



Vol. XVII
No. 1

January
1937

Manila, the City of Churches
U. S. Navy Buys Philippine Sugar
The Cheap Money Era: How Long Will It Last?
Philippine Army Economy
Science, Munitions and Civilization

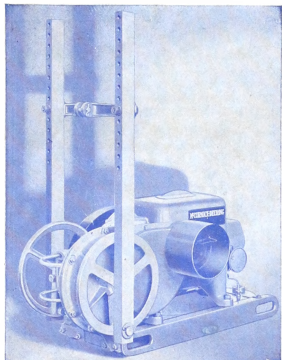
MINING REVIEW

Looking Back Over 1936
By Ralph Keeler

Modernizing Manila's Mining Stock Business
Treasure Island
Average Daily Tonnages for 1936
Average Recovery for 1936
Metals Hit High Levels

**OTHER FEATURES AND THE USUAL EXPERT
MINING AND COMMERCIAL REVIEWS**

There is *an*

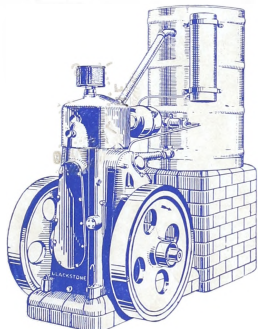


McCormick-Deering Engine

In Two Sizes

1-1/2 to 2-1/2 HP and 3 to 5 HP

The above illustration shows the McCormick-Deering engine connected to a Deep-Well Pump through a specially designed pump jack.



Blackstone Type DB Diesel Engine
8 HP & 12 HP

As illustrated above, these engines are in vertical types. The working parts are easily accessible yet they are totally enclosed to protect them from dirt, dust and grit.

RIGHT:

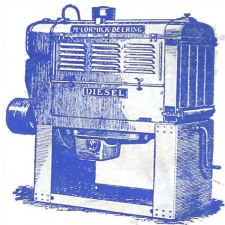
Blackstone Diesel Engines

Compact and strong in construction and being of slow speed, these engines are the ideal units for operating ice plants, electric plants, and other equipment requiring uninterrupted service.

RIGHT:

McCormick-Deering Diesel Power Unit 50 H. P.

These efficient engines are also built into International wheel tractors and Tractor-Towers (Crawlers) for service in industry and commerce. They are widely used by well-established manufacturers to power road machinery, shovels, saw mills, air compressors, locomotives, lighting plants and many other types of equipment.



Fr - 6 8 5 8

INTERNATIONAL HARVESTER ENGINE

to meet your **POWER** requirements

WHATEVER your power requirements, there is an INTERNATIONAL HARVESTER engine of the proper size and type that will cut your operating costs to the minimum.

Easy starting . . . low fuel consumption . . . long life and low maintenance cost . . . dependability . . . convenience . . . modern construction . . . **International Harvester** and **Blackstone** Engines give you the best value for your money.

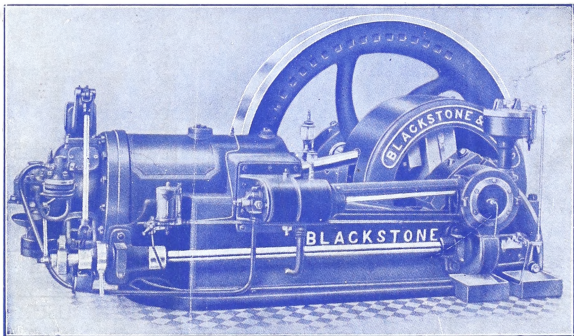
Write us for General Catalog No. 19 covering full information, prices and terms.


INTERNATIONAL HARVESTER COMPANY

OF PHILIPPINES

154 M. de Comillas, Manila


Iloilo • Bacolod • Cebu • Davao • Legaspi • Baguio





On Guard
AGAINST
INFLUENZA
AND
COLDS

With
CAFIASPIRINA
Quick and safe relief



Formula: 0.5 Gm. Aspirin + 0.05 Gm. Caffeine per tablet.

IF YOU LOST YOUR MEMORY
 YOU'D BE UTTERLY HELPLESS

IF YOU LOST YOUR BUSINESS RECORDS
 YOUR BUSINESS WOULD BE RUINED

SAFEGUARD YOUR RECORDS, THE LOSS OF WHICH YOUR BUSINESS COULD NEVER SURVIVE!



A GF ALLSTEEL SAFES,

MOSLER 'N' TYPE SAFES

ARE POSITIVELY FIREPROOF AND BURGLAR PROOF!
 THEY CANNOT BE DESTROYED—FIRE CANNOT DESTROY THE CONTENTS.

PHONE OR WRITE OUR OFFICE EQUIPMENT DEPARTMENT FOR DETAILS, PRICES, AND FULL INFORMATION

NOW! DON'T WAIT UNTIL IT'S TOO LATE!

HEACOCK'S

THE STORE OF QUALITY

Send the JOURNAL to friends in U.S.

Cost Only \$4.00 a Year

AMERICAN CHAMBER OF COMMERCE JOURNAL

P. O. Box 1638

Manila

WHY BE VAGUE? ASK FOR

HAIG



"GOLD LABEL"
 &
 "DIMPLE"
 WHISKIES

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA

Capital.....	£3,000,000
Reserve Fund.....	3,000,000
Reserve Liability of Proprietors.....	3,000,000

MANILA BRANCH ESTABLISHED 1872

SUB-BRANCHES AT CEBU, ILOILO AND ZAMBOANGA

Every description of banking business transacted. Branches in every important town throughout India, China, Japan, Java, Straits Settlements, Federated Malay States, French Indo-China, Siam, and Borneo; also in New York.

The Bank's London Office undertakes Executor and Trustee business, and claims recovery of British Income-Tax overpaid, on terms which may be ascertained on application.

Head Office: 38 Bishopsgate, London, E. C.

C. E. STEWART, *Manager,*
Manila

ALHAMBRA CIGARS

continue to be the
recognized leaders
in QUALITY cigars

CORONAS *de la*
ALHAMBRA



*Do your friends a favor!
Direct them to*

The Manila Hotel

*the leading hotel in the
Orient where they will have*

LUXURIOUS COMFORT
at
MODERATE RATES

*Provides every Western convenience
combined with every
Oriental luxury*

American Plan Only

H. C. ("ANDY") ANDERSON
Managing Director

**D
R
Y
S
E
A
L
S**

**Superior Quality
Dependable Service**

RING UP 2-18-01

the next time you need a Rubber Stamp
or Dry Seal and our Salesman will call

McCULLOUGH
PRINTING COMPANY

Sales Office: 2nd Floor

101 Escolta

**R
U
B
B
E
R
S
T
A
M
P
S**



**OXY-ACETYLENE
Welding & Cutting Equipment**

Philippine Acetylene Co.

281 CALLE CRISTOBAL, PACO
MANILA, P. I.

Here's how to get Manila's!

Genuine Manila Long Filler Cigars in cellophane are obtainable in your city or nearby!



List of Distributors furnished upon request to—

C. A. Bond

Philippine Tobacco Agent:

15 Williams Street, New York City
or
Collector of Internal Revenue
Manila, P. I.

MANILAS

made under sanitary conditions will satisfy your taste!

(Health Bulletin No. 28) Rules and Regulations for the Sanitary Control of the Factories of Tobacco Products.

"Section 15. *Insanitary Acts.*—No person engaged in the handling, preparation, processing, manufacture, or packing of tobacco product or supervising such employment, shall perform, cause, permit, or suffer to be permitted, any insanitary act during such employment, nor shall any such person touch or contaminate any tobacco products with filthy hands or permit the same to be brought into contact with the tongue or lips, or use saliva, impure water, or other unwholesome substances as a moistening agent.....".

The Yokohama Specie Bank Ltd.

(Established 1880)

HEAD OFFICE: YOKOHAMA, JAPAN

Yen

Capital (Paid Up)	100,000,000.00
Reserve Funds	130,900,000.00
Undivided Profits	10,446,651.83

MANILA BRANCH
34 Plaza Cervantes, Manila
S. DAZAI, *Manager*

Telephone 2-35-28 Import Dept.
Telephone 2-37-58 Export & Current Deposit Account Dept.

Telephone 2-37-59 Manager

Telephone 2-37-68 Remittance & Deposit Dept.
Telephone 2-37-55 Cashier & Accountant



Rent an ELECTRIC RANGE

Why cook the old-fashioned way? Investigate modern Electric Cooking. You do not have to buy a range to try it. We will install a range free, and you pay only the monthly rental for the use of it—plus the current consumed. We know that once you have tried Electric Cooking, you'll never go back to any other type.

RANGE RENTAL OFFER: Free Installation in your kitchen, Free Servicing, and Free Repairs and Replacements of Parts.

Get more details of this Offer today.

1275 Manila and Suburban homes have changed to **ELECTRIC COOKERY**

Manila Electric Company

134 San Marcelino



Telephone 2-19-11

When—

you buy matches
ask for

**"PHILIPPINE
MATCHES"**

any matches bearing
the name

Philippine Match Co., Ltd.

*will give you
service and protection*

CAPITOL—COMING SOON



**KAY AT THE PEAK OF HER LOVELINESS
AND GEORGE AT THE TOP OF HIS FORM**
Reward You With Performances That Will Make You
Thank Them From The Bottom of Your Heart!

KAY FRANCIS
with
"GIVE ME YOUR HEART"

with
GEORGE BRENT

ROLAND YOUNG • PATRIC KNOWLES • HENRY STEPHENSON • FRIEDA INESCORT
A Warner Bros. Picture • A Cosmopolitan Production • Directed by ARCHIE L. MAYO

**THE BUILDER'S TEST
IS ALWAYS BEST**

"Builder's Choice"

RIZAL CEMENT

Superior Lower Cost

MADRIGAL & CO.

MANILA

P. O. Box 254

Tel. 2-19-62

WARNER, BARNES & COMPANY, LTD.

LONDON — NEW YORK — MANILA
ILOILO — CEBU — BACOLOD

IMPORTERS & EXPORTERS

SHIPPING DEPT.

Agents For:
Nippon Yusen Kaisha
Canard-White Star, Ltd.
Bibby Line

INSURANCE DEPT.

Transacting
Fire
Marine
Automobile
Workmen's Compensation
and Miscellaneous

GENERAL MANAGERS OF
COMMONWEALTH INSURANCE COMPANY

SPECIAL REPRESENTATIVES OF
IMPERIAL AIRWAYS, LTD.

MACHINERY DEPARTMENT

Agents For:
Sugar Machinery, Diesel Engines, Condensing Planes, Mining
Machinery and Steels, Shipbuilders and Engineers.

AGRICULTURAL DEPT.

All Classes of
Fertilizer

IMPORT DEPT.

Sperry Flour
Sugar Bags

Cable Address: "Warner" Standard Codes

Manila Office: Perez-Samanillo Building, Manila



Local
Subscription and
United States: \$4.00 per year
Foreign
Subscription: \$3.00 U. S.
Currency, per
year



January, 1937

Vol. XVII, No. 1

Single Copies:
35 centavos

WALTER ROBB
Editor and
Manager



Entered as Second Class Matter May 25, 1921 at the Post Office at Manila, P. I.

America's Philippine and Straits Settlements Markets

Since President Quezon of the Philippine Commonwealth cordially welcomes overseas capital, from America particularly, why not more effort for rubber here?

We have the following letter from Singapore, from a reader expert in tropical products and the trade in them throughout the world:

"The inclosed editorial from the Singapore *Free Press* has one point of interest, it shows that the trade balance between the Malay Peninsula and the United States stands in the ratio of 47 to 1 against the United States. But that is not the whole story. (The editorial follows our transcription of the letter). Since November the price of rubber has risen a good 25%, and tin at least 10%. For December and thereafter, that balance will be much more against the United States than even 47 to 1.

"It is all very well to say that in our trade with the British Empire we regain in the round what we lose in the swing, but where in that empire are we going to find markets to make up for the fact that where we buy our rubber and tin requirements we are only allowed to pay for them in merchandise to the extent of 2%. Perhaps from these figures you can demonstrate to your readers the value of a market such as the one we possess in the Philippines, in which we are allowed to pay for what we import with products of American labor up to 60% and 70%. There will be a new rubber boom in 1937, world consumption is being estimated at 1,200,000 tons. The standard production as estimated by the rubber pool is 1,300,000 tons. However, very few estates can make their quotas on the basis of 70% of the standard production, and practically none will be able to produce their quotas on the basis of the full 100% of the standard production.

"Of the 1,200,000 tons, if consumption in 1937 reaches that figure, the United States will take at least 900,000 tons of 2240 pounds, which at 39 cents *Straits* per pound, the actual spot price in *Straits* dollars 649.60 per ton, means that the United States is going to pay about 575,000,000 *Straits* dollars in 1937 for the raw rubber she uses, or nearly 330 million American dollars. Do you not regret that the island of Mindanao is not spotted with rubber plantations? First for the increased revenue it would bring the Philippines, and secondly for the increased market for American goods such additional revenue would afford, and thirdly because it would prevent

this peninsula and the Dutch East Indies from working the periodical squeeze of which the *Free Press* speaks—a squeeze, by the way, that profits London and Amsterdam more than it does the producing countries, since 90% of the increased revenue will go toward dividends on shares owned in and around those cities.



Tapping young rubber, Basilan Island.

"In addition to \$330,000 which we will pay for rubber, there is another little matter of about 90,000 tons of tin which we will buy at £230 or better a ton, and that is another \$100,000,000. Of course *le bon Dieu* put the tin where it is found and if the Philippines have no tin it can not be helped; but how about the palm oil, the cocoa, the coffee, and the tea—to say nothing of cinchona, tapioca, pepper and spices for which that same *bon Dieu* provided those islands with the exact soil and climate necessary for their growth.

"Does not the fact that we have done nothing about these prime necessities, either as Philippine producers or American consumers, make you want to weep on my shoulder as I should like to weep on yours. . . If you can find any meat in this coconut you are entirely welcome to it."

It is a curious fact in world commerce that the American régime has added no crop to Philippine agriculture, and sugar cane is about the only old crop it has improved. Coffee is not so good as it was 50 years ago, and not so abundant; some good tobacco has been added, but old types have not been improved. America, it seems is just not a country embracing a practical-minded class of great agricultural investors. Then the question is, are the Philippines? They are not, at this time; the many good farmers here are not yet ready to organize and finance the great farm corporations. Mindanao offers a great field of profit—this development will only come after the new mining industry is further developed and dividends from it have to be put to use in other ways. When that time comes investors will have been accustomed to returns of 10% to 15% a year, while now they demand much more—and commonly manage to get it out of sugar, coconuts and Manila hemp, as well as the great rice crop sold entirely in the Islands.

(Please turn to page 10).

Japanese Mandates In The Pacific Ocean

The League of Nations, which was formed by twenty-eight allied nations after the Great European War, came into existence on January 10, 1920, through the coming into force at that date of the Treaty of Versailles signed at Versailles, France, on June 28, 1919. In virtue of this Treaty, the League mandated to, that is, committed to the charge of, Japan, to be governed as Mandates, the former German possessions in the Pacific Ocean, covering an immense expanse of sea and extending for 1,200 miles north from the equator and for about 2,500 miles east to west, and consisting of the following groups of islands, namely:

	Approx. Area sq. miles.	Approx. Population
Marianne or Ladrone Islands.....	450	83,328
Less: Guam (the largest island in this group), ceded by Spain to the United States in 1898.....	206	18,509
Balance of the group belonging to Germany and mandated to Japan.....	244	64,819
Marshall Islands.....	160	9,700
Caroline Islands.....	400	23,222
TOTAL former German possessions mandated to Japan.....	804	97,741
Population as at April 1, 1930:		
Japanese.....	21,422	
Foreigners.....	81	
Total Japanese and foreigners (chiefly in the Marianne Islands).....		21,503
Total native population in the Japanese Mandates.....		76,238

The seat of government is in Parao (Palaou) in the Carolines, and the principal resources in these mandated islands are phosphorus ores (chiefly in the Carolines), coconut and copra. The budget for all of the above Japanese Mandates, consisting of a total of 623 islands, was balanced for the fiscal year 1932-1933 at 5,628,918 yen which, at the present exchange of approximately 28-5/8 (that is, U.S.\$0.28625 per yen), is equivalent to U. S. \$1,611,277.78.

The circumstances which led to Japan's coming into possession of these islands are, in part, as follows:

On February 16, 1917, at the very time when America was urging China to sever diplomatic relations with Germany, the British Government concluded an agreement with Japan, in part, reading as follows:

"His Britannic Majesty's Government accedes with pleasure to the request of the Japanese Government for an assurance that they will support Japan's claims in regard to the disposal of Germany's

rights in Shangtung and possessions in the islands north of the equator on the occasion of the Peace Conference; it being understood that the Japanese Government will treat in the same spirit Great Britain's claims to the German islands south of the equator."

On February 19, 1917, Baron Motono of Japan sent a communication to the French and Russian Ambassadors at Tokyo stating, among other things, that:

"The Imperial Japanese Government proposes to demand from Germany, at the time of the peace negotiations, the surrender of the territorial rights and special interests Germany possessed before the war in Shangtung and the islands belonging to her situated north of the equator in the Pacific Ocean."

The French Ambassador on March 2, 1917, replied as follows:

"The Government of the French Republic is disposed to give the Japanese Government its accord in regulating at the time of the Peace negotiations questions vital to Japan concerning Shangtung and the German islands in the Pacific north of the equator. It also agrees to support the demands of the Imperial Japanese Government for the surrender of the rights Germany possessed before the war in this Chinese province and these islands.

M. Briand demands on the other hand that Japan give its support to obtain from China the breaking of its diplomatic relations with Germany, and that it give this act desirable significance. The consequences in China should be the following:

First, handing passports to the German diplomatic agents and consuls;

Second, the obligation of all under German jurisdiction to leave Chinese territory;

Third, the internment of German ships in Chinese ports and the ultimate requisition of these ships in order to place them at the disposition of the Allies, following the example of Italy and Portugal;

Fourth, requisition of German commercial houses, established in China, forfeiting the rights of Germany in the concessions she possesses in certain parts of China."

The Russian reply dated March 5, 1917 to Baron Motono's Note was as follows:

"In reply to the Note of the Japanese Ministry of Foreign Affairs under the date of February 19th last, the Russian Embassy is charged with giving the Japanese Government the assurance that it can entirely count on the support of the Imperial Government of Russia with regard to its desiderata concerning the eventual surrender to Japan of the rights belonging to Germany in Shangtung and of the German islands, occupied by the Japanese forces, in the Pacific Ocean to the north of the equator."

In total ignorance of all of the above exchanges of secret understandings, the United States, on April 6, 1917, declared war against the Central Powers, thus began helping the Allies to fight the war for righteousness, for democracy, for a war to end wars, and for the 14 points which included condemnation of the practice of transferring peoples and territories "from potentate to potentate as though they were chattels."

President Wilson, when asking Congress to agree to the declaration of war, said, among other things, that:

"We shall, I feel confident, conduct our operations as belligerents without passion, and ourselves observe with proud punctilio the principles of right and fairplay we profess to be fighting for."

It may be recalled that in November, 1915, Japan was not in favor of China joining the Allies, Viscount Ishii explaining:

"Japan considered developments in China as of paramount interest to her, and she must keep a firm hand there. Japan could not regard with equanimity the organization of an efficient Chinese army such as would be required for her active participation in the war, nor could Japan fail to regard with uneasiness a liberation of the economic activities of 400,000,000 people."

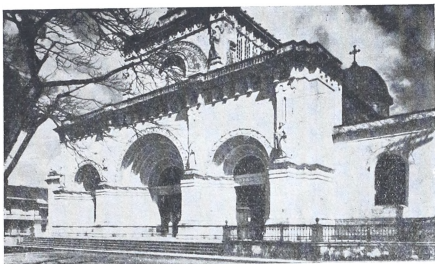
The Lansing-Ishii Notes, or the so called Japanese-American Agreement, were in fact notes exchanged on November 12, 1917, between Viscount Ishii for Japan and Secretary Lansing for the United States, the result being the acknowledgment, on the part of the United States, of Japan's special interest in China on account of her territorial contiguity.

(Please turn to page 6)

CALL 5-73-06

ISUAN, INC.
Sole Distributors





Miller Photo

Manila's Beautiful and Majestic Cathedral on Plaza de McKinley, walled city

If there is one feature that stands out among the many that arouse the interest of tourists in the City of Manila it is the many old and beautiful churches that have been erected by the Spaniards in all parts of the city. Under a local government in which the Church was the controlling factor, it was only natural that much time, money and effort were expended in the erection of pretentious religious edifices. This is true not only of Manila but also of the provinces. Throughout the Islands, the priests and the monks of the Spanish orders have put up stately piles, often out of all proportion to the size of the communities and the wealth of the people. Some of these architectural creations would do credit to old world capitals and their mere physical construction with the limited means and resources at the disposal of their builders is little short of miraculous.

In Manila, the oldest and largest churches are situated in the Walled City which until comparatively recent times was Manila proper, the country outside of the walls having been incorporated in the municipal district within the last century. All these churches, except the Roman Catholic Cathedral, are administered by the different religious orders, whose members are everywhere in evidence—brown-clad and bearded Capuchins, blue-gowned Franciscans, white-robed Dominicans and Augustinians, and Jesuits clad in somber black. These priests and brothers are all well-educated, cultured men, who spend a good deal of their time in their conventos (monasteries) adjoining their churches, engaged in study and research of various kinds. The University of Santo Tomas, the oldest educational institution in the Islands, and one of the best, with a history that antedates that of any American university, is administered by the Dominican fathers. Many of these monasteries are quite as interesting as are the churches.

• AUGUSTINIAN CHURCH AND CONVENTO

First in point of antiquity and interest is the Augustinian church, situated at the intersection of Real and General Luna streets. The first building, erected in 1571, was destroyed by fire. In its place was erected another church built of firmer material, but this was destroyed by an earthquake. Finally, in 1599, Juan Macias, a noted architect, began the present structure. On his death, the work was continued by the lay brother Juan de Herrera, son of the famous designer of the

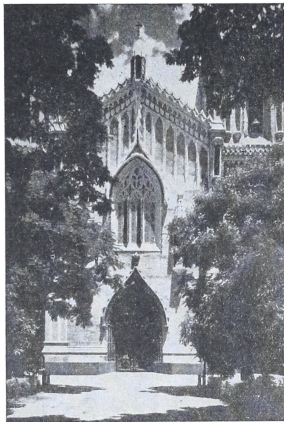
MANILA

the City of Churches

THE WALLED CITY

By Norbert Lyons

Madrid Escorial, the second largest church building in the world whose beauty was such that its architect gained classic fame for himself and country by his artistry. Young Herrera in Spain got into trouble over a woman and was condemned to death. Influential friends and relatives interceded for him and his sentence was commuted to banishment. He came to the Philippines and followed his father's profession. Herrera also built the old bridge of Spain and the church at San Pedro Macati, where he was killed by a stone falling on his head during the construction work.



Miller Photo

Dominican Convent Church of Our Lady, walled city, Manila, one of two great Churches in the Gothic style in the city.

Architecturally, the Augustinian church is of the peculiar Romanesque-Renaissance style so common in Spain and her colonies of that period. It has no special artistic appeal, aside from its antiquity, and what little it has is depreciated by the absence of one of the twin towers that originally adorned the structure. The east tower was demolished in an earthquake and has never been rebuilt. The body of the church is built to withstand the heaviest seismic shocks, with its great low arches that span the entire breadth of the building.

The interior of the church is chiefly notable for its mural decorations, made by Alveroni, an Italian painter, about 60 years ago. On either side of the two side naves there are five chapels, each named after a saint and decorated appropriately. The dimensions of the building are 231 feet long, 84 feet wide and 42 feet high. Beneath the beautiful hardwood floor lie the remains of some of the most prominent Spanish and native residents of the Islands, including those of Legaspi, Salcedo, Ronquillo, Lisarraga and other Governors General. Archbishops Guerrero, Serrano, Zamudio and Garcia are also buried here.

The Augustinian monastery, the largest in the Islands, occupies a space of six square blocks interspersed with six patios or open spaces. Of most massive construction, with walls in places twelve feet thick, this convent is practically immune to earth shocks. At one time it housed hundreds of friars; now some twenty odd occupy the huge structure. Its endless halls are lined with oil painting of saints and martyrs, made by Filipino artists for the most part. Some of these are interesting, but none are what might be considered distinguished works of art. They are poorly preserved and are rapidly falling to pieces. One of the sights of the convent is a huge well which on several occasions has saved the population of old Manila from drought. It also was used by the American troops during the early days

of American occupation. Its capacity is estimated by the Augustinian fathers at 65,000 gallons.

CHURCH OF THE CAPUCHINS

Two or three squares up General Luna street, just beyond Victoria street and close to the Delmonico Hotel, stands the Capuchin Church of Our Lady of Lourdes, the most modern of the Walled City churches. The Capuchins did not come to the Islands until 1886, when they established a mission and built a chapel in Pasay. In 1892 Brother Bernardo M. de Cieza had an image of Our Lady of Lourdes made by a Filipino artist, Manuel Flores. This work of art, because of its beauty and religious significance, aroused much enthusiasm among the parishioners of the church, especially the women, and immediately became the objective of pilgrimages and devotions, being credited with the power of curing bodily ailments. Finally, in 1897, it was decided to build a new church on the present site and Federico Soler, the architect, and Jose Garcia Morón, the engineer, were commissioned to begin work on the edifice. The following year the American troops came to Manila and there was great consternation among the populace, the people fearing a bombardment. The Superior of the Order, Brother Alfonso M. de Morontin, at the time the excitement was at its highest pitch, took a solemn vow that the new church would be dedicated to Our Lady of Lourdes if the bombardment did not take place. The bombardment did not eventuate and on September 24, 1898, the church was completed. It is of a Romanesque style of architecture, in the main, with touches of Renaissance and other orders of decoration. While small, it is very impressive, and when fully illuminated presents a brilliant appearance. It is a popular church among the ladies and its 10 o'clock mass is largely attended on Sundays. It is also the scene of many fashionable weddings, having a wealthy and exclusive congregation.

RECOLETOS CHURCH

A short distance away, at the intersection of Recoletos and Cabildo streets, is the Church of the Recoletos or San José. The Order of Recoletos is one of the oldest in the Islands, its first representatives, 13 in number, having come here in 1606. They settled in what was then the barrio of Bagumbayan and on September 10, 1606, founded the first church, a crude structure, in which they placed the image of San Nicolas of Tolentino, now patron saint of the city of Manila, which they had brought from Spain. Here they also established their first monastery. They struggled on amid great hardships and in most abject poverty. Don Bernardino del Castillo, the leading Spanish executive of Manila, and his wife, Doña Maria Enriquez de Cespedes, moved by the poverty-stricken state of the good friars, bought the present site and erected a church on it at a cost of ₱100,000. In 1645 an earthquake destroyed most of the original building and it had to be reconstructed as funds became available. The present façade dates from 1781. The earthquake of 1863 destroyed the roof which had to be

rebuilt. The façade is rather more elaborate than that of the other churches, being adorned with Doric pillars and niches holding statues. The bell tower, with its numerous openings and niches, makes a picturesque feature of the exterior. It has five bells.

The architectural style of this church is Spanish Romanesque with touches of Renaissance. The interior is typical of the Spanish churches of Manila, except that it has a large distinguishing cupola. The reredos or altar screen, is particularly noteworthy because of its numerous sacred paintings and statues and its beautiful and intricate carvings. To the left of the high altar is a large chapel surmounted by a cupola. An old and quaint organ in the choir loft is worthy of inspection. In this church are buried Captain General Fajardo, who died in 1617, and his wife, as well as other distinguished Manilans of the early days.

FRANCISCAN CHURCH AND MONASTERY

In close proximity is the Church of San Francisco with its Chapel of the Third Order of San Francisco, both facing a large stone court. The two churches are separated by the convent, one of the largest in the city. The front of this square is located at the intersection of Potenciana and Solana streets and also faces San Francisco street.

The First Franciscan monks to reach Manila arrived in 1577 and erected a small nipa house of worship. This was destroyed by fire in 1583 and another of wood was constructed at the expense of Marshal de Rivera and Don Martin de la Rea. In 1602, Marshal de Rivera built a rubble church and convent, donning the gown of the order shortly afterward. In 1739 this group of buildings was destroyed by an earthquake and the present structure was erected. The tower was demolished in 1824 and rebuilt. The southern part of the main chapel and the roof of the church also suffered severe damage from an earthquake in 1863.

This church owes much of its popularity and repute to a miracle which is reported to have occurred on October 3, 1603, when during the Chinese uprising Saint Francis is said to have appeared upon the city walls, defending the capital with a sword of flame. So impressed were 400 of the Chinese prisoners by this miracle that they immediately asked to be baptized and each and every one of them assumed the Christian name of Francisco. This story is taken from the annals of the Franciscan fathers published in 1863.

The Franciscan Church is of rather massive outside appearance, the architecture being of a mixed style, with the Romanesque and Renaissance elements predominant. Greek pillars of the Ionic and Corinthian orders embellish the front. The effect is to make the church look larger than it really is. The altar screen, resplendent in silver, is truly impressive. The whole interior effect is one of massive simplicity. One of the images in front of the high altar, that of San Francisco de las Lagrimas, has an interesting history. It was originally

(Please turn to page 15)



Franciscan Convent Church in the Walled City of Manila. Franciscans are the patrons of the Sta. Clara nuns, whose cloister in the walled city dates from 1621. Franciscans built many missions in the Bicol region and Samar.



Oldest Christian fame in the Philippines: Augustinian Convent Church of St. Paul and St. Peter, in the walled city. Terms for America's occupation of Manila in 1898 were signed in its secrecy.

U. S. Navy Buys Philippine Domestic Sugar

On December 15, 1936, the United States Navy supply department in the Philippines opened bids at Cavite Naval Yard for the purchase of three hundred thousand (300,000) pounds of refined sugar, that is, 3,000 bags of 100 lbs. each.

The bidders and prices offered were as follows:

	Price per lb.
Victorias Milling Co., Inc.	₱0.0689
Malabon Sugar Co., Ltd.	0.075
St. Louis Bakery:	
Domestic sugar	0.081
Foreign sugar	0.046
Insular Sugar Refining Corporation	0.0729

The Navy accepted the lowest offer for Philippine local manufactured refined sugar, that is, that from the Victorias Milling Co., Inc. at ₱0.0689 per lb. equivalent to U. S. \$3.445 or ₱6.89 per bag of 100 lbs. net weight delivered in Manila as it was, in effect, ₱3.01 per 100-lb. bag lower than the foreign bid of ₱0.46 per lb., taking into consideration the import duty of ₱5.30 per 100 lbs. net weight bag which should be imposed on the foreign sugar to be imported.

The calculations are as follows:

	U. S. \$	Pesos
Foreign sugar bid, c.i.f. Manila (per lb.)	\$2.30	₱4.60
₱0.046, or per 100 lbs.		
Plus duty:		
Philippine import tariff (for 99.6 degrees polarization) per 100 lbs.	\$2.635	
Tare (weight of immediate container), say	0.015	
Total import duty for bag of 100 lbs.net.	\$2.65	₱5.30
Foreign bid, total cost per 100 lbs. net bag, duty paid	4.95	9.90
Philippine bid ("Victorias") per 100 lbs. net bag	3.445	6.89
Foreign bid (paying import duty of \$2.65 exceeds Philippine local sugar bid by (per 100 lbs. net bag)	\$1.505	₱3.01

Disregarding the Philippine import duty of \$2.65 or ₱5.30 per 100-lb. net bag, the foreign sugar bid of ₱0.046 per lb. is, however, only approximately 66.76% of the Philippine bid of ₱0.0689 per lb. from the "Victorias".

The United States Army supply department in the Philippines, on September 2, 1936, opened bids for 10,800 bags of 100-lb. net refined sugar and later accepted the lowest foreign bid of ₱0.0347 equivalent to \$1.735 or ₱3.47 per 100-lb. net bag which was only about 45.12% of the lowest Philippine local sugar bid of \$7.69 which was, at that time, also offered by the "Victorias".

	Per 100-lb. net bag
In the above U. S. Navy bid, the local sugar offered at ₱0.0689 per lb. is equivalent to	U. S. \$3.445
while the foreign bid of ₱0.046 per lb. is equivalent to	\$2.30

Therefore the local sugar bid exceeded the foreign bid (excluding duty) by	\$1.145	₱2.29
--	---------	-------

In the case of the U. S. Army bid on September 2, 1936, above mentioned, the foreign sugar bid of ₱3.47 (excluding duty) was ₱4.22 lower or cheaper than the Philippine local sugar bid of ₱7.69 per 100-lb. net bag.

These foreign sugar bids bring home to us, in black and white the fact that foreign refined sugar can be produced and transported, cost plus freight, etc., and delivered in the Philippines at a total cost, varying at different times, from ₱2.29 to ₱4.22 per 100 lbs. cheaper than Philippine local refined sugar.

They also go to show, regarding our great Philippine surplus sugar for export, that if the Philippines were to lose the duty-free market in the United States after the ten-year Philippine Commonwealth transitional period, how helpless and hopeless it will be for the Philippines to produce sugar at a cost cheap or low enough to be transported, cost plus freight and other expenses, to China or other foreign countries and compete with Java, Hongkong or other foreign sugar, refined or unrefined.

At present, the Philippines is prevented from being flooded with foreign sugar by a tariff wall furnished by Act No. 3515 of the Philippine Legislature, amending paragraph 237 of the Philippine Tariff Act of 1909 which imposes an import duty of U. S. \$0.025 per pound for raw 96 degrees centrifugal sugar, and U. S. \$0.02635 per pound for refined sugar of an average polarization of 99.6 degrees, plus the same rate of duty for the corresponding tare or the "weight of the immediate container."

Philippine Army Is New Economic Unit

Now abuilding in the Islands, the Philippine army is at once an economic problem and factor. Modifications have occurred in the original plan, and no doubt will arise in the future, inasmuch as the situation glistens in novelty—and glitters with opportunity.

Taking over Teachers' Camp in Baguio, the Philippine Military Academy found the nucleus of a housing plant for the 4-year course leading to career officership. Though additional buildings will be necessary when an extra 100 cadets are added to the 142 enrolled in 1936, an original outfit is spared. Present plan is to vacate during April and May so that Philippine teachers may, as before, enjoy their deserved rest and recuperation in Baguio's ideal climate at nominal cost.

The Academy vacated Camp Henry T. Allen which had been its home since 1908 as an institution turning out Constabulary officers after a 3-year collegiate course. Into these grounds last July marched candidates for reserve officers' training. The first group of 150 finished their preparation in September, were ready for assignment to trainee camps. Another 150 have just held graduation exercises at Burnham Park's lower parade ground. Other reserve officers are available from college R.O.T. Corps and high school teachers' training centers.

Naturally the officering of the army has been the first step, but of great importance is the establishment of the trainees' cadres with attendant costs. Thus far, faculty salaries and cadets' subsistence have been the principal expenditures. The outfitting and subsistence of the 20-year-olds, whether 10,000 or 20,000, is a task both executive and economic.

Auxiliary to the MacArthur plan of defense is Major-General Paulino Santos' subsistence plan for trainees. Addressing the first group of probationary officers at Baguio last September, he outlined a scheme for combining modern instruction in agriculture and vocational lines with the trainees' military service. To quote,

"We evolved a plan to convert every army post and training cadre into a model agricultural station, with the immediate but secondary objective of reducing the maintenance of the army, and with the primary and more vital objective of making our people agriculturally minded in a modern way. I am pleased to say that that plan was endorsed by the military adviser, and it merited the enthusiastic approval of President Quezon, notwithstanding opposition from many leaders of thought including even some of my own colleagues in the army, who openly expressed their doubts as to its practicability, observing

(Please turn to page 46)



Vol. XVII
No. 1

January
1937

The American Chamber of Commerce

OF THE
PHILIPPINE ISLANDS
(Member Chamber of Commerce of the United States)

DIRECTORS:

P. A. Meyer, *President*
C. S. Salton, *Vice-President*
John L. Haddington, *Treasurer*
J. C. Rockwell
E. M. Grimes
Venet E. Miller
S. F. Gaches
E. Schroeder
H. M. Cavender

ALTERNATE DIRECTORS:

P. A. Meyer, *Chairman*
A. G. Henderson
D. L. Cochran
E. M. Cochran

SECRETARY:

C. G. Clifford

COMMITTEES

EXECUTIVE COMMITTEE:
P. A. Meyer, *Chairman*
C. S. Salton

PUBLICATIONS COMMITTEE:

P. A. Meyer, *Chairman*
C. S. Salton
Roy C. Bennett

RELIEF COMMITTEE:
C. G. Clifford, *Chairman*

BANKING COMMITTEE:

W. Douglas, *Chairman*
E. E. Wang
J. R. Lloyd

MANUFACTURING COMMITTEE:
K. B. Day, *Chairman*
F. H. Hale
C. A. Kessler
D. P. O'Brien

RECEPTION, ENTERTAINMENT AND HOUSE COMMITTEE:

C. S. Salton, *Chairman*

LEGISLATION COMMITTEE:
E. E. Schip, *Chairman*
C. S. Salton
L. D. Lockwood
C. G. Clifford

SHIPPING COMMITTEE:

E. M. Grimm, *Chairman*
W. M. Crowder
Chester Sharp
A. G. Henderson

FINANCE COMMITTEE:
Venet E. Miller, *Chairman*
A. G. Henderson

INVESTMENT COMMITTEE:

P. A. Meyer, *Chairman*
C. S. Salton
J. C. Rockwell
S. F. Gaches

FOREIGN TRADE COMMITTEE:
H. B. Ford, *Chairman*
N. H. Duckworth
-aron Young

America's Philippine . . .

(Continued from page 5)

Now for Singapore's editorial:

Boom Dangers

(Reprinted from *Singapore Free Press*)

However poorly it may have started, the year 1936, so far as Malaya is concerned, seems to be going out in a blaze of glory, if we are to judge from yesterday's issue of the *Free Press*. In the first place, we had the announcement that after a secret session the Siamese People's Assembly ratified the new tin control scheme, and with it goes that final lingering doubt of a last-minute hitch. Now the barometer is "set fair" in that industry for such period of time as the I.T.C. may decide should constitute the life of the new scheme, a period not likely to be less than three and not more than five years. On the same page we had an account of the frenzied scenes on the London Rubber Exchange as a result of the commodity topping the elevenpenny mark and similar conditions were reproduced in local markets, filling all concerned with the highest hopes of a new era of prosperity to compensate for the lean years experienced in the past.

To revert to the tin industry, yesterday's *Free Press* reproduced the December issue of the Hague Statistical Bulletin of the International Tin Research and Development Council, showing that for the twelve months ended October, 1936, apparent world consumption showed an increase of 13,900

tons over the total for the preceding twelve months, and though this was offset by an increase in production, which still exceeded consumption by 13,300 tons, world visible stocks have increased by only 3,130 tons in the same period. These figures, regarded more as trends, can therefore be safely considered as "bull" factors for the tin industry and with the metal at present prices that is evidently the interpretation put on them by the market.

To complete the happy picture, Tuesday's *Free Press* contained the latest Malayan trade figures, showing that a spectacular rise had taken place in the total value in November, compared with the previous month and the corresponding month of last year, and the cheering estimate that the total trade for the year will exceed that of 1935 by at least \$90,000,000. There are only two or three sources from which this rush of prosperity can come, namely, increased prices for tin, rubber and copra, and while rejoicing at the phenomenon it is wise not to lose touch with reality and try to appreciate the dangers inherent in the situation.

These dangers are very real for it cannot be pretended that tin at over £230 a ton and rubber heading rapidly for one shilling a pound constitute fair prices, or at least prices which leave only a modest margin of profit. It seems a long cry now from those black days when tin was in the region of £100 per ton and rubber was under twopenny but those who recall them will also remember the pathetic eagerness with which we looked forward to tin round about £150, while rubber at sixpence seemed almost unthinkable. Now these figures have been far surpassed and still many people are not satisfied. While there are dangers in attempting to assess fair prices for tin and rubber, we believe that for the former something between £180 and £200 per ton provides a generous margin of profit for efficient producers and ninenpence a pound at the most for rubber will ensure a fair return on capital.

It can be said—without begging the question as to whether they could do anything but accept the situation—that manufacturers have been tolerant about the recent rises in these two commodities. They realised that the slump figures represented an uneconomic price for producers and, so far as it is possible to judge, they have accepted the increases philosophically and made the necessary adjustments. But now the feeling must be gaining ground that at present prices they are being "squeezed", and it is hard to avoid sharing the same conviction, however nice it may be for Malaya to sit back and enjoy the process.

Malaya has had experience in the past of the rude shocks which can come to those who persist in "squeezing," and while it may be difficult at the moment to see where they can come from, economic laws and other factors, such as political pressure, have a habit of keeping a rod in pickle, and just as the abandonment of the Stevenson Scheme came like a bolt from out the blue, so might some other unpleasant surprise be lurking in the background, one which cannot even be foreseen or conceived at the moment. For instance, we find that exports to the United States in November were \$34,922,000, compared with \$27,034,000 in October and \$17,732,000 in November of last year. How are we to convince Americans that much of that increase does not represent "squeeze," and that it is really the result of an expansion of trade? Again, the latter country has reason to feel aggrieved when in addition to any soreness she may feel at a "hold up" on the part of Malaya—among other producing countries—we only took \$738,000 worth of goods from her in November.

These are disturbing reflections and it is wise to consider them squarely and not ostrich-like, hide our heads in the sand of a shortlived boom. Malaya, it should be emphasised, does not want another boom of the kind we have had in the past. They have proved more of a curse than a blessing and have always contained in themselves the seeds of their own destruction. Before it is too late the two controlling bodies, the I.T.C. and the I.R.R.C., should take steps to keep prices within reasonable bounds. They have the weapon and it is hoped they will not hesitate to use it ruthlessly and save the tin and rubber industries from their own folly.

Science, Munitions Makers, And Civilization

"Though he slay me, yet will I trust in him" (Job 13: 15)—such, in the language of the Sacred Scriptures, seems to be the attitude of the greater part of the scientific West towards science; science, with its inventions and constantly improving means or instruments for efficient homicide and destruction, has been continually slaying them and yet the Westerners, and some Eastern adepts, keep on trusting and placing implicit faith in it, believing in "if you want peace, prepare for war", in the improved armaments and more and more destructive bombs to wipe out whole cities of neighbouring countries, and in doing a man first as they think he would do unto them.

Among the greatest promoters of wars and opponents of peace, national and international, are the "organizations engaged in the manufacture or trade in arms". During the Great European War of 1914-1918 and before the United States joined the Allies, certain American munitions interests were criticized for selling munitions both to the Allies and the Central Powers. The then ex-President Taft made a publicized statement to the effect that any nation at war should be entitled to freely buy arms and ammunitions wherever it could obtain, otherwise almost every nation in peace would have to accumulate and store up great quantities of arms and ammunitions and thus spend enormously to the detriment of the economic welfare of the people of such nation.

By resolution of April 12, 1934, the United States Senate appointed a Special Committee to investigate the operations of "Organizations engaged in the manufacture or trade in arms", and to inquire into the desirability of creating a government monopoly in respect to the manufacture of armaments and munitions. The Committee held its first session September 4 to 31, 1934, in Washington and produced evidence confirming most of the abuses charged against the private munitions industry in the past. The munitions corporations were private in character, operating for profit, and controlled the source of supply from which the majority of governments must meet their national defense needs. They therefore occupied a dual rôle. On the one hand, they were private business enterprises, selling a commercial product in the world market; on the other, they were regarded by their own governments as an essential part of the national defense system.

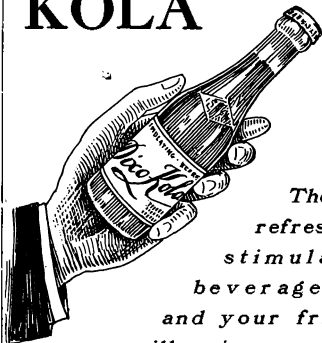
The evidence brought out by the Senate Committee was summarized by the Foreign Policy Association as disclosing the following conditions:

- (1) The national policy, as expressed in arms embargoes or international treaties, has been defied or circumvented by private armament interests operating for profit.
- (2) Bribery is generally accepted as a necessary element in the promotion of armament sales.
- (3) Selling arms simultaneously to both sides in time of war and arming revolutionary and government factions in civil wars are common practices among armament firms.
- (4) Armament races between friendly countries have been stimulated by armament firms working in competition or in association with other companies at home and abroad.
- (5) Lobbies organized by armament firms have supported military and naval appropriations and opposed embargoes and other restrictions on arms.
- (6) British, German and American arms companies are linked together under patent and sales agreements which provide for exchange of secret processes, division of profits and division of sales territories.
- (7) National defense policies and foreign policies of governments are influenced, if not hampered, by secret agreements between private arms interests in different countries.
- (8) Agencies of the United States government encourage the promotion of foreign armament sales. The United States War and Navy Departments release military designs to private armament firms and served as sales promotion agents in foreign markets.
- (9) Under existing laws and regulations, the United States government is powerless to control the shipment of arms to warring nations in violation of embargoes, or to prevent mislabeling of shipments to foreign countries.

Bribery, although deplored by armament company officials, is apparently regarded by arms salesmen as an essential element in the sales of war materials abroad. The payment of special "commissions" to "persons of influence" is customary. Over a period of 11 years from 1919 to 1930, a certain Electric Boat Company paid commissions totalling U.S.\$766,000 to Sir Basil Zaharoff whose munitions dealings in Europe covered half a century and whose services were to "do the needful" in certain specific dealings.

The Senate investigation also revealed the fact that, up to that time (September, 1934), large scale manufacture of war materials was limited to some ten (10) industrial countries. Armament firms in these ten countries supplied more than 93% of the total world exports of arms and ammunition, while more than 50% of the total exports come from three countries—United States, Great Britain and France.

DIXO-KOLA



The new
refreshing,
stimulating
beverage you
and your friends
will enjoy—made by

ISUAN, INC.

Tel. 5-73-06

WE DELIVER

The Uncut Pages

Fresh from the bookshelves are the gifts of discerning friends who bestowed printed treasures, books new-published or reprinted after successfully passing the test of time. Such as these are:

Cradle of Life, by Louis Adamic
Science of Living, by Alfred Adler
San Felice, by Vincent Sheehan
Notebook, by Mark Twain

With title so gentle, the Adamic book is a torrent of first-person subjective writing, reaching far back into childhood remembrance. These memories tottered between life and death, for the protagonist was a love-child farmed out to rude Slavic peasants who in their own bitter battle for mere existence felt no compunction over the death of such a foundling, when its subsistence money failed to arrive.

Even among them, though, fondness for this little lad grew. More than once the gnarled hands of *Mammadora* shielded him from danger and death. Yearly he was dressed in good clothes and taken to a photographer in the nearest town.

The significance of this treatment grew, too, in the lad's mind. Then, one day, a splendid carriage drove up to the farm gate, and from it stepped a fine gentleman. But, alas for fairy stories, this was not his father. The visit led to the slow unfolding of the mystery, however. Fathered by the Crown Prince of Austria-Hungary, renounced by the noblewoman who gave him birth, the illegitimate princeling was yet to have his castle and estate though the intervention of a progressive nobleman who hoped that this sensitive and thoughtful boy might supplant the legal heir, unfit for Emperors.

Such a tale is old, but Adamic's telling is new. Realist the author is, and his hero never climbs to tangible power. He does conquer—himself. After an accident which cripples him for years, he recuperates under the care of his beloved *Mammadora*. Grown now, student of culture and the humanities, he can yet find harmony in the peasant family which took him to its shelter for gold, only to find him suddenly a touchstone of emotional life.

His step-brothers, with a little schooling and

much earthly courage, are watching the dawn of a fairer light for their kind. Turning away from all wish to grandeur and power, the noble-born casts his lot with them.

Written for the layman, published in inexpensive editions, the Adler *Science of Living* furnishes a fascinating sketch of the famed psychoanalyst's theories. Departing from the Freudian path, Adler long ago embarked on his study of the individual as a unit of society.

The three domains of occupation, gregarious activity, and domestic care—*to summarize rudely what Adler so carefully and clearly sets forth—interweave the mental fabric. They are strongly influenced by the pattern set in childhood, an apperceptive plan which, deeply grounded in the subconscious, bears on the grown-up's action.*

To illustrate: if the subject is anti-social, perhaps the case history develops that he was an oldest child in a family where subsequent children received the preponderance of parental attention. Rebuffed, he withdrew from the others and thus was formed the habit of self-isolation. In all situations involving other human beings, he then reacts with timidity. Latent are the possibilities of a richer personality; confidence slowly-gained through directed effort will remake the individual.

Childhood remembrances and dreams are part of the Adler data in studying a subject, for they indicate the apperceptive plan.

Valuable for parents, teachers, and whoever deals professionally with other humans, this or another of the Adler volumes is a worthy investment.

The Lady Sanfelice of an old Italian family didn't know Voltaire from Virgil, but she fell in love. And the fate of Italy swerved from royalism to republicanism. Sheehan attempts to reconstruct the dual scene from the political and international viewpoint and to show the cosmic accident by which national direction can be established due to entanglements of minor personages. Solidly written, and no doubt historically sound, Sheehan's first novel (*Personal History*, though narrative in movement, is autobiography) will interest those having a

flair for European history of the nineteenth century.

Let us forget, that great American gentleman—Mark Twain—wrote many another piece than Tom Sawyer and Huckleberry Finn. For instance, his *American Claimant* is a complete chuckle, *Innocents Abroad* a convulsion of risibilities, *Connecticut Yankee* riotous, and *Joan of Arc* staunchly eloquent. Given to a range of laughter from mere punning to barbed irony, Twain kept a full notebook of impressions and plot-ideas, as well as of family happenings. Edited by Paine, the *Notebook* contains such items as the famous cable from England, after American papers reported the writer's death. "Rumor of my death is greatly exaggerated." Numerous instances of mental telepathy between Twain and his helpful wife are jotted down. Clown or scholar by turns, but always fittingly, Twain was a gallant friend, enemy to no man but to many of "man's inhumanities to man". His carefully-guarded set of leather-bound scratchbooks were his closest confidantes, nor does his sterling worth suffer in the reading.

ASHAMED



of your

FLOORS?

No need to be ashamed of your floors when you can renew them so quickly and easily with QUICK-STEP, the modern color coating for linoleum, wood, and cement floors. Any one can have a smooth, lustrous floor with QUICK-STEP. This new floor coating is waterproof... and as nearly wear-proof as anything you've ever seen or tried. Come in and let us show you how easy it is to use QUICK-STEP and have nice floors again!

General Paint Corporation
PHILIPPINES, INC.

12th 13th & Atlanta Sts.
Port Area, Manila, P. I.

THE MANUFACTURERS

Heads or Tails YOU WIN!

1. If you live to old age, Life Insurance will guarantee freedom from care.
2. If you should not live, it will guarantee the continuance of the good things of life to your family.

LIFE

INSURANCE COMPANY

E. E. ELSER AGENCY

KNEEDLER BLDG. - MANILA

E. L. HALL, MANAGER

HEAD OFFICE
TORONTO, CANADA

TEL. 2-15-04

ESTABLISHED 1887

Manila, City of Churches

(Continued from page 8)

in the suburban home of one Alonso Cuyapit, a Filipino, who had it standing on a small stand mounted on wheels. In 1645, so the story goes, the city was shaken by a series of earthquakes beginning on November 30. Soon after the seismic disturbance began, tradition says, this image of its own accord moved from its accustomed place to a window facing Manila and began to shed tears. Four times Sr. Cuyapit brought it back to its place and four times it returned to the window and wept copiously, until the earthquakes ceased. This is set down in the Franciscan annals above referred to. Since then the event is celebrated annually on December 4.

The organ in this church is over 200 years old and has always been considered a gem by antiquarians.

There is nothing of very great interest in the Third Order church or chapel, its exterior being a rather bizarre mixture of Italian Renaissance and Greek styles, though the effect as a whole is quite pleasing. Only the lower portion of the façade is of old construction, the upper portion being modern. This chapel is popular among the people of the district as a place of special devotion.

DOMINICAN CHURCH

Proceeding down calle Solana, we come to the Dominican Church and Convento, in front of which is a spacious and well-kept yard planted with trees and shrubs. At the side of the church is the beautiful Santo Tomas Plaza. We at once note the fact that this is the only Gothic church building in the Walled City, and it is of a particularly pure Gothic type.

This is the fifth building of the Dominican Church. The first was put up in 1675 and was of wood. It was destroyed by fire and in its place was erected an edifice of strong material, which, in turn, was destroyed by an earthquake. It was succeeded by a third building at the beginning of the last century, which was also demolished by an earthquake. The same fate visited the fourth structure, erected in 1863. The present church was finished in 1888 and is probably the second largest in Manila, the first being the Catholic Cathedral.

One of the noteworthy features of this Church is an image of the Virgin on the center façade over the entrance, in front of which a light is kept burning nightly. This image was brought here from Mexico in 1587 and has been in the same position ever since, with the light burning in front of it. The groined arches, sculptured capitals, stained glass windows and rich but simple decorations combine to give the interior a very artistic and yet deeply religious atmosphere.

This church has one of the finest organs in the Islands. It is a double instrument with a full set of orchestra stops and was brought here from Spain, having been specially constructed.

The chapel of Our Lady of the Rosary is the most famous and most beautiful portion of this church. The image is considered a rare work of religious art and is held in high reverence as the Patron Saint of the Islands. This statue is reputed to have saved the Islands from a Dutch invasion in 1646. The annual fiesta of Our Lady of the Rosary is celebrated at this church and is said to be the greatest in the Philippines. It takes place in the month of October.

When the present church was erected the site was little more than a swamp, the moat surrounding the wall at that time being close to it. The fathers who inspected the site had to make their way in boats.

Adjacent to the church is the Dominican monastery, from which the feminine sex is strictly barred. This institution derives particular importance from the fact that it is the central headquarters of the Order in the Far East. Educational work appears to be the specialty of the Dominican fathers, who, as has already been mentioned, administer Santo Tomas University, as well as many other institutions of learning such as San Juan de Letran College for boys and Santa Catalina College for girls in Manila. They also have very strong representation in the more important provinces.

THE CATHOLIC CATHEDRAL

Walking around the front of the Dominican church, through the beautiful Santo Tomas plaza and past the Ayuntamiento

(Insular government building), we reach the Cathedral of the Immaculate Conception, the largest and most imposing church edifice in the Islands. It fronts on Plaza McKinley, in the center of which is the statue of Don Carlos de Bourbon. Its architecture is of Byzantine style, with numerous modifications. The three large arched doorways are reminiscent of St. Mark's, Venice. It has a large dome, whose gilt top is one of the first sights that attract the eye of the traveler as he approaches Manila on board ship.

The high arched interior with its groups of quadruple columns, elaborate decorations, exquisite chapels, beautifully painted dome and spacious nave is very impressive. The sacristy is especially beautiful and contains some of the richest vestments and religious paraphernalia to be found anywhere.

The present Cathedral is the fourth since the dedication of the first building on December 21, 1581. This was destroyed by an earthquake in 1600 and was succeeded by a new building, which was opened in 1614. An earthquake destroyed this edifice in 1645 and a third structure was dedicated nine years later, only to be razed to the ground by a seismic shock on June, 1863. The present Cathedral was completed in December, 1879.

JESUIT CHURCH

Close by, on calle Arzobispo and near the Archbishop's palace, stands the Jesuit Church, a gem among the many beautiful churches of the city. Owing to the close proximity of other buildings and the narrowness of the street, its exterior architectural beauties are not as apparent as they would be were the church viewable from a distance. However, it is its interior that constitutes its main attraction and a most beautiful and pleasing effect does it produce.

In style this church is Graeco-Roman of a most late date and much credit must be given to the architect, Don Felix Roxas, for his exquisite design. The work of construction was begun by Señor Roxas in 1878 and completed by Father Francisco Riera in 1889. The interior is a most harmonious blending of countless artistic features and the effect is very pleasing. To the writer, this is the most beautiful church in Manila, so far as the interior effect is concerned. A number of good paintings by Spanish artists are hung at different points and there is an excellent painted wooden statue of Christ on the Cross executed by a Filipino artist which has been placed in the church recently. The carving in this church is of particular excellence, the pulpit being the best exemplar of this species of craftsmanship.

To the rear and one side of the altar is an underground crypt in which are stored the remains of all the Jesuit fathers who have died in the Islands. A marble floor slab bears the names of the most of the departed and a new slab will be placed in the wall for additional names. Access to the crypt is gained by lifting a floor slab and descending a stairway. The remains are stored in walled-up niches along the sides of the crypt.

In this church can also be seen a fine collection of antique and modern vestments of genuine cloth of gold and silver, as well as many highly artistic and valuable sacred vessels. A monstrance of solid gold studded with precious stones is valued at ₱30,000 alone.

The first Jesuit church was built in 1727 on calle Palacio, then calle Real. It was destroyed by an earthquake in 1852. It was succeeded by the present church. Like the Dominicans, the Jesuit fathers are educational specialists and the Ateneo de Manila, next door to the church, is a famous secondary institution, now headed by Father Francis X. Byrne, an American member of the Order, who is assisted by a staff of American teachers of the Order. Father Byrne is also rector of the church. The museum of the Ateneo is reputed to be the best in the Islands and is well worth a visit.

This completes the round of Walled City churches and they should be visited in the order named if economy of time and effort are desired. The antiquarian or student, however, can find a veritable treasure house of church annals, history, tradition and theology in the libraries of the monasteries connected with most of the churches and the good fathers are only too pleased to furnish whatever information is desired, or assist in its gathering.

LETTERS

Our Own Letter from the Dust Bowl

Eva, Okla.,
Dec. 8, 1936.

Mr. Walter Rott,
Manila, P. I.

Dear Neighbor - across the world:

I've just been reading again your friendly letter which brought to me so much stimulus and encouragement. I'm sorry that even after the long delay I cannot write the kind of "postscript" to my Spring letter that we know you would be happy to receive. It would be most gratifying if I could assure you out of the year's experience that "sudden the worst turns the best"; that the long-
for rains did come in time to save the struggling wheat and prepare the ground for feed crops; that the all-but-vanished grass has started again to restore our ruined pastures to usefulness; and that rainfall through the season of growth had sufficed to produce ample supplies of grain and forage for our stock and poultry this winter. Unfortunately not one of these statements would be true.

For 1936 we must record another year of failure. Yet that failure might so easily have been changed to moderate success by one good rain in late July or August that we do not altogether despair. As I write I can hear the tractor laboring along on the north field while Will is laying up a fresh set of terraces in the hope that next year may give us all a

better chance. It seems impossible to dispense with that little word *hope*, even though at times we are conscious of the pain of hopes too long deferred.

Soon after my last letter was mailed, Will suffered a painful accident which might easily have proved a permanent handicap. While he was unloading a barrel of coal oil, it slipped and fell, bruising one ankle severely and, I still believe, fracturing some of the smaller bones. At that time the dust storms were at their worst. For a while it seemed that perhaps, regardless of desire, we could not go on. There were many days, as I struggled to care for the stock, when I could not see from one of the farm buildings to another through the blinding, choking clouds. Dust was piling up every

where, filling gateways, burying machinery, drifting around the buildings, making the less traveled roads almost impassable. The mere matter of getting milk or even water to the house in a condition fit for use presented a difficult problem. Will improvised a crutch from a short length of pump rod and after the first few days helped all he could to direct and carry on the outdoor work, actually crawling on hands and knees the length of the barn left to break open the bales of Colorado alfalfa and get it ready for me to drop into the mangers. In spite of his being almost compelled to do the things he shouldn't have done, the injured ankle slowly regained its shape and strength and the recovery is one thing to be grateful for as we look back over a difficult year.

The wind and dust continued without much abatement through March and April and early May. The first sign of any hopeful change came with a light rain on May 17 though the following week of high winds destroyed most of the benefit. By this time any lingering hope of wheat production in our vicinity had faded away, though limited areas in the extreme eastern part of the country returned small yields. The ground was too dry and hard to permit satisfactory preparation for spring planting, though Will had done some listing and "chiseling" as well as the condition of the soil would allow. On June 4 as if to confute all theories about the diversion our moisture-bearing winds to Greenland and such attempted explanations of the long-protracted drought, we had one tremendous rain—a regular "gully-washer"—when two and a half inches poured down in half an hour. The unworked soil could not absorb it fast enough, especially as there is strong tendency for the fine wind-ground silt to coat over the surface, closing the pores of the soil as if with a thin cement and preventing natural penetration. So much of this precious moisture proved ineffective for actual crop production, broke over contour and terrace lines and finally formed several "playa" lakes in the neighborhood of basins which have no outlet. One of our neighbors now plans to pump some of this still standing water back upon his fields.

During the fall these temporary lakes furnished sanctuary to immense flocks of seagulls, possibly driven inland by storms along some coast or attracted by the hosts of grasshoppers which had helped to complete the damage done by the drought. It was a new and delightful interest to us to watch the strong, impetuous flight of these gulls as they skimmed low over our fields or massed in silvery shimmering clouds against the darkening horizon as they returned at nightfall to the sheltering lake. All at once they were gone and we saw them no more.

That heavy rain on June 4 before a seed was planted was our only source of moisture through the growing season aside from two or three drought showers which scarcely dampened the surface. As you asked about the contour farming, you may be interested to know that we are more than ever convinced of its usefulness for our locality. Where our terrace lines remained unbroken and held the water back to soak slowly into the soil, the effect upon production was noticeably beneficial. From one small field where the water had stood, which was sowed to

came as soon as the ground was dry, we were able to save two fair cuttings in August and October. From still smaller areas of maize along the terrace lines we threshed out about forty-five bushels of grain for chicken feed. This also had the distinction of having matured upon stored moisture without benefit of additional rainfall. On the other hand where our terraces broke in the swift onrush of the flowing water, there was slight penetration, the ground dried quickly and seed failed entirely to come up.

It seems particularly unfortunate that the well-devised plans of the Department of Agriculture looking toward the control of soil erosion should have had so little chance for a fair trial. Inducements of small acreage payments were offered and widely accepted for cultivation on contour lines with the provision that all forage should be left on the ground for cover, though matured grain might be gathered. In some places the plans worked out as desired. The fallen stalks and leaves should serve a double purpose by providing protection and by beginning to restore to the soil the moisture-conserving humus, so much of which has been wasted in recent years. But in very many places, the seed never sprouted and the bare ground is still exposed to the destructive work of the wind. Where the deep listing has been let undisturbed, it should help to reduce wind damage. In our judgment drilled crops of millet, cane or Sudan grass with their closer rooting and thicker stubble afford an even better safeguard against erosion than the listed crops. But they are expensive to plant and the millet and Sudan grass are especially attractive to grasshoppers. So all sorts of things must be considered.

A few families have removed from our neighborhood during the spring and summer but most of those who held out through the dust storms are still here, working along various lines toward their individual hopes for the future. There is no constraint and little agreement as to the best methods to pursue in attempts at recovery. The planners, however, might be divided into two large groups, those who would rely upon improved cultivation to conserve every bit of natural rainfall, and those who believe in the possibility of rather extensive irrigation by pumping from deep wells. The first group includes the adherents of contouring and terracing methods and also those who abhor the crooked lines and inconvenience of that type of farming but would seek to gain similar results while keeping their fields square and their rows straight. These people are placing much reliance upon the further development of the so-called "basin-type" lister, which has a special device for dumping little dams every ten or twelve feet across the furrows, thus preventing run-off of water in any ordinary rain.

Each irrigationist has his own pet plan
(Please turn to page 45)

LIQUEUR BONBONS and
DELICIOUS ICE CREAMS

are our

SPECIALITIES

....**ASTORIA** Swiss Confectionery
and Tea Room

106 Escolta

NOW IS THE **TIME**

to buy

Commercial Stationery

We have the largest and most varied Assortment of Blank Books and Office Accessories in the Far East. No other House carries bigger stocks of—

Ledgers	Inks and Paste
Journals	Carbon Papers
Cash	Papers and Pencils
Time Books	Typewriting Ribbons
Trial Balance	Envelopes
Stock and Transfer Books	Folders—Binders
Columnar Books, 2 to 36	Blotters and Pads
Cols.	Inkstands and Wells
Mining Field Books	Pen Points
Transit and Level	Pen Holders
Calendars 1937	Files—Clips
Diaries 1937	Waste Baskets
Columnar Pads	Desk Baskets
Brief Cases	Engineer's Scale
Rubber Chair Cushions	Desk Glass
Order Books	Call Bells
Drawing Instruments	Perforators and Punches
Slide Rules	Memo Books

We carry only merchandise of recognized
standard quality

Philippine Education Co., Inc.

Retail Store

101 Escolta

Celebrating
 Paramount's Silver Jubilee
 for
Adolph Zukor
 Capitol Theater
 Now

Luzon Stevedoring Co., Inc.

Lightering, Marine Contractors
 Towboats, Launches, Waterboats
 Shipbuilders and Provisions

SIMMIE & GRILK

Phone 2-16-61

Port Area

When To Stop Advertising

When every man has become so thoroughly a creature of habit that he will certainly buy this year the same products he bought last.

When younger, and fresher and spunkier concerns in your line cease starting up and using the newspapers in telling the people how much better they can do for them than you can.

When nobody else thinks "it pays to advertise."

When population ceases to multiply and the generations that crowd on after you, and never heard of you, come on.

When you have convinced everybody whose life will touch yours, that you have better goods and lower prices than they can ever get anywhere outside of your store.

When you perceive it to be the rule that men who never do and never did advertise are outstripping their neighbors in the same line of business.

When men stop making fortunes right in your sight, solely through the discreet use of this mighty agent.

When you can forget the words of the shrewdest and most successful men concerning the main cause of their prosperity.

When you would rather have your own way and fail than take advice and win.

When you want to go out of business with a stock on hand.

When you want to get rid of the trouble of waiting on customers.

**LET US HELP YOU WITH YOUR
 ADVERTISING PROBLEMS**

Manila Daily Bulletin

ADVERTISING SERVICE DEPARTMENT

MINING REVIEW



AMERICAN CHAMBER

OF COMMERCE JOURNAL



Testing Placer Diggings with Sluices



Comprehensive Philippine Mining News Up to Date

ORE TESTING

- Complete equipment is available in the Marsman laboratories for every kind of ore testing. Experienced metallurgical engineers personally supervise such test work, and from it make flow sheets and design mills.
- Ore testing; mill design and construction; mine and mill operation; and sound management are important features of the complete service which Marsman and Company offers the mining industry of the Philippines.
- No better examples of the efficiency of this service can be presented than United Paracale and San Mauricio, the two latest gold producers in the Philippines to become dividend-payers. The entire work of exploration, prospecting, development, and mill planning and construction for both of these companies was done by Marsman and Company in a remarkably short time and with remarkable success.

• *Further information upon request*

MARSMAN and COMPANY, INC.

MINE MANAGERS AND OPERATORS

Examining and Consulting Mining Engineers

Insular Life Building—Manila

Philippine Branches
Baguio, Mountain Province
Paracale, Camarines Norte
Surigao, Mindanao



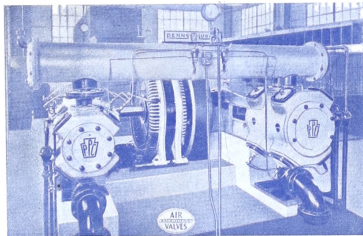
European Office
London, England



SOLE AGENTS

FOR

PENNSYLVANIA PUMP AND COMPRESSOR COMPANY



Two-Stage Duplex Synchronous Motor Driven Air Compressor.

RECENT ORDERS PLACED WITH US:

PALIDAN-SUYOC DEEP LEVEL TUNNEL CO.

1—19×11×14" COMPRESSOR

ITOGON MINING CO., INC.

1—25×14×16" COMPRESSOR

UNITED PARACALE MINING CO.

1—18×11×14" COMPRESSOR

SAN MAURICIO MINING CO.

1—18×11×14" COMPRESSOR

YOUR INQUIRIES ARE SOLICITED!

KOPPEL (PHIL.) INC.

MANILA

ILOILO

Albay International Consolidated Mining Association

*Under process of organization and later for
INCORPORATION*

330-332 Crystal
Arcade, Escolta

Tel. 2-34-49
P. O. Box 2068

MANILA

ORGANIZED for the purpose of exploring and acquiring MINING CLAIMS by location and patent, by lease or purchase, and to engage in mining exploration and in mine development and exploitation, as well as in other activities, commercial or industrial, tending to develop the mineral and economic resources of the PHILIPPINES.

Original Active Members:

Hon. CHAS. A. REYNOLDS, (in
U. S. A.)
Ex-Gov. Province of Albay
Hon. SANTIAGO ARTIAGA, C. E.
& Mining Investor
(City Engineer, Manila) Member
JULIO FRANCIA, C. E. & Mining
Investor
(City Assessor, Manila) Member
F. DE LA CANTERRA, C. E.
(Mining Investor) Member
VICENTE PADILLA, LL. B. &
C. P. A.
(Promoter)

Board of Trustees:

Hon. CHAS. A. REYNOLDS,
(in U. S. A.)
F. DE LA CANTERRA,
President
NATIVIDAD TRIAS DE FRAN-
CIA,
Member
VICENTE PADILLA,
Treasurer-Trustee

Management & Administration

V. PADILLA, C. P. A.
Managing-Comptroller

TRY NOW

CORONAS TABACALERA

PHONE 2-25-77

Compliments

of

Antamok Goldfields Mining Company

Manila Stock Exchange Members

Alegre & Company

STOCKS and BONDS

CARLOS ALEGRE
RAMON ALEGRE
JESUS ALEGRE

OFFICE TELEPHONES
2-29-12
2-29-13
2-29-14
2-29-15

34 Escolta
P. O. Box 2605
MANILA

C. Aldecoa & Company

Stock & Bond Brokers

40 Plaza Moraga
Manila, Philippine Islands

P. O. Box No. 2053

Telephones { 2-87-24
2-81-65
2-85-62
Exchange 2-81-12

Angel Padilla & Co.

STOCKS and BONDS

3rd Floor Burke Bldg.
125 Escolta
P. O. Box 1471, Manila

Branches:
Iloilo, Iloilo
Bacolod, Occ. Negros

Tels. { 2-18-34
2-18-35
2-18-36
2-18-37

H. E. BENNETT & CO.

STOCKS and BONDS

TELS.
2-24-51
2-24-52
2-33-30

53 ESCOLTA

Max Kummer & Co.

STOCKS and BONDS

9 Plaza Moraga
P. O. Box 1458
MANILA

Tels. 2-15-26
2-15-27
2-15-28
Exchange 2-15-29

2 and 4 Plaza Moraga
Manila
P. O. Box 2569

Telephone 2-10-51
Private Exchange with Direct
Connection to Stock Exchange

OVEJERO & HALL BROKERS

CORRESPONDENTS IN

NEW YORK — LONDON — HONGKONG — SHANGHAI

Looking Back Over 1936

By Ralph Keeler

Steady and substantial growth has marked Philippine mining during the past year. This growth, measured in terms of gold production, was about 33-1/3 per cent; the 1936 output was ₱44,421,000 as compared to ₱32,911,353 for 1935. The number of gold-producing plants has been increased from 13 to 19; the monthly tonnage treated in mills has been upped from about 132,000 in December 1935 to about 215,000 for last month.

More important, perhaps, than gold production has been the declaration of dividends by 16 companies during the year, totalling nearly ₱20,000,000. During 1935 six mining companies paid dividends amounting to ₱12,528,589. Not all of the companies who declared dividends in 1936 were mining operating companies; two, Gold Shares and Syndicate Investments, were investment organizations, while one, Marsman Investments Limited, was the holding company of a mine-operating group.

Gold mining continued to be the leading branch of the industry, and will undoubtedly hold that position for many years to come. There is no reason to believe that any other phase of mining will even approach gold in importance or in value. This year will probably see the amount of gold produced increase to around ₱55,000,000.

Predicting gold production is pretty much guess-work, of course, but the expansion plans now being carried on, and the likelihood of several new plants coming into operation, makes the figure given above seem reasonable enough. The Chamber of Mines of the Philippines has predicted a gold output of ₱57,519,230 for 1937, and of ₱60,400,230 for 1938. These figures are based on estimates made by the companies themselves, and often represent what would be produced under ideal conditions. For example, the estimated production for 1936, as compiled by the Chamber of Mines was around ₱45,200,000—excluding East Mindanao and Big Wedge—or nearly ₱3,000,000 more than the actual output.

Although the base metal industry—and by that general term we include chromite, copper, manganese, iron, and all other metallic products is not likely to threaten the supremacy of gold in value to the Philippines, the increased interest in this phase of mining has been of great importance during 1936.

Chromite is by far the most important mineral product of the Philippines with the exception of gold. 1936 saw Benguet Consolidated bring the Floranrie deposits of high-grade ore into production, and develop the Masinloc deposits of low-grade to the stage where contracts were completed for 1937 deliveries. The Floranrie chromite is going to the Union Carbide Company of Pittsburgh, and about 100,000 tons of it will be shipped. Test work carried on in the United States has proven that the Masinloc ore is suitable for metallurgical uses. So far, announcement has been made by Benguet of one contract for a relatively small amount of this ore. There is no reason to believe that a market will be lacking. It is generally believed that negotiations are being carried on with the United States government for a sizeable part of this ore to be used as a war material. Since the United States lacks adequate supplies of chromite, which is one of the most im-

portant of the strategic minerals, it does seem reasonable that an effort will be made to insure an ample supply in case of war.

Japan has shown considerable interest in Philippine chromite as well as in Philippine iron. Several contracts for small amounts of chromite have been concluded here. The only exporter of iron ore, the Philippine Iron Mines, shipped more than 500,000 tons of high grade ore to Japanese ports last year; the 1937 output will probably be substantially more.

Copper and Manganese deposits are now being developed, and shipments will be made this year. Most important in the base metal industry is the fact that Japan needs all metals badly, and that the Philippines is the logical place for her to buy them. The European markets will absorb part of the Philippine output, but freight charges add so much to costs that it is difficult for local companies to compete abroad. There is obviously little or no market for copper, manganese, zinc, or lead in the United States, well supplied at home.

Amalgamated Minerals, recently-organized firm of ore buyers, is doing much to develop the base metals in the Philippines. The Montilla interests control several copper and manganese properties. The Marsman interests are worked on a number of properties which may be brought into production this year. Nielson and Company has ordered a mill for the Lepanto copper property north of Baguio, and production will be started in 1937 according to present plans.

Benguet Consolidated and its subsidiaries, Balatoc and Ipo Gold, accounted for about half of the total gold production. During the year Cal Horr was brought into production, and this plant, owned outright by Benguet, accounted for some ₱1,200,000 in bullion. The capacity of Benguet is being increased to 1,000 tons a day, so that 1937 will probably see a substantial increase in that plant's output. Of Benguet's outside activities, chromite mining, described above, was most important.

Marsman and Company had a most remarkable growth in 1936. It added two gold-producing operations, San Mauricio and Coco Grove, to its undertakings (Itogon, Suyoc Consolidated, and United Paracale being the other companies under Marsman management which are in the production stage). It acquired management contracts with a number of mining companies all over the Philippines, among them Acocje, Gold Pocket, Mindanao Mining, Mother Lode, Gumaos Goldfields, Southern Paracale, Valley Placer, Tinga, Filipinas, and Dayaka. It has ventured abroad, and now is exploring mining properties in China, Netherlands East Indies, and British Malaya.

Two projects recently started by the Marsman interests will be of great benefit to the industry as a whole—the Palidan-Suyoc drain tunnel and the Mambulao smelter. In order to explore Suyoc Consolidated at depth, a drain tunnel is now being driven a distance of some 9,000 feet. It will go under a number of new properties and will facilitate the development of these properties. It is more than likely that one or more mines will be opened up as a result of this tunnel, in addition to the value of the project to Suyoc Consolidated.

The new smelter will have a capacity of 50 tons a day, and

EXAMINATION OF MINERAL PROPERTIES

Minerals & Metals, Inc.

Consulting Engineers,
Managers & Operators

202 Brias Roxas Bldg.
Phone 2-21-40. Manila

will treat flotation concentrates from United Paracale and San Mauricio. In addition, custom smelting will be undertaken. Several of the properties in the Paracale-Mambulao district have ore containing copper; such ore can be treated in the new smelter.

The amount of gold produced by the Marsman companies was about twice as much in 1936 as for 1935; for 1937 it will be even higher. Four Marsman concerns declared their first dividends at the close of the year: San Mauricio, United Paracale, Marsman and Company, and Marsman Investments.

The Soriano interests concentrated their efforts on gold operations during 1936, with marked success. Antamok Goldfields was expanded until it now produces around P500,000 a month, thus becoming the third largest producer in the Philippines. Masbate Consolidated, with its 2,000-ton plant, handles more ore than does any other mining operation. I. X. L. and I. X. L.-Argos have been developed into high grade properties and offer great promise for 1937.

Antamok Goldfields doubled the amount it paid in dividends the figure being P2,062,500 for 1936 and P1,000,000 for 1935, and in addition declared a 100% stock dividend in November. I. X. L. closed the year with the announcement of a 20% dividend and the promise of a stock dividend early in 1937.

A number of gold properties are under development by Soriano engineers, in the Paracale and Masbate districts, and these may be brought to the producing stage this year.

Of the smaller operating organizations, Demonstration is outstanding. Production has been steadily increased, and dividends amounting to P200,000 were paid during the year. Benguet Exploration maintained its regular operations, and paid its first dividend, of 10%.

Baguio Gold has kept up its production, and at the end of 1936 was in the best financial position of its history. A dividend of 10%, the first since September, 1934, was declared in December, 1936 by Baguio Gold, and it is very likely that dividends will be paid regularly for some time.

The Atok Gold Mining Company brought Big Wedge, which it is operating on a profit-sharing basis, into production. A new flotation unit has been ordered for the plant which will increase production materially.

Salacot has been plugging along. Its monthly production has been low, and every effort is being made to increase the ore reserves. East Mindanao, in operation but a few months, seems to have a bright future.

Tambis Placer has recently announced plans for development of its lode properties. This company has been operating a dredge in Mindanao for several years; figures on 1936 production are not as yet available in Manila.

Of the properties now under development, it is likely that mills will be in operation some time in 1937 at the following: Lepanto and Paracale-Gumaua (Nielson contract); Dulong (Marsman contract); Mindanao Mother Lode (Engineering Equipment and Supply contract); Mineral Resources; Universal. Development results at these properties are reported to indicate ore bodies which will warrant mill construction. Whether or not such mills will be built, or whether, if built, they are justified, remains to be seen.

A 1500-ton plant for the treatment of tailings from plants in the Baguio district is now being built by the Twin Rivers Gold Company Inc. This plant is expected to be in operation by the middle of 1937, at least. Whether or not it will be successful, it is hard to say. Technical men differ in their opinions as to the project. Extracting gold from tailings is done on a commercial scale in many parts of the United States. Some engineers say it can't be done here because the values in the tailings, by the time they reach the plant, are so low that there will be no profit. Every one is watching the great interest in the progress of the project, and will continue to do so. If Twin Rivers succeeds in salvaging gold from Benguet, Balatoc, Antamok Goldfields, Itogon, Big Wedge, and Cal Horr tailings, and makes money on it, there will be several engineers with very red faces, and no little explaining to do.

Several new organizations were formed in 1936 for the purpose of managing and operating mining properties. Presumably encouraged by the success of the Benguet, Marsman, and Soriano organizations, most of the new engineering firms are operating along similar lines. An engineering staff is assembled, new properties are acquired on contract or option basis, and prospecting is carried on. When such prospecting justifies development work, the necessary equipment is supplied. When development justifies plant construction, the company undertakes this work. L. R. Nielson and Company has become a mine management firm, and has contracts on a number of promising properties in the Paracale and in the Baguio districts. The Engineering Equipment and Supply Company, which built several mills now in production, is working on properties in Mindanao and has a chromite property in Zambales. Developments, Inc., pioneers in geophysical mineral surveys in the Philippines, has made complete surveys for most of the mining organizations here and now has management contracts with several new companies. R. Y. Hanlon and Company is doing engineering work for many companies. Dr. A. D. Alvir, one of the most prominent of the Filipino engineers, has formed his own company and has a staff of several experienced American mining engineers. H. A. Wendt and Company is operating a number of properties in the Paracale district and elsewhere.

None of these companies has a mine in production as yet, but all are carrying out definite prospecting and development campaigns. Most of the engineers with these concerns are competent and honest, and their efforts will do much in 1937 to develop the mineral resources of the Islands.

All was not rosy throughout 1936, of course. The usual wild-cat promotions, false reports, dishonest and incompetent men which accompany all mining booms have been, and still are, present in Philippine mining. Of the 200 or more new mining companies which have been started, not more than a handful have even a chance of success. Many of these companies have no claims worthy of attention; some of them have claims which have been carefully examined and turned down. The new year will bring disillusionment and financial loss to many people who invested their money in some of these companies. It is unfortunate that so-called mining companies

(Please turn to page 25)

ELLIS, EDGAR & COMPANY

STOCK AND SHARE BROKERS

Members: MANILA STOCK EXCHANGE

201 NATIONAL CITY BANK BUILDING

MANILA

Branch Office: BAGUIO

Mrs. M. J. S. WALKER, Manager

BAGUIO CHAMBER OF COMMERCE BLDG.

TELEPHONES: 192 and 193

TELEPHONES:

2-29-64 (4 Lines)

TEL. ADDRESS:

"ELLEDCO" MANILA

Russia Becomes Gold Conscious

There's a new spirit in Russia today, or maybe fever would be a better name for it. Russia has become gold conscious and is making a strenuous effort to establish a gold reserve by speeding up production in her rich goldfields in Siberia and in the Ural mountains, according to an article which appeared recently in the *North China Daily News*.

Unlike most other European nations, Russia has discovered that it is not necessary for her to go beyond the limits of her own domain to acquire that gold which now seems so necessary for her economic and political security. She is bending every effort to develop her own gold-bearing territory, and is offering every inducement, and special privileges unheard of in the Communistic nation before, to her stalwart sons who will brave the wilds of Siberia and retrieve the precious metal for her.

A few years ago, Comrade Serebrovsky, Director of the Gold Trust of the U. S. S. R., boasted that he would soon overtake the output of gold of the Rand. He was not taken seriously. Later, when he published figures showing that he had already attained half that amount, it seemed incredible. But, as time went on, and he maintained that figure, and even increased it, an uneasy feeling started to creep into the world gold market.

The statistics published by him for the year 1935 gave an output of 5,650,000 fine ounces, representing today a value of approximately \$360,000,000 for the one year. The thing seemed impossible. The whole output of the famous Lena goldfields for three-quarters of a century did not amount to more than double that.

Russia has no intention of resting on her laurels, even with this remarkable increase. Comrade Serebrovsky has boasted that by the end of 1936 he will have pushed up the output to over 10,000,000 ounces. That is, he will really rival the Rand. Figures are not yet available to prove whether he has been able to carry out his ambitious intention.

An explanation of this enormous output from Russia's mines to vindicate a boast is asked by Mr. Malcolm Burr in London's *Daily Telegraph*—and is adequately given.

Russia has used the same general methods to speed up gold production as she used to speed up industrial production; that is, by encouraging miners and prospectors, with privileges not otherwise obtainable, and enticing men of all sorts to join in the hunt for gold.

Russian methods of gold-mining are far behind the times. Even so recent as ten years ago, engineers on the Lena were intensely interested at the prospect of seeing dredges at work. It is obvious then that the quest for gold, even in this miners' paradise, is no easy undertaking and a certain amount of personal gain would have to be allowed, against the principles of communism, to induce men to suffer the privations and hardships of the Siberian goldfields.

Today, Russia considers these men "soldiers on the gold front" and has granted them free railway travel, relief from taxation, exemption from various services, especially from forced labor in other departments or in labor camps, and above all, better food and more of it. They go gladly, not only experienced miners, but all the floating proletariat, for the sake of the reward and a certain amount of personal freedom.

Although the mineral wealth of the Urals has been famous for centuries, and the Bolsheviks have been prospecting very energetically in the less explored ranges of their empire, the answer to Russia's new gold activity is not to be found there. Promising reefs have obviously been found in the Altai, the Tian Shan, the Pamirs, and the Caucasus, but that these could be developed within a few years to seriously rival an old-established field is not possible. The answer to the riddle is in that vast forest that sprawls right across northern Asia, the gloomy taiga, some 3,000 miles across from the west to the Pacific coast in the east, and a thousand miles northward to the edge of the Arctic tundra.

Right in the middle of this almost boundless forest there is a river called the Angara, whose icy crystal waters swirl down to Lake Baikal in a stream so turbulent that it defies even the Siberian frost until the end of January. That river flows over one of the oldest parts of the surface of the earth. Here time and the elements have combined with the mad rush of the fast-flowing river to break up the rocks, disintegrate them, wash down the debris, and concentrate the flakes of gold in the sand and gravel of the river beds. Some of these are on the surface today; some are buried beneath 100 feet or more of gravel and rubble, ground down by the glaciers. These are the deep leads.

For this reason the Taiga is gold-bearing almost throughout its extent. As in the Lena goldfields, it is extremely rich in some places.

(Please turn to page 28)

Woo, Uy-Tioco & Naftaly

STOCKS AND BONDS

Members: Manila Stock Exchange

322 San Vicente

Tels: 2-30-75—2-17-95—2-93-02

Cable Address: "Woostock"

HAIR & PICORNELL

Successors to Hair & Elliott



GENERAL BROKERS

Members of Manila Stock Exchange
Insular Life Bldg., Plaza Cervantes

Tel. Address: "Brokerage"

P. O. Box 1479

Tels. 2-18-44 & 2-18-45

Correspondents:

New York:
Chisholm & Chapman

Honolulu & San Francisco:
Dean Witter & Co.

The Housing Problem Solved

By Goldilocks

During the past year the resident population of Manila has enormously increased, owing to a variety of reasons into which we need not enter here, and has now reached what I believe the scientifically minded refer to as the "saturation point". In other words, Manila is full up. Not only is every available house occupied, but the owners of new houses being built are simply inundated with applications from prospective tenants. All hotels and boarding houses are full to capacity and many of their rooms are more like school dormitories than hotel bedrooms, as they are being made to take as many beds as they will hold.

With the Eucharistic Congress due to commence in about a fortnight's time, we are threatened with the invasion of several thousands more people. Estimates vary as to the exact number to be expected but it is generally accepted that the present population of Manila will be about doubled during the period of the Congress. But no matter what the numbers may be, the fact remains that MANILA IS FULL UP right now, and all these visitors will expect to be accommodated somewhere. It is not yet too late to put forward a few suggestions as to how this problem could be tackled.

It is known that certain passenger vessels will berth at Pier 7 as floating hotels for the duration of the Congress, so why not go a step further and rig up shelters along the roofs of all the piers? These pier pent-houses, though not as luxurious as the ocean liners alongside, could also boast that their guests would enjoy "glorious sea breezes and unrivalled views of the sunsets for which Manila is so justly famous," etc., etc. They would also be conveniently situated for all the ceremonies taking place on the Luneta. Of course some of the roof dwellers might be so foolish as to sleep lying along the length of the piers in an east-and-west line, nautically speaking, in which case they would roll off. Bales of hemp could be placed at frequent intervals down below to ease the landing of those who elect to come down to ground level in this manner.

Another suggestion is that the cinemas should remain open all night. They would be available from 11 o'clock at night

until 8 the following morning and would provide shelter for large numbers of people. With the seats tipped up there would be plenty of floor space, and think what a fine address for the pilgrim from the far distant Batanes, say, if, when writing home to his friends, he could head his note paper *The Loge, Capitol, Escolta, Manila!* Similarly all office buildings could be placed at the disposal of the visitors after business hours. Imagine what a thrill it would give some hacendero to sleep in a bank with his head on his overdraft, surrounded by adding machines and current account ledgers, with a picturesque Indian watchman on guard at the entrance. I flatter myself that my own private office could be turned into a very attractive boudoir for half a dozen young ladies if they didn't object to sleeping under my desk and on top of a filing cabinet. The sales charts and other statistical data which now decorate the walls could be replaced with looking glasses and a few saintly pictures in order to make the place appear more homely. My one stipulation would be that they should clear out at least an hour before my arrival in the morning to give the janitor time enough to sweep up the powder, ends of lip-stick, etc. But perhaps those attending the Congress will forego the use of rouge and lipstick for these few days.

There are still other sources of shelter which have not been tapped. Why not close to traffic some of the quieter streets in the residential districts and put the space thus gained at the disposal of pilgrims as camping grounds? Presumably we may expect fine weather, so that sleeping in the open would be no particular hardship. Then again, trams, busses and taxis, upon return to their garages and car barns at night, could be turned into dormitories. Large parties from the same town in a province might like to engage a tram and so be together for the whole of their visit; honeymoon couples could share a baby-taxi, and so on.

As the population of Manila is expected to be doubled, would it not be possible to double its present housing capacity and arrange for one family or one half of the inhabitants to work

(Please turn to page 27)

ASIATIC AGGREGATES, Inc.

Consulting • Mining • Mechanical
Engineers

507 Philippine National Bank Bldg.

MANILA

Tel. 2-28-13

GUTIERREZ, GUTTRIDGE & BRIMO

STOCK & SHARE BROKERS

MEMBERS: MANILA STOCK EXCHANGE

104 Calle Nueva (Corner Escolta)
and at Manila Stock Exchange
P. O. Box 389
Manila

Cable Address
"GUBRI", Manila
Codes Used
Bentley's & Private
Office Tels. (2-35-22-2-12-92
(2-35-23-2-25-94
Manila Stock Exchange
Tel. 2-12-63

Partners
FRANCISCO GUTIERREZ SAENZ
ALBERT S. GUTTRIDGE
JOSEPH A. BRIMO

Treasure Island

*Engineer Hanlon Recommends the Expenditure of ₱100,000
For Development at Lahuy*

An interesting new development is that going on some five kilometers off the coast of Camarines Sur, eight kilometers northeast of barrio Caramoan, 20 kilometers west of the northern tip of Catanduanes Island. The island of Lahuy is well covered with ruins of old workings. Four Spanish locations were investigated by Mining Engineer Russell Yale Hanlon for the Treasure Island company formed to prospect and develop the region. Samples of an old dump, the only residue of the Spanish work found, were taken. Results reported by Engineer Hanlon were encouraging.

Two locations have been selected for initial development. These afford a comparatively cheap and quick access to the veins well below the old Spanish shafts. As this work goes on, the entire network of old workings will be cleaned for examination, and unexplored areas will be cleared of brush.

"Heavily oxidized veins can be found cutting through the barrio on the west coast, and through the coconut flats to the north. These show traces of gold. All such veins should be traced and trenched. There are several areas of swampy, mangrove-covered ground that should be tested for placer possibilities," reads the report.

Twenty samples, taken from various old workings and outcrops, show assays ranging from a trace to \$12.40 a ton in gold, with only one nil recorded.

Engineer Hanlon advises an intensive exploration of the entire area, in view of promising possibilities. The old workings are only on the richer portions of large vein intrusions, he says, sometimes on the foot wall and again on both walls. These workings appear also only on the most prominently

exposed veins. New and untouched veins should be uncovered by further prospecting.

For the purpose of carrying out this exploratory program, an expenditure of ₱100,000 or more is recommended. Development work, of course, will depend upon the results of preliminary exploration.

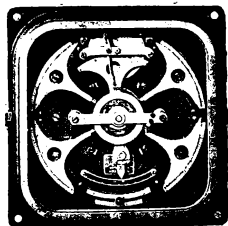
Lahuy is about eight kilometers long, and two kilometers wide. All of the island except an area on the east coast unsuitable for mining has been staked, and there are 144 claims and fractions in the area covered.

Good backs can be obtained in the auriferous areas, it is reported, and several of the veins have been worked to a depth varying from 50 to 60 feet below the outcrops worked. Water and timber is available for mining purposes, and a good camp site was located. There is an abundance of labor available, much of it experienced.

The geology of the region is interesting. The western and northern parts of the island are igneous. The whole island is cut by many andesite dykes in the diorite intrusions. In these dykes are found many quartz veins, ranging in width from a few inches to five or six feet, as exposed in the old Spanish workings. These workings are very numerous, many of them so encumbered by brush that it was not possible to examine them when Engineer Hanlon made his inspection. Of the workings entered, only a few had the veins which had been worked sufficiently exposed to permit good sampling. These veins have been badly leached and decomposed through the years, and no tools were at hand for opening up fresh faces.

Allis-Chalmers

POWER — ECONOMY — PERFORMANCE

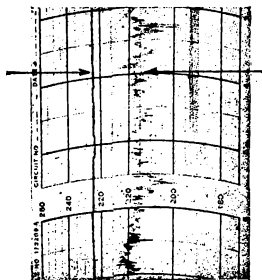


Rocking Contact Type
Voltage Regulator

Operates Without Spark—
Requires No Renewal of Parts

Allis-Chalmers Automatic Regulator

Fifteen regulators installed in Philippine sugar and mining plants during the past five years are obtaining close regulation.



Hand Regulation

Examine this chart and you will note what an improvement the automatic regulator will make in your plant.

The Earnshaws Docks & Honolulu Iron Works

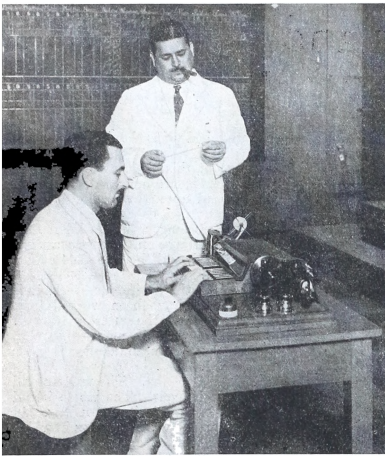
P. O. Box 282
Tel. 2-32-13

60-118 Second Street, Port Area
Manila, P. I.

Branch Office
Bacolod, Occ. Neg.

Modernizing Manila's

being a description of the ticker



Mr. Eisenberg at the keyboard on the floor of the Manila Stock Exchange, with E. Palomo, executive secretary of the Exchange, an interested spectator.

Pacific radio circuits. He has had more than 15 years' experience in communications engineering work, and was connected with various large concerns in the States among which are numbered the New York Quotations Company, the American Telephone and Telegraph Company, and the Radio Corporation of America.

It is likely that but few readers of the *Journal* are acquainted with the whys and wherefores of a ticker system. Let's let Mr. Eisenberg explain what happens between the time the broker sells your shares of American Beauty Gold Mines (at a profit, naturally) and the receiving of the news of the transaction in your office.

Quoting Mr. Eisenberg:

"The ticker is in reality a telegraphic device which, instead of operating a sounding instrument, operates a printing wheel carrying letters and figures. These letters and figures are impressed upon a moving tape and appear as a continuous record of the transmitted information. This type wheel is operated by impulses of electrical current, which vary in time duration according to the key which has been operated at the switchboard.

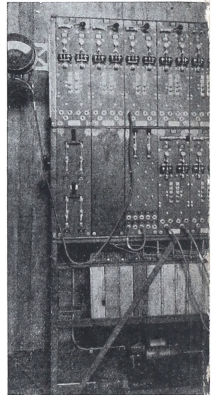
"Without going into the more complicated factors involved, it be stated simply that the tickers are synchronized with a control keyboard which is timed in conjunction with the type wheels of the ticker instruments.

The installation of a modern ticker system, similar to those in use in stock trading centers the world over, is nearly completed at the Manila Stock Exchange. An electric call board and telephone broadcast system has already been installed on the floor of this exchange, and these devices have added much to the efficiency and ease of trading.

Each of the members of the Manila Stock Exchange will soon have a ticker in his office. Transactions will be broadcast over the ticker system from the floor of the Exchange, and will be printed simultaneously in each member office.

In connection with the ticker system, a financial news service covering the New York, London, Shanghai and Hongkong markets, as well as other markets of local interest, will be carried daily. News of financial and political importance will be included, and flash news of events of political and financial importance will be transmitted as soon as received. The exchange has made special arrangements with the United Press and with Reuter's Limited, for this news service.

The technical supervision of the construction and of the operation of the ticker service has been in the hands of J. G. Eisenberg, specialist in communications work. Mr. Eisenberg is no stranger here. He installed the original KZRM plant and the central office equipment for trans-



The switchboard of the ticker supervised its installation.

Looking B

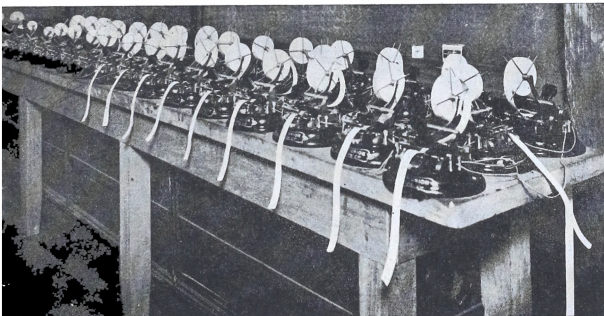
(Continued)

were permitted to advertise in the Manila *chromite*," "ore bodies showing assays of five expressions used to fool the public.

One of the biggest swindles in mining history discovered that the Beal Gold and the Cabit had been made for months, mills recommendations spent in development, check reports made by tion simply did not have the ore. The eng. Hongkong by the authorities. Investigation: tempt to fix the blame. Every one connects as can be determined, no one seems to be tak matter. It is likely that by this time next year guilty will be enjoying their loot.

New mining legislation has been passed, a gold production is not excessive, the catch is subject to existing laws. By this the Assembly of gold should go up, the tax rates would t however, that the Assembly will tax the indu tied up in mining investments.

The creation of a Bureau of Mines was a win Abadilla President Quezon has an engineer handicapped considerably by a lack of funds government employ to engage in private pri Dr. H. Foster Bain as advisory engineer for should prove invaluable to the bureau head All in all, the Philippine mining industry is year; 1937 will be more so in every way.



The battery of tickers, lined up at the Manila Stock Exchange pending their installation in the offices of member brokers.

BU

CR

DA

Mining Stock Business

System of the Manila Stock Exchange

"The operation of this master timing device, arranged in a form not unlike a miniature piano keyboard and carrying letter and figure characters, controls a rotating synchronized drum around the periphery of which are located offset stops which are engaged when any of these keys are depressed. The position of this drum determines the time period of operation of a relay in the ticker instrument which moves the printing wheel into a position to print the character which corresponds to the keyboard selection. At the same time another relay automatically moves the printing mechanism against an inked wheel and impresses it upon the tape, which is then automatically moved ahead by an auxiliary part of the mechanism into the next printing position.

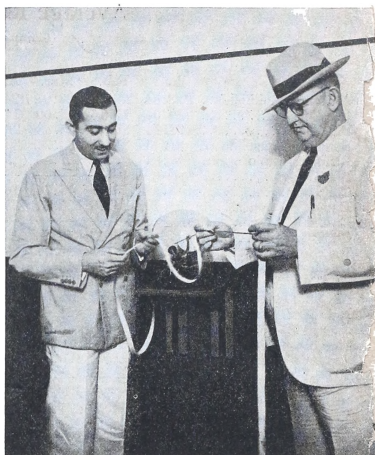
"The machinery for carrying out these operations, consisting of switchboards, relays, synchronized transmitters and the ticker instruments themselves, is quite complicated, but the operation of such a system simplifies the mechanics of brokerage reporting considerably.

"It is necessary to have these reports appear simultaneously at a considerable number of separate points, and to do so accurately and uniformly. This ticker system accomplishes without the errors inherent in the simple method of telephonic reporting. In other words, the ticker system is not dependent upon the human equation in operation except during one phase of its activity, the keyboard operation.

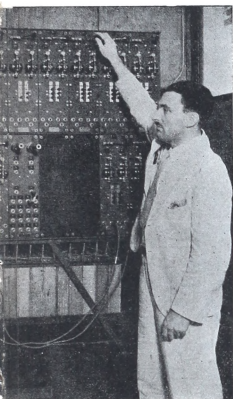
"The ticker keyboard operator transcribes his information directly from buyer and seller slips which are rushed to the central operating position from the floor of the Exchange as soon as they are completed. An auxiliary ticker instrument located alongside his transmitting keyboard gives the operator a visual record of his transcription and acts as a check against any mistakes he may make. Should such errors occur, a correction is placed upon the tape immediately.

"Since the type wheel lends itself to continuous printing as well as the symbolic printing necessary to the speeding up of reporting of brokerage operations, it is possible to utilize the system for carrying information other than the trading reports. During such periods as the stock market is inactive or not in trading session, the system is accordingly used to carry a financial news service covering other markets than the local ones, in which traders may be interested. The Manila Stock Exchange, through special arrangements with the United Press and Reuters Limited, have provided for such financial news services from New York, London, Paris, Shanghai, Hongkong, and other markets of interest locally. News of political and other import will also be carried by the ticker system."

Tickers will be installed in the offices of members of the Manila Stock Exchange immediately, and later, in the offices of mining companies and businessmen who are vitally interested in keeping in close touch with trading.



The first ticker was set up in the office of Enrique Santamaria, president of the Exchange. Here he is reading the first message to be transmitted over the newly-installed system. Walter S. Price, one of Manila's leading traders in mining stocks, is at the right.



System Mr. Eisberg, seen here.

Stock Over 1936

(Continued from page 20)

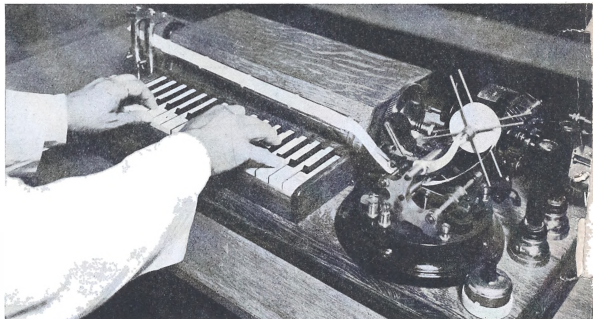
newspapers: "mountains of gold", "huge deposits of iron ore and six hundred dollars a ton" are samples of the

discovery was uncovered in the Albay region, when it was found that the reports were worthless. Although glowing reports were made for both companies, and thousands supposedly reliable engineers showed that the properties in question were brought back from the market, it is presumed to be going on at the present in an attempt to win the region claims innocent, however. As far as the active interest in getting at the bottom of the matter the whole matter will have been dropped, and those

and is now in effect. While the increase in taxes on the taxation clause is that royalties are to be paid by can change the tax rate as it sees fit. If the price is doubtfully raised. Mining men do not believe, they try out of reason; there is too much Filipino money

to move on the part of the government, and in Quirino well qualified for his position. The new bureau is, however. Several of its engineers have already left the office where the pay is better. The engagement of the bureau is considered a wise move. His advice

is in an enviable position. 1936 was a record-breaking



The keyboard—heart of the ticker system. The operator transmits buying and selling transactions from the floor of the Exchange, and through the ticker system these transactions are recorded simultaneously in the offices of member brokers.

Average Recovery Per Ton For 1936

(Compiled by the Chamber of Mines)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Ave. for year
Antamok Goldfields..	P23.34	P26.54	P23.97	P24.02	P26.56	P27.19	P25.03	P24.39	P24.68	P22.49	P21.06	P22.37	P24.30
Baguio Gold.....	19.06	17.16	18.09	14.88	17.27	16.40	18.94	16.30	16.36	16.34	18.46	15.41	17.06
Balatoc.....	28.74	30.46	25.33	28.39	25.44	30.41	27.75	25.96	28.67	27.73	29.71	32.04	28.38
Benguet Consolidated	31.43	31.81	33.23	30.15	31.59	32.65	30.62	29.00	28.51	31.26	28.33	29.22	30.65
Benguet Exploration.	7.84	7.96	7.56	5.61	6.18	8.68	10.02	8.64	7.38	8.88	7.97	8.12	7.90
Big Wedge.....	-----	-----	-----	-----	-----	-----	31.15	37.78	33.90	31.06	28.64	25.26	31.30
Cal Horr.....	14.18	17.11	16.74	16.45	14.96	15.86	14.06	16.71	19.80	24.34	22.50	23.87	18.05
Demonstration.....	21.10	23.76	23.71	23.51	23.52	20.76	16.59	15.93	18.77	20.04	17.06	18.33	20.17
East Mindanao.....	-----	-----	-----	-----	-----	-----	-----	-----	16.77	18.43	20.96	21.53	19.42
Gold Creek.....	17.52	16.47	16.66	16.76	21.80	16.57	14.96	-----	-----	-----	-----	-----	17.26
Ipo Gold.....	8.87	10.79	10.57	9.34	10.01	8.50	9.46	9.45	8.52	9.09	10.36	15.89	10.08
Itoyon.....	17.12	18.07	16.50	15.11	14.96	15.05	16.85	13.40	16.42	18.64	19.19	16.03	16.44
I. X. L.....	17.67	19.99	26.50	18.94	13.56	22.86	17.93	20.06	22.07	21.61	18.44	21.23	20.07
Masbate Consolidated	7.81	6.10	6.38	6.58	5.49	5.43	5.58	5.03	4.57	3.52	4.35	5.65	5.54
Northern Mining.....	16.44	13.00	11.01	14.41	7.69	18.47	12.22	12.68	15.44	8.19	17.45	24.55	14.37
Salacot.....	7.04	8.39	6.96	8.50	9.40	7.69	7.78	7.00	7.07	5.76	4.74	5.74	7.01
San Mauricio.....	-----	-----	28.53	32.25	22.68	19.67	32.78	43.16	51.97	51.61	49.27	61.80	39.37
Suyoc Consolidated..	27.42	21.02	20.82	15.73	18.83	18.90	13.68	21.02	15.41	16.07	15.20	14.90	18.25
United Paracale.....	31.04	43.56	21.23	26.36	20.51	11.50	11.24	12.96	13.75	14.66	15.14	11.67	19.45

Average Daily Tonnage For 1936

(Compiled by the Chamber of Mines)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Rated Capacity
Antamok Goldfields..	308	325	342	410	476	625	663	706	732	783	757	735	800-900
Baguio Gold.....	151	169	171	194	172	183	167	176	176	177	172	174	200
Balatoc.....	1208	1207	1226	1203	1210	1223	1221	1229	1234	1225	1249	1250	1200
Benguet Consolidated	798	803	794	776	804	790	815	807	787	794	816	859	800
Benguet Exploration.	99	101	83	103	72	68	86	99	108	98	108	116	120
Big Wedge.....	-----	-----	-----	-----	-----	-----	89	103	111	107	104	105	150
Cal Horr.....	127	142	159	153	161	149	181	189	211	203	208	202	200
Demonstration.....	178	195	190	189	201	175	218	209	203	209	231	216	200
East Mindanao.....	-----	-----	-----	-----	-----	-----	-----	-----	81	106	87	112	125
Gold Creek.....	83	76	77	71	54	33	37	-----	-----	-----	-----	-----	No mill
Ipo Gold.....	183	181	182	176	170	183	151	148	195	168	180	175	200
Itoyon.....	319	362	422	591	461	501	485	499	460	517	511	515	500
I. X. L.....	74	102	157	122	173	180	180	203	208	209	233	229	200
Masbate Consolidated	323	483	702	851	853	975	1236	1216	1603	1587	1591	1388	2000
Northern Mining.....	-----	14	12	9	20	24	16	16	19	10	11	9	No mill
Salacot.....	206	176	181	133	161	164	139	163	177	146	142	106	200
San Mauricio.....	-----	-----	88	155	151	146	169	155	143	145	155	131	150
Suyoc Consolidated..	124	151	148	173	165	152	160	189	216	224	221	222	200
United Paracale....	113	122	123	118	178	305	315	289	313	307	281	333	325

7,620

18 Escolta
P. O. Box 2015
Manila, P. I.

Telephones
2-18-57
2-20-11

E. SANTAMARIA & CO.

BROKERS

MINING STOCKS AND PROMOTIONS

E. Santamaria
A. K. Machado
R. H. Machado

Cable Address: "SANTA"
Codes: Bentley's
Peterson International
Wall Street, 1927 Edition

The Housing Problem . . .

(Continued from page 22)

at night whilst the other half slept, then the night workers could return home to rest in the rooms just vacated by their opposite numbers. It would be rather like on board ship where you have the watch on deck and the watch below. I have not gone into detail in any of the above schemes but present the ideas to the authorities for what they are worth, observing, however, that patents have already been applied for. Should all these plans fail, and as a last resort, why not freeze the Pasig and Manila Bay solid, leaving sufficient traffic lines for the ingress and egress of shipping? Scientists can achieve almost anything these days, so surely a little thing like this would not overtax their ingenuity. With the whole area of Manila Bay as a camping ground there would be practically no limit to the crowds that could be accommodated, and the cooling breezes off the sea would add considerably to the comfort of thousands of people attending the ceremonies on the Luneta.

With regard to the feeding of our visitors, this will present almost as difficult a problem as their housing, and it will be interesting to see how the authorities will cope with this task. I have only one suggestion to make. As traffic will be practically at a standstill during the period, all service stations should have their tanks cleaned out and refilled with milk, beer or drinking water to be served through the pumps. What about a Shell Shandygaff or a Socony milk shake?

How a Newcomer Looks at
Philippine Mining

By H. Z. Peters



MR. PETERS


Editorial Note: The author of this article was a consulting mining engineer in the United States for about 10 years, when he entered the financial and organization phase of the industry. He engaged in this work for some 12 years, and came to the Philippines a month ago. Mr. Peters recently opened an office in Manila, and is engaging in financial and organization work for himself and for his own clients. His remarks on the mining situation and on promotional activities as they concern mining stocks are peculiarly appropriate since Mr. Peters owned his brokerage company in San Francisco and was a member of the mining stock exchange there.

I find the mining situation in the Philippine Islands most interesting. The production of the Islands as a whole has had a very steady increase over the past couple of years until at this time approximately twenty mines are producing in excess of P4,000,000.00 a month. All information I am able to secure in the short period of time I have been here convinces me that there is an opportunity of finding and developing an additional number of producing properties, some of which may become as important as those which are at this time producing substantially and profitably.

I have been particularly interested in a comparison between the mining and stock activities here and similar activities which I have witnessed in a number of so-called boom mining camps and localities in the United States. While there are quite a few points of similarity, I have noticed many different conditions existing here than any I have seen before.

In the first place the huge capitalization of many of the corporations insofar as the number of shares is concerned, together with the very small par value of the shares of these companies, has impressed me, I may say, quite unfavorably. I have yet to hear any satisfactory explanation of these very large capitalizations.

I have also been impressed with the very large number of claims on acreages held by many of the mining companies.



**AGUINALDO
& AGUINALDO**

STOCK AND BOND BROKERS
MEMBERS - INTERNATIONAL STOCK EXCHANGE
465 San Vicente - corner T. Pinpin

Manuel S. Ruslia *tel.*
21631-21632-21633

IT IS AIR CONDITIONED!

CAMAHORT & JIMENEZ

STOCKS and BONDS

MEMBER

MANILA STOCK EXCHANGE

34 Escolta
P. O. Box 54Tel. 2-34-81
5 Lines

This condition seems to be more prevalent among those more recently organized companies, some of which have sold a considerable quantity of stock to the investing public without regard to the possibilities of developing a real producing mine. It would seem that there has been an unusually large sum of money raised by such companies. Under ordinary conditions the majority of this money would no doubt be expended, partly on the development of a property having little or no value and the balance in the payment of excessive office and general overhead expenses.

J. PASCUAL

Stocks and Bonds

Member: International Stock Exchange

465 San Vicente

Exchange Tels.: (2-34-23
2-34-41) Office Tel.: 2-34-33

TASTES BETTER

CONTENTS 12 OUNCES SAME AS A BOTTLE

KRUEGER'S

The FIRST BEER

IN KEGLINED CANS
AT ALL GROCERS
OR DIRECT FROM
TRANS-PACIFIC - TRADING CO.

P. O. BOX 497 • MANILA • TEL. 2-42-04

Good for a Miner's Thirst!

I believe it is very fortunate for the mining industry of the Philippine Islands that there has recently been placed in effect a new securities act, which if properly administered will tend to curtail the expenditure of considerable of the money already raised and in the future will go a long way towards eliminating the promotion of so-called wild-cat mining companies, and in straightening out a more or less chaotic condition which has apparently existed here for sometime.

I have been very favorably impressed with the very apparent wish of the new commissioner to administer the act in a way which will provide protection for the investing public and at the same time not hinder those companies which are attempting legitimately to develop a mining property. I believe the commissioner is acting wisely in giving publicity to the applications for permits for the sale of stock to the public by various newly organized corporations.

The new securities act of the Philippine Islands has apparently been patterned after the federal securities act of the United States. There are some slight differences, but, in general, the acts are very similar. Prior to the enforcement of the various "states securities acts" throughout the United States and finally the Federal Securities Act, much so-called wild-catting was done in the various new mining camps of the Western United States. In each "boom" camp many companies were organized on properties of no possible mining value, and stock sold to the investing and speculating public. In many cases the stock of these wild-cat companies sold on the various exchanges at high prices and the promoters and manipulators reaped quite a harvest. The final enactment and subsequent enforcement of the federal securities act has stopped many of these activities.

The administration of any securities act governing the financing of mining properties through the sale of stock to the public is a very difficult problem. The question of valuation of an undeveloped mining property is a hard one to solve. This has been the experience of the Corporation Department of California for a number of years and the officials of the new

(Please turn to page 46)

Russia Becomes . . .

(Continued from page 21)

The Angara is a three weeks' journey north of the Lena Goldfield, which is itself a good two weeks journey northward from the Trans-Siberian railway. This will give you a general idea of the extent of the Taiga—it's a big place.

While other nations have looked upon the fundamental principle of all human activity as economic, and even the precious metal, gold itself, can be worked and won only if it can be made to pay, the fundamental principle of the Soviets is political. If gold be required for political reasons, as it always is, the question of cost and profit is not taken into consideration. In the U. S. S. R. the payability of a deposit, whether low or high-grade is not taken into consideration. All gold possible must be collected, regardless of cost—in money, in suffering, even in human life, and brought to Moscow.

The gold seekers of Siberia are a stalwart race, who wrestle with Nature in her grimmest moods, to wrench a little of her buried treasure with primitive methods and inadequate resources.

But this mad scramble on Russia's part to build up a gold hoard from gold retrieved by such methods, cannot go on forever. The amount of gold to be recovered thus is limited. Large areas are already exhausted—some worked out and abandoned ten years ago. And diligent prospecting has offered no hope that gold mining in the true sense—that is, by drifting or underground mining—would last much longer in the Vitim district. Although large quantities of gold have been and still are being recovered from the streams and other workings, these are not expected to last much longer. The hope of the future seems to lay in dredges.

The fact still remains however, that Russia is at present making a mighty bid for a gold hoard, and whether this will have any serious effect on the world's gold situation, or affect the local gold mining industry remains to be seen.

Metals Hit High Levels

(By United Press)

The continued increase in demand at all world markets this month for all metals caused prices to steadily increase to the best levels in several years.

Production has continued to gain as new mining ventures get underway to cash in on soaring prices.

Commodity markets have been exceedingly bullish, even surpassing the gains registered on the stock markets. Assurances that the New Deal's crop control program will be continued plus an actual shortage of certain commodities, such as corn and rubber, has greatly benefited the situation.

Wheat prices have reached post-depression highs as European nations buy heavily to lay away surplus stocks for possible use in event of war. Another factor in the wheat market is the acute shortage of tonnage to move the Australian crop.

The United Press learns that the acute shortage of shipping tonnage has virtually halted shipment of ores from the Philippines, excepting gold. The lack of tonnage unquestionably will continue throughout 1937, regardless of an early settlement of the Pacific Coast maritime strike, shipping agents predict.

There is even a possibility Philippine sugar growers will encounter difficulty moving all of their quota tonnage to the United States by the end of 1937. The tonnage rate for sugar from Manila to American ports has skyrocketed from \$8 to \$11 a ton and even at the latter figure there was no tonnage available for sugar at the time this dispatch was written.

Continued increase of metal production in the Philippines was revealed Jan. 14 when the Department of Commerce in Washington issued preliminary estimates of 1936 gold and silver production. The United States imported from the Philippines in 1936 about \$6,000,000 more gold than in 1935 when it received \$15,335,467 from the islands.

The United States received \$2,273,064 in gold from the

Philippines during December, the department reported.

Philippine gold production in 1936 exceeded that of Alaska, according to announcement of the U. S. Treasury Department. The islands produced 599,453 ounces during the year, valued at \$20,098,855. California, with a production of 1,042,915 ounces, was first in production. The Philippines ranked second, South Dakota was third with 589,229 ounces, and Alaska was fourth with 510,982 ounces. Total production for the United States was reported as worth \$150,959,270.

Development of silver production in the Philippines during the year also was revealed by the Department of Commerce report. Preliminary figures issued showed 1936 Philippine silver output amounted to 472,992 ounces valued at \$364,181.

Total silver production for the entire United States in 1936 was estimated at 62,024,920 fine ounces worth \$47,759,195. This compared with 45,924,454 ounces in 1935 worth \$33,008,201, indicating the extent the treasury's silver purchasing program has benefited that industry.

The New York bar silver price has hovered around 45 cents in January, declining to 44-3/4 cents at press time.

Increased silver production has been accompanied by a marked gain in copper and lead production.

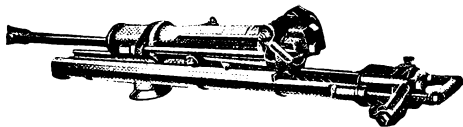
The export copper price in New York touched 13.05 cents on Jan. 13, the highest price in seven years. However, many spot sales were being made at 12.75. Reduced visible supply of copper plus a steadily increasing demand from Europe has produced brisk buying of the metal. Reports from the copper mining sections indicate the reopening of a number of mines which have remained idle since 1931 when copper prices fell considerably below the cost of production level.

Heaviest speculative trading in copper continues to center in London.

It is too early to forecast the effects of the announcement in London Jan. 13 that all production restrictions agreed upon by copper producing countries are being temporarily removed by mutual agreement.

(Please turn to page 32)

What you really buy is **DRILL HOLE**
at so much per foot



WE ARE PROUD TO
PRESENT THE

DA - 35

A New 150-lb.-3½ inch DRIFTER

THE FASTEST DRILL THAT

Ingersoll-Rand

HAS EVER BUILT

The Earnshaws Docks & Honolulu Iron Works

Sole Agents—Manila, P. I.

P. O. Box 282
Tel. 2-32-13

Branch Office:
Bacolod, Occ. Negros

Men of the Mines

Mr. H. Schifflin and wife sailed on the *Empress of Asia* on December 19th for Milwaukee, Wisconsin. During their stay in the Philippines for the past four weeks, Mr. Schifflin met the representatives of the mining industry in Manila and visited for a week in Baguio at several of the mining properties. A trip to Cebu Portland Cement plant via Iloilo was made during his stay here.

Mr. Schifflin has been long associated with the Allis-Chalmers Mfg. Co. in an administrative capacity. He is Manager of the Crushing, Cement and Mining Machinery Department. His position over the past twenty-five years has brought him in close contact with the Mining and Cement Companies, and their organizations, in most parts of the world. His interviews with numerous Engineers in the Philippines recalled some places and officials whom the engineers knew or had worked with in Mexico, Africa, China, Japan, Canada, or South America in Mining or Cement properties. Mr. Schifflin's stay in the Philippines was limited and he regretted not having the time to visit other places of interest. He expressed himself as being favorably impressed with the magnitude and growth of the mining industry in the Philippines.

L. R. Nielson, head of the company that bears his name, and George Scholey, who is in charge of technical operations for the Nielson interests, left for Hongkong on January 4th on the *Empress of Canada*. Their business there will be in connection with the Hongkong Mines Limited. Sidney Baxter, who accompanied them, will be in charge of Nielson and Company's branch office there.

W. R. Storms, graduate of the University of Washington's School of Mines, class of 1923, arrived December 18th on the *Empress of Asia* to join the staff of H. A. Wendt and Company.

Mr. Storm was formerly associated with the United Verde Copper Company at Jerome, Arizona, and later with the Newmont Mining Company in Peru.

Gilbert Whitehead, Harvard graduate and holder of a B. S. degree in mining engineering from the Massachusetts Institute of Technology, also arrived on the *Empress of Asia* on December 18th to join the staff of H. A. Wendt and Company.

A. Walter Beam, who was president of Benguet Consolidated for 13 years, returned to the Philippines on Sunday, December 20th, on the Philippine Clipper, for a brief visit.

Mr. Beam retired from active participation in local mining in 1934 and has made his home in California since that time.

Walter J. Eaton, Colorado School of Mines, class of 1913, arrived December 6th on the *Empress of Japan* to join the technical staff of Alvir and Company.

Mr. Eaton has followed his calling in Mexico, California, Arizona, Colorado, Canada, Bolivia, and Central America.

Gold Production

	December 1936	Total for 1936
Antamok Goldfields.....	₱ 509,888	₱ 5,260,339
Baguio Gold.....	83,221	1,077,096
Balaboc.....	1,241,712	12,760,406
Benguet Consolidated.....	778,180	9,008,052
Benguet Exploration.....	29,164	274,914
Big Wedge.....	82,312	497,863
Cal Horr.....	149,367	1,183,739
Coco Grove.....	none	636,292
Demonstration.....	123,589	1,473,887
East Mindanao.....	75,000	239,940
Ipo Gold.....	86,144	641,939
Itoyon.....	256,223	2,825,669
I. X. L.....	151,101	1,341,249
I. X. L. Argos.....	24,069	211,315
Masbate Consolidated.....	242,841	2,022,302
Salacot.....	18,850	413,106
San Mauricio.....	250,631	1,733,888
Suyoc Consolidated.....	102,355	1,172,547
Tambis.....	unavailable	unavailable
United Paracale.....	123,728	1,430,613
Total.....	₱4,318,375	₱44,205,156

NOTE:—Totals given above are based on figures released monthly by mining companies, and are not final. The final total will be close to ₱44,500,000, since Tambis figures are not available and several smaller operations are not yet reported.

The

REAL SMOKERS

PREFER THEM

REGIOS

TABACALERA

CIGAR

TELEPHONE 2-25-77

GORDON W. MACKAY

MEMBERS, MANILA STOCK EXCHANGE

C. F. McCORMICK

BAGUIO OFFICE
BUENO BLDG.

MACKAY & McCORMICK

SHARE BROKERS

CABLE ADDRESS
"CIMROC"TELEPHONES
2-15-57
2-15-58
2-15-59

34 ESCOLTA

P. O. BOX
2688

World Sources of Chromite are Shifting

(Cont. from Nov. 1936)

The Union of South Africa became a significant producer of chromite immediately before the depression. Production was started in 1924 and rapidly increased till by 1929 nearly 45,000 metric tons were exported. As in other countries, the depression affected the industry and production dropped to about 50 per cent of its boom year. 1934 was a rapid comeback with 46,000 tons exported. From 1930 to 1934 exports amounted to 9 per cent of the world total.

The chromite industry participates in the government bonus of 7 per cent granted to base metals exported from the Union. South African ore is mainly low-grade.

New Caledonia is the principal source for chemical ore and although exports dropped during the depression, it continued to supply a large part of the world's requirements. During the period 1930 to 1934 it maintained its same relative position with other producing countries; exporting between 10 to 12 per cent of the world's total. In the early 1920's New Caledonia chromite exports were much larger, supplying a much larger part of the world's needs.

The World War brought about the beginning of the Cuban chromite industry, which declined rapidly at the close of hostilities. In 1923, with the development of the refractory grade deposits, production was revived and has become quite substantial. Cuba made no shipments in 1932, but contributed 8 per cent of the world exports from 1930 to 1934. In the preceding 5-year period Cuban exports amounted to 10 per cent.

Russia, being a producing and consuming nation, obtains its chromite requirements from domestic mines and exports material quantities to other world markets. Before the war, Russia was an important factor in the international chromite market, but from wartime to 1927 no outside shipments were made. Since 1927 Russian chromite exports have rapidly increased, reaching a peak of 41,527 tons in 1932, or 19 per cent of the world's exports. From 1930 to 1934 about 10 per cent of the world's chromite came out of Russia.

Chromite reserves in the U. S. S. R. are reported to be about 15,000,000 tons, but the ore is generally low-grade. Only the high-grade ore is exported, although some of the 40 per cent ore has been shipped. Imports of Russian ore to the United States in 1934 contained 45 per cent Cr2O3.

Chromite exports from India are much less than formerly. The peak years of Indian production were between 1920-1924 when 21 per cent of the world total was exported. In the period 1930-1934 its exports amounted to 7 per cent, compared to 12 per cent in the preceding pentad. The 1934 exports were the largest since 1929.

In Southern Europe Yugoslavia is probably the principal source for chromite deposits, and although small amounts were mined prior to 1914 definite production really began in 1925. Shipments to foreign countries followed immediately after production began; 33,060 tons being exported in 1930, the peak year. From 1930 to 1934 Yugoslavia supplied 8 per cent of the world's exports. Some of the chromite is hand picked and shipped as mined; the remaining shipments are washed ore. The crude ore to the concentration plants runs 24 to 40 per cent Cr2O3, but all shipments are of high-grade chromite, much

of it being of metallurgical grade. During 1929 Yugoslav producers began using Saloniki as a port of export.

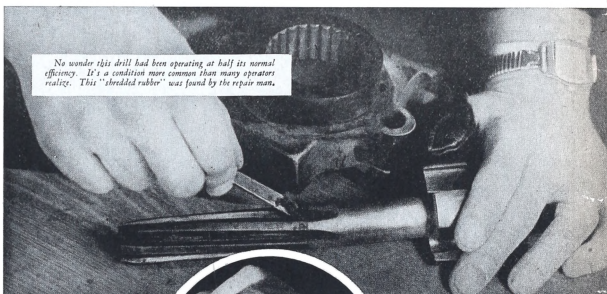
Greece's recovery from the depression period is worthy of note. In the years 1931-1932 chromite exports dropped to a little over 1000 tons per year, but recovered to 22,141 tons in 1934. For the past ten years Greece's exports have averaged about 5 per cent of the world's total. Greek ores are low-grade and are said to contain 38 to 40 per cent chromic oxide.

Japanese chromite production is absorbed by her domestic industries with no exports whatever to the outside market. In 1933 her production amounted to 19,897 tons, slightly double that of (Please turn to page 32)



SHREDDED RUBBER

—it doesn't belong in tools



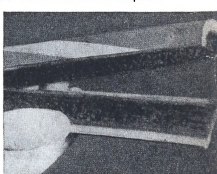
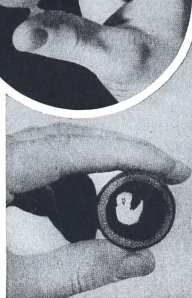
(Right) Soft and gentle to the touch—but capable to bite (a drop of oil). It cures most air hose to break and tear into loose shreds that clog tools.

(Center, below) This is just the thing Goodrich has done's do—rubber tearing into shreds as a result of oil and air contact.

(Below) And this hose was made of "air-resisting" rubber. A perfectly true statement. But this is a common condition of such rubber except for one or two rare types. Goodrich hose NEVER breaks into shreds or loose particles.



Tools are unproductive as well as men. If you use Goodrich hose you'll rarely have time out for hose repair and you'll NEVER have tools clogged with rubber.



SOME users never find out how much their work is slowed down by rubber shreds in tools. If you aren't using Goodrich hose we suggest you examine tools CLOSELY. Examine the inner rubber of your hose too—near the compressor. Full details given in our booklet "Effects of Oil on Air Hose," free on request.

GOODRICH AIR HOSE NEVER CLOGS YOUR TOOLS WITH RUBBER

Metals Hit High Levels

(Continued from page 29)

Most traders continued optimistic despite the removal of restrictions, feeling that it will require many months to stimulate production sufficiently to offset the present low copper reserves, and prices of copper mining shares on the New York Stock Exchange remained popular with traders.

The demand for lead has continued good with prices holding around last month's levels. Philippine interest in lead this month turned to Hong Kong where L. R. Nielson, Manila broker, concluded a contract to operate the lead mines of Hong Kong Mines, Ltd. After a personal inspection of the property, Nielson announced his engineers were satisfied with the prospects sufficiently to warrant early installation of a 150-ton mill.

AVERAGE METAL PRICES FOR DECEMBER, 1936 (By United Press)

NEW YORK, Jan. 16.—The market for non-ferrous metals moved steadily upward during the past month with copper very strong, the magazine *Metal & Mineral Markets* reported today.

Domestic copper during December averaged about one cent above the price prevailing during October and November. Demand was strong.

Lead and zinc also found brisk demand and prices gained about one cent a pound on the average. Sales were estimated at more than 25,000 tons of lead for the month and sales of zinc exceeded 20,000 tons.

Substantial improvement in the demand for tin has sent prices for that metal steadily higher during the winter. The average New York price for Straits in December was 51.823 as compared to less than 45 cents last October.

Metal & Mineral Markets reported average metal prices for December as follows:

<i>Copper:</i>	
Electrolytic, Domestic, Refinery.....	10.763
Electrolytic, Export, Refinery.....	10.835
London, Standard Spot.....	45.946
London, Forward.....	50.364
<i>Lead:</i>	
New York.....	5.554
St. Louis.....	5.406
London, Spot.....	25.560
London, Forward.....	25.503
<i>Silver and Sterling Exchange:</i>	
Silver, New York, per oz.....	45.352
Silver, London, pence per oz.....	21.238
Sterling Exchange, "checks".....	490.670
<i>Zinc:</i>	
St. Louis, Spot.....	5.273
London, Spot.....	17.957
London, Forward.....	18.145
<i>Tin:</i>	
New York, Straits.....	51.823
London, Standard Spot.....	232.108
Gold, per oz., U. S. price.....	\$35.000
Quicksilver, per flask.....	\$90.25
Antimony.....	12.918
Cadmium.....	90.000
Platinum, Refined, per oz.....	\$48.000
Aluminum, 99+ %.....	20.000

Domestic quotations above, unless otherwise stated, are in cents per pound. London averages for copper, lead, zinc and tin are in pounds sterling per long ton. Sterling exchange, checks, is in cents.

(Please turn to page 40)

World Sources of Chromite

(Continued from page 31)

1931. Japanese imports of chromite in 1933 equaled home production.

In the Philippines, the chromite industry is just beginning to receive serious attention, and with the United States, the largest chromite consumer, depending entirely on foreign sources for its supply, the development of chromite mines in the Islands will prove a boon to the national welfare of both countries. Quoting a report from the United States Bureau of Mines issued this year: "Recent reports from the Philippines indicate considerable development

of chromite in the islands. Exploration work has been going on for several years, and reserves of some magnitude have been blocked out. A trial shipment of 500 tons of high-grade ore shipped to the United States in 1935 was reported to run 53.59 per cent chromic oxide and 14.43 per cent ferric oxide. Present plans are said to provide for shipment of 25,000 tons yearly over the next 4 years." The importance of the chromite industry to the Philippines will be obvious when the figures on American Chromium imports and exports are considered.

American imports contrasted with world chromium exports for the decade 1925 to 1934 show the importance of the industrial setup in

the United States to chromite producing countries, and though exports from America increased during the latter part of the depression, the United States still remains by far the world's largest user of chromite. American requirements during the post-war period caused imports to reach a peak of 331,860 metric tons or 78 per cent of world exports in 1930. During the next 2 years imports dropped sharply amounting to only 90,574 tons (42 per cent of world exports) in 1932. Although imports had recovered 100 per cent, to 195,383 tons in 1934, their relation to world exports varied but little, being 41 per cent in 1933 and 44 per cent in 1934 compared with 65 per cent for the period 1925-1929. During the past 10 years the United States imported chromite from Cuba, Greece, India, New Caledonia, Southern Rhodesia, Turkey, Russia, U. S. Africa, and Yugoslavia.

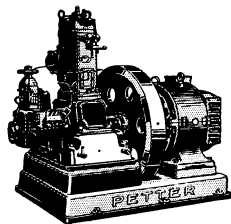
Examination of the above sources from which America received chromite for her industrial needs reveals the changes in locality from which she drew her supplies. Nearly 60 per cent of American requirements during the period 1925-29 were met by imports from British Africa, but in the five years following less than one-third came from this source. Cuba maintained the same relative position during the two periods while India showed a decrease. Increased imports are credited to Greece, New Caledonia, Turkey and Russia. The extent of the Greek increase is questionable as the movement of Yugoslavian ore out of the port of Saloniki is credited to Greece in import statistics.

Imports of chromite into the United States enter through the Atlantic Coast ports and are used largely in the industrial States in the northeastern part of the country.

Such is the story of chromite during the past two decades; that it has definitely influenced world commerce and added greatly to the prosperity of the producing nations is without question.

With the further development of chromite mining in the Philippines a new chapter will have to be written into the history of this important mineral. As yet, the full extent of chromite deposits in the Philippines is undetermined, but as further explorations and developments reveal the abundance of chromite ore here, the Philippines stands a fair chance of becoming the world's next great source of Chromite.

PETTER DIESEL ENGINES



Advantages

SIMPLICITY
ECONOMY
RELIABILITY

Sole Distributors

For the Philippine Islands:

FRED WILSON & Co., INC.

Wilson Building

Manila

53-55 Barraca

COMMERCIAL REVIEWS



AMERICAN CHAMBER

OF COMMERCE JOURNAL



Halving Coconuts to Make Copra

Up to Date Commercial Reviews



When you win
you deserve it
When you lose
you need it
BLACK & WHITE
WHISKY

KUENZLE & STREIFF, INC.

Main Office:

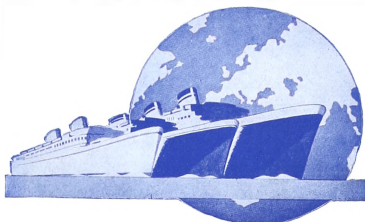
343 T. Pinpin
Tel. No. 2-39-36

MANILA

CEBU ILOILO
ZAMBOANGA

Branch Office:

44-48 Isaac Peral
Tel. No. 2-17-62



Far East—Europe

RAPID LUXURY LINERS

Via Singapore—Colombo—Bombay—Mascowah—Suez—Port Said

M.V. VICTORIA

Leaves MANILA, FEBRUARY 3, for Naples and Genoa

S.S. CONTE ROSSO

Leaves HONGKONG, FEBRUARY 18, for Venice and Trieste

S.S. CONTE VERDE

Leaves HONGKONG, MARCH 14, 1937, for Venice and Trieste

Overland to London, Paris, Berlin.

Stopover privileges. From Egypt the voyage may be continued by five optional routes of the Mediterranean services. Through Tickets to the U. S. and Round the World at Reduced Fares.

EXPRESS SERVICE VIA INDIA-EGYPT-ITALY
ITALIA LINE—LLOYD TRIESTINO

Smith, Bell & Co., Ltd., Agents

HONGKONG & SHANGHAI BANK BLDG., PHONE 2-31-31

More Power—Lower Operating Costs with 1937 Chevrolet Trucks

*Now Ready
for
Delivery*

See them at the
Chevrolet Show Room

If you have a hauling job to do—if you are interested in greater efficiency—if you want to figure costs down to the lowest possible level—if you expect dependable, trouble-free performance—then the 1937 Chevrolet Truck is the unit you must investigate.



Pacific Commercial Company

ILOILO

MANILA

CEBU

The Cheap Money Era: How Long Will It Last?

By Professor C. S. Richards

Continuing the Survey of World Conditions

TWO FUNDAMENTALS

Now there are two fundamentals for a rising world price level—the *desire* (and the *will*) that it should rise, and the *means* to make it rise, that is, an adequate supply of money. Both are essential: desire without the means is vain, and a short-lived boom is all that could result. The means without the desire merely implies stagnant money markets and low rates of interest. There can be no question that desire is there—most countries of the world are in an expansionist and inflationist mood, though in some cases the idea is less flagrantly decked out with “reflation” is spoken of, though in the end it amounts to very much the same. Granted that the mood is there, are there the means? Has the world the money available to finance such expansion? There can be little question also that it has, and this on two grounds:

(a) The fundamental change which has taken place in recent years in the position of “bank money”;

(b) The enormous increase in the world’s actual and potential supplies of gold.

(a) With the abandonment of the gold standard in England, to take the outstanding case, the Bank of England is not now under the necessity of maintaining its traditional gold reserves. National monetary policy is expressed through the Treasury (which is virtually now the dominant factor in the money market) by means of the Exchange Equalisation Account. Subject to this policy and its implications, the Bank of England is free to meet the demand for credit without the rigid restrictions which the gold standard imposed and can vary the amount of joint stock banks’ cash within very wide limits. This non-rigidity in the banking structure is a great improvement in technique, but it does throw added responsibility on to the central bank. Since the crisis of 1931 these banks have improved technique in other ways so as to safeguard themselves against dangerous developments.

STILL BUYING GOLD

But the fiduciary issue of the Bank of England is still fixed at £260 millions, and the Federal Reserve System must still maintain a reserve ratio of at least 40 per cent. Moreover, central banks are still eager buyers of gold, so that though freedom is greater than previously, it is still dominated by gold.

(b) What therefore is the world’s gold position since it still is of the utmost importance? The facts in this connection are little short of staggering.

1. The annual physical production of gold continues to rise at a rate never before exceeded in the history of the world. Since 1929 the output of gold has risen by fully 50 per cent and by no less than 150 per cent if valued in currencies which have depreciated by 40 per cent, that is sterling and the dollar. The following table (taken from the Annual Report, 1936, of the Bank for International Settlements) shows the world’s gold production in 1915, the record year before 1932, and each year from 1923 onwards:

Year	South Africa	U.S.A.†	Canada	Russia	Other Countries	Total for the World (in millions of Swiss francs)
1915*	9,096	4,888	918	1,546	6,146	22,594
1923	9,149	2,503	1,233	438	4,463	17,786
1924	9,575	2,529	1,525	594	4,827	19,050
1925	9,598	2,412	1,736	693	4,592	19,031
1926	9,955	2,335	1,754	895	4,430	19,369
1927	10,122	2,197	1,853	810	4,464	19,446
1928	10,354	2,233	1,891	899	4,206	19,583

1929	10,412	2,208	1,928	1,085	4,040	19,673	2,108
1930	10,716	2,286	2,102	1,434	4,184	20,722	2,220
1931	10,878	2,396	2,694	1,701	4,702	22,371	2,397
1932	11,559	2,449	3,044	1,990	5,224	24,266	2,600
1933	11,014	2,537	2,949	2,667	6,347	25,514	2,733
1934	10,480	2,916	2,965	4,263	6,715	27,339	2,929
1935	10,773	3,619	3,280	5,650	7,356	30,678	3,287

*Record year before the years 1932-35.

†Including the Philippines.

“The probable increase of production in South Africa and Russia alone will lift world production above the 40,000,000 fine ounces mark by 1940.” (“Economist”, June 13, 1936.)

This increase in production has, of course, been largely brought about by the great increase in price. Assuming that the non-monetary demand for gold and for hoarding in the East is in future to be the same as in 1925-29, namely about 8,000,000 fine ounces, the above figure means that the annual addition to the stock of “monetary” gold may be expected by 1940 to have increased from 10-1/2 million fine ounces in 1929 to approximately 32 million ounces.

2. Moreover, in recent years there has been a great *transference* of the world’s stock of gold from non-monetary to monetary uses—from this source alone the world’s monetary stocks have increased from 553.6 million ounces in 1929 to 734.3 million ounces in 1935. In brief, the position is that the ultimate basis of the world’s money has increased by 32.7 per cent, while annual production will soon be sufficient to increase it by a further 4 to 4-1/2 per cent per annum at least. Nor is this increase in monetary stocks confined to the United States and France. Excluding these two countries, the world’s monetary gold stock has increased from 2860 million ounces in 1929 to 316.4 million ounces in 1935, or by 10.6 per cent.

3. But these figures, impressive as they are, by no means tell the whole story. Not only has there been a great increase in the *weight* of the monetary gold stock, but its *value* in terms of paper money has risen. Few countries have definitely devalued their currencies, though in some devaluation seems imminent. The American dollar has been devalued to 59.06 per cent of its former value, the belga to 72 per cent and depreciated sterling stands at about 62 per cent of its par value. It is impossible to say what the ultimate devaluation will be. On the basis of devaluation to 66 2-3 this will involve a rise in the price of gold of 50 per cent (the present rise in the sterling price, say 140s., represents an increase of about 64.7 per cent). The 553.6 million fine ounces of monetary gold in 1929 at 85s. per fine ounce were worth £2,353 millions. The 734.2 million fine ounces in 1935 at 127s. 6d. (50 per cent more) would be worth £4,680 millions. The annual production available for monetary use in 1925-29 was worth about £44.5 million. The annual production available for monetary use in 1940 will be worth nearly £205 million. In other words, the world’s monetary stock of gold has increased since 1929 not by 32.7 per cent (that is from 553.6 to 734.3 million ounces) but by 98.9 per cent (that is from £2,353 to £4,680 millions). If the present price be taken, i.e., say approximately 140s per fine ounce, a rise of 64.7 per cent, the figure is not £4,680 but £5140.1 millions, and the percentage increase not 98.9 but 118.4.

4. Nor does the above complete the tale. Many countries have reduced the legal ratio of gold to liabilities, for example, South Africa from 40 to 30 per cent. No figures are easily procurable, but it seems safe to say that throughout the world as a whole, since 1929, the increase in the monetary stock of gold has been 120-125 per cent.

MORE GOLD THAN EVER

These figures are significant. They mean that there is a greater available supply of money than ever before in the history of the world. The secular rises in prices in the nineteenth century were caused by just such increases in gold production, for example, by the Californian and Australian discoveries of 1849 and that of the Rand in the nineties. But such increases were as nothing to the present position. "If monetary history means anything, it means that the world is on the eve of a very large rise of prices." ("Economist.")

What are the prospects of such a rise eventuating? The position of the "gold bloc" is becoming daily more difficult to maintain—it seems only a matter of time before the last strongholds of deflation may give up the unequal struggle.

There are two countries where such an initial impetus as is requisite to start the movement is possible, and of these, one where it is probable. Under present circumstances a rise is possible in England—but not probable. A rise such as is postulated would largely destroy the internal improvement which has taken place and would imperil the foreign trade position. Moreover, both the Treasury and the Bank of England policy is against it, despite the past four years of "cheap money."

But such cannot be said of the United States. Briefly, there is an enormous potential supply of money in the United States as a result of President Roosevelt's policy since the spring of 1933. Big as it is, it can be greatly increased by the power the President holds of further devaluation from 59.06 to 50 per cent of the previous gold figure of the dollar, that is, a further rise in the dollar price of gold of 15.3 per cent. Moreover, whether the Federal Reserve system could control such a situation is, judged by past experience, open to question—both desire and ability seem lacking, and the Treasury necessity of having to finance debt deficits is another factor which increases the possibilities of a rise of prices in the U.S.A. Such a rise could obviously not

be confined to America—the British Government, in all probability, would have to let sterling depreciate still further in the interests of its foreign and domestic trade—and a rising tide would soon lap other shores.

It does not follow that such a rise is imminent the time element is as usual the unknown factor. In the international field though, as seen already, improvement is noticeable in certain directions, for example, in commodity prices, employment, world production, international debts, etc., but there are still many restraining influences on general world improvement. Tariff barriers and economic nationalism show little sign of relaxation—tariffs still restrict the volume of trade, capital and exchange regulations the flow of international investment funds, and immigration laws the movements of population. Moreover, political tension and uncertainty restrain enterprise and lead to the prolongation of the desire to remain liquid, and the possibility of a European war cannot be completely discounted.

THE CAPITAL MARKET

In this respect the position of the capital market in England is significant of a general tendency. Total capital issues during the year 1935 were £182 against £161 million in 1934, and though the former figure is double the lowest year, 1931, it is only half of the peak year, 1928. Moreover, as pointed out by Mr. D. Graham Hutton in Lloyds Bank Limited Monthly Review for February, 1935, in an article entitled "Recovery and the Rate of Interest," the share of the total of new non-government issues taken by the local bodies and public boards and corporations has remained at two-thirds and three-quarters of the new borrowings by "mainly private enterprise," while in 1928 and 1929 it formed but an insignificant fraction.

The recovery in England has been, as "The Economist" (June 13, 1936) clearly shows largely confined to that of the industries catering wholly or mainly for the home market, the export trade standing out in "strikingly unfavourable contrast." This recovery has been conditioned

largely by the policy of liberal credits and cheap money, a policy now under general and serious discussion. The strongest advocate, and indeed prognosticator, of lower interest rates and cheap money has been Mr. J. M. Keynes. In an article in Lloyds Bank Monthly Review for April, 1932, entitled "Reflections on the Sterling Exchange," he advocated and indeed prophesied "lower and lower rates of interest" in order to counteract the then present deflationary tendencies and stimulate investors "to lend for purposes which involve material risks." That prophecy has since been amply fulfilled as has already been shown. At the annual general meeting (February 21, 1934), of the National Mutual Life Assurance Society, of which he is chairman, he stated categorically that the long term rate of interest would and should fall further in "the interests of the maintenance of employment and the full utilisation of national resources." ("Economist," February 24, 1934). At the meeting last year ("Economist," February 23, 1935) he was still of opinion that "while British economic health required a still lower rate of interest, there was less prospect of expecting that to eventuate because British rates were already much below those ruling elsewhere," and he expressed disappointment "at the comparatively few large scale opportunities for the investment of new savings which had as yet disclosed themselves under the influence of the low rate of interest apart from the new building and electrical developments." At the annual meeting this year, he stated that "a further reduction in the long term rate of interest was urgently called for" and criticised the Treasury for not themselves (judged by recent bond issues) "showing confidence in the short term rate of interest remaining low," since this is of paramount importance in determining the long rate. Indeed, Treasury action would seem to indicate that the period of low money rates may be drawing to a close.

Mr. Reginald McKenna, chairman of the Midland Bank, has also himself recently expressed the same view (address to Annual Meeting of Institute of Municipal Treasurers and Accountants at Blackpool, June 18, 1936): "There need be no rise in the cost (of borrowing) to the legitimate borrower if its quantity is increased in accordance with the demand. This relative freedom to meet the demand for credit is indeed one of the most striking benefits resulting from our adoption of a scientifically regulated money system and there is nothing inherent in that system, as it now operates, to warrant the suggestion that cheap money must come to an end as soon as trade recovery passes a given point." Such a statement embodies an obvious fallacy. Business men are always likely to regard their demands for accommodation as "legitimate," but bank credit is not the same as capital and, in the case of England, it would be idle to think that present population can be maintained on the same standard of living by a somewhat artificial policy which concentrates on home development and ignores the necessity for improvement in the export trade, before many depressed industries can show any signs of recovery—a policy of too cheap money may dry up some of the sources of savings.

Now the current long term rate of interest is a highly psychological phenomenon which must necessarily depend on what expectations are held concerning the future rate of interest. The rate of interest is the price of borrowed capital and

The National City Bank

of New York

ESTABLISHED 1812

Capital (Paid) - U. S. \$ 77,500,000.00
 Surplus - - - - - " 42,500,000.00
 Undivided Profits " 11,991,339.92
 (As of Sept. 30, 1936)

COMPLETE BANKING SERVICES

MANILA OFFICE
 National City Bank Building

the equilibrium rate is a figure which equates the volume of savings to the demand for its use, and while no one rate is recognizable at any time, since variations will depend on the risk involved in particular cases, the trend of long term interest rates is so recognizable. Both the demand for and supply of capital are composite factors—but, in general, the greater the level of the national income the greater the volume of savings. In recent years in many countries this factor has been greatly influenced by the tendency towards equalisation of incomes, e.g., heavy income tax, death duties and more equitable distribution. The demand for capital is made up of the demands from governmental, private and industrial uses; governments are everywhere taking larger proportions of the available total, and industry is increasingly providing its own funds by reservations and re-investments of profits, particularly in the large combines, but in England, anyway, the field for investment by private enterprise is narrowed both by opportunity and inclination—lessened confidence among business and the restrictions on the movement of capital, together with foreign capital seeking refuge from uncertainty in other parts of the world, seem to preclude much possibility of a rise in interest rates in the near future.

It would seem to follow, therefore, in so far as immediate prospects are concerned, that, both from conditions in England, the United States and elsewhere, the low interest rates and cheap money will continue and rates may even perhaps fall further, but that in time the enormous pressure of the available supply of money will lead to a gradual world rise in prices and values and consequently in interest rates. Such a rise would tend to facilitate a general return to equilibrium in the future, but if, as it is to be kept within bounds, necessitate measures to neutralise somewhat the factors producing it.

THE ECONOMIC OUTLOOK IN SOUTH AFRICA

What is the bearing of the above on the position in South Africa? There is no need to describe in detail the nature and extent of the recovery in the Union—I have so described it for 1933 and 1934 in an article in the "Economic Journal," London, December, 1934. But some important figures must be mentioned. The recovery of the Union has been almost wholly dependent on the great rise in the price of gold and the consequent expansion of the gold mining industry. The following figures, which relate to the operations of the producing gold mines of the Witwatersrand, indicate the altered position:

	1932	1935
Total tons milled...	34,906,000	44,235,000
Total fine ounces declared.....	11,378,000	10,565,000
Total working revenue.....	£48,832,000	£74,414,000
Total working costs.....	£33,526,000	£41,774,000
Total working profit.....	£15,306,000	£32,640,000
Revenue per ton milled.....	28/-	33/8
Working costs per ton.....	19/3	18/11

Working profit per ton.....	8/9	14/9
Stores consumed....	£16,045,000	£24,829,000
Average number of whites employed..	23,000	32,000
Average number of coloured persons employed.....	218,000	273,000
Salaries earned by whites.....	£8,873,000	£12,394,000
Wages earned by coloured persons....	£7,343,000	£9,210,000
Dividends declared.....	£8,979,000	£16,391,000
Government revenue (direct taxation and profits from lease mines) amounted to approximately £13,300,000 during the year ended March 31, 1935, whilst for 1932 it was £4,313,000.		

This prosperity of the gold mining industry has permeated all sections of the national life, though in varying degrees. Secondary industry has shown marked improvement, and whereas in 1932-33, there were 7,669 establishments employing 87,173 Europeans and 105,310 non-Europeans with a total salary bill of £21,875,000 and a gross value of output of £90,948,000, the corresponding figures for 1933-34 were 8,180 establishments, 80,647 Europeans, 148,855 non-Europeans, £26,399,684 in total salaries and a gross value of output of £111,391,000. Later figures are, unfortunately, not available, but it is certain that the present position reflects an even more favourable situation.

While agriculture is still depressed, as compared with the pre-depression years, there has been a considerable improvement as compared with 1931 and 1932 the increase in commodity prices has favourably affected the position of the farmer though the Union still suffers from the "chronic bucolic complex" which I noted in the previously mentioned article.

The improved position is well-reflected in the registration of new companies since gold was abandoned, the figures for 1932 being inserted for comparison—the following figures being the result of a personal detailed investigation of all the companies' records in the office of the Registrar of Companies, Pretoria:

REGISTRATION OF NEW COMPANIES

Period	Gold Mining Companies		Other Mining Companies		General and Commercial Manufacturing Companies		Total Companies	
	No.	Nom. Cap.	No.	Nom. Cap.	No.	Nom. Cap.	No.	Nom. Cap.
1932 Jan.-June.....	4	£29,000	13	£355,600	301	£935,247	318	£1,359,847
July-Dec.....	5	891,500	10	62,860	269	773,986	284	1,728,346
Total.....	9	920,500	23	418,460	570	1,709,233	602	3,088,193
1933 Jan.-June.....	42	3,569,752	16	111,465	329	1,355,250	387	4,976,467
July-Dec.....	68	4,598,000	20	38,000	375	1,328,000	463	5,964,000
Total.....	110	8,107,752	36	149,465	704	2,683,250	850	10,940,467
1934 Jan.-June.....	53	10,598,000	24	258,000	543	4,870,000	620	15,726,000
July-Dec.....	76	8,682,000	7	1,059,000	487	1,908,000	570	11,650,000
Total.....	129	19,280,000	31	1,317,000	1030	6,779,000	1190	27,376,000
1935 Jan.-June.....	16	4,881,000	30	388,000	580	3,305,000	626	8,574,000
July-Dec.....	11	107,000	14	718,000	542	4,201,000	567	5,026,000
Total.....	27	4,988,000	44	1,106,000	1122	7,506,000	1193	13,600,000
1936 Jan.-June.....	12	657,000	23	2,888,000	673	6,338,000	712	12,683,000
1933-36.....	282	33,032,752	134	5,260,465	3529	26,306,250	3945	64,599,467

It is interesting to note the order in which investment has taken place, first gold mining, then other mining and more recently secondary industries.

To date the increase in prices has been very small. Wholesale prices (base 1000 in January, 1934, stood in January, 1933, at 955; in January, 1934, at 1161, in January, 1935, at 1045; in January,

Sport of Kings will Begin with Eclat

Soon to open its clubhouse and start a season of horse racing, Santa Ana Turf Club announces the purchase of 100 Australian race horses. Y. S. Day, the racing manager, describes these griffins as measuring not under 14 hands 1 inch and not over 15 hands, 3 to 7 years of age inclusive.

Under the auspices of Philippine Racing Club, this new sports group is designed to give racing the popularity it deserves in the Philippines. It intends to provide suitable accommodations for comfort, cleanliness and convenience, so that persons who have always wanted to enjoy the "sport of kings" can do so pleasantly.

Santa Ana Turf Club is a non-stock corporation. Without going into lengthy technicalities, this means briefly that it is not operated for profit; that it has no authorized capital, and issues no shares. It is the simplest legal entity that can be organized, not requiring a more elaborate structure since it will be operated under the auspices of the parent corporation, the Philippine Racing Club.

There will be two grandstands, one for the general public, the other for club members. The latter will include a tastefully-furnished clubhouse with restaurant, bars, ballroom, lounge, and—for race days—very comfortable seating arrangements. Applications for membership are now being submitted, and subscriptions for the griffins accepted.



sed shortly.

The Budgets since the abandonment of gold have shown successive surpluses. Taxation has been reduced, but while revenue has remained at approximately the same figure (£38 millions to £39 millions), expenditure has shown successive increases (£33 millions to £36 millions). Mounting Government expenditure may denote prosperity, but it may equally indicate national extravagance. At the end of 1932 the total public debt of the Union stood at approximately £264 millions. It gradually rose and stood at £274

millions at the end of 1935. Through the conversion of loans and other operations during the first three years after the abandonment of gold, the annual public debt charge was reduced by more than £1,300,000. Similar operations will result in a further reduction of total debt by £23 millions and of interest debt charges by £200,000 per annum through the repayment or conversion (to a rate of 3 per cent) of both London and Cape loans, so that at March 31, 1936, the total Union debt has been reduced to £251 millions and interest charges by £1.5 million per annum.

for example by sterilising gold and/or raising reserve ratios, as it can under the new Banking Act of 1935—political pressure would almost certainly make that impossible. But a weakening dollar would in all probability reduce the volume of British trade so the Treasury and the Bank of England would probably let sterling 'go out' too, resulting in a rise of prices in Great Britain. Gold would probably also rise in price in terms of sterling (for hoarding and holding purposes) which would increase South Africa's export balance on visible account and make the already difficult position more difficult still. But a rise in prices in Great Britain would, since we are linked to sterling, almost certainly ultimately be felt here.

We could, if we wished (indeed we might have to) sever the link with sterling, in which case in the South African pound would stand at a premium over sterling. Such a possibility can, however, after the currency and exchange experiences here in 1931-32, be safely ruled out. So that our price level and our costs would rise and it would be a question of a race between the rise in the price of gold and the rise in the cost level—even if it were to reduce the profitability of gold mining, the present margin between selling prices and working costs is on the whole great enough to preclude the probability of much immediate adverse effect. But a rapidly rising price level is not such a phenomenon as we can ignore or treat with contempt.

But what of the actual present position? One certainly cannot, in view of the present banking position, visualise at the moment higher money rates, but can we go on piling up funds as we are doing? Lower short and long term rates of interest would perhaps stimulate enterprise, but judging by past experience not always of the right kind. What possibilities out of the present impasse are open? They seem to be as follows:—

1. An internal rise in prices—this is in any case possible because of our own internal position, indeed prices are already slowly rising—but it would bring considerable difficulties and in any case raise the costs of production of gold mining and is highly undesirable on other grounds.

2. Investment abroad—this is possible, but investment in what? At the moment it is hardly likely and, in any case, foreign capital is being invested here because of the security offered by our gold mines, and from many points of view this is a welcome sign—the risks of mining are taken by others and the more foreign investment in this country the less is anything drastic likely to happen to gold in future. It is as well for us to have—ambassadors and friends at court, even if it is a foreign court!

3. We could reduce tariffs and so increase imports, but in so far as a reduction reduces local manufacture it would not be popular and the immediate effect would probably be an increase in unemployment, though it must be remembered that imports (goods and services) could be of a sort different from those we manufacture at present.

4. Housing could be improved and other amenities undertaken, e.g. slum clearing—this is already being done as building plan figures show, and any further increase might involve dangers of a top-sided development and cause

(Please turn to page 48)

The figures for imports and exports on *visible account* are as follows:—

	1933	1934	1935	1936 (5 months)
Exports	94,328,000	81,495,000	102,126,000	50,912,000
Imports	49,371,000	66,321,000	71,392,000	33,713,000
Balance	£44,957,000	£15,174,000	£30,734,000	£17,199,000

As a result of the altered banking position, all interest rates have been continuously and drastically reduced, as the following tables show:—

Bank Interest Rates (Payable to Public).

Date	Fixed Deposit—per cent.					Short Call
	3, 4, 5, and 6 months.	7, 8 and 9 months.	10 and 11 months.	12 months.		
2/ 8/32	4-1/4	4-3/4	5	5	3	
10/10/32	3-1/4	3-3/4	4	4-1/4	2-1/2	
20/ 1/33	2-1/4	2-3/4	3	3-1/4	1	
15/ 2/33	—	1-1/2	2	3	—	
23/ 3/33	—	1/2	1	2-1/2	—	
8/ 6/33	—	1/2	1/2	2	—	
31/ 8/36	—	1/2	1/2	2	—	

Interest Rates—Representative Building Society

Date	Fixed Deposit Rates—	Savings Account
Prior to 21/ 9/32	5 to 5-1/2 per cent, according to the Society.	Stabilised at 4 per cent for many years.
21/ 9/32	5 to 6 per cent, according to the Society.	Now reduced to 3 per cent on daily balance.
1/ 1/33	4 to 3 per cent, according to the Society.	Varies for different societies but above figures typical

But the altered position of the Union is best reflected in the banking figures and can be set out as follows:

Commercial Banks:	Dec. '32	Jan. '33	Jan. '34	Jan. '35	Jan. '36	June '36
1. Advances and Discounts in the Union	£38.6m.	£36.9m.	£35.4m.	£46.0m.	£46.3m.	£47.6m.
2. Total Deposits (Time and Demand)	£54.6m.	£59.6m.	£83.8m.	£87.0m.	£88.4m.	£86.4m.
3. Ratio of 1 to 2	70.8	61.9	42.3	52.9	52.5	55.0
4. Ratio of Cash Reserves to Liabilities in the Union	12.7	16.7	38.2	27.4	35.6	29.9
S. A. Reserve Bank:						
5. Bankers' Deposits in Reserve Bank	£3.8m.	£6.7m.	£28.3m.	£21.1m.	£28.5m.	£24.1m.
6. Gold cash reserves and foreign balances	£7.6m.	£8.4m.	£17.7m.	£23.8m.	£26.9m.	£23.0m.
7. Ratio of cash to liabilities in the Union	57.2	44.0	40.1	59.3	56.3	51.8
Whole banking system:						
8. Ratio cash to total liabilities to the public	14.7	13.7	19.0	24.6	26.3	22.7*

*May

The banks are choked with funds; building societies and similar institutions are likewise finding it difficult to invest profitably.

What is the significance of the above situation, firstly in relation to the world position and prospects as previously outlined, and secondly in relation to the internal position?

With reference to the first question: it has been shown already that there are reasons for believing that a considerable rise of world prices is possible and perhaps probable—when it will evaluate it is impossible to say, but while the means exist and likewise the desire, the will to use them is braked by political uncertainty, monetary instability and a whole series of international restrictions, so that it is unlikely to happen immediately. But ultimately, the situation in U.S.A.

is particularly pregnant with possibilities and unknown factors, e.g. further devaluation and the arbitrary power of the Treasury to do anything considered necessary in America's interests.

Let it be assumed that U.S.A. does not devalue further (that is, the gold price remains at 35 dollars per fine ounce) and that an internal rise of prices takes place in the U.S.A. Under such circumstances, what would probably be the effect on the sterling-dollar exchange rate and on the price of gold?

A rise of prices in the United States would tend to reduce the volume of exports and it is hardly likely therefore, that the Federal Reserve Board would operate through the Exchange stabilisation fund to maintain the exchange value of the dollar, nor is it, either, likely to curb inflation,

New York Foreign Exchange Quotations

On January 31, 1934, the President of the United States proclaimed the new United States standard gold dollar to be 15.5/21, that is, 15.23809 grains 9/10 fine, as against the old gold standard of 25.8 grains 9/10 fine, thus devaluing the U. S. gold dollar to approximately 59.06236% of its former value or a reduction of gold weight and value of approximately 40.93764%. The calculations are as follows:

(new \$) 15.23809	grains	0.03174602	oz. troy 9/10 fine
(old \$) 25.8		0.05375	
= 0.028571418		0.8886854088	
= 0.048375	oz. troy or	1.504656	grammes 10/10 fine
= 59.06236 %			

Based on this new standard of 15.5/21 grains 9/10 fine, equivalent to a fine weight or pure gold content of 0.8886854 gramme, or \$35 per fine troy ounce, the cable rates of New York banks' selling foreign currencies (as of December 21, 1936) on the principal foreign world financial centres may be explained as follows:

LONDON: 4.9106 (that is, U.S.\$4.9106 per £1):

The British Pound Sterling or gold sovereign of 7.32237196 fine grammes has a gold standard parity with the new U. S. dollar of	(per £1) U.S.\$8.2397
New York-London cross-rate, December 21st	\$4.9106
Difference (per £1) \$3.3291	

Which is equivalent to a depreciation or devaluation of the British Pound Sterling (now off the gold standard, and a "managed currency") of approximately..... 40.40%

As the old U.S. dollar has been devalued, as above stated, by approximately..... 40.94%

Therefore the devaluation of the old U.S. dollar exceeds the depreciation of the British Pound Sterling by approximately..... 0.54%

PARIS: 4-43/64 (that is, U.S.\$4.671875 per 100 French Francs):

The new French Franc of 0.05895 fine gramme has a gold standard parity with the new U.S. dollar of U.S.\$0.066843	(per 100 French Francs) U.S.\$6.6343
New York-Paris cross-rate, December 21st	\$4.671875
Difference (per 100 Fr. Francs.) \$1.962425	

Which is equivalent to a depreciation or devaluation of the French Franc (now off the gold standard, and a "managed currency") of approximately..... 29.58%

AMSTERDAM (Holland): 54-49/64 (that is, U.S.\$54.765625 per 100 Dutch guilders or florins):

The Dutch guilder or florin of 0.6048 fine gramme has a gold standard parity with the new U.S. dollar of U.S.\$0.69063 per guilder, that is..... (per 100 guilders) U.S.\$68.063	
New York-Amsterdam cross-rate, December 21st	\$54.765625
Difference (per 100 guilders) \$13.297375	

Which is equivalent to a depreciation or devaluation of the Dutch guilder (now off the gold standard, and a "managed currency") of approximately..... 19.54%

BERLIN (Germany): 40-1/4 (that is, U.S.\$40.25 per 100 Reichsmarks):

The German monetary unit Reichsmark of 0.3584222 fine gramme has a gold standard parity with the new U.S. dollar of U.S.\$0.40335 per Reichsmark, or (per 100 Reichsmarks)..... U.S.\$40.335	
New York-Berlin cross-rate, December 21st	\$40.25
Difference (per 100 Reichsmarks) \$0.085	

Which is equivalent to a depreciation of the Reichsmark of approximately..... 0.22%

SHANGHAI (China): 29-11/16 (that is, U.S.\$0.296875 per "yuan" or Chinese dollar):

The Chinese silver standard dollar has a fine weight or pure silver content of 23.493448 grammes which is equivalent to 0.756086 ounce troy 0.999 fine. With London silver at 21-5/16 pence (at the approximate cross-rate of 491.36) equivalent to New York silver price of 47-1/8 cents gold per ounce troy 0.999 fine, the New York-Shanghai parity is	(per yuan) U.S.\$0.356306
New York-Shanghai cross-rate, December 21st	\$0.296875
(Difference (per yuan) \$0.059431)	

Which is equivalent to a devaluation of the "yuan" or Chinese dollar (now off silver standard, and a "man-

aged currency") at the present price of silver, of approximately..... 16.68%

YOKOHAMA (Japan): 28-1/2 (that is, U.S.\$0.285 per yen):

The Japanese gold yen of 0.75 fine gramme (of identical weight and fineness as the Mexican gold peso) has a gold standard parity with the new U.S. dollar of (per yen) U.S.\$0.843943

New York-Yokohama cross-rate, December 21st (say)..... \$0.285

Difference (per yen) **\$0.558943**

Which is equivalent to a depreciation or devaluation of the yen (now off gold standard, and a "managed currency") of approximately..... 66.23%

The French franc should be distinguished from the Belgian franc and the Swiss franc, both of which are of different weight and value from the French franc.

The Belgian franc, with a fine weight and pure gold content of 0.04184 gramme and a parity with the new U. S. dollar of \$0.04708 per franc, was, by decree of the Belgian Government on March 31, 1934, devalued to 0.03013 gramme with a new parity with the U. S. dollar of \$0.0339 per franc. This means that the Belgian franc was devalued, or reduced in gold weight and value, by approximately 27.989% of its former value before the suspension of its gold standard on March 29, 1934. One Belga equals five (5) Belgian francs.

The Swiss franc (of identical weight and fineness as the Spanish gold Peseta), with a fine weight or pure gold content of 0.2903225 gramme, has a gold standard parity with the new U. S. dollar of \$0.32669 per franc. The Swiss Government has, however, suspended its gold standard and, on November 3, 1936, announced that it would adhere in principle and practice to the new tripartite gold agreement between the United States, Great Britain, and France, and to take the same measures as these three countries for fixing the price of gold.

Philippine Trust Company

thru its correspondent banks,

executes orders for the purchase or sale of stocks and bonds on the New York Stock Exchange and other exchanges in the United States.

It also sells drafts and cable or radio transfers for the payment of money anywhere in the United States, the principal cities of Europe, China and Japan.

Fidelity and Surety Company of the Philippine Islands

executes and covers

BONDS

Court, Customs, Firearms, etc.

INSURANCE

Fire, Marine, etc.

Plaza Gaiti and Escolta

DECEMBER SUGAR REVIEW

By GEO. H. FAIRCHILD

NEW YORK MARKET: The firmness of the market at the opening of the month under review which resulted in a fairly large volume of business being done at prices as high as 3.83 cents, was soon adversely affected by rumors, which were subsequently shown to be unfounded, to the effect that the AAA had intended to increase 1937 quotas by 500,000 tons. As the 1937 quotas were not announced until the 12th, this uncertainty influenced the market to a large extent, thereby contributing to holders' pressing sales and the consequent decline in prices during the first two weeks of the month. The first signs of holders' discouragement occurred on the 4th when two cargoes of February shipment Puerto Ricos were sold at 3.75 cents,

while during the first two days of the second week small sales of aloft Philippines and February shipment Puerto Ricos were made at 3.70 cents. The slight improvement during the rest of this week was credited to the entry of operators into the market beginning on the 9th when, after small sales of January-February shipment Philippines were made at 3.75 cents, sellers indicated 3.80 cents. Small sales of Cubas for present shipment were subsequently made during the week to operators and refiners at 2.87 cents.

The announcement on the 12th of the initial quotas for 1937 amounting to 6,682,670 short tons, representing an increase of approximately 250,000 tons over the initial 1936 quotas, instead of the rumored 500,000 tons, had a favorable effect on the market. After small sales of January shipment Cubas and of April-May shipment Philippines were made on the 15th at 2.90 cents and 3.83 cents, respectively, however, the market became quiet with buyers retiring. Small sales of February-March shipment Puerto Ricos were made at the close of the week at 3.80 cents, with the market showing a firmer tendency.

With the revival of the buying interest of operators, the 4th week opened auspiciously with small sales of present shipment Puerto Ricos to refiners at 3.81 cents and fairly large sales of March-April-May shipment Philippines at 3.83 cents during the week up to the Christmas Eve, when refiners re-entered the market. A small sale of February-March shipment Philippines was made at 3.85 cents, at which level business was done in Puerto Ricos for March-April-May-June shipments.

The improvement of the market continued after the Christmas holidays and a large volume of business in Puerto Rico and Philippine sugar for January-February shipment was transacted at 3.90 cents, with both refiners and operators buying. At the end of the month, prices further advanced to 3.95 cents for March shipment Puerto Ricos and April-May shipment Philippines, while at the close Philippine holders were offering 4,000 tons of March-April shipment Philippines at 3.97 cents without finding buyers thereat. The improvement in sugar prices was credited in some quarters, at least partially, to the strike situation in the Pacific coast which has seriously disrupted the freight and shipping situation throughout the world.

Futures: Quotations on the Exchange during December fluctuated as follows:

	High	Low	Latest
January.....	3.04	2.80	3.04
March.....	3.01	2.79	3.01
May.....	3.03	2.80	3.03
July.....	3.04	2.83	3.04
September.....	3.05	2.84	3.05
November.....	3.03	2.98	3.03

Stocks: The latest statistics of world stocks were 4,265,000 tons as compared with 5,395,000 tons at the same time last year and 6,255,000 tons at the same time in 1934.

Philippine Sales: Sales of Philippine sugar afloat and for future delivery during the month amounted to 66,300 long tons at prices ranging from 3.70 to 3.95 cents, while resales amounting to 16,000 tons for January-February-March shipment were made at 3.80 cents.

LOCAL MARKET: The local export market opened during the month with exporters quoting P8.80 per picul ex-godown, after a fairly large sale was made at P9.00 per picul the week previously. Prices sagged down to P8.50 the following week but later reacted to P8.65 in sympathy with the improving tendency of the New York market, although holders' ideas were set at not less than P9.00 per picul. The local market was affected by the scarcity of space at the conference lines' rate of \$8.00 per ton, and shippers indicated the rates of from \$10.50 to \$12.00 per ton to guarantee shippers space. Exporters accordingly reduced their quotations to P8.50 per picul during the third and fourth weeks at which level no business was done. In view of the advancing sugar values in New York, exporters quoted during the last week P8.65, with sellers remaining uninterested.

The market for domestic consumption sugar was dull throughout the first three weeks of the month under review with the nominal quotations remaining stationary at P7.50 per picul for two weeks and then reportedly declining to P7.00 for old-crop sugar during the third week. The disciplinary action taken by the Domestic Sugar Administration during the fourth week in imposing several shipments of domestic sugar from the South on arrival in Manila for alleged violation by certain centrals of the Sugar Limitation Act, caused some Chinese dealers to enter the market and buy their requirements at P7.50 per picul ex-ship Manila. Prices however, again declined during the last week to P6.90-P7.00 per picul ex-ship Manila.

Philippine Exports: According to reliable advices, Philippine sugar shipments to the United States during December amounted to 76,902 long tons of centrifugals. The total shipments to date of the centrifugal and refined sugar are as follows:

Centrifugals.....	101,165
Refined.....	51
Total.....	101,216

Protect

Your Vision

"My vision is nearly perfect,
but—

This is the story we hear from many men of mature years. They go on to say, "but these eyes of mine have been cared for with proper lenses for years". . . . Come in today for an examination. Protect your vision with proper care.

Ever the best in quality
but never higher in price

CLARK & Co.
SCIENTIFIC OPTICIANS
76 ESCOLTA, MANILA, P.I.



**NATURAL
SWISS MILK**

COPRA AND ITS PRODUCTS

By KENNETH B. DAY
AND LEO SCHNURMACHER



KENNETH B. DAY

1936 went out in a blaze of glory as far as copra and coconut oil markets were concerned. During December both copra and oil advanced about 20% over November levels and at the end of the year copra was more than double its early January price, and coconut oil practically double.

COPRA—Copra arrivals in December were slightly higher than those in November but fell approximately 30% short of December 1935 arrivals. In fact, they were short of the 10-year average.

When November ended, copra was fairly firm at P16.25 for roseada in Manila. During the month of December the price went up steadily and without a check to a high of P20.50

at the very end of the year. At all times there were more buyers than sellers, and with America asking for spot oil and willing to pay fancy prices for it, there was every incentive for buyers here to concede in the matter of price, thus falling into the hands of speculators with accumulated stocks. The accumulation of stocks, however, is now becoming a problem, for with copra at over P20.00 any volume of copra represents a large financial investment.

In the United States, Pacific Coast crushers increased their ideas during the month from 4.25 cents to 5.25 cents. Crushers were somewhat handicapped, however, by lack of space, the strike on the Pacific Coast beginning to make itself evident through shortage of space. There still was some tonnage available, however, and crushers did their best to fill up this tonnage in anticipation that it would be hard for them to ship in January and February.

The European market varied from a low of £18/17/6 to a high of £22/10/0, but at no time did this market seriously threaten to take much business away from the Pacific Coast and local crushers, whose prices were always at least £2 higher than European buyers were offering.

Copra exports were somewhat below expectation, but very little empty space available for copra left the Islands.

Statistics for the month follow:

Arrivals—	Bags	
Manila	292,048	
Cebu	296,214	
Shipments—	Metric Tons	
Pacific Coast	11,486	
Atlantic Coast	508	
Gulf Ports	5,578	
Total	17,572	
	Beginning	End of
	of Month	Month
Stocks on hand—	Tons	Tons
Manila	24,041	22,363
Cebu	18,793	17,317

COCONUT OIL—The big feature in the coconut oil market for December was the premium available for spot oil. At the beginning of the month coconut oil was selling at 6-3/4 cents c.i.f. New York and 6-1/2 cents f.o.b. Pacific Coast. These prices gradually climbed to a point where by the end of the month oil could be sold at 8-3/8 cents on the Atlantic Coast and 8-1/4 cents on the Pacific Coast. These prices



LEO SCHNURMACHER

were too low in comparison with copra equivalents, but spot oil was commanding a premium anywhere from 1/8 of a cent to 1/2 cent over forward positions and it was these spot prices which determined the copra market in the Philippines. The demand for oil was, as recently, very spotty; but peculiarly enough there was some demand from soapers in a small way, with refiners who were fairly well supplied with stocks showing a temporarily lessened interest. It is anticipated that refiners will have to come in later on and may be forced to pay higher prices thereby.

Statistics for the month follow:

Shipments—	Metric Tons	
Pacific Coast	1,400	
Atlantic Coast	6,998	
Gulf Ports	1,499	
China and Japan	11	
Other Countries	1	
	Beginning	End of
	of Month	Month
Stocks on hand in	Tons	Tons
Manila and Cebu	6,847	9,708

COPRA CAKE AND MEAL—In spite of the fact that large stocks of meal were lying afloat off Los Angeles and other Pacific ports, an unexpected demand for copra meal made its appearance along toward the middle of December and boosted the price from \$27.00 to \$30.50 per short ton c.i.f. This demand was for future shipments up to May and June and was fairly heavy in volume. The European copra cake also advanced from \$30.00 to around \$34.00—but these prices, which work out approximately P46.00 per metric ton f.o.b., were less attractive than those obtainable for meal, and sellers were sufficiently covered with forward business to make it unnecessary to unload stocks at what appeared to be comparatively unfavorable prices. It is anticipated, however, that some selling interest must develop in copra cake to Europe in the early part of 1937, when presumably meal will be less in demand owing to the proximity of Spring.

Statistics for the month follow:

Shipments—	Metric Tons	
Pacific Coast	2,721	
Atlantic Coast	1,029	
Gulf Ports	2,790	
Europe	4,351	
Total	10,891	

	Beginning	End of
	of Month	Month
Stocks on hand in	Tons	Tons
Manila and Cebu	7,248	4,120

D DESICATED COCONUT—The increase in the value of copra has caused a corresponding increase in the price of coconuts for desiccated. While the sales price of desiccated in the United States has firmed considerably, it has not kept pace with the cost of nuts. Desiccated factories are finding it difficult to secure sufficient nuts even at increased prices. In addition, the marine strike in the United States has cut down available shipping and has forced a considerable quantity of desiccated to be routed through
(Please turn to page 40)

INSURANCE

For Every Need and Purpose

WORKMEN'S
COMPENSATION
PUBLIC
LIABILITY
AUTOMOBILE

FIRE
MARINE
ACCIDENT
PLATE GLASS

ATLAS ASSURANCE CO. LTD.
CONTINENTAL INSURANCE CO.

THE EMPLOYER'S LIABILITY
ASSURANCE CORPORATION LTD.

ORIENT INSURANCE COMPANY
INSURANCE COMPANY OF NORTH AMERICA

General Agents

E. E. ELSEY, INC.

Telephone 2-24-28

— MANILA —

— Kneidler Building

LUMBER REVIEW

By FLORENCIO TAMESIS
Director, Bureau of Forestry

Lumber and timber exports in October fell 36% below the September figure but was 65% greater than in October, 1935. Japan's consumption of logs continued comparatively heavy. Log exports to this market constituted 70% of the total lumber and timber exports during the month under review. For the first time, shipments of logs, amounting to 1,604,416 board feet, were made to Korea. An increase in Japan's already large consumption of logs is expected in the next few months as several licensees or concessionaires dealing with Japanese importers are putting up additional machineries in their concessions with the view to increasing production.

Demand in the United States in October registered a decline of 40% from the previous month and 15% below October last year. Shipments are being greatly affected by the maritime strike in the above country. Difficulties in finding bottoms for the Pacific Coast and even for the Atlantic Coast are being encountered by local exporters.

Shipments to China during the month under review consisted entirely of sawn lumber, amounting to 183,168 board feet. This is 402% greater than the October figure last year, but is considerably below the previous month, which amounted to 5,860,104 board feet. The total exports to China in September was, however, considered to be unusually large. Shipments to Australia in October consisted of 88% logs and 12% sawn lumber, totaling 179,352 board feet. Total exports to Europe during the month under review declined slightly from the October figure in 1935, but was 2-1/2 times greater than the previous month. The increase was chiefly due to larger shipments made to Great Britain and Ireland.

The local markets continued strong and prices are on the upward trend. Mill production in October registered a slight increase compared with the same month in 1935. Mill inventories increased about 3,000,000 board feet compared with October last year.

The following statements show the lumber and timber exports, by countries, and the mill production and lumber inventories for the month of October, 1936, as compared with the corresponding month of the previous year.

Lumber and Timber Exports for the month of October

Destination	1936	
	Board Feet	Customs-Declared Value
Japan	@13,297,064	¥240,512
United States	2,117,456	147,253
Korea	1,604,416	32,485
Great Britain	895,064	69,718
British Africa	392,624	25,550
China	183,168	9,207
Australia	179,352	5,891
Ireland	46,216	3,474
Hawaii	28,832	3,665
Portuguese Africa	25,440	1,274
Norway	13,144	1,036
Belgium	18,656	1,561

Singapore	2,968	900
Sweden	—	—
Hongkong	—	—
Total	18,804,400	¥542,515

Destination	1935	
	Board Feet	Customs-Declared Value
Japan	6,710,224	¥108,613
United States	2,510,504	182,892
Korea	—	—
Great Britain	930,680	71,275
British Africa	215,816	12,573
China	36,464	1,816
Australia	864,536	47,325
Ireland	81,832	7,189
Hawaii	848	80
Portuguese Africa	—	—
Norway	13,568	2,961
Belgium	—	—
Singapore	—	—
Sweden	7,208	963
Hongkong	424	45
Total	11,372,104	¥485,132

NOTE: This represents mostly solid log scale, that is, 424 board feet to a cubic meter.

For 50 Mills for the month of October

Month	Lumber Deliveries from Mills	
	1936	1935
Oct.	19,329,336	20,550,345

Month	Lumber Inventory	
	1936	1935
Oct.	43,071,260	40,732,316

Month	Mill Production	
	1936	1935
Oct.	21,556,244	21,266,517

NOTE: Board Feet should be used.

Copra . . .

(Continued from page 39)

Canadian ports, which increases the expense of shipment. Shipments for the month totaled 2,594 metric tons.

All of these factors are cutting down production and apparently will further decrease production in the near future.

G N RAL—1936 was on the whole a larger copra year than 1935, arrivals being approximately 5% over those of 1935. This increase, however, was very unevenly distributed, the first half year showing an increase of 25% and the second half year a decrease of perhaps 8%. This factor upset trading conditions a good deal because in the first half of 1936 European buyers absorbed much of the Philippine production with American buyers laying back for the larger supplies expected the second half. When these larger supplies failed to materialize, and in fact proved short, this combined with the drought, the rising prices in all commodities the world over, and a desire to build up stocks, was responsible for the situation whereby copra and coconut oil advanced as they have not since 1920.

1936 should have been a good year for producers, and probably was. For mills it was an average year, for most mills could not afford to speculate on what appeared to be an unreasonable market.

Prospects for 1937 are dubious. It is probable that copra will be short, particularly in the North part of the Islands for the first half year. In the second half year there should be a good deal of copra, but it is then entirely possible that the present demand for spot oil will not continue, for by that time America's own supplies of oils and fats will be replenished.

It is a significant fact that although imports into the United States of oils and fats in the past two or three years have been increasing by leaps and bounds, the only important commodities not sharing in the increase have been coconut oil and copra. More and more, copra and coconut oil are feeling a competition of other more cheaply produced oils and fats, and the higher prices go the narrower becomes the use of coconut oil and copra. It is very necessary, therefore, to watch the situation closely, for there can be no assurance about prices in 1937, although for the first few months at least the prospects look favorable.

Annual Meeting

The annual meeting of the Chamber of Commerce for the election of three directors in the board of nine, and for other purposes, is set for 5 p. m. Friday, January 29. The secretary has mailed notices to all active members and inclosed proxies that should be executed and mailed back to him in the event a member will not be at the meeting.

Tell It to the Judge

Only occupied vehicles are allowed on the Escalita. No cruising taxicabs one way.

Cars and carromats, "ware one way streets unless going the right way.

Tuesdays and Saturdays are market days. There's plenty of traffic, and the fine for obstructing it—P2.50.

But speeding is an offense, too. The moral of *And Sudden Death* is enforced by the court words "P20.00".

Calesa ponies that are hurt or lame take their drivers to the Municipal Court of Judge Locsin at Bonifacio and Aduana, if the vehicle squad is nearby. Yet with only 10 men, the job is only begun.

Parking had better be done according to rule, because if not, it gets in the hair of the traffic squad.

They want to teach all drivers the new ways. Once the lesson is finished, know your stuff or else!

Average Metal. . .

(Continued from page 32)

(By United Press)

NEW YORK, Jan. 19.—The market for manganese and chrome continued firm today, prices remaining at the levels established last month. Closing quotations today:

MANGANESE:

22.4 per pound, C.I.F.

South African, 48-51 per cent, 30.

Brazilian, 46-48 per cent, 23.

CHROMITE:

Long ton, C.I.F.—

Russian, 45-47 per cent, \$16.75-17.00.

Russian, 48-50 per cent, \$19.00-19.50.

SHIPPING REVIEW

By H. M. CAVENDER
General Agent, The Robert Dollar Co.



November shipments, 178,740 revenue tons, exceeded October shipments by 24,480 tons and also exceeded November 1935 by 14,311 tons. The trade to the United States was handicapped by labor conditions on the Pacific Coast, the strike of water front laborers and vessel personnel assumed

serious proportions.

Sugar shipments amounted to 26,999 tons only, the beginning of the 1936-1937 movement. Indications point to a shortage of tonnage due to an unusual demand for charters to move rice beans, wheat and corn from other ports of the World. Shippers found it difficult to book their sugar requirements for the first quarter of 1937.

Coconut products show a decidedly healthy condition. 21,194 tons of oil went forward to the United States. The United States took 22,668 tons of copra, Europe 150 tons, a total of 22,818 tons as against 7,888 tons in October. Cakes and meal shipments to the United States were 7,149 tons—to Europe 2,475 tons, and to China 50 tons, a total of 9,674 tons, slightly less than October. Desiccated Coconut shipments were only 4,869 tons—the smallest month's business since March 1936.

Hemp shipments increased 4,200 bales over October business. Japan took 53,183 bales and still leads all other buyers. The United States took 29,241 bales—Europe 35,131—and 4,043 bales were scattered throughout the world.

Lumber and log movement amounted to eight and three-quarter million board feet. Japan took 4-1/2 million feet of logs. The United States took 3-1/4 million feet of sawed lumber. Africa was a heavy buyer as 482,415 feet went to that district. Europe took 395,128 feet—Australia 40,983—China 68,000 and Canada 32,000 feet. This product is quite widely distributed.

Japan took her monthly lot of Iron Ore—49,530 tons. 3,904 tons of chromite and manganese went forward to the United States. Several sample shipments went to other markets.

Cigar shipments totaled 564 tons and tobacco 300 tons only.

Furniture—194 tons (40 cu. ft.) as against 560 tons in October is not a satisfactory showing. No melasses moved during November. A shipment of 1,263 tons of canned pineapple went forward. Vegetable Oil edible products amounted to 261 tons only. Gums, shells, and cactus show slight increases while embroideries, junk, kapok, rubber and hides decreased. These minor product movements on the whole were disappointing.

Passenger traffic for the month of November 1936, compared with October, shows an increase in first class traffic. Intermediate traffic declined slightly and third class traffic decreased considerably.

(Please turn to page 48)

From statistics compiled by The Associated Steamship Lines, during the month of November there were exported from the Philippines the following:

To	WPA		Were Carried in American Bottoms With	
	Tons	Miscellaneous Sailings	Of Which Tons	Sailings
China and Japan	68,357	39	603	4
Pacific Coast Local Delivery	32,115	15	19,314	7
Pacific Coast Overland	730	10	184	3
Pacific Coast Intercoastal	823	5	607	4
Atlantic and Gulf	66,438	22	21,683	7
European Ports	8,173	17	289	4
All other Ports	2,104	23	212	4

A GRAND TOTAL of 178,740 tons with a total of 82 sailing (average 2,180 tons per vessel) of which 42,892 tons were carried in American bottoms with 12 sailings (average 3,574 tons per vessel).

In ALL Seasons Travel the Scenic Route

NORTHERN PACIFIC RAILWAY

LOWEST
ROUND TRIP FARES
FOR MANY YEARS

to all points
in Eastern
United States.
Return limit
six months.

The oldest railroad crossing Northern United States . . .

The route famed for its natural beauty

The route of superior comfort—winter or summer

The route of smooth, roller-bearing locomotives and cars

The route of the COMPLETELY AIR-CONDITIONED

NORTH COAST LIMITED

with its baths, library, buffet, card rooms, radio, luxurious observation lounge, private rooms en suite, box spring beds, newest and finest sleeping cars and "famously good" meals

No dust or cinders, temperature and humidity controlled to exactly the right degree for genuine comfort.

Low one way and round trip fares on sale daily with long return limits. Winter Tourist Fares allow six months' return limit

Fast trains daily between Seattle and Chicago. North Coast Limited leaves Seattle, 8:30 p m daily

Our representatives will be pleased to give you full information on a trip anywhere in the United States. They meet steamships at Seattle, Vancouver and Victoria, and will gladly make your reservations to any destination.

DON SMITH, Special Passenger Agent
Smith Tower, Seattle, Wash.
T. STICKLEY, Gen. Agt.
912 Government St., Victoria, B. C.

W. F. CARR, Gen. Agt.
678 Howe St., Vancouver, B. C.
B. J. TOZER, Gen. Agt.
657 Market St., San Francisco, Calif.

NORTHERN PACIFIC RAILWAY

C. L. TOWNSEND, General Passenger Agent, Smith Tower, Seattle, Washington

THE RICE INDUSTRY

By PERCY A. HILL
of Manila, Nueva Ecija
Director, Rice Producer's Association



Prices of luxury rice range from P5.45 to P6.55 per sack of 56-1/2 kilos with palay of that grade from P2.30 to P2.40 per cavan of 44 kilos. Macans from P4.85 to P5.40 per sack with palay of that grade from P2.25 to P2.30. The latest Saigon quotations for grade No. 2, is P7.05 per sack laid down Manila ad duties paid.

with some stocks of the Saigon imported article still unsold. Strictly speaking there are no Macans on sale in the general market, except in very small quantity.

Threshing reports to date in the Luzon Plain show a very fair to good crop according to locality, but more will be known in next report. A plentiful supply will of course not require any or very little importations for this next year.

So far the price of macans has held quite close to the line suggested by the NARIC (Rice and Corn Corporation) offerings being from P2.25 to P2.30 but of course can only be maintained so long as the corporation can buy at the price suggested. So far as is known only about 100,000 cavans of palay have been purchased, the impasse being a lack of local warehouses and of ready cash to make purchases from those who are forced to sell. Very naturally the Corporation will have to face the problems that face ordinary business, with certain privileges. If all the capital primarily set apart for this entity were now available it would go far in stabilizing the minimum price in the principal buying regions concentration of course, being in those districts with large quantities of the cereal for sale. It is understood that the spread of P0.25 is for the macan grades, the luxury classes not being very desirable for supplying the masses later in the season.

The restricted local amounts proposed to be bought in the smaller producing town will have little or no effect unless these are arranged to buy supplies as offered, in fact, if these are not so purchased it will weaken any effect of what the corporation was established for—the stabilization of supply and price.

MANILA HEMP

By H. P. STRICKLER
Manila Cordage Company

During December, the London market strengthened further as a result of trade demand, and prices advanced steadily on practically all grades. This strength in the London market finally influenced both the American and Japanese markets, where a similar advance in values took place, and the market closed active and stronger on all grades.

All local markets responded to the foreign demand, and during most of the time, local values were considerably higher than the parities of foreign prices. Continued small production throughout the abaca producing districts lent a special incentive to the higher prices asked by producers and dealers.

Prices of Loose Fiber in Manila Per Picul

November 30th		December 31st	
CD.....	P25.00	CD.....	P28.00
E.....	21.50	E.....	23.00
F.....	18.50	F.....	21.00
I.....	17.00	I.....	19.00
J1.....	15.50	J1.....	16.50
G.....	14.50	G.....	16.75
H.....	13.50	H.....	15.50
J2.....	14.50	J2.....	16.00
K.....	13.25	K.....	15.25
L1.....	12.75	L1.....	14.75
L2.....	10.25	L2.....	13.00

Prices of Loose Fiber in Davao Per Picul

November 30th		December 31st	
F.....	P18.75	F.....	P22.50
I.....	18.00	I.....	21.50
S2.....	17.00	S2.....	20.00
J1.....	17.50	J1.....	20.50
G.....	16.00	G.....	19.00
H.....	13.50	H.....	16.00
J2.....	15.75	J2.....	19.00
K.....	14.50	K.....	16.75

TOBACCO REVIEW

By P. A. MEYER



RAWLAP: The central and upper parts of Isabela province were visited by an enormous inundation at the beginning of the month. However, as most of the tobacco of the 1936 crop had already been sold, tobacco losses through water damage affected buyers more than farmers. In some districts considerable damage was done to seedbeds, thus probably resulting in reduced tobacco acreage for the 1937 crop. Comparative shipments abroad were as follows:

	December 1936	Year 1936
Australia and New Zealand.....	.....	13,768
Austria and Czechoslovakia.....	6,357	1,041,582
Belgium and Holland.....	.....	128,023
China, Hongkong and Manchoukou.....	59,816	379,563
France, option other ports.....	1,816,090	1,816,090
Gibraltar.....	14,160	34,966
Japan, Korea and Formosa.....	121,981	1,416,811
Java and Malaya.....	2,305	18,652
North Africa.....	31,067	383,150
Spain.....	.....	6,286,341

United States.....	129,928	1,009,781
Various.....	.....	16,363
November 1936.....	2,183,129	12,545,690
December 1935.....	1,751,051	.....
Year 1935.....	.....	18,517,176
Year 1934.....	.....	14,024,614

CIGARS: Business with the United States continues lagging due to insufficient shipping opportunity caused by the maritime strike. Comparative figures of shipments to the United States and abroad are as follows:

	United States	Other Countries
December, 1936.....	10,503,060	836,010
November, 1936.....	11,151,085	1,697,994
Year 1936.....	164,905,078	14,637,306
Year 1935.....	208,676,183	15,771,427
Year 1934.....	208,268,782	15,532,252

Cheap Money . . .

(Continued from page 36)

anxiety when the building boom slackened off as it probably will shortly in Great Britain.

5. Even more oversea debt could be paid off, but reasons have as yet not been advanced so far as to believing that it is wise to have certain oversea creditors on Public Debt account.

6. New industries might be started, but our market is at present, small and the pace of industrialisation can, as previous figures show, hardly be accelerated with safety; moreover, the ultimate effect of a too rapid industrialisation might be to reduce the relative volume of imports and still further increase oversea balances.

7. There remains one further possibility—a gradual improvement in the economic position of the lower classes, unskilled European, the natives and coloured. There are dangers even here. But a solution partly along these lines seems to offer most possibility of permanency and an improvement in distribution and an expansion of the local market is desirable on other grounds. For where an increase in wages increases efficiency, costs of production should ultimately fall.

While therefore I look to a continuance, for some time, of the present favourable position of South Africa, it is obvious that there are dangers. Cheap money looks like continuing for a period—indeed, present banking figures would almost warrant a further fall in money rates. When the secular rise of prices does take place, interest rates will also rise, though they may not rise sufficiently in the early stages to offset the rise in prices. It would be idle to prophesy at what price gold will ultimately be stabilised, but we must remember that South Africa is thriving because of the present atmosphere of world distrust, which pushes up the price of our chief product. No country is more vitally concerned than is the Union in a return to stable conditions—some form of the international gold standard—and a reduction of those artificial barriers which impede trade and restrict exchange. At present we are in a highly favoured position but there are signs that the inevitable pressure of events may produce a secular rise in world prices with unfavourable reactions. While appreciating our favoured position, our policy should be directed (even though it may help little) towards a return to a condition of things which realises the ultimate and final interdependence of all countries throughout the world.

We add that all that relates to South Africa in this gold question relates equally to the Philippines as a considerable producer of gold, making a study of Dr. Richards's whole paper from our December issue and concluded here, germane to our readers in mining.—Ed.

REAL ESTATE

By P. D. CARMAN
Addison Hill



As will be seen from the following totals, 1936 sales exceeded those of any year since 1919. A very marked improvement over 1935 or any very recent year will be also noted. While prices in general are still considerably below those obtained prior to the Depression, there has been noticeable improvement during the past year. An acute housing shortage is very evident particularly in the better type of properties and construction of new buildings has recently been greatly accelerated. 1935 strong-material construction valued at P2,648,900, January to November inclusive, was practically doubled in the same period of 1936 with a total of P5,223,840. It is improbable, however, that new construction will, in the near future, catch up with the demand created by Manila's growth in population, increasing prosperity and construction greatly retarded during the last seven years. 1937 gives decided promise of continued improvement in real estate activity both as to volume and price.

1932.....	9,857,937
1933.....	11,755,282
1934.....	12,466,897
1935.....	15,403,079
1936.....	18,557,530

Pandacan.....	39,721	462,664
Sta. Mesa.....	54,157	162,332
San Felipe Neri.....	500	630
San Juan del Monte.....	—	2,500

P15,403,079 P18,557,530

Total for

	1935	1936
Sta. Cruz.....	P 3,069,158	P 2,752,261
Sampaloc.....	1,640,718	2,734,179
Tondo.....	1,535,826	1,769,232
Binondo.....	921,083	3,906,110
San Nicolas.....	1,966,612	627,488
Ermita.....	611,800	1,285,873
Malate.....	1,460,963	1,886,588
Paco.....	444,281	732,007
Sta. Ana.....	321,430	477,992
Quiapo.....	2,813,733	664,532
San Miguel.....	123,089	666,944
Intramuros.....	400,008	420,198

Men Downtown

Walter A. Beam, well-known in the Philippines as one of the early organizers of Benguet Consolidated, was visiting in Manila for the stay of the Clipper. Greeted heartily by his many friends, he left again via the skyway.

Arriving to join the technical staff of Union Management, Earl Williamson finds many similarities in Island life to South America, especially

That home and garden which
you always dreamed of—
SAN JUAN HEIGHTS
is the best place for it.



San Juan Heights Co., Inc.

P. O. Box 961 — 680 Ave. Rizal — Tel. 21501

Manila

Sales City of Manila		
	November 1936	December 1936
Sta. Cruz.....	P 174,394	P 130,320
Sampaloc.....	27,306	21,237
Tondo.....	407,947	119,302
Binondo.....	12,500	380,500
San Nicolas.....	2,000	49,000
Ermita.....	106,500	567,446
Malate.....	452,000	309,676
Paco.....	100,462	19,000
Sta. Ana.....	20,414	17,638
Quiapo.....	17,500	2,446
San Miguel.....	11,586	118,831
Intramuros.....	12,000	—
Pandacan.....	—	8,740
Sta. Mesa.....	14,946	—
Total.....	P1,359,555	P1,748,936

(NOTE:—Direct transfers in payment of debts are included. Such transactions have been steadily diminishing. Centavos in all cases are disregarded, if under P.50 but, if over, are counted as one peso. Totals are thus affected very little. Occasional transactions whose values are registered at one peso reduce totals as they obviously do not represent actual values.)

1920.....	P17,677,811
1921.....	8,227,859
1922.....	10,082,089
1923.....	10,277,448
1924.....	13,038,861
1925.....	15,404,742
1926.....	12,710,666
1927.....	11,995,124
1928.....	16,884,814
1929.....	18,110,918
1930.....	16,922,288
1931.....	18,523,382

Chile and Peru where he spent some years; but much contrast to Newfoundland where he has also resided.

Judge Frank B. Ingersoll is seen again after arrival from a round-the-world trip, and the realm of athletics in particular welcomes his return.

Another visitor to Europe was A. Beckerleg, Marsman vice-president, who spent some time there in the interests of his organization.

Metropolitan Insurance director Ramon Abotiz and family returned from a European vacation.

Back to the managing partnership of Inhelder Welch, Hermann Inhelder brings views of the present turbulent European situation.

Any reader is hereby authorized to submit a list of the ten highest-paid Manilans, following Congress' list of high-salaried homeloft. The first ten of the Congressional report were, in order, William Randolph Hearst (\$500,000), Mae West, C. W. Gutzzeit (steel executive), A. P. Sloan (president of General Motors), Marlene Dietrich, Winfield Sheehan (Twentieth Century-Fox), William Knudsen (vice-president of General Motors), Bing Crosby, B. D. Miller (president of Woolworth interests), Thomas J. Watson (International Business Machine Corporation). Unless the arts of Thespis and Apollo rank along with business, our fair city would seem to be a trifle behind the times.

W. F. McCandlish of Engineering Equipment and Supply left Manila via clipper after some months of special technical advisement in the islands.

As manager of KZRM and KZEG, Tommy Worthen will again be heard on the air, and has already announced sizeable improvements for radio audiences.

Dr. Murray Bartlett, former president of University of the Philippines, is again here, busily fulfilling invitations to address gatherings at campus and club.

Manila Electric's H. A. Deymek and J. G. Owen return to their desks after invigorating vacations in America.

Colonel H. H. Andreas brought back both tiger and leopard skins from a 2-months hunting trip to French Indo-China and South China, but those trophies were practically insignificant compared to the size of the "ones that got away".

J. R. Carmichael of J. P. Heilbronn Company spent most of a 6-months' leave in England, arriving back via the United States.

Of the Boston publishing house—Little, Brown—L. H. Putney came to visit this farthest-flung American reading public and school system.

J. F. Berkenkotter is visiting brother "Ben" Berkenkotter, plans to stay indefinitely.

To be with Union Management, H. N. Johnson arrived from Los Angeles, home stamping grounds when not in Australia or New Zealand.

J. M. Forbes joins the mining crowd, will work under Jimmy Baker who directs the Opiapo mining interests.

Polo and the opening of Los Tamaracs brought

to Manila sundry American and Australian riders of note—Hopping, Blockey, Finlay, Henderson, Allison, Bragg—but to the brothers Elizalde went first-game honors.

Larry Enos of Kelvinator spent 2 weeks in the islands during holiday season, and to the festivities of Christmas, Rizal Day and New Year's added his birthday merry-making.

In Manila for a short stay was C. I. Barr, manager of Canadian National Railways' office at Hongkong.

S. Greilsamer of Paris made his annual visit to Manila in the interests of trade.

A. T. Gillespie visited his company's quarters here, found things thriving.

New arrivals for the National City Bank staff are R. C. Russell and George L. Hill, who with their families will be permanent residents.

Sidney Baxter and Mrs. R. off to Hongkong where he will be manager of L. R. Nielson branch.

British Consul-General Blunt was welcomed back to Manila but announced he remains for a short time only, pending other assignment.

Consul General Willoquet Returns

Eight months of traveling bring the Consul General of France back to his post in Manila. Rested, freshened and even more genial—that be possible—Mr. Willoquet reports a delightful trip.

Leaving the new French motorship on which they journeyed from Hongkong to Suez, the Willoquets motored to Cairo, and after viewing Egypt entrained for Jerusalem. They arrived in the midst of the Arabian riots. Nothing daunted, the Willoquets set out by car to see Nazareth.

Time after time, Arab bands stopped the car. Repeatedly the Arabian driver explained who the occupants were, and they were allowed to proceed. Finally, along the road, a British officer hailed them, and marvelled that they had been unharmed.

"Courage?" questioned Mr. Willoquet, with a shrug of the shoulders. "It was the same as in the war. When you returned, to your surprise you found yourself a hero!" (Traditionally, he wears in his lapel the inconspicuous crimson thread that proclaims him of the Legion of Honor.)

In Syria, which has just been declared independent by the French government, the Willoquets enjoyed a jolly reunion with French officers and nationals. From Beirut they journeyed "by the schoolboy's way—the longest", seeing Tripoli, Cyprus, Rhodes, Smyrna, Istanbul, Athens, Naples, and finally Marseilles and home.

The *Front Populaire* had just achieved victory. A series of strikes began; newspapers abroad gave them the coloring of red. Actually the outbreaks were mastered by a Trotskyist faction always at crossed swords with Moscow. Though new-baked, the *Front Populaire* government cleverly averted real rioting by a socialist program that pleased the people.

"When the social disturbances were taking place, we motored all over France," said Mr.

Willoquet. "We had the opportunity of talking with all classes of people, found them quiet and optimistic. Contrary to opinions spread abroad, the French are getting along with the clear and calm consciousness that they are on the right way. They stand for social justice, liberty, democracy and peace, leaving to others the smoky theories that confuse the brain."

The French peasant is like his radishes, Mr. Willoquet continued—red outside but white inside. And the analogy is further important because the French are a great nation for gardening. A man with a garden to tend and reap is never a fanatic.

Recently the French premier said, "Democracy will have right because it is right." The nation has definitely exposed agents provocateurs and clings to its ideology of republicanism. Actually, in France any political differences are considered a sign of vitality and proof of the workability of democracy.

"An European war began 3 years ago. Political troubles in various countries, civil war in Spain, are mere chapters of that war. How will it end? Nobody knows. But a country with a real philosophy of life—and a sense of humor—can turn the drama into good comedy."

This first-hand report of Mr. Willoquet's gives rise to two reflections. One, the serious student of world affairs must be on guard against the obscurantism, as well as deliberate propaganda broadcast, that tends to muddle happenings and issues even as camouflage does warships. Two, the peace and commercial well-being of the Orient depend rather directly on the European situation.

Whether nations of the Orient will heed the lesson, what does the balance sheet of Europe's last 3 years show? A definite loss! The credit side of the ledger lists—only munitions.

Autarchically, or dictator-type government, violates the principle of division of work. For instance, Italy tries to produce all her necessities, whereas she would do better by buying in America such a crop as wheat, then sell to America her wines. Of course, Italy now begins the development of Ethiopia; but the cost will be tremendous. Kipling's words have found a new interpretation. The white man's burden is the foreign-expansion tax load inevitably shouldered by the folks at home. When the colonial harvest is ready, as in South Africa the native—by that time progressing—wants a goodly share.

Of the first-class powers probably those that can be self-subsistent are the United States and Russia. Since the United States is geographically aloof, the great Russian bear is the shadow over Europe, with one gigantic paw in the Orient. Russia's adoption of a democratic constitution amazes the world. Is she eventually to become the bulwark of European and Asiatic democracy?

From Maxwell S. Stewart's *Can Europe Afford War*, the following résumé of Russian strength is quoted: "As compared with the Western powers, the economic strength of the Soviet Union is practically untested. Its enormous population, its vast area, and its tremendous store of raw materials make it potentially the most formidable power in Europe. In the past few years its industrial growth has been unprecedented. From the 5th country in Europe in the production of steel in 1926, it has become

(Please turn to page 48)

Letters

(Continued from page 15)

but the great obstacle in all of them is the initial expense required for the deep wells and an effective pumping system. Some question the feasibility of irrigating comparatively small plots while the surrounding area might be up in the air or drifting in from a wind field or garden. Others wonder whether even our apparently unending supply of deep ground water could stand the drain of continuous pumping through a large extent of territory where supplementary irrigation would be most useful if it were really proved practicable. I haven't myself any technical knowledge regarding either the water supply or the engineering required to make it available. But there have already been some preliminary official surveys which may result in experimental work to provide more definite information about such projects. Some enthusiastic advocates of irrigation believe that eventually the supplies of gas under the Panhandle can be utilized to develop cheap power for pumping. Here again we come up against the hard fact that every material resource comes to an end unless constantly replenished. But at least these various possibilities provide subjects for discussion and some incentive to look forward to happier days.

So we work on caring for the hives and the chickens, the horses and cattle, trying to make our scant supply of feed go as far as possible, filling the days with the innumerable tasks necessary on any farm, hoping somehow as the passing years steal away our strength, to be able to provide easier, more convenient ways of accomplishing the essential tasks.

We were interested in what you said about Mr. Cordell Hull's foreign policies, and we regard him as one of our most useful and far-seeing public men. We hope he may be equal to the great responsibility he now has in the South American conference for strengthening and giving form and direction to the world's desire for peace. Mr. Hull is surely right in thinking of international peace as something not merely to be accepted but to be striven for actively and devotedly. We might think of it as Edgar Lee Masters did of immortality; that it is "not a gift but an achievement."

We especially appreciated the photograph of the terraced rice-fields in Luzon. They make our own endeavors look childish and clumsy. Thanks too for the magazine. We had the idea of the variety of industrial interests in the Philippines or the richness of its mineral resources. And we liked your article about Will Rogers. He was greatly loved. I am glad that he can still go on through the work he has done, giving wholesome enjoyment for years to come.

Will says he recalls the name of Raines in a neighborhood somewhat west of us but was not acquainted with the people. As Eleanor's medical work has been at the University of Kansas, it is doubtful whether she knew your nephews. On the day before Thanksgiving we received word of her appointment to an intership in Minneapolis for next year. That relieves us of a great anxiety for she had been a little fearful that she might not find a place to complete her training. We expect her and her husband home for the holidays and are worse than children in our eagerness for their coming. They were married here on Jan. 4 (1931).

I had hoped to send this letter in time for Christmas but all sorts of delays have

occurred, so I'm sure it will not reach you until some time in the new year. Will joins in thanks for your letter and in the hope that 1937 may be for you a year of accomplishment and generous fulfillment. If ever you come back to look over those homesteads of earlier years, just take another step and look up ours too. We have set back that old cornerstone as you desired and shall probably not wander far away from it any length of time.

So be sure of a welcome here from the Hendersons.

CAROLINE A. HENDERSON.

Note—Because we have Mrs. Henderson's letter this month, the remaining notes from another reader on how to travel and what to see during a trip from

Manila through other parts of Malaysia are deferred to February. Nearly all our readers will recall Mrs. Henderson as the author of *Letters From the Dust Bowl* that first appeared in the *Atlantic Monthly* and afterward in book form—unquestionably the most vivid and accurate narrative of the ravishing consequences of repeated and prolonged droughts in the semiarid region of America, outside the scientific reports themselves. Further, Mrs. Henderson's own observations are far from the unscientific: one of the beauties of her calm authorship in the midst of so much personal distress is that there is no wishful thinking in it—she draws the thing as she sees it for the gods of things as they are, and heaven forgive us for an allusion to a poet whom personally we don't admire, yet here he fits.—Ed.

TO FULLY ENJOY PARTICIPATION

IN THE

XXXIII INTERNATIONAL
EUCCHARISTIC CONGRESS

IN MANILA

February 3-7, 1937

Every one would like to be assured of good transportation to or from Manila

For this purpose the Manila Railroad offers its Train service which will be augmented by special trains if found necessary

Modern buses of Luzon Bus Line from Rizal, Cavite, and Batangas Provinces

Round trip third class fares within the reach of all

Avoid road congestion and delays in transit

OUR TRAINS WILL INSURE YOU

*Rest while you ride
Arrival on time
Safety and comfort
Quick travel at low cost*

For information, write to
Traffic Department—
R. E. BERNABE
Chief Clerk
LEON M. LAZAGA
Traffic Manager



Call Up Tel. 4-98-01
Information, Local 42
City Office, Tel. 2-31-83
PIO O. MOLINA
City Agent

MANILA RAILROAD COMPANY

943 Azcarraga

Manila

Japanese Mandates...

(Continued from page 6)

Japan started the Manchurian incident on September 18, 1931, resulting in the creation of the puppet state of Manchukuo. The Lytton Committee was appointed by the League to investigate the Manchurian matter the report on which Japan refused to accept and she announced her resignation from the League of Nations on March 27, 1933, effective two (2) years, that is, on March 27, 1935.

Though Japan has ceased to be a member of the League of Nations, she has refused to surrender the administration of the mandated territories back to the League. In view of the commitments of the Allies to Japan, as contained in the foregoing exchanges of secret diplomatic correspondence, it is not clear how the League (which is practically in the hands of the same two or three nations above referred to) can, without embarrassment, compel Japan to give up the Mandates.

Japan has formally denounced the Pacific Treaty, otherwise known as the Washington Naval Treaty or the Quadruple Entente, so that it expires on December 31, 1936, together with the London Naval Treaty. The Pacific Treaty was signed on December 13, 1921, by the United States, Great Britain, France and Japan in the Pacific or Washington Conference which was called on November 11, 1921 by President Harding of the United States, in the American capital, for the main purpose of disarming the great naval powers. Various Far Eastern questions were brought up in the Conference, but the main point in the Treaty finally concluded is the mutual respect of their rights in relation to the insular possessions or dominions in the Pacific Ocean.

While the Philippines is under the protecting wings of Uncle Sam, no nations have yet seen fit to announce that the Philippines is within their life line. Will such nations have the same feeling or state of mind if, after the ten-year transitional period, the Philippine Commonwealth attain its independence, or will the Philippines be able to muster enough "steel throats" (as the British say) to speak so eloquently as to discourage such feelings and the threat of serious consequences adverse to the Philippines?

Phil. Army...

(Continued from page 9)

that such a thing has never before been done elsewhere and that in all likelihood it could not be done here in the absence of a similar experience from other nations."

The Santos plan predicates that occupational and military training can go hand in hand. Each model farm is to be comprised of truck gardening, plant nursery, poultry and hog raising, fruit tree planting and other farm enterprises depending upon the topography, climate and soil condition of the land available. President Quezon's reservation of public land in Mindanao for the Philippine Army—128,081 square meters at Barrio Central, Davao—may contribute to this project.

If competent agricultural instructors are available and receive commissions for such instruction, as well as necessary appropriations for equipment, a wave of vocational education such as was never accomplished by the Bureau of Education due to its limiting of agricultural schools may prove a permanent economic benefit to the Philippines. The return of the first 10,000 trainees to the soil after 5-1/2 months' training will prove and disprove the efficacy of this method.

Other possible benefits outlined by Major-General Santos are the availability of a disciplined force in typhoon and flood disasters, their services at times of locust infestation, their action during plague and epidemic, their adaptation of hygienic and sanitary habits.

Not the least of immediate benefits to industry has been the requisitioning of equipment in accordance with the Nepa movement. Too, this has meant a saving in expenditure. The following table demonstrates.

Foreign product	Philippine product
Iron beds.....	Native beds.....
Felt hats.....	Gunit hats.....
Woolen puttees.....	Local cloth.....
Woolen blankets....	Ilocao blankets (notquoted)
Mosquito bars.....	Native nets.....

It is said that on 12 items consisting of clothing and equipment, the ordering of Philippine products has meant a saving of almost a million pesos. Initial purchases for the first 10,000 trainees alone will boom Philippine industry.

Under the Santos plan, to which there seems to be no greater obstacle than the reluctance which, among conservatives, attends any experiment, the trainees return to their communities as efficient producers and not burdensome idlers.

How a Newcomer Looks...

(Continued from page 28)

Federal securities act of the United States have been confronted with this as well as many similar problems. The interpretation of various parts of the act has taken considerable time to work out, however, the administration of the act is gradually becoming more simple. The Philippine Islands Act should be handled more easily and efficiently because advantage may be taken of the experience of the administrators of the States Securities Act.

Please keep in mind that in making the above criticism of wild-eating in the Philippine Islands and its control by a properly administered Securities Act, that the same criticism might be offered in some degree of any so-called boom mining camps that I have ever seen. In all such camps there has been an unusually large amount of money raised through the sale of stock to the public much of which money has been wasted either through expenditure on properties of no value or through very large overhead expenses. Further, we must not overlook the fact that while much of the so-called wild-eat money is deliberately thrown away, there is a portion of it spent on what might be termed marginal properties, those which offer a bare possibility of favorable development. Occasionally, a real mine is opened up and in some cases the productive area of otherwise worked out mining districts has been extended and become of major importance. The problem, of course, is for those in authority to administer the securities act in such a way as to prevent as near as possible the wasting of the investors' funds.

Mining is a business and should be conducted as such; it is not a game as it is so often called. It is of necessity a somewhat hazardous business and requires specially trained men to manage the affairs of a mining company.

Too often, companies are organized and officers elected who have through their success in other lines of business become prominent. These men permit their names to be used as officers of the companies without first having made any investigation of the properties owned by the company or subsequently arranging for both capable engineering advice and management of the company's affairs. If these men would use the same business ability which was responsible for their success in other lines of business, in first, making an investigation of the mining properties and second in the selection of capable management, there would be many less mining failures.

The Philippine Guaranty Company, Inc.

(Established in 1917)

SURETY BONDS—

We execute BONDS of various kinds, especially CUSTOMS BONDS, FIRE ARMS BONDS, INTERNAL REVENUE BONDS, PUBLIC WORKS BONDS for Contractors, COURT BONDS for Executors, Administrators and Receivers and BAIL BONDS in criminal cases.

FIRE INSURANCE—

In the Philippine Islands.

LOANS—

Secured by first mortgage on improved properties in the City of Manila on the monthly amortization plan.

Phone 2-41-11

Second Floor

INSULAR LIFE BLDG.

P. O. Box 128

MANILA

PRINCIPAL EXPORTS

Commodities	November, 1936			November, 1935			Monthly average for 12 months previous to November, 1935		
	Quantity	Value	%	Quantity	Value	%	Quantity	Value	%
Cotton (Low Grade Cordage Fiber)	435,542	\$ 33,999.0	2.7	759,762	\$ 61,103.0	0.5	307,730	\$ 25,147.0	0.1
Cigars (Number)	18,827,814	391,314	2.7	17,151,520	526,120	4.4	15,706,559	481,797	2.2
Cocoa Beans	21,274,672	1,582,358	12.1	16,279,000	2,292,050	21.0	13,694,282	2,200,862	10.4
Cocoa	19,449,585	2,484,389	16.7	17,107,090	1,772,016	14.7	24,440,417	2,303,140	0.6
Coffee	9,055,967	1,137,000	8.7	11,059,205	1,812,777	15.0	9,955,300	1,792,076	8.2
Cordage	404,061	141,098	0.9	425,861	129,130	1.1	528,801	189,360	0.9
Destructed and Shredded Coconuts	2,599,802	677,834	4.6	2,936,155	701,323	5.8	2,884,925	743,154	3.4
Emulsioids		996,341	3.9		933,377	7.9		736,872	3.5
Hats (Number)	74,420	127,069	0.9	83,949	157,374	1.3	56,084	89,938	0.4
Hemp	13,974,094	2,820,028	19.2	16,331,180	2,574,504	23.8	14,181,019	2,650,215	12.2
Kindred Hemp	8,888	12,548	0.0	2,127	0	0.0	42,122	0	0.0
Leaf Tobacco	58,496	24,182	0.2	2,641,961	336,251	2.8	1,256,496	364,448	1.7
Leaf (Cuba) (Number)	2,061	2,061	0.0	6,796	268,992	2.2	10,756	384,54	1.8
Maguey	1,318,794	158,340	1.1	866,525	91,146	0.8	16,109,575	271,940	1.2
Pearl Buttons (Gross)	12,853	29,914	0.2	62,572	30,584	0.4	59,874	41,335	0.2
Foreign Countries Products	10,323,628	1,317,898	9.1	4,721,625	537,092	4.5	72,055,663	9,482,938	44.0
All Other Products		826,220	5.6		621,078	5.2		1,100,530	5.1
Total Domestic Products		14,725,689	99.2		112,033,512	98.8		121,668,752	99.7
United States Products		43,496	0.3		126,196	1.0		75,142	0.3
Foreign Countries Products		0	0.0		0	0.0		0	0.0
Grand Total		14,840,948			112,183,209			121,792,708	

Note.—All quantities are in kilos except where otherwise indicated.

PRINCIPAL IMPORTS

Articles	November, 1936			November, 1935			Monthly average for 12 months previous to November, 1936		
	Value	%		Value	%		Value	%	
Automobiles	\$ 300,341	2.3	\$ 331,514	2.5	\$ 400,714	3.0			
Automobile Accessories	159,228	1.2	177,596	1.3	160,280	0.9			
Automobile Tires	149,328	1.1	73,132	0.6	234,390	1.4			
Books and Other Printed Matter	136,376	1.0	96,120	0.7	118,985	0.9			
Breadstuffs Except Wheat Flour	88,288	0.7	91,300	0.7	106,031	0.6			
Cannst Manufacturers Except Candy	50,233	0.4	70,306	0.5	69,983	0.4			
Cars and Carriages	61,916	0.5	60,088	0.4	117,408	0.7			
Etc.	346,972	2.7	459,086	3.4	465,459	2.8			
Coffee	221,960	1.7	226,344	1.7	163,164	1.0			
Coffee Raw and Prepared	89,740	0.7	89,907	0.6	132,627	0.8			
Cotton Cloths	1,130,884	8.7	1,745,330	12.9	1,586,076	9.7			
Cotton Goods, Other	828,606	6.3	828,341	6.1	1,062,220	6.6			
Dairy Products	412,413	3.2	468,238	3.5	901,925	5.7			
Diamond and Other Precious Stones Used	86,421	0.7	20,207	0.1	70,087	0.4			
Earthen Stones and China-ware	98,618	0.8	64,214	0.5	87,859	0.5			
Eggs and Preparations of	12,964	0.1	21,508	0.2	16,527	0.1			
Electrical Machinery	422,470	3.3	349,834	2.6	420,871	2.8			
Explosives	263,354	2.0	111,849	0.8	133,010	0.8			
Fertilizers	458,460	3.5	403,596	2.9	299,988	1.8			
Fish and Fish Products	172,114	1.3	193,777	1.4	258,876	1.6			
Fruit and Nuts, Except Gasoline	39,798	0.3	40,495	0.2	42,227	0.3			
Glass and Glassware	129,429	1.0	114,842	0.8	126,149	0.8			
Rubber Goods	19,837	0.2	99,237	0.7	126,149	0.8			
Instrument and Apparatus, Not Electrical	46,155	0.4	47,003	0.3	61,246	0.4			
Iron and Steel Except Machinery	1,209,448	9.3	1,119,052	8.3	1,571,862	9.6			
Leather Goods	129,616	0.9	107,210	0.8	132,291	0.8			
Machinery and Parts of	609,672	4.7	781,121	5.8	933,090	5.8			
Matches	7,259	0.0	646	0.0	34,327	0.2			
Motion Picture Films	37,871	0.3	89,082	0.6	41,176	0.3			
Oil, Crude	1,183,938	9.1	228,292	1.6	294,811	1.8			
Oil, Illuminating	166,937	1.3	241,388	1.8	385,576	2.4			
Oil, Lubricating	17,677	0.1	122,332	0.9	122,995	0.8			
Other Petroleum Products	93,834	0.7	84,554	0.6	86,477	0.5			
Paints, Pigments, Varnish, Etc.	136,700	1.0	96,774	0.7	146,833	0.9			
Paper, Goods Except Books	282,407	2.2	204,865	1.5	308,812	2.3			
Perfumery and Other Toilet Goods	82,348	0.6	122,547	0.9	80,303	0.5			
Photographic Goods and Supplies	56,521	0.4	18,277	0.1	26,458	0.3			
Rice	287,610	2.2	69,537	0.5	36,629	0.2			
Shoes and Other Footwear	44,893	0.3	35,069	0.2	37,723	0.2			
Silk Goods	93,824	0.7	80,594	0.6	482,545	2.9			
Soaps	38,907	0.4	77,717	0.6	85,725	0.5			
Spices and Condiments	19,493	0.1	20,357	0.2	34,690	0.2			
Tobacco and Manufactures of	74,497	0.6	490,653	3.6	592,482	3.7			
Wool	115,653	0.9	228,292	1.6	281,426	1.8			
Vegetable, Fibre and Manufactures of	338,720	2.6	338,448	2.5	313,733	1.9			
Wheat Flour	652,744	5.0	497,290	3.7	568,438	3.5			
Wood, Reed, Bamboo and Kindred	62,335	0.5	70,527	0.5	81,864	0.5			
Woolen Goods	46,454	0.3	52,739	0.4	90,412	0.6			
Other Imports	1,437,310	11.1	1,452,818	10.8	283,167	1.8			
Grand Total	\$12,960,363		\$18,408,517		\$16,536,423				

Note.—All quantities are in kilos except where otherwise indicated.

CARRYING TRADE

Nationality of Vessels	November, 1936			November, 1935			Monthly average for 12 months previous to November, 1936		
	Value	%		Value	%		Value	%	
American	\$3,429,378	27.4	\$4,068,619	30.2	\$5,696,737	35.1			
British	4,061,909	31.9	4,369,201	33.1	4,913,837	30.7			
Chinese	15,903	0.1	38,373	0.3	71,222	0.4			
Danish	547,323	4.7	333,832	2.5	338,023	2.1			
Dutch	469,669	3.9	469,469	3.5	484,54	3.0			
French	1,082,899	8.7	767,214	5.7	877,922	5.5			
German	34,902	0.3	40,949	0.3	47,282	0.3			
Italian	109	0.0	1,688,418	12.7	1,029	0.0			
Japanese	1,115,487	8.6	1,214,447	9.2	1,350,293	8.4			
Norway	699,425	5.5	261,765	1.9	295,987	1.8			
Panama	64,673	0.5	69,789	0.5	7,989	0.0			
Philippines	184,740	1.2	69,655	0.5	93,898	0.6			
Aircraft	807								
By Freight	\$12,517,913	96.6	\$13,266,331	98.3	\$15,997,581	97.8			
By Mail	432,149	3.4	232,196	1.7	538,844	2.2			
Total	\$12,960,363		\$13,498,517		\$16,536,425				

EXPORTS

Nationality of Vessels	November, 1936			November, 1935			Monthly average for 12 months previous to November, 1936		
	Value	%		Value	%		Value	%	
American	\$5,160,189	35.3	\$6,031,604	50.0	\$7,124,021	32.8			
British	3,622,215	24.8	2,135,940	17.8	4,366,500	23.0			
Chinese					35,153	0.2			
Danish	679,355	4.6	545,544	4.8	839,299	3.9			
Dutch	619,745	4.2	865,406	7.2	782,520	3.4			
German	180,942	1.3	180,942	1.5	426,185	1.9			
Greek					12,544	0.0			
Italian	26,633	0.2			114,370	0.5			
Japanese	2,395,964	16.3	663,348	5.1	4,614,422	21.2			
Norway	864,840	6.0	1,051,829	8.5	2,265,510	10.4			
Panama	99,366	0.7	3,200	0.0	183,384	0.8			
Philippines	97,344	0.7	272,420	2.3	208,414	0.9			
Aircraft	233								
By Freight	\$14,664,260	98.8	\$12,014,404	98.6	\$21,080,284	99.5			
By Mail	176,688	1.2	168,805	1.4	112,424	0.5			
Total	\$14,840,948		\$12,183,209		\$21,192,708				

TRADE WITH THE UNITED STATES AND FOREIGN COUNTRIES

Countries	November, 1936			November, 1935			Monthly average for 12 months previous to November, 1936		
	Value	%		Value	%		Value	%	
United States	\$19,482,768	70.2	\$16,517,883	64.4	\$27,065,463	70.9			
United Kingdom	773,218	2.8	1,148,807	4.5	1,147,940	3.0			
Australia	269,183	1.0	3,853,117	15.0	4,570,706	11.1			
Austria	9,677	0.0	1,298	0.0	2,797	0.0			
Belgium	217,338	1.1	217,338	1.0	273,801	0.7			
British East Indies	410,475	1.5	409,597	1.6	377,370	0.9			
Canada	198,902	0.7	221,290	0.9	208,299	0.8			
France	496,746	1.8	383,572	2.1	638,708	1.6			
Denmark	54,473	0.2	165,945	0.6	122,122	0.3			
Germany	400,307	1.5	400,307	1.5	400,307	1.0			
Dutch East Indies	198,686	0.7	373,485	1.4	463,443	1.2			
France	286,620	1.0	99,670	0.4	263,334	0.7			
Germany	48,214	0.2	513,412	2.0	869,285	2.3			
Hongkong	127,381	0.6	50,963	0.2	193,104	0.5			
India	48,214	0.2	29,196	0.1	206,352	0.5			
Italy	2,912,567	10.5	3,331,237	13.0	3,603,666	9.4			
Japanese-China	3,945	0.0	41,677	0.1	30,144	0.0			
Japan	31,211	1.1	261,884	1.0	783,385	2.1			
Netherlands	45,923	0.2	41,813	0.1	39,965	0.1			
Norway	17,224	0.1	15,673	0.1	15,673	0.0			
Sweden	48,531	0.2	18,531	0.1	45,231	0.1			
Switzerland	94,545	0.3	72,279	0.3					

RAIL COMMODITY MOVEMENTS

By LEON M. LAZAGA

Traffic Manager, Manila Railroad Company



The volume of commodities received in Manila during the month of December 1936, via the Manila Railroad Company, are as follows:

Rice, cavans	107,935
Sugar, piculs	504,015
Copra, piculs	50,530
Desiccated Coconuts, cases	17,525
Tobacco, bales	379
Lumber, board feet	496,641
Timber, kilos	1,420,000

The freight revenue car loading statistics for four weeks ending December 26, 1936, as compared with the same period of 1935 are given below: NOTE:—Figures in parenthesis indicate decrease.

FREIGHT REVENUE CAR LOADING

COMMODITIES	MEMBER OF FREIGHT CARS		FREIGHT TONNAGE		Increase or Decrease	
	1936	1935	1936	1935	Cars	Tonnage
Rice	533	418	5,704	4,741	115	963
Palay	82	110	810	1,221	(20)	(372)
Sugar	308	1,112	28,576	34,536	(148)	(5,960)
Sugar Cane	9,959	6,812	123,411	120,134	317	3,277
Copra	353	823	2,379	6,109	(480)	(3,730)
Coconut	47	73	491	751	(280)	(263)
Molasses	55	71	1,532	2,098	(16)	(566)
Timber	—	8	—	101	—	(101)
Tobacco	—	8	—	23	(1)	(23)
Lumber	—	108	—	35	—	(35)
Mineral Products	310	283	3,363	3,762	56	(399)
Lumber and Timber	102	138	2,398	3,285	(56)	(1,887)
Other Forest Products	2	3	17	16	—	—
Manufactures	212	105	2,890	1,726	107	1,164
All others including L.C.L.	2,579	2,698	14,932	16,434	(291)	(1,502)
Total	12,215	12,402	186,761	195,708	(187)	(9,007)

SUMMARY

Week ending December 5	2,104	3,390	29,793	56,718	(1,292)	(26,925)
Week ending December 12	2,954	3,158	44,337	48,319	(204)	(3,986)
Week ending December 19	4,025	3,582	63,581	54,809	443	8,742
Week ending December 26	3,132	2,266	48,291	55,862	800	13,192
Total	12,215	12,402	186,761	195,708	(187)	(9,007)

Consul General

(Continued from page 44)

2nd only to Germany. It has the good fortune to be the one country in the world which possesses within its boundaries an adequate supply of all three of the essentials of steel making—iron ore, good coking coal and manganese. It is also among the great powers in possessing an adequate supply of chromium, which is likewise of considerable importance in steel. Certain other of Russia's recently-developed industries are of strategic importance. The chemical industry has received special attention in the 2nd Five-Year Plan, and is believed to be nearly adequate. The U.S.S.R. leads the world in the production

of tractors—a fact of great significance in considering the relative effectiveness of a mechanized army. Automobile production has grown many fold in the past 5 years.

With apparently no imperialistic ambitions, as a democracy Russia undoubtedly will be interested in the maintenance of the *status quo* in the Orient. Here is another constitutional democracy—the Philippines. Are they to be big brother and little sister in the future alignment of Oriental powers?

Shipping Review

(Continued from page 41)

The following figures show the number of passengers departing from the Philippines during

November, 1936:

China and Japan	94	92	107
Honolulu	1	6	8
Pacific Coast	36	17	11
Europe via America	2	2	0
Strait Settlement and Dutch East Indies	19	4	0
Europe and Mediterranean ports beyond Colombo	49	1	8
Australia	6	0	1
America via Suez	0	0	0

Total for November, 1936	207	122	135
Total for October, 1936	168	152	207
Total for November, 1935	182	135	165

BUSINESS AND PROFESSIONAL DIRECTORY

Kerr Steamship Co., Inc.

General Agents

"SILVER FLEET"

Express Freight Services

Philippines-New York-Boston
Philippines-Pacific Coast (Direct)

Roosevelt Steamship Agency
Agents

Chaco Bldg. Phone 2-14-20
Manila, P. I.

P. O. Box 1394

Telephone 22079

J. A. STIVER

Attorney-At-Law—Notary Public

Certified Public Accountant

Administration of Estates

Receiverships

Investments Collections

Income Tax

121 Real, Intramuros

Manila, P. I.

Philippines Cold Stores

Wholesale and Retail

Dealers in

American and Australian

Refrigerated Produce

STORES AND OFFICES

Calle Echague

Manila, P. I.

a message from

A. GARCIA



行銀興中

CHINA BANKING
CORPORATION

MANILA, P. I.

Domestic and Foreign Banking
of Every Description

AMERICAN CHAMBER OF
COMMERCE JOURNAL

P. O. Box 1638 — Manila — 180 David

RATES

Philippines - - - P4.00 per year

United States - - \$ 2.00

Foreign Countries - \$ 3.00

Creosote Is An 'Antidote' for Ants

White ants simply will not associate with creosote or anything that has creosote in it. Taking advantage of this knowledge it will pay you to use nothing but

CREOSOTED LUMBER

Rot is another problem that causes large losses. Again creosoted lumber brings a great saving. Actual use of this has proven that it will prolong the life of lumber for many more years.

We have ample stocks for all purposes, including piles and ties.

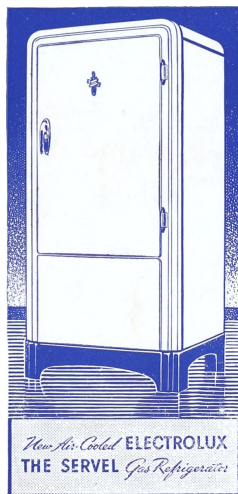
**ATLANTIC, GULF &
PACIFIC COMPANY**

There's No Mystery About Electrolux Silence

Three words explain it—No Moving Parts.

This also explains its low cost operation; freedom from expensive repairs; absolute dependability and general desirability.

That is why you always get MORE than you expect when you buy an Electrolux.

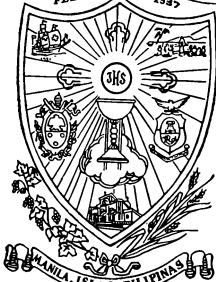


MANILA GAS CORPORATION

Display Room

136-138 T. Pinpin

The EXECUTIVE COMMITTEE OF THE XXXIII INTERNATIONAL EUCCHARISTIC CONGRESS



OFFICIAL SHIELD

IMPORTANT

There is but ONE Official medal adopted for the XXXIII International Eucharistic Congress. These are not sold, but may be obtained for contributions ranging from \$0.50 to \$1,000; flags, bunting and banners of official design are also available, such contributions being used to defray the expenses incurred by the Executive Committee for the Congress; no profit is realized from its distribution. Obtainable ONLY from

The Executive Secretary, Srta. Rita's Hall, Taft Ave., Manila. P. O. Box 1645.

Official Shield Cards bearing the Official Shield of the XXXIII I. E. C., and gummed seals for use on correspondence, may be obtained from the Congress Novelty Supply Co., 941 R. Hidalgo P. O. Box 498, Manila.



OFFICIAL MEDAL

urges Manila and nearby towns to

DECORATE

Pilgrims from many parts of the world will begin to arrive in Manila within a very few days. We of Manila and the nearby towns will want to show our deep appreciation for this international courtesy. Our best OUTWARD manifestation of this appreciation is the manner in which we decorate to receive them.

The Executive Committee has prepared various official decorative materials for this purpose—shield cards, flags, medals, seals and other items, all intended to add official color to this great occasion. Get and display this material now, that our visitors from foreign lands will see at first glance that we are glad to have them with us.

PARTICIPATE

Private homes, institutions, business and industry, automobiles, and other places will find the right material for their decorative purposes. The vast majority of these will PARTICIPATE in this memorable event; the Executive Committee has anticipated this vast participation and has adopted uniform material, from official designs and color combinations, so that the celebration will be suitably correct.

Those in the provinces may secure this material in advance so that when they arrive in Manila they will not have to lose time in supplying themselves. You are all urged to cooperate to make this occasion one in which every person may be proud.

The material may be secured from the sources indicated in the column on the left; inquiries or information concerning it should be directed to these two addresses.

AN INTERNATIONAL EVENT OF UTMOST
IMPORTANCE TO THE PHILIPPINES