stocks	Stocks			
Poten-	Runs to Stills	Includ-	Crude	Stocks	Stocks	Stocks			
Rate porting	Daily % Op-	Natural	finished	of Gas	Oil and	of Re-			
Average	erated	Blended	Gaso-	Gasoline	Distillate	Fuel			
729	100.0	713	97.8	1,750	12,537	15,024	10,946		
East Coast									
Appalachian—									
District No. 1	130	83.9	87	66.9	263	2,297	517	330	
District No. 2	47	87.2	46	97.9	144	1,426	196	155	
Ind., Ill., Ky.	824	85.2	794	96.4	2,881	16,026	7,113	3,962	
Okl., Kans., Mo.	418	80.2	335	80.1	1,256	6,929	2,426	1,691	
Inland Texas	278	66.9	225	80.9	924	2,570	423	609	
Texas Gulf Coast	1,165	90.5	1,149	98.6	3,659	14,186	7,696	8,658	
Louisiana Gulf Coast	242	95.5	258	106.6	763	4,061	2,259	1,227	
No. La. & Arkansas	104	68.0	81	77.9	227	2,595	650	314	
Rocky Mountain—									
District No. 3—	13	17.0	11	84.6	35	64	19	31	
District No. 4—	141	58.3	101	71.6	354	1,537	389	626	
California	817	89.9	850	104.0	2,208	13,863	11,547	35,450	

Total U. S. B. of M. basis Nov. 11, 1944 4,908 87.2 4,650 94.7 14,464 78,091 48,259 63,999

Total U. S. B. of M. basis Nov. 4, 1944 4,908 87.2 4,570 93.1 14,152 78,403 48,477 63,444

U. S. Bur. of Mines basis Nov. 13, 1943 4,154 12,243 68,344 45,296 62,409

\*Composed of 12,877,000 barrels of unfinished, 39,321,000 barrels civilian grade automotive, and 25,893,000 barrels aviation, military, solvents and naphthas, and gasoline blending stocks currently indeterminate as to ultimate use. \*Not including 1,512,000 barrels of kerosine, 4,492,000 barrels of gas oil and distillate fuel oil and 9,431,000 barrels of residual fuel oil produced during the week ended Nov. 11, 1944, which compares with 1,365,000 barrels, 4,569,000 barrels and 8,570,000 barrels, respectively, in the preceding week and 1,359,000 barrels, 4,617,000 barrels and 8,279,000 barrels, respectively, in the week ended Nov. 13, 1943.

Note—Stocks of kerosine at Nov. 11, 1944 amounted to 14,070,000 barrels, as against 14,489,000 barrels a week earlier; 11,088,000 barrels a year before.

## Civil Engineering Construction \$29,400,000 for Week

Civil engineering construction volume in continental United States for the week totals \$29,400,000. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, exceeds the \$8,805,000 reported for the holiday-shortened preceding week, and is 27% above the previous four-week moving average, but is 57% below the total reported to "Engineering News-Record" for the corresponding 1943 week. The report, made public on Nov. 16, went on to say:

Private construction is 76% lower than in the same week last year. Public construction is down 32% due to the 49% decrease in Federal work, as State and municipal construction is 26% higher.

The current week's construction brings 1944 volume to \$1,577,354,000 for the 46 weeks, a decrease of 45% from the \$2,848,861,000 reported in the 1943 period. Private construction, \$330,930,000, is 26% below a year ago, and public construction, \$1,246,424,000, is 48% lower as a result of the 54% drop in Federal volume. State and municipal construction tops the 1943 period by 22%.

Civil engineering construction volumes for the 1943 week, the holiday-shortened preceding week, and the current week are:

	Nov. 18, '43 (five days)	Nov. 9, '44 (four days)	Nov. 16, '44 (five days)
Total U. S. construction	\$68,931,000	\$8,805,000	\$29,400,000
Private construction	39,906,000	1,817,000	9,650,000
Public construction	29,025,000	6,988,000	19,750,000
State and municipal	1,599,000	1,438,000	5,861,000
Federal	27,426,000	5,550,000	13,889,000

In the classified construction groups, all classes of work report increases over the short preceding week. Gains over the 1943 week are in waterworks, bridges, industrial buildings, and streets and roads. Subtotals for the week in each class of construction are: waterworks, \$1,549,000; sewerage, \$741,000; bridges, \$297,000; industrial buildings, \$3,289,000; commercial building and large-scale private housing, \$5,131,000; public buildings, \$6,715,000; earthwork and drainage, \$405,000; streets and roads, \$3,478,000, and unclassified construction, \$7,795,000.

New capital for construction purposes for the week total \$5,383,000, and is made up of \$5,000,000 in corporate security issues, and \$383,000 in State and municipal bond sales. The week's new financing brings 1944 volume to \$1,681,178,000 or 45% below the \$3,058,099,000 reported for the corresponding period last year.

## Non-Ferrous Metals — Copper Output Slightly Lower In October — Quicksilver Price Higher

"E. & M. J. Metal and Mineral Markets," in its issue of Nov. 16 stated: "Production of copper from domestic sources declined during October, but not sufficiently to cause any anxiety over the outlook. Continued large imports from Latin American countries and increased supplies available from Canada are certain to result in a further gain in government-owned stocks, according to trade authorities. Small high-cost Chilean producers, whose contracts are

scheduled to expire early in 1945, have asked the United States to continue the purchasing agreements until February, 1946. Buying of lead last week was active, reflecting general confidence in the position of the metal. Quicksilver experienced another exciting week, chiefly because of an unexpected gain in consumption. The price advanced \$4 per flask." The publication further went on to say in part:

### Copper

The October statistics of the Copper Institute [see "Commercial and Financial Chronicle" of Nov. 16, page 2172] were in line with expectations. Production of refined copper in October was at the rate of 2,873 tons daily, against 2,966 tons daily in September.

The position of refined copper for the fourth quarter 1944, the year 1944, and the first and second quarters of 1945, according to the Copper Division, WPB, in tons:

Estimated Deliveries	Estimated Supply
Fourth quarter 1944 404,200	428,000
Year, 1944 1,680,400	1,779,500
First quarter 1945 415,300	459,000
Second quarter 1945 415,300	459,000

Supply of refined copper exceeds deliveries by 99,100 tons, based on the estimated totals for the year. Requests for copper during the year were well above the tonnages released by the Copper Division.

### Lead

Demand for lead was active, and sales by the domestic division for the last week amounted to 10,667 tons, against 10,638 tons in the previous week. Call for lead was chiefly for December shipment. Total demands for next month are expected to approach the average of recent months, and this points to another reduction in the stockpile. The stockpile of lead at the end of the current month may not exceed 115,000 tons.

Production of primary magnesium

## Revenue Freight Car Loadings During Week Ended Nov. 11, 1944 Fell Off 53,844 Cars

Loading of revenue freight for the week ended Nov. 11, 1944, totaled 839,489 cars, the Association of American Railroads announced on Nov. 16. This was a decrease below the corresponding week of 1943 of 8,483 cars, or 1%, but an increase above the same week in 1942 of 12,794 cars or 1.5%.

Loading of revenue freight for the week of Nov. 11, decreased 53,844 cars, or 6% below the preceding week.

Miscellaneous freight loading totaled 394,281 cars, a decrease of 17,545 cars below the preceding week, but an increase of 540 cars above the corresponding week in 1943.

Loading of merchandise less than carload lot freight totaled 108,052 cars, a decrease of 866 cars below the preceding week, but an increase of 761 cars above the corresponding week in 1943.

Coal loading amounted to 155,842 cars, a decrease of 15,121 cars below the preceding week, and a decrease of 11,551 cars below the corresponding week in 1943.

Grain and grain products loading totaled 51,511 cars, a decrease of 3,133 cars below the preceding week and a decrease of 477 cars below the corresponding week in 1943. In the Western Districts alone, grain and grain products loading for the week of Nov. 11, totaled 33,329 cars, a decrease of 1,347 cars below the preceding week and a decrease of 448 cars below the corresponding week in 1943.

Livestock loading amounted to 22,447 cars, a decrease of 2,848 cars below the preceding week and a decrease of 3,728 cars below the corresponding week in 1943. In the Western Districts alone, loading of live stock for the week of Nov. 11 totaled 17,562 cars a decrease of 2,513 cars below the preceding week, and a decrease of 3,275 cars below the corresponding week in 1943.

Forest products loading totaled 39,956 cars a decrease of 4,144 cars below the preceding week and a decrease of 2,959 cars below the corresponding week in 1943.

Ore loading amounted to 53,554 cars, a decrease of 9,696 cars below the preceding week but an increase of 9,292 cars above the corresponding week in 1943.

Coke loading amounted to 13,846 cars, a decrease of 491 cars below the preceding week, and a decrease of 361 cars below the corresponding week in 1943.

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

	1944	1943	1942
5 Weeks of January	3,705,477	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	3,519,800	3,554,694	3,487,905
5 weeks of September	4,428,427	4,456,466	4,410,669
4 Weeks of October	3,598,979	3,607,851	3,604,323
Weeks of November 4	893,333	754,739	829,663
Week of November 11	839,489	847,972	826,695
Total	38,752,734	37,629,600	38,407,791

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Nov. 11, 1944. During the period 62 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS  
(NUMBER OF CARS) WEEK ENDED NOV. 11

Railroads	Total Revenue Freight Loaded	Total Loads Received from Connections
Eastern District—		
Ann Arbor	1944 403	1943 310
Bangor & Aroostook	2,667	1,620
Boston & Maine	6,382	6,945
Chicago, Indianapolis & Louisville	1,241	1,350
Central Indiana	34	42
Central Vermont	1,031	1,016
Delaware & Hudson	5,018	6,177
Delaware, Lackawanna & Western	7,771	7,627
Detroit & Mackinac	369	251
Detroit, Toledo & Ironton	1,932	2,054
Detroit & Toledo Shore Line	339	324
Erie	13,286	13,161
Grand Trunk Western	3,828	3,925
Lehigh & Hudson River	167	207
Lehigh & New England	1,491	1,553
Lehigh Valley	7,808	8,248
Maine Central	2,022	2,208
Monongahela	5,745	5,939
Montour	2,281	1,713
New York Central Lines	47,797	50,884
N. Y. N. H. & Hartford	9,347	10,183
New York, Ontario & Western	1,101	1,199
New York, Chicago & St. Louis	6,715	6,854
N. Y., Susquehanna & Western	356	632
Pittsburgh & Lake Erie	7,253	7,534
Pittsburgh Marquette	5,500	5,370
Pittsburgh & Shawmut	878	777
Pittsburgh, Shawmut & North	306	372
Pittsburgh & West Virginia	1,094	1,435
Rutland	308	341
Wabash	6,082	6,181
Wheeling & Lake Erie	5,531	4,584
Total	155,230	162,033
Allegheny District—		
Akron, Canton & Youngstown	731	803
Baltimore & Ohio	44,313	45,364
Bessemer & Lake Erie	4,666	4,911
Buffalo Creek & Gauley	327	365
Cambria & Indiana	1,503	1,054
Central R. R. of New Jersey	6,178	7,320
Cornwall	580	625
Cumberland & Pennsylvania	172	232
Ligonier Valley	101	143
Long Island	1,430	1,480
Penn-Reading Seashore Lines	1,855	2,013
Pennsylvania System	82,161	80,726
Reading Co.	15,407	14,665
Union (Pittsburgh)	19,411	18,649
Western Maryland	3,924	4,194
Total	182,779	182,544
Pocahontas District—		
Chesapeake & Ohio	25,361	29,423
Norfolk & Western	18,541	21,608
Virginian	3,581	4,920
Total	47,483	55,951

## THE COMMERCIAL & FINANCIAL CHRONICLE

Railroads	Total Revenue Freight Loaded	Total Loads Received from Connections
Southern District—	1944 442	1943 288
Alabama, Tennessee & Northern	714	699
At. & W. P.—W. R. of Ala.	859	741
Atlanta, Birmingham & Coast	12,334	12,727
Central of Georgia	3,775	3,828
Charleston & Western Carolina	425	411
Cluefield	1,647	1,596
Columbus & Greenville	345	316
Durham & Southern	149	129
Florida East Coast	2,239	2,208
Gainesville Midland	55	48
Georgia	1,271	1,177
Gulf, Mobile & Ohio	513	400
Illinois Central System	5,060	4,255
Louisville & Nashville	28,003	28,577
Macon, Dublin & Savannah	23,230	25,135
Mississippi Central	198	180
Nashville, Chattanooga & St. L.	416	256
Norfolk Southern	1,053	1,068
Piedmont Northern	521	374
Richmond, Fred. & Potomac	408	510
Seaboard Air Line	9,940	10,998
Southern System	23,973	22,643
Tennessee Central	617	544
Winston-Salem Southbound	154	164
Total	121,842	122,634
	120,914	123,231
	117,134	

Railroads	Total Revenue Freight Loaded	Total Loads Received from Connections
Northwestern District—	1944 17,958	1943 17,519
Chicago & North Western	2,831	3,006
Chicago, Milw., St. P. & Pac.	21,448	21,253
Chicago, St. Paul, Minn. & Omaha	3,181	3,497
Duluth, Missabe & Iron Range	20,707	11,558
Duluth, South Shore & Atlantic	645	724
Elgin, Joliet & Eastern	9,319	8,453
Ft. Dodge, Des Moines & South.	404	382
Great Northern	18,593	17,392
Green Bay & Western	477	524
Lake Superior & Ishpeming	1,090	921
Minneapolis & St. Louis	2,064	2,067
Minn., St. Paul & S. S. M.	6,686	6,007
Northern Pacific	11,572	12,317
Spokane International	217	107
Spokane, Portland & Seattle	2,503	2,480
Total	119,695	108,207
	121,876	120,914
	68,812	59,708

Railroads	Total Revenue Freight Loaded	Total Loads Received from Connections
Central Western District—	25,555	24,134
Atch., Top. & Santa Fe System	3,837	3,337
Bingham & Garfield	372	484
Chicago, Burlington & Quincy	21,245	20,973
Chicago & Illinois Midland	2,605	3,213
Chicago, Rock Island & Pacific	13,153	12,681
Chicago & Eastern Illinois	2,793	2,879
Colorado & Southern	1,256	1,514
Denver & Rio Grande Western	5,103	5,477
Denver & Salt Lake	635	575
Fort Worth & Denver City	1,000	1,066
Illinois Terminal	2,256	1,773
Missouri-Illinois	1,167	1,153
Nevada Northern	1,083	2,166
North Western Pacific	669	940
Peoria & Pekin Union	5	11
Southern Pacific (Pacific)	28,547	30,825
Toledo, Peoria & Western	493	398
Union Pacific System	21,652	21,626
Utah	475	598
Western Pacific	1,872	2,579
Total	135,778	138,402
	133,647	110,035
	104,359	

Railroads	Total Revenue Freight Loaded	Total Loads Received from Connections
Southeastern District—	624	344
Burlington-Rock Island	6,220	7,910
Gulf Coast Lines	2,619	2,258
International-Great Northern	295	233
Kansas City Southern	4,602	5,188
Louisiana & Arkansas	3,791	3,566
Litchfield & Madison	272	282
Midland Valley	657	481
Missouri-Kansas-Texas Lines	205	211
Missouri Pacific	17,765	18,162
Quanah Acme & Pacific	77	76
St. Louis-San Francisco	10,177	9,117
St. Louis Southwestern	3,886	3,214
Texas & New Orleans	12,636	14,741
Texas & Pacific	6,072	6,339
Wichita Falls & Southern	73	85
Weatherford M. W. & N. W.	51	21
Total	76,682	78,201
	74,043	70,475
	71,263	

\*Previous week's figure.  
Note—Previous year's figures revised.

Period	Orders Received	Production Tons	Unfilled Orders Remaining	Percent of Activity
1944—Week Ended August 5	195,161	160,568	604,299	96 94
August 12	140,338	158,849	585,316</	

Thursday, November 23, 1944

## Items About Banks, Trust Companies

The Guaranty Quarter Century Club, composed of employees, officers and directors of the Guaranty Trust Company of New York who have served the company for 25 years or more, held its annual dinner on Nov. 15 at the Starlight Roof of the Waldorf-Astoria with 400 members attending. The club has inducted 139 new members in the last year, bringing total membership to 558, including a chapter in London where the company has had offices for 48 years. An address was made by Joseph A. Bucher, Assistant Secretary of the company and a member of the club, and Vice-President Henry C. Stevens accepted a membership certificate on behalf of all the newly inducted members. Among other senior officials of the bank who attended the dinner as members of the club were William C. Potter, Chairman of the Executive Committee; W. Palen Conway, Vice-Chairman of the Executive Committee; Eugene W. Stetson, Chairman of the Board; and Charles E. Dunlap and Cornelius F. Kelley, Directors.

Vincent G. Potter was elected President of the club for the forthcoming year, succeeding Leo Szymanski. Membership in the club is honorary. In addition to membership certificates and service emblems, members other than officers receive annually an extra week's vacation upon attainment of 25 years of service.

For the first time in its 40-year history, City Bank Club, composed of the staffs of The National City Bank of New York and City Bank Farmers Trust Company, has elected a woman as its President. She is Margaret Hudson. Her election was announced at the annual banquet of the club at the Hotel St. George, which marked the formation of the club back in 1904 by inviting all its past Presidents to sit at the speaker's dais. Mrs. Hudson is a member of the City Bank Farmers staff. More than 2,000 employees and officers attended the banquet. Mrs. Hudson is also former Chairman of the Women's Committee of the American Institute of Banking.

James A. Greig, Assistant Cashier of the Metropolitan Branch of the Chase National Bank, New York, died on Nov. 13. Mr. Greig, who was 59 years of age, began his banking career in 1902 with the National Shoe and Leather Bank and after its merger with the Metropolitan Bank, continued with the latter, which eventually became a branch of the Chase National. He had served as Assistant Cashier since 1930.

S. Sloan Colt, President of Bankers Trust Company of New York, announces that at a meeting of the board of directors of the company held on Nov. 21, it was voted to call a special meeting of the stockholders on Dec. 11, to authorize an increase in the capital stock from the present amount of \$25,000,000 par value to \$30,000,000 par value, this new stock to be distributed to stockholders as a stock dividend. The announcement says:

"This stock dividend was declared payable Dec. 29, 1944 to stockholders of record at 3 p. m. on Dec. 12, 1944, in the ratio of one new share for each five shares held on that record date. This declaration was made subject to the stock increase being authorized by the stockholders, and formal approval by the State Banking Department. The board also authorized the transfer of \$5,000,000 from undivided profits to surplus, as of Dec. 29, 1944.

"This action, if approved, would result in increasing capital funds to a total of \$135,175,880 divided as follows: Capital, \$30,000,000; surplus, \$80,000,000; undivided profits, \$25,175,880. (Based on figures as of Sept. 30, 1944.)

"The regular quarterly dividend of 35 cents per share was declared on the \$25,000,000 par value of capital stock now outstanding, payable Jan. 2, 1945 to stockholders of record at 3 p. m. on Dec. 12, 1944.

"The board of directors at the same meeting appointed a committee of the board to formulate a profit-sharing plan which is intended to include all employees and which will conform to existing Government regulations."

At a meeting of the board of directors, of Bankers Trust Company of New York, held on Nov. 21, W. Laud-Brown was elected a Vice-President and James H. Jenkins was elected an Assistant Vice-President. Mr. Brown has been associated with the bank's bond department since 1921. Mr. Jenkins was graduated from Dartmouth in 1926. After leaving college he was associated with various security houses and is at present with the Central Hanover Bank & Trust Co. He joins Bankers Trust Company on December 1 and will be connected with its Metropolitan Division.

Mr. Russell Sillery was elected Deputy Comptroller of The Bank for Savings at the November meeting of the board of trustees. Mr. Sillery was formerly Assistant Comptroller and has been in the employ of the bank since 1922.

Harvey L. Schwamm, President and Chairman of the board of directors of The National Bronx Bank of New York, announced on Nov. 21 the following appointments:

Jack Gutstein and David Owen as Assistant Vice-Presidents and Garret Sanderson as Manager of the New Business Department. Mr. Gutstein was formerly with the Public National Bank & Trust Company and will be located at the Freeman Street Office of the National Bronx Bank. Mr. Owen, a former bank examiner with the Comptroller of the Currency, will be in charge of the bank's Credit Department. Mr. Sanderson has been associated with the bank for four years.

Succeeding the late Jacob C. Klinck, James R. McLaren has been elected President of the Kings County Savings Bank of Brooklyn, N. Y. According to the Brooklyn "Daily Eagle" of Nov. 15, Mr. McLaren was formerly a Vice-President of the bank and has been a member of the board of trustees of the organization since 1928. A member of the bank's finance committee since 1936, he is at present the Chairman. Mr. McLaren has also served on the examining committee of the bank and has been secretary to the board.

Nicholas Timm has been elected trustee of City Savings Bank of Brooklyn, Brooklyn, N. Y. He is senior partner in the realty firm of Timm & Behrens of Brooklyn and is connected with the Brooklyn Real Estate Board and the N. Y. State Appraisers Association.

David W. Tuthill, President of the People's National Bank of Greenport, Long Island, died on Nov. 12. He was 74 years old.

The Niagara National Bank, Buffalo, N. Y., announced on Nov. 16 the declaration of a dividend of 15 cents a share on the capital stock and the installation of a pension plan for all workers. This is learned from the Buffalo "Evening News," which stated:

"The dividend is payable Dec. 1 to stock of record Nov. 20, and is the same as paid previously, when the dividend was raised from 10 cents.

"President Herbert J. Vogelsang said semi-annual dividend payments hereafter will be made in July and January, instead of in June and December.

"The pension plan, effective Dec. 1, applies to all workers with the bank for five years or longer. It provides for the payment at 65 of 30% of full salaries, with a maximum of \$250 a month.

At a meeting of the stockholders of the Columbus National Bank of Providence, R. I., plans to increase the capital stock from \$200,000 to \$325,000 were approved, it was announced on Nov. 16. The 12,500 additional shares (par \$10) will be sold at \$12.50 a share. The Providence "Journal" in noting this move by the bank said:

"The bank reported that this new issue has already been over-subscribed.

"Stockholders also ratified action by the board of directors whereby the outstanding preferred stock, amounting to \$59,060, will be retired by use of accumulated earnings in the reserve for retirement of preferred stock. A common stock dividend has been declared at the rate of 41.9%.

Thomas F. Black, Jr., was recently elected a director of the Providence National Bank, Providence, R. I. Mr. Black is a member of the law firm of Greenough, Lyman & Cross, President of the Rhode Island Civil Service Association, and a trustee of the Providence Institution for Savings.

Philip F. Coleman has been elected Vice-President of the First National Bank, Philadelphia, Pa., and will enter upon his new duties on Jan. 1. Mr. Coleman has been connected for the last 10 years with the Federal Reserve Bank of Philadelphia.

At the annual meeting on Nov. 13 of the Bankers and Bank Clerks Mutual Benefit Association of Pittsburgh, Pa., George K. Clatty, of the Keystone National Bank of Pittsburgh, was elected President of the Association. Other officers elected, according to the Pittsburgh "Post-Gazette," were Lee F. Mason, Union National Bank, Recording Secretary; Karl W. Gundlach, Allegheny Valley Bank, Corresponding Secretary; Willard Perry, Commonwealth Trust Company, Treasurer.

Directors of the Southern Ohio Savings Bank & Trust Co. of Cincinnati, Ohio, on Nov. 13, elected Glenn F. Barrett as President of the bank, succeeding the late Arthur Espy. Mr. Barrett was previously Vice-President. The Cincinnati "Enquirer," of Nov. 14, in reporting this, stated that the directors made additional appointments as follows:

"Malcolm McAvoy, who has been associated with the institution since 1918, has been elected to the new position of Chairman of the Board.

"George E. Robert has been elected Executive Vice-President, a new office. He had been Vice-President and has been with the bank since 1910.

"Two new positions of Assistant Vice-President were established. Fred Hoese, who had been Secretary-Treasurer, was advanced to one of these positions. Paul B. Momberg, who had been Assistant Trust Officer, was named Assistant Vice-President in charge of the Trust Department.

"Larry J. Austing was advanced from Assistant Secretary-Treasurer to succeed Hoese as Secretary-Treasurer. Austing has been with the bank since 1916.

"Dr. Louis B. Owens was elected a director to fill the vacancy on the board caused by Mr. Espy's death.

"The board also announced that Wallace S. Espy, who has been on leave of absence for two years, while serving as a Captain in the Army, has been granted an honorable discharge and will return to his former positions as Vice-President and Director.

"Officials continuing in their present position are Trust Officer,

David Reece; Assistant Secretary, Spencer B. Robert; Assistant Trust Officer, Roland Stieringer; Directors, James A. Green, L. W. Scott Alter, R. A. Holden, Jr., William P. Matthews, Barrett, Roberts and McAvoy.

In furtherance of plans to increase the capital of the Harris Trust & Savings Bank of Chicago from \$6,000,000 to \$8,000,000 a stock dividend of 33 1/3% has been proposed by the directors, and a special meeting of the stockholders will be held on Dec. 13 to authorize the transfer of \$2,000,000 from undivided profits to the capital account of the bank to permit the payment. The Chicago "Journal of Commerce" of Nov. 14 in its advices stated:

"New stock would be distributed to stockholders at the ratio of one share for each three held under the plan, as outlined to holders in a letter yesterday.

"Officials said it was planned to pay the regular quarterly dividend of 3% Jan. 2 to holders of old stock of record Dec. 18 but that the new stock would not become eligible for cash dividends until April 1, 1945, although, if authorized, it would be issued and delivered some time in December.

"Giving effect to the changes in capitalization, the bank's invested capital as of Dec. 31 would include \$8,000,000 capital stock, \$12,000,000 surplus, and more than \$1,250,000 undivided profits, for a total of \$21,250,000. Officials of the bank said that in addition the institution had \$9,000,000 of 'sound reserves' not included in these figures.

"A second proposal to be voted on by stockholders at the December meeting is a plan for retirement pensions and group life insurance to supplement the benefits of the employees' savings and profit-sharing trusts now in effect.

"Frank R. Elliott, President of the bank, explained that the proposed pension plan will provide for retirement of men at 65 and women at 60, the pensions to be three-quarters of 1% of the average basic salary in the last ten years of service, multiplied by the number of years of service, but with a maximum of 30% of such average basic salary.

"As the employees are already contributing 5% of their salaries to the present profit-sharing plans, it is proposed that the new retirement pension plan will be non-contributory by employees, Mr. Elliott concluded.

The Lawndale National Bank of Chicago, Ill., announced on Nov. 7, that it will retire its entire outstanding preferred stock, through the sale of 17,500 additional shares of common stock at \$15 a share. The Chicago "Journal of Commerce," of Nov. 8, from which this is learned also said:

Present stockholders will be offered the opportunity to subscribe on a pro rata basis according to their respective holdings. Upon completion of this program, the bank's capital structure will be substantially as follows: Capital, common stock, \$500,000; surplus, \$400,000; undivided profit and reserves, \$200,000. Total resources of the bank are now in excess of \$25,000,000.

On Nov. 14 the directors of the National Bank of Detroit, Detroit, Mich., approved the transfer of \$7,500,000 to the surplus account. According to the Detroit "Free Press" of Nov. 15, Walter S. McLucas, Chairman of the bank's board, in announcing this, said:

"This places us in a position to make additional funds available to business and industry not only for reconversion but for peacetime business as an essential part of maintaining high levels of production and employment."

Henry A. Moehlenpah, former President of the Wisconsin Bankers' Association, an active figure

in State Democratic party politics and a widely known lecturer and writer on financial subjects, died on Nov. 9 at the age of 77 years. The Milwaukee "Journal" from which we quote, said:

"In recent years he had been associated with the Aetna Life Insurance Co. of Milwaukee, Wisc. He was Cashier and President of the Citizens bank of Clinton from 1893 to 1914, when he became President of the Wisconsin Mortgage & Securities Company of Milwaukee. He was President of the State Bankers' Association in 1913 and 1914, President of the Bankers' Joint Stock Land Bank in 1918 and was appointed to the Federal Reserve Board by President Woodrow Wilson in 1919.

"Mr. Moehlenpah's political career included the Democratic candidacy for Governor in 1918, for Congressman in 1906, Lieutenant Governor in 1908 and for Presidential elector in 1916.

Ernest R. Tennant, President of the Dallas National Bank, Dallas, Texas, died on Nov. 6; he was 59 years of age. The Dallas "Times Herald," of Nov. 6, in reporting Mr. Tennant's death, said:

"Mr. Tennant entered the Dallas National Bank as head of its bond department in 1909. Working in every department of the bank, he rose to President in 1928 and had attained a top position among Southwestern bankers. Under Mr. Tennant's leadership, the bank's deposits rose from \$5,800,000 to \$55,000,000."

Mr. Tennant was also Vice-President and Director of the Republic Insurance Co. of Dallas, and held similar office in the Dallas Title & Guaranty Co. He was President of Tennant Brothers, Ltd., manufacturing agents, and a director of Great National Life Insurance Co.

The election of Edward H. Bell as director of the Wells Fargo Bank & Union Trust Co. of San Francisco, Calif., was recently announced.

## Locomotive Orders Rise In October—More Freight Cars

The Class I railroads on Nov. 1, 1944, had 30,408 new freight cars on order, according to the Association of American Railroads. This included 10,960 hopper, 2,625 gondolas, 229 flat, 12,750 plain box cars, 1,438 automobile box cars, 2,023 refrigerator, and 383 stock freight cars. On Nov. 1 last year, they had 34,092 cars on order.

The railroads also had 519 new locomotives on order on Nov. 1, this year, which included 102 steam, two electric and 415 Diesel locomotives.

Total on order Nov. 1, 1943, was 1,039, which included 426 steam, three electric and 610 Diesel locomotives. Total on order Oct. 1, 1944 was 499 new locomotives.

The Class I railroads put 30,832 new freight cars in service in the first ten months this year, compared with 23,714 in the same period last year. Of the total installed so far this year, 4,676 were installed in October. Those installed in the first ten months included 13,211 hopper, 3,164 gondola, 1,286 flat, 2,270 automobile box, 10,443 plain box, 117 stock, 340 refrigerator freight cars and one other car.

They also put 783 new locomotives in service in the first ten months of 1944, of which 287 were steam, one electric and 495 Diesel. New locomotives installed in the first ten months of 1943 totaled 574, of which 344 were steam, 15 electric and 215 Diesel. New locomotives installed in October this year totaled 62, of which 20 were steam and 42 were Diesel.