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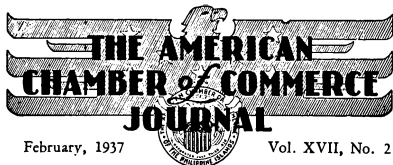
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WALTER ROBB
Editor and
Manager



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Hon. Ricardo Nepomuceno

How Judge Nepomuceno Works as Securities & Exchange Commissioner

Our cover is honored this month with a portrait of the man charged with one of the greatest responsibilities in the whole public service of the Philippine Commonwealth—Hon. Ricardo Nepomuceno, the Commissioner of the Securities & Exchange Commission. You meet him in his new offices in the oldtime American Hardware building on calle Echague. You find him accessible; you find him firm but reasonable; you had better guess that he is incorruptible or it will be bad for your digestion. His business is to serve the mining industry, principally, of the Philippines without either discouraging it or giving it too free a rein. More precisely, he sees that companies shall respect the Mining Act, the Corporation Act, the Blue Sky Law, and the Securities & Exchange Act.

True, he has a staff and there are departments at the Commission; committees have been organized and matters go from hand to hand, finally coming up to the Commissioner. That is Judgment Seat. President Quezon deserves the public's commendation for having found such a man as Judge Nepomuceno to fill it; for fill it he does, in most praiseworthy manner.

It is the *Journal's* belief that Judge Nepomuceno will find many things to be cleaned up both among mining corporations, not all of them new, and among the exchanges and the brokers. So feeling, the *Journal* wishes to broadcast Judge Nepomuceno's demonstrated interest in his job. He is sleepless at it, tireless at it. Don't imagine that just because the 4 o'clock whistle has blown and government offices have emptied that it is too late to see Judge Nepomuceno that day—the chances are he will be at his desk two hours longer at least.

By the way, here is a little trick your broker might pull that you don't have to stand for. You have bought a stock and deposited the margin your broker requires. The stock begins rising. Say you bought at 28; in a day or two you decide to

sell, the market being 33, but you find that your broker sold you out at 31-1/2—he says he feared the market would break, that he called your office and tried to get you but you were out. Well, you don't have to take this thick stuff, it's a sharp practice and the Commissioner won't stand for it; get the 33 you wanted. If you don't, who knows but that the broker sold you out to himself?

This of course is just a little example of how the Commission serves the public, even its humblest members.

There are some credit questions for the Commission to get around to—just now the chief preoccupation is the avalanche of new companies seeking permits to issue their securities. But this credit business—it even worries High Commissioner J. Weldon Jones. There are sales under *Delayed Delivery* stamp, setting a week aside for certificates to reach Manila from the provinces. That way your broker only uses your money a week, and meantime your trading need not be hampered—you have your confirmation and can use it. But who thought up this little one, *Delivery at End of Month*? It could duplicate credit. You buy early in the month, your confirmation is given you, but the certificate will be along at the end of the month. Your broker has your money, he can trade with it; and you have your negotiable confirmation, you can trade with it.

That one isn't so good, on the face of things—it looks for all the world like undue inflation of credit and something that could readily get all tangled up.

So there is plenty for Judge Nepomuceno to do, plenty for him to look into. For there never was a gold boom quite like ours, plumped right into the midst of settled agrarian communities—tempting the lambs with fire their innocence hopes

(Please turn to page 10)

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The Philippines' Case at Washington

An interpretation of pertinent factors from what is believed will be Cordell Hull's viewpoint as Roosevelt's state secretary

By Walter Robb

Much press discussion has transpired in Manila of late, relative to the future status of the Philippines as an independent nation. Apologists on one side led by President Manuel Luis Quezon spurn the political neutralization of the Philippines under international agreement, a step made feasible by the Tydings-McDuffie act creating the ten-year Commonwealth and providing independence in 1946. This side thinks the better security lies in leaving America naval bases in the Islands after 1946 an effecting a good trade treaty with her. On the other side, apologists cling to the neutrality proposal. Perhaps there is too much show of heat on both sides.

At any rate, President Quezon has posted off to Washington to talk up his side; he will find President Roosevelt a big-navy man, though it is not so certain that Roosevelt cottons to the strategy of naval bases on foreign territory—that is to say, on the shores of a foreign country—or that he cares to prolong indefinitely America's political interest in the Far East as naval stations here would do. Roosevelt may think England's political interest in this part of the world more permanent and practical than America's; and that the game is one to play at Downing Street rather than in Washington.

But we think President Quezon has a decisive card that remains to be played. If he can get naval-stations arrangements made, why not Philippine independence at a much earlier date than 1946—why not have it come within Quezon's own administration? Quezon probably angles for Cordell Hull, as secretary of state, a statesman strong in Wilson's self-determination doctrine. At the same time, Major General "Field Marshal" Douglas MacArthur is Quezon's mentor in matters relating to the political security of the Islands now and in the future; the problem is to reconcile MacArthur's narrow view of the situation with Hull's broad one: the soldier thinks of what is best for the Philippines, the country that gave him his golden baton, but the statesman thinks beyond this to what is best for the United States not merely in her relations with the Philippines but with Holland (because of the Dutch East Indies), Britain, China, Japan and possibly even Russia.

Quezon, thinking of the trade, proposes that his office be granted the manipulation of a flexible tariff schedule. In this and other proposals there lurks more dollar diplomacy than is

tolerable to Hull's scholastic detachment, no doubt; and we believe Quezon tossed it forth as a trial balloon and would be entirely disconsolate should it be punctured and deflated. For Quezon probably feels that good exports from the Philippines, fibers and copra particularly, mean a great deal to the United States in her trade with the Islands and are not associated in the minds of manufacturers requiring them with the volume of American manufactures sold here. America, while under Cordell Hull's state policy at least, would probably rather see five centavos a day added to daily wages in China or fifteen to wages in the Philippines than higher Philippine duties against foreign goods with American goods coming in duty free.

Thus Mr. Hull is more likely to study totals than percentages; and he is likely to want to know how much the totals, gross sales, can be practically increased from year to year and whether they might not decline unless wages rise, whatever the height of the tariff. In short, his view of the Philippine trade is certain not to be unilateral: he will wish to know its real weight in America's overseas commerce as a whole—he will look ahead to what may be expected of the future rather than back toward what actually prevailed in the past. Hull has no chip on his shoulder for any country; he wants the nations to return to the generally harmonious relationships that prevailed among them, and in their mutual commerce, before Postdam decided to turn parades into battles, and naval reviews into Jutlands, and for this attitude he will one day have the Nobel prize.

Hull is no warm friend of artificial commerce; it takes a good deal, perhaps more than the Philippines care to put on the ball, to make him swing at such ideas.

The Philippines have not reached a crisis in their economics such as Denmark faced when the American Northwest was settled and new grain supplies from western Canada, western United States, and Argentina began supplying England, Denmark's customer for this staple up to that time. On the contrary, the Philippines have their oldtime tropical products to sell and a good demand for them in the United States because they have a valid claim to a part of America's sugar market and nothing comes up to threaten their copra and fibers there.

If we consider sugar, as America grows more of it her demand also rises; at the same time, the Philippine population increases rapidly, creating demand for more rice and more land on which to grow it. Under any conceivable conditions, Philippine sugar will always enter the American market on terms at least as advantageous as Cuba enjoys there—terms keeping Java sugar practically out of the market. Philippine sugar will continue rolling into San Francisco and New York indefinitely, and the switch in the field from cane to rice will be gradual.

As America will always want a lot of good Manila rope, she will continue buying the hemp for it here because she can procure it nowhere else. She will also continue buying the bulk of her copra and coconut oil here, because here is the world's major supply of that product; and if possibly she ceases to accept the oil and insists on buying the copra only, the net loss to capital and labor will be comparatively small—and probably all made up by wider manufacture of soap here for the domestic and Far Eastern trade.

That America tends to buy as many tropical supplies here as she well can is evidenced in how quickly Congress stopped leaks in the oil excise-tax legislation, and the differential this

(Please turn to page 10)



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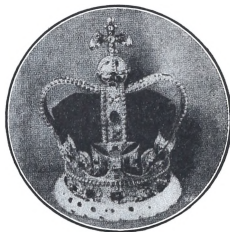
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So transcendent in the universal affairs of men is the romance of the late Edward VIII of Britain and Mrs. Simpson that it outstrips all other reading and admits of any number of postscripts. The one we would add is a dry one, however, on the constitutional point involved. This little matter cost Charles I his royal head, having meanwhile precipitated England's civil war. When England's American colonies began taking on a dignity and resourcefulness of their own, it drew down upon George III the wrath of Jefferson in the Declaration; though it was George who was innocent, though guilty enough in other things unrelated to the colonies, and it was the cabinet and the privy council who were guilty.

Franklin representing Pennsylvania tried more than a decade to reach the king of England; if memory serves he began with George II, and George III came into the picture later. Franklin had a practical plan of autonomous colonies, with direct appeal to the king: he could no more get this by the British cabinet than he could fly his famous kite to the moon, and finally he had to dodge out of England quickly and by French



THE DUKE OF WINDSOR

A man he'd rather be called than King.

leave to avoid being tried for treason, or something worse, before the privy council. (He took along with him to Dover a thermometer, and amused himself dabbling it in the sea and noting its reckonings as he sailed on toward safety and his beloved Philadelphia, and so discovered the current that modifies the climate of western Europe and affords Baldwin pleasant places of sojourn when worn with the cares of state. America was then ahead of Europe in science, and Franklin woke the French up to it later, when he lived in Paris and represented the colonies during their rebellion, which the French helped materially to crown with success.)

No, sir—no confabs with the king for a suave printer from Philadelphia. No, sir, again—no bending to the king in 1936 when he wishes to marry in his own way, a way displeasing to Mr. Baldwin, as well as Mrs. Baldwin, and hence displeasing to the British cabinet. A similar fracas over the constitution was avoided under Queen Victoria, Strachey and others show us, by the early demise of her consort Albert. Albert had great concern for the country, as Edward had,

(Please turn to page 10)



THE ARCHBISHOP OF CANTERBURY



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KING GEORGE VI



PRIME MINISTER BALDWIN

Conrado Benitez: Philippines Trade Envoy to America

Sketched by James Weber Linn

University of Chicago

In the spring of 1909 a young man came into my dean's cubby-hole in Ellis Hall, inquiring for Dean Boynton, who seemed to be temporarily misled. The young man was brunette, with a strong face and the pleasantest smile I had ever seen, except Walter Steffen's perhaps, and his teeth whiter even than Steffen's. I had been away the previous year, on a sort of earned leave, and had never seen this young man before. He told me his name was Conrado Benitez; that he had been sent to Chicago two or three years before when he was sixteen, as a "special student"; that he had graduated from the University High School, was now ending his sophomore year at Chicago, and was particularly interested in economics, "education," debating, and swimming.

"We Filipinos, sir," he said, favoring me with the aforesaid smile, "can all swim and argue." I made the change he wanted in his course, signed P.H.B. on the card, left a duplicate on Dean Boynton's desk, and thought how true the aphorism was that "the brighter they are the farther they come." Conrado Benitez was obviously bright; he had come a very long way, from Manila. I wondered how far he would go.

He became captain of the water-polo team, treasurer of the Senior Class of Eco-level-en, took a debating scholarship and honorable mentions for scholarship in both the Junior and Senior Colleges (never mind what they were; that was a quarter of a century before the New Plan). In August, 1911, three months after he received his Ph.B., he was awarded the Master's degree also, in education. A week later, we said good-bye (we had become friends by that time, and Conrado was always polite as well as affectionate with his friends) and he went back to Manila, where he had been appointed to the faculty of the Government Normal School. His appointment interested the islands, mildly; for he was the first Filipino to be judged worthy of thus sharing the "white man's burden" of teaching young ideas how to shoot.

His progress at first was slow. In fact, it took him four long years to become dean of the College of Liberal Arts in the University of Manila. He might have reached that plane sooner, but for the fact that he had also become interested in a movement to establish a newspaper in English, owned and edited by Filipinos. So at 25, when he became dean, he also became editor-in-chief and chief editorial writer of the Manila *Herald*. Already, by the way, he had been dubbed "the Americanist," because he could not forget how much he had delighted in the University of Chicago, in American ideas of education, and in his conviction that America stood for freedom of thought and action.

After the War, in 1919, he re-visited the States for the first time, as a member of the first official Filipino "mission." He came frankly to lobby for the eventual independence of the Islands; was



THE BENITEZ FAMILY

Poses at their Laguna home. Conrado, Mrs. Benitez, their daughter Helen, and two sons, Frederic and Thomas

put in charge of the "contact bureau" in Washington, and stayed in the United States half a year. I renewed my own old contact with him that year, for when he came to the University to look us over he flew like a homing pigeon to the dean's cubby-holes. I knew that even then he was a distinguished person, but I was not afraid of him.

"Benny," said I, "do you still swim and argue?"

"Not much swimming nowadays," he said, with the same old fascinating grin, though his eyes were sadder, "but my job in this country is to argue!"

In fact, while remaining an educational administrator and a newspaper editor, he had also found time to study law, and had been admitted to the bar. He found the three professions, however, too strenuous to practice simultaneously, so in 1921 he gave up his newspaper work, (the *Herald* had become a daily) and in conjunction with a partner who had also been educated in the United States, and who has since been appointed to the Supreme Court of the Philippines, he practiced steadily, valiantly in defense of the constitutional interests of the Philippines. By the time he was thirty, Benitez was generally regarded as about the most "promising" fellow in the Islands.

But he kept out of politics. He had been made Dean of the new College of Business Administration of the University of the Philippines; he was writing school textbooks in Philippine history and in economics, he was bringing up his wife (who is now Dean of Philippine Women's

University) and his three children, and he was as one might say generally "extending his sphere of influence." In 1934 however the bell rang. He was practically forced to become a delegate to the new, epoch-making Philippine Constitutional convention. He was promptly placed on the Committee of seven to draft the document—the only "Americanist" of the lot. The constitution was drafted. Three of the seven, headed by Benitez, "struck." He wanted ample provisions to insure academic freedom, non-sectarian control of the public schools, more Government participation in the furtherance of higher education; in short, he wanted more education, and more freedom, constitutionally guaranteed, in the Islands. After a hot debate in the Committee, a smaller "Committee on Style" was formed—a way of whipping the devil around the stump. Benitez controlled that "Committee on Style." It revised the Constitution, putting in what the "younger generation" demanded. Benitez had swum through to distinction, and argued through to a sort of Jeffersonian serviceability to his country.

This year, after having been incidentally, as one might say, elected Grand Master of the Masonic Order in the Philippines, he was made a member of the Philippine delegation to the Institute of Pacific Relations, meeting in California in August. After that was over he hurried on to Chicago. He was on his way round the world, for to admire and for to see, but particularly to study governments. His old class, the Chicago class of 1911 (please do not confuse with the Harvard class of 1911, recently made so famous for *faineance*) grabbed him, and he stuck around for ten days, eating and drinking and gabbing. But I was interested in the tone, in what I may call the elevation and hard common-sense, of his "afterdinner speeches," of which I heard a couple. He asked no favors, gave no quarter to ignorance, talked like a statesman—which is what he has become. The same old smile, the same old deference ("I think of you as Teddy, sir, but I have not the irreverence to use the name") but the maturity of a man who thinks in terms of national interests, and international understanding. Somehow he made me feel a little as Jane Addams used to—that I was likable, but, well—young. I think the millionaires and the publicists and the practical hardheads of 1911 felt a bit the same way. But how they delighted in him, and how he delighted in them! "I have felt," he said once, "always that the University of Chicago was solidly, splendidly educational. But I have felt always too that it was a house of friendship. I don't know whether I give more sincere thanks for the education or the friendliness of it. But yes—more for the friendliness."

Conrado Benitez has gone far. There are those who think he will go farther, that indeed he cannot escape going much farther still.—from *University of Chicago Magazine*, December, 1936.

What Is Money?

By Henry Uy Cho-Yee

The word money comes from Latin "Moneta" which was a surname of Juno. The Romans gave the name "Moneta" to their silver coins because they were coined in the temple of Juno Moneta in 69 B.C.

The term money is used, both in matters of business and in economic theories, in such very different ways that it is impossible to cover them all with a simple definition. Money is, however, generally understood to be the standard by which the value of commodities is measured, and is the article which is universally recognized as medium for their purchase and sale. The principal characteristic of money is that it is received without reliance upon the personal credit of the person offering it and that it is accepted without reference to an assay of its quality. There is standard money (gold or silver) as well as representative money (fiat money).

Standard coins, bars of bullion which can at once be converted into standard coins, token coins, paper currencies in the form of convertible banknotes and inconvertible banknotes, are all included under "money", although they represent essential differences.

In modern societies, one of the most important forms of money is "bank money", or the money of the money market, which for the most part consists of neither coin nor notes. The whole of the banking system of the United Kingdom, for example, really rests upon the reserve kept by the Bank of England, and every bank receives deposits of "money", and makes advances of "money" with the use of a very small proportion of the coins or bank-notes.

In primitive societies, exchanges first took place by means of barter, but the difficulties of simple barter were obviously very great. A coincidence of mutual wants at the same time and place was the first condition of any exchange, and it was plain that a common medium of exchange would obviate one of the principal difficulties of direct barter. If there was some one thing which every one was willing to take, it followed that anything else could be bought or sold against this particular commodity.

Accordingly, the first function of "money" was to provide (1) a medium of exchange, and its first forms consisted of things which were generally desired in simple states of society such as skins, cattle, shells, corn, pieces of cloth, mats, salt, tea, tobacco and many other commodities have, at different times and places, been used as "money" in the sense of a common medium of exchange.

The commodity chosen, however, would be of little advantage unless it could be used both in large and small quantities; this condition led to another primary function of "money"—viz. (2) as a measure of value. Not only was it necessary that things could be exchanged against a common substance, but the rates of exchange must be measured.

Finally, as society advanced, a basis for (3) deferred payments, and also a method of (4) storing "values" without de-



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terioration, became of importance.

In order that these four primary functions may be fulfilled, the substance chosen for money must have certain properties of which the principal are portability or great value in small bulk, durability, sameness of quality, stability of value, and cognizability. It was soon discovered that these qualities were possessed in the highest degree by gold and silver. Other metals have been used at different times and places even for standard money, but all of them have failed in one or more of these particulars. For example, iron is liable to rust; lead is too soft, having a relative hardness of 1.5 as compared with 3.0 for gold, silver, or copper; tin is too brittle; and, in proportion to its exchange value, copper is too heavy, having a density, in grammes per cubic centimetre, of 8.93 as compared with 19.3 for gold, 10.5 for silver, 7.86 for iron, and 0.001429 for oxygen. Gold has a melting point in degrees Centigrade of 1063 as compared with 960.5 for silver,

1083 for copper, 1530 for iron, 231.8 for tin, and 327.5 for lead.

It may be stated here that our word "salary" comes from the Latin word "salarium" originally meant salt money, or the money given to the Roman soldiers for whom salt was a part of their pay. The English symbol *s.* standing for penny or pence comes from "Denarius" which was at one time the standard coin of Rome. Before B.C. 210, a denarius (which meant "ten asses") consisted of ten asses, but in the time of Augustus (B.C. 63—A.D. 14) it consisted of 16.

Standard money is the form of money with which all others are kept at a parity. The precious metals, gold and silver, are the standard or primary moneys in the world today. Primary, typical, standard money is the unit in which the value of money of a country is expressed, no matter what its form may be; the standard is a certain weight and fineness of a particular metal. Coins of this standard are called full or real money by some writers who deny the title of money to everything else.

Take a twenty dollar gold piece, the Goddess of Liberty, pound out the United States of America and batter the eagle, and after you get it pounded, it is still worth twenty dollars, although in this form it is no longer legal tender, but the value remains unchanged—twenty dollars.

Take a United States silver dollar which contains 0.7734375 Troy ounce of fine silver. It is a legal tender token coin. Pound it into a cube and it will then be worth approximately 35.03 cents, U. S. currency, based on the present price of silver in the New York market of approximately 45-1/4 cents per Troy ounce 0.999 fine which (at the approximate New York-London cross-rate of U.S. \$4.9051 per £1) is equivalent to the London silver price of 20-1/2 pence per Troy ounce 0.925 fine, as of London, January 21, 1937.

(Continued on page 18)



Vol. XVII
No. 2

February
1937

The American Chamber of Commerce

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The Philippines' Case . . .

(Continued from page 6)

legislation gives the Islands.

Let the wisdom of politics east and west meet as they may, and arrange as they will, a stout American demand for Philippine surplus products must remain the basic factor in the Islands' economics and those who take most advantage of this fact will prosper best. President Quezon, whose particular delight is to speak with his tongue in his cheek, probably knows as well as any man that even during the British period in the Islands after the decline of American maritime facilities in the Civil War period and the opening of the Suez canal hardly a decade later, America was really buying large quantities of Philippine products—just as she has since, just as she will until chemists, should it ever be possible, obviate her necessity for them. Only, during the British period, the trade was round about instead of being direct; cargoes were loaded at Manila for London and Liverpool whose real and final destination was New York or Baltimore, Boston or Philadelphia.

Earlier, American ships hauled the cargoes themselves and had the major part of the business. As to American imports, just let Juan de la Cruz have a peso to spend instead of fifty centavos or a peseta, and generally you will see him buying something of an American brand. The Philippines have sufficient sound trade to offer America to keep her interest in this market as alert as her general indifference to overseas commerce for manufactures permits. But this interest will grow, rather than diminish, under any set of circumstances fate determines.

Hon. Ricardo Nepomuceno

(Continued from page 5)

will not singe off their wool.

The Commissioner hails from Marinduque. He is a Tagalo; you would suppose the folk of Marinduque to be either Bikols or Bisayans, but they are Tagalos and may have migrated from Batangas—they speak with the rising inflexion of Batangueños. (In Marinduque, Mineral Resources is developing a lead-zinc property under the skillful guidance of Victor Lednicki)

Commissioner Nepomuceno is a little past forty. He is married. Mrs. Nepomuceno is also from Marinduque, and they have five children, all attending the public schools, three girls and two boys. The Commissioner graduated in law at the University of the Philippines. He tends to be laconic, which may be a natural trait heightened by his long experience at the Supreme Court as a law clerk. During seven years at the court he was Associate Justice Thomas A. Street's private secretary; better training, in the Philippines, no aspiring student of the law could have than seven years' association with the late Justice Street—who was wont to remark the sound character and ability of Nepomuceno.

Leaving the court, the young barrister repaired to politics and between 1922 and 1931 without a break was elected and reelected Marinduque's representative in the lower house of the old Philippine legislature. Then he lost, but in 1934 came back as a member of the constitutional Convention and took a leading part in the counsels and debates that led to the drafting of the Constitution of the Commonwealth—to be carried on after 1946 as that of the independent Philippines.

"Right" Baldwin?

(Continued from page 7)

and he had strong notions of how to implement this concern and make it effective. He more and more insisted upon his wife's prerogatives; instead of taking every suggestion from the cabinet, he had suggestions of his own for that august power to take from him, therefore from the crown. But he died, so there was no final rumpus; Victoria was left disconsolate to the alternate hammering righteousness of Gladstone and the velvet diplomacy of Disraeli, and no monarch ever in London knew better than she where to find the dotted line and fill it out with the royal signature.

Albert had already looked to the empire, and staged a great empire fair; thereafter Britain had Albert Hall, until fire consumed it a few weeks ago, and Queen-Mother Mary went and visited the ruins to distract her mind from worries provoked by a forward son forty-two years old—a young and liberal king in step with his times but out of harmony with that nebulous entity too delicate even to boast a shadow, the tough and tender British constitution.

There is little more to this British constitution save that what is done is right; but of course what is done must be done by the cabinet or under its aegis; sometimes it likes Canterbury to do it, and His Grace obliges; as in Edward's case, it was no question that he was king and even would be king should he marry Mrs. Simpson, or perhaps her maid, and

would be no more king, and no less, after the coronation; but an ancient sanction was invoked, behind which the cabinet could take shelter, the sanction of the wedding at Canterbury, which the bishop there was got to say could not be solemnized if Mrs. Simpson were the other party at the altar. This dubiety turned out to be the British constitution; in other words, the will of the British cabinet, Mr. Baldwin's *si-señor* man.

The extremist action the British cabinet has taken in preservation of what is known in history as British liberty, since it forfeited the American colonies, and stocked Canada, just then won from the French, with refugee monarchists, at great expense to the exchequer, rather than yield the crown a thumbful of real authority over the empire. As much was said at the time, often, in the fiery debates, and of course, as much came to pass. Cromwell—but who is he who follows Baldwin, who does not deprecate that commoner Cromwell?—had not ridden and had not fought in vain. It is merely an aside that the Church of England was founded by Henry VIII to sanction royal divorce—it gave it to him from Catherine of Aragon because all her babies from Henry died in infancy and Henry felt there was a hex on the house. That was the British constitution then, and the church's part in it, but state and church have other views of the proprieties nowadays: Catherine was from Spain and England wanted no tie-up with Philip; and besides, the plunder from the church in England, where feudalism had built up its vast and pleasant estates, was rich.

What then persists in the British constitution, what is persistent in it? Just this: the crown and the monarch whose head it is on are symbols, nothing more, of traditions the British like to maintain for old times' sake, and grandeur of present times they take just pride in. During the whole period introductory of Edward's abdication, the cabinet consorted with the press to the end that Edward should not reach the people through their newspapers and reviews: he could no more do this than Charles I could have a fair trial. And it was all quite right, as well as right in the political sense. The British cabinet is Britain's government. Edward had a case of his own, but as king he could not enforce it after the cabinet took a stand against it: for Baldwin to have waived then would have implied that the cabinet yielded in authority to the crown, something the cabinet never does and never dare do.

Some blame British liberals for not aligning themselves with Edward and forcing the government to seek sanction in a general election. These critics not only do not know how religious Britains are, even sanctimoniously religious, but they do not see that no liberal victory could be based substantially on an understanding raising the royal authority above that of the cabinet and the Commons which would mean a change of the constitution. Crowds go on from monarch to monarch, Edward had but to doff his for George to make it his own—by cabinet choice, bear in mind—but cabinets go only so long as the people endorse them: they eminently, though sometimes lugubriously, represent the will of Britain.

So Baldwin was right, except it may be questioned seriously whether he should have ever raised the issue. That seems to have crowned his bungling as a premier. If the British people think it has cost them too much, out he will go in an early election. Meantime, all there is to it is that the British crown has received another lesson as to its real place in British law.

Contrary

Let's be contrary. Let's put our back against the wall and face the political wise men of the world, as we make this daring statement:

There is a good chance that the frightful World War which the experts claim is inevitable may not happen after all.

To make a remark like that is indeed, as the graphic phrase of the day has it, going "out on a

limb." For all the high-brows and the broad-brows and—may we coin one?—all the scare-brows of the international scene disagree on only one item of the sure-as-fate death grapple, and that is just when it will start.

And yet there are definite, dramatic and powerful factors at work to prevent this certain world horror. Some of these agencies are subtle, some even under-cover and difficult to pin down; still, with a little peering and pulling, they can be hauled out into the light of day.

In the first place, this coming World War is a war for which every one is prepared, and—to reverse the logic—a war for which all contestants are ready is a war that doesn't happen. That is because no nation will attack another unless it believes it possesses an advantage over the opponent. Which means it thinks itself better prepared.

Note this: the psychology of an attacking nation is the same as that of an individual bully.

(Please turn to page 41)

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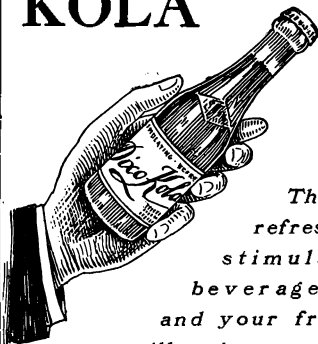
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Man The Knowable

Following a better critic, I caption thus the discussion of Alexis Carrel's *Man the Unknown*. This research scientist's literary venture into the field of human progress as a whole has startled the scientific and intellectual world. The obvious criticism is, that a biologist cannot judge humanity; but an unprejudiced reader is forced to admit that Carrel has judged rather well.

Not pedantically, but in scholarly fashion and with literary tastefulness, Carrel presents his view of today's human being. As he sets forth, he "has studied the hidden mechanisms which, in the depth of the tissues and in the immensity of the brain, are the substratum of organic and mental phenomena. . . is indebted to the techniques of modern civilization for the possibility of witnessing such a gigantic spectacle."

His criticism is, no student of modern problems apprehends man as a whole. "The slow progress of the knowledge of the human being as compared with the splendid ascension of physics, astronomy, chemistry and mechanics" he attributes to the narrowness of mortal view and to the freakishness of scientific discovery.

"Modern civilization finds itself in a difficult position because it does not suit us," says Carrel. "It has been erected without any knowledge of our real nature. It was born from the whims of scientific discoveries, from the appetites of men, their illusions, their theories, and their desires."

For example, "although physicians, educators, and hygienists most generously lavish their efforts for the benefit of mankind, they do not attain their goal. For they deal with schemata containing only a part of reality. The same may be said of all those who substitute their desires, their dreams, or their doctrines for the concrete human being. These theorists build up civilizations which, although designed by them for man, fit only an incomplete or monstrous image of man. The systems of government, entirely constructed in the minds of doctrinaires, are valueless. The principles of the French Revolution, the visions of Marx and Lenin, apply only to abstract men. It must be clearly realized that the laws of human relations are still unknown. Sociology and economics are conjunctural sciences."

So Carrel attempts, within the confines of one volume, to describe the real human being insofar as scientific knowledge is available. As experiment gnaws its way into the physiologically unknown, Carrel concludes that "all our activities cannot be expressed in chemical terms."

In the chapter, *Mental Activities*, Carrel upsets some traditional views. "Dualism has weighed heavily upon the entire history of our knowledge of man," he states. "Neither the soul nor the body can be investigated separately. We observe merely a complex being, whose activities have been arbitrarily divided into physiological and mental. What is thought, that strange being, which lives in the depths of ourselves without consuming a measurable quantity of chemical energy? Is it related to the known forms of energy? Could it be a constituent of our universe, ignored by the physicists, but infinitely more important than light? Is it produced by the cerebral cells, like insulin by the pancreas and bile by the liver?"

"The existence of telepathic phenomena, as well as other metaphysical phenomena, is not accepted by most biologists and physicians. The attitude of these scientists should not be blamed. For these phenomena are exceptional and elusive. They cannot be reproduced at will. Besides, they are hidden in the enormous mass of the superstitions, lies, and illusions accumulated for centuries. It is, nevertheless, a fact that they are a normal, although rare, activity of the human being."

In discussion of the emotions, Carrel has this to say, in

part: "It seems that the violence of the emotional moods diminishes when wealth increases, when education is generalized, when diet becomes more elaborate. At the same time, affective functions are observed to separate from intelligence, and to exaggerate unduly certain of their aspects. The forms of life, of education, or of food brought by modern civilization perhaps tend to give us the qualities of cattle, or to develop our emotional impulses inharmoniously."

"Envy, hate, fear, when these sentiments are habitual, are capable of starting organic changes and genuine diseases. The instability of modern life, the ceaseless agitation, and the lack of security create states of consciousness which bring about nervous and organic disorders. The diseases of the mind are a serious menace. They are more dangerous than tuberculosis, cancer, heart and kidney diseases, and even typhus, plague and cholera."

"Pessimism stands forth in one bold paragraph: 'The distribution of mental activities varies greatly in the different social groups. Most ci-

vilized men manifest only an elementary form of consciousness. They produce, they consume, they satisfy their physiological appetites. They also take pleasure in watching, among great crowds, athletic spectacles, in seeing childish and vulgar moving pictures, in being rapidly transported without effort, or in looking at swiftly moving objects. They have no moral, esthetic or religious sense. They are extremely numerous. They have engendered a vast herd of children whose intelligence remains rudimentary.'"

He summarizes: "The sciences of inert matter have led us into a country that is not ours. We have blindly accepted all their gifts. The individual has become narrow, specialized, immoral, unintelligent, incapable of managing himself and his own institutions. But at the same time the biological sciences have revealed to us the most precious of all secrets—the laws of the development of our body and of our consciousness. This knowledge has brought to humanity the means of renovating itself. As long as the hereditary qualities of the race remain present, the strength and the audacity of his forefathers can be resurrected in modern man by his own will."

"We will be faced by a single obstacle, our inertia. The economic crisis came before the complete destruction of our ancestral qualities. The spontaneous crash of technological civilization may help to release the impulses required for the destruction of our present habits and the creation of new modes of life. The spirit and the techniques of science are our most precious possessions."

The suggested remaking of man has many phases. Carrel would begin with a key profession the world over—medicine. It could "enlarge its field, embrace the relation of the body with the material and mental world. . . guide the development of all our organic, mental, and sociological activities."

A high council of science would be established. "It should perpetuate itself automatically, in such manner as to radiate ever young ideas. Democratic rulers, as well as dictators, could receive from this course of scientific truth the information that they need in order to develop a civilization really suitable to man."

By their singling out children endowed with high potentialities, and remodelling education, a non-hereditary aristocracy of intellect would be set up. Eugenics would be used to conserve the best qualities of a generation. Social classes would be synonymous with biological classes.

Finally, "Culture without comfort, beauty without luxury, machines without enslaving factories, science without the worship of matter, would restore to man his intelligence, his moral sense, his virility, and lead him to the summit of his development."—E. S.



Men can be measured



Science Discovers Thought Wave

What Is Money?

(Continued from page 9)

Before the silver dollar coin was discovered and panned out of slupe into a cube, it was a legal tender good for one dollar gold because it contained the promise of the United States government to keep it on a parity with gold. For the pure metallic silver content in the American silver dollar to be worth its full monetary or face value, it will be necessary to have a market price for silver of U.S.\$1.2929 per fine ounce.

Gold and silver are commodities. They are the products of labor; they are the things exchanged for something else. The coining of the precious metals is a device to facilitate exchanges. Gold and silver are coined because every man cannot take a chemist outfit with him; he cannot carry a crucible and retort, scales and acids, and so the governments coin them, simply to certify how much gold or silver there is in the gold or silver piece. The coining of thirty-five (35) cents worth of silver, for example, does not make it worth a dollar; the coin (then, a "token coin") is given the value of a dollar not because it is legal tender but because of the promise of the government to keep it on an equality with the gold dollar.

Gold and silver get their value from labor. The dollar in gold, for example, represents, on the average, the labor that it took to dig and mint it, together with all time and expense of the man who looked for it without finding it. The dollar in gold, on the average, will or should buy the product of the same amount of labor in any other direction of industrial activity.

Currency meant originally the capacity of being current, or, as Samuel Johnson (1709-1783) defines it, "the power of passing from hand to hand". It was applied to the thing that was so current, and, generally, to whatever, by being current among any nation or class of persons, served as the money with which they bought commodities or pay their debts.

In modern times, it denotes money itself, as fixed by law. There is metallic currency in vogue, as well as fiduciary (banknotes) currency. A depreciated currency means metal or paper currency circulating for less than its face value. During the Civil War in the United States, the paper dollar sank in 1864 to 38 cents; it did not reach par (100 cents) till 1879. A depreciated currency may be created by a government calling notes or any other form of money a legal standard, and issuing a greater quantity of it than the real transactions of the country and the property passing from hand to hand require.

Token money consists of subsidiary coins the intrinsic value of which is below the face value. In the Middle Ages, silver was very scarce, and prices were extremely low. In a petition of the date of 1330 in England, it was pointed out that "beer is one penny for three gallons", and that a penny was the smallest coin, and the petitioners prayed that smaller coins might be struck to pay for little purchases and "for works of charity". The smallest coins cannot be made of the precious metals of full value and accordingly baser material must be used.

Fiat money means irredeemable paper money made legal tender by law. The word "fiat" is Latin meaning "let there be", or "let it be done", and the fiat money advocates believe that the government has but to say, "let it be money", to invest paper with value. The typical

fiat advocates in the United States were the "Greenbackers", those voters who wished to re-tin the paper money issued in the Civil War (A.D. 1861-1865), and to increase its amount greatly. They saw in paper money an unlimited source of income to the government. They proposed the payment of the national debt, the support of the government without taxes, and the loan of unlimited money without interest to citizens. All might live in luxury if the extremely fiat money theorists could realize their dream.

Money cannot be the creature of law, although law may, at times, be the creature of money. We cannot create money by law any more than we can create rice, corn or mangoes by law. When the volume of currency is inflated, it is at the expense of the creditor class; when it is contracted, or currency deflated, it is at the expense of the debtor class. Every paper dollar issued for circulation should be able to hold up its head and swear "I know that my Redeemer liveth". We cannot bring prosperity by merely cheapening money. If the prosperity of a country depends upon the volume of its currency, then the successful counterfeiter is a public benefactor.

Bimetallism is the name given to a monetary system in which both gold and silver are on precisely the same footing as regards mintage and legal tender. A bimetallic standard therefore denotes that a country has both gold and silver conjointly.

In 1792, the United States government, based on the investigation and recommendation of Thomas Jefferson and Alexander Hamilton, made gold and silver the standards, and they went on and issued American dollars 15 to 1 which was the approximate value-ratio of silver and gold prevailing in the commercial market at that time. But where you have two metals and endeavour to make a joint standard, or double standard, it is very hard to keep them even. They vary, and, as the old saying goes, "when two men ride a horse, one must ride behind".

The principal difficulty in the adoption of both metals as a joint standard is that the joint standard or double standard would be in reality a fluctuating single standard because, considering the variations in supply and demand of the two metals, variations must constantly occur in the relative market values of gold and silver considered as bullion. Thus, in England in 1717, according to the ratio adopted by the advice of Sir Isaac Newton, gold was compared with silver, overvalued about 1-1/2 per cent, that is to say, gold was so much more valuable as currency than as metal. Consequently, the full weight silver coins were withdrawn, and gold became the principal currency. In 1816 Great Britain demonetized silver and adopted the gold standard.

In France, on the other hand, at the time of the great Revolution (A.D. 1789-1799), silver was slightly overvalued, and thus became the principal currency, the gold being to a large extent driven from circulation.

In the United States, in 1806, when Thomas Jefferson was President, the coinage of silver was stopped, as there was too much silver in the dollars and people, instead of passing them around, put them aside and sold them to the silversmiths or exported them for profit. In 1853 the United States gold standard was in fact adopted and silver in that year was demonetized.

Other things remaining the same, an increase in the quantity of money will raise general prices. This theory is confirmed by the effects of the great discoveries of gold in Australia and California about 1850. Similarly, in the 16th century, when silver was the standard money, the discovery of the silver mines of Potosi (Bolivia, South America), caused a great rise in prices. Conversely, a decrease in the quantity of money, or a contraction of the currency, will operate to lower general prices.

The quantity of standard money, other things remaining the same, therefore determines the general level of prices, but the quantity of token money, or subsidiary coins, issued, is determined

(Please turn to page 36)

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LETTERS

Notes on a Trip to Saigon-Angkor, Bangkok and Singapore

(Continued from December, 1936)

Prasat Kraan. Brick temple, Siva. Siemreap River makes a light turn in center of Angkor Group. It is now thought that Angkor Thom is built on an older site.

8:00 to 8:00 P. M.

Zoo. Village. Water wheel, grinding corn. 10 Km. to Phnom Krom Mt. See Tonle Sap (Lake). Angkor Wat and Koulen Hills. Then to West Lake, 8 Km. artificial, with water and bathing. It balances Mebon Lake, which is dry.

* * *

Shooting

December, January, February, March best time. .405 rifle. From Kompong-Thom 150 Km., Siemreap, 40 Km. General license covers tiger, gaur, deer, buffalo. Three-day trip, \$150.00 all expenses, car, food and guide. Success guaranteed. Night shooting any time, \$35.00 deer guaranteed, perhaps tiger and gaur. Guide will furnish gun, car, etc., for night shooting.

* * *

Trip to Bangkok

Leave hotel at Siemreap 5:00 A.M. Stop at 7:00 A.M. Sisophon Hotel, Aranya 8:15. Train leaves at 9:30. Tip chauffeur \$1.00 per day. Money may be changed. Mountains to North. Rice, mills, windmills and treadmills. Siamese ball game. Lunch carried from hotel. Arrive Bangkok 5:00 P.M. Clean trip, but a long day. Tin roofs in Siam. Oriental Hotel on River, excellent. Bangkok a modern city. Exchange. Two Tical, \$1.00 gold. French R.R. stops at Sisophon for military reasons.

* * *

Bangkok, Siam

Originally, Cambodia and Malaya were part of Siam, but France and England moved in. Bangkok 150 years old. Siam ruled by three Regents for nine-year old King. Good rail system, wood burning. No roads. Teak wood in North. Rice, rubber and tin in South. City located in bend of river as protection against Burmese. Universal military service.

8:30 to 11:30 A. M.

Wat Po reclining Buddha, 49 m. long. White walls, sharply gabled roofs. Yellow tile and glass mosaic. Very colorful. All Siamese become priests for a short time.

Wat Rajabopitr. Pearl inlay on teak doors. Dwarf trees.

Pasteur Institute. Cobra, King Cobra and Banded Kraik. Venom extracted and horse serum made an antidote.

Giant Swing.

Wat Sutat. Bronze Buddha. Fine murals. Government schools in all temple grounds.

P. M.

Golf at Royal Bangkok Sports Club. Dance at the Tien Lao. Siam Hotel Cabaret.

9:30 to 12:30 A. M.

Palace and see white elephant and monkey. Legislative Building. Royal Palace and Emerald Buddha temple. Very grand. Small temple, bells on eaves. Lantern Bazaar.

7:30 to 10:30 A. M.

Launch from Hotel up River to Klongs and water market.

Wat Aron, temple of dawn. Tomb of first King who was Chinese. Plates confiscated for decorations.

4:00 P. M.

Train to Penang. Hua Hin seaside resort 225 Km. South. Good train, Diesel engine. Arrive Padang Besan, Fed. Malay States. Here good roads start. From Prai, ferry to Penang. E. & O. Hotel. Wembley Park. Chinese theatres and Balinese Dancers.

Penang. Port for Northern Malaya. Drive to Waterfall Park. Race and golf course. Fine residence. Town very colorful. Chinese, Malay, Indians. Snake temple. Hoo Kongsi house, very fine stone and wood carving.

8:00 P. M.

Train to Singapore. Pass Ipoh, richest tin mine in world. Change at *Kuala*.

Lumpur, capital of Malay States. Looks like Baguio, hill resorts, commercial center. Chair car to Singapore. Rubber, oil palms, pineapples and durian. Rubber needs even climate, 100" rain per year. Trees bear at 5 years. Sap is latex, coagulated chemically and smoked. Baled and exported. Chinese have shops, Indians work plantations and Malays sit.

Singapore.

Arrive 6:00 P.M. over Johore Causeway. Raffles Hotel. Island settlement started 1810 by Sir Stamford Raffles to compete with Dutch. Very impressive city. Clean, cool, wide streets. Free port, Japanese getting trade. Opium govt. monopoly, however Chinese are using more beer and cigarettes. Great shopping center. Coolie labor 40¢ a day. Straits dollar between peso and dollar gold. Batik is heavy cotton waxed and dyed, then soaked in oil. Japanese control fishing. Good polo. Raffles Museum excellent. Fine gold course. New World Amusement-Park. Chinese taxi dancers. Good riding by reservoir. Arab Street for Sarongs.

Military-Naval-Air Situation.

Large Naval Base between Island and Johore. Monitor and floating dry dock oil tanks close together. Mine laying cruiser. Four Regts. Artillery at Changi and Other Harbor Defenses. Two battalions infantry at Tanglin Barracks, one battalion up country. All Federated States have volunteers. Army HQ at Ft. Cannanning—, same set up as Philippine Department. Large air base next Navy Base, both land and sea planes.

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Manila-Saigon 850 miles, ship 3 days
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Saigon-Aranya 450 miles, motor 4 days. Includes 2 days at Angkor.

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Stop-over, 1½ days.

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Singapore-Manila. 1230 miles, ship 4 days.

The above may be made for \$500.00 per person plus extras. The above notes cover extra days as follows:

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Bangkok 1-1/2
Penang 1
Singapore 6

Hotels are roughly 10 Piastres, Ticals or Dollars per day for room and meals. Cars two or three Piastres, Ticals or Dollars per hour.

Thoughts Current

• By Ernest M. Hopkins

Traveling in Europe last year, I had some unusual opportunities to learn about the grave changes in the fate of nations made by the rival philosophies of Communism and Fascism, and to reflect upon these. I saw Fascism at work in Italy, and I met friends who had been intimately in touch with affairs respectively in Russia and in Germany. The testimony was unanimous, and the evidence supporting this was indisputable, that the character of great peoples was altering and that fate, ever dependent upon character, was altering with it. Mussolini, Hitler, and Stalin were guiding their nations to new and strange ideals and aims. Those aims and those ideals I abhorred, but I could not be indifferent to many phases of the spirit engendered by the austere and determined purpose which offered no bribe or bounty but demanded that men and women do something held up to them as duty, cost what it might in suffering, poverty, and death.

The aims to be reached seemed to me sinister, the very negation of that freedom which develops young men and women intellectually and morally. But here, at least, the people were not told that material comfort was their right, that whether they sought work or not a comfortable living must be provided for them; and, more than all, they were learning to know that life held a purpose for them ampler and less selfish than their own individual salvation.

When I came home, how different was the scene! Here was the country dedicated by our fathers to the ideal of a commonwealth wherein the purpose of government was that opportunity should be open to all; where the age-long barriers between class and class should be no longer insurmountable; where men must work for their reward, and when work was done that reward should not be withheld; where self-respect carried with it the respect of the community; where it was a common obligation, not to be shifted to town or county or state, for a man to help his own, up to the very limit of his capacity.

Here in America it is doubtless true that the aftermath of war and the natural forces of 1920-1930 have helped to weaken the American spirit, but it appalled me to see the artificial political forces of the Roosevelt régime devoted to breaking down and making soft the whole structure of life among us, not only in its physical but in its mental and spiritual aspects. It seemed to me that all the forces of democracy dedicated from the foundation of the Republic to hardening the self-reliance and personal responsibility of every citizen were now being utilized to belittle and undermine the very qualities of individualism which made this country strong and through which its future lay. It seemed to me that a premium was being put upon class warfare rather than upon cooperation. In short, I had the acute sensation that instead of returning to the Land of Promise, which I had always considered the United States to be, I was returning to a land where erratic and ill-considered experiment was being substituted for anything like rational progress, to a land where for the first time the qualities which had made the country great were being abandoned and even held up to contempt as compared with new qualities, qualities whose validity had never been proved in any group, not even those centring in Moscow, Berlin or Rome.

I am not saying that we are on the road either to Fascism or to Communism. I do say that we are abandoning the spiritual heritage of America, and as I think of these things I am tempted to bitterness. But I keep clearly in mind that the deeds and policies of the last four years are not all evil. I remember the gallantry and confidence with which the President took the helm at the height of the storm. I remember the determination with which through the Hundred Days he steered the ship.

But I think, too, of the New Deal. The New Deal is misnamed. It is, in truth, a New Game, the objectives of which are vaguely defined and the rules wholly indeterminate.

What its exponents purport to ask from us is something quite different from what they are likely to demand, if future practice is to be judged by past performance. Ever on their lips is the preservation of American institutions. They profess themselves desirous merely of modifying them. But it is simply a matter of record that the Administration has ignored most of the philosophic concepts on which our government was founded. It has been bitterly critical of any restraint upon measures which would in effect be the permanent abandonment of Americanism. The great question before our people is whether the nation shall still hold to the tried and proved principles of our history or whether it shall abandon them for new theories and practices of government the merits of which are wholly problematical.

It is not necessary to impugn the motives of the leaders who are dominating the government at the present time to question their wisdom. There is little point in arguing about their sincerity, although I, for one, do not doubt it. What is all-important is that there shall be presented to the American people a true diagnosis of the ills which affect them, and that they shall be given an understanding of the extent to which these ills are organic, or, on the other hand, incident to the supposedly curative treatment which is being administered to them.

II

The national Administration is entitled to credit for improvement of national conditions only as that improvement has been greater under its management of affairs than it would have been if that management had not been undertaken. Materially, we are better off than we were four years ago. That I grant. I do not grant that this improvement is greater than it would have been without the ministrations of infinite government bureaus. But, absolutely regardless of this, it still remains a fact that the gain has been secured at a costly price. It has been purchased by the sacrifice of moral and spiritual values, for it has engendered a well-nigh universal spirit of covetousness.

One of the most sapient aphorisms of which I know is that it takes a tragic amount of time on the part of the wise to correct the mistakes of the merely good. The misfortunes of the present day may easily become catastrophes if the process is continued of dissipating our inheritance of courage, initiative, fortitude, and aspiration. Under the impulses of these qualities a struggling people organized the government and overcame great difficulties to set up the principle that every man is entitled to an equal opportunity. To argue that this ideal has not been fully attained is not to demonstrate that it has not been more fully attained in America than anywhere else in the world.

When, before the New Deal came to America, has it been assumed that no distinction should be drawn between men of varying capacities who strive to make use of America's opportunities? With the record behind us of accomplishment greater in magnitude than the world has ever known in the same brief span of years, we are asked to believe our slowly evolving form of government a failure and to credit the absurdity that the welfare of the population at large is something other than the sum total of the welfare of the individuals which compose it.

I suppose that it is always an inevitable instinct of the reformer to disregard experience in order that he may be free for complete experimentation, but this is an unsafe claim to grant in political affairs. A story told by Graham Wallas in his Dartmouth lectures some years ago bears definitely upon the matter of accepting new hypotheses of life formulated from the data of half-truths. He said that in the middle of the last century, when Baron Justus von Liebig was one

(Please turn to page 44)

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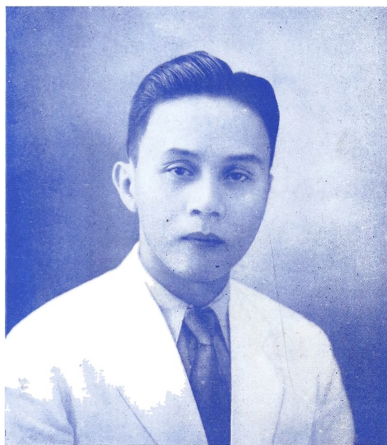
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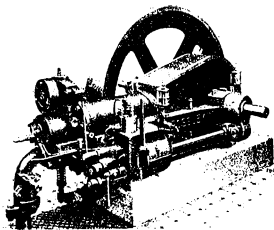
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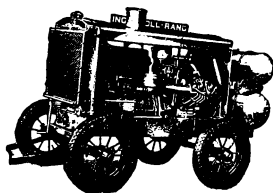
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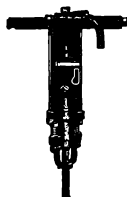
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The New Engineer in the Philippines

• By Earle W. Bedford

The unprecedented influx of mining engineers to the Philippines as a contributing factor to the general extension of mining interest in development of new areas of mineral potentiality again denotes, and commands, the resourcefulness characterizing the successful engineer. He is here confronted with problems presenting considerations of such differing nature than those having been common to his previous experience, or as may have developed during his training, that only those able to adjust themselves to conformity with the new environment are assured of any degree of early success.

He is to eventually, if not forthwith, find himself identified with a chaotic and conflicting, situation of mining claim title which has apparently not been clarified—probably due to a great lack of desire among certain claim locators to have the legality of their locations determined at court, particularly when there is an existing element in toleration of the prevailing recourse to bolos, or the more opulently hired rifle and shotgun guards. In any event a fine opportunity for a venture-some spirit, one not too easily discouraged in the exercising of almost super-human tact when beset with adversity rarely experienced elsewhere. The conditions above indicated need not be elaborated inasmuch as each engineer will experience these, and other, perplexities early in his Philippines career, and he is hereby forewarned that whatever his solution, right or wrong, he will be liable to criticism from some quarter.

Initial ventures into the several mining districts in the provinces will startlingly convince the newly arrived engineer of the extreme contrasts between almost every condition allied with mining enterprise here as compared with the conditions, practice and procedure, known to him in his previous experiences. Noteworthy in this respect is—for igneous structures of such comparatively recent age—the rather complex geologic features expressed throughout the archipelago. Superficial tropical influence, predominantly the clayey residual products of weathering; the prevailing mantle of jungle vegetation; as also the massive flanks of upheaved, and negligibly eroded, sedimentary schists, limestones, shales, and alluvials serve to expansively obscure igneous formations favorable to the harboring of ore structures. An open mind, one not too prone to correlate our geology with that of Western North America, even though there are many comparable features, will be an invaluable trait, and obviously one compatible with an early ability to examine toward more accurate conclusions.

It is one of the early tribulations suffered by an engineer that he may be delegated to examine a property comprising fifty, or more, claims upon which the only work in progress is the intense cultivation of rice paddies. I should point out that in this relation there is indicated for him an extraordinary aptitude toward applying a geologic training to the problems in hand, as also an ability to satisfactorily report the conditions subject to observation. If, however, he is to investigate a property having some degree of merit he will, as stated, find many of the formation features obscured, and more often than not, very little development—even trenching—will have been done upon exposures of ore.

Not every engineer encounters the situations merely implied in the foregoing. There are many properties here meriting their keen interest and incentive; also there is ample finance for legitimate mining enterprise. Capable engineering, sound

financing, and a willingness among corporate bodies to actually undertake development of favorable prospects intelligently, can not but react to an ever-broadening of Philippine mining; provided, of course, some of the tactics now in vogue do not obtain to the end of driving speculative capital from the financial support of new ventures.

Among engineers arriving to connect with operative positions—either at established mines or prospective developments—there is indicated a great degree of patience in training available labor for the work in hand. In the older established mining districts, employees in both mining and milling work have been trained to satisfactory stages of efficiency. There is no accurate record of the teeth-grashing, the vituperation, exhortation, or other forms of emotional expression having been vented in the achievement, but nevertheless there is a record of well-trained labor in, and about, the established mines, and patience, combined with a study of the limitations of the inexperienced employee, has been largely responsible.

It is incumbent upon any engineer, for his own sake and the interests of his employers, to make the effort as soon as consistently possible to procure a license in conformity with the Commonwealth's requirements. Obviously his standing is enhanced, and his work has the sanction of the several bureaus concerned with mining, and mining corporations.

Should an engineer be eligible for a license he must ultimately procure it here, and it is unfortunate that companies employing engineers do not all make it a point to acquaint their men with these requirements prior to their leaving the homeland. Under the requirements the several parties vouching for an engineer's integrity and ability should be acquainted with the applicant for at least six months. Much time could be saved if prospective technical employees were provided with all necessary blank forms for their license applications prior to their departure for the Philippines.

Health, and a constitution strong enough to withstand the ever-lurking deprivations of dysentery, ptomaine, fevers, ulcers, insect infections, rheumatism and other results of exposure, are a necessary requirement for any engineer here—especially those delegated to remote localities. Parasitic infections affecting the skin, as also the intestinal tract, are a source of perhaps more misery than is generally appreciated. One must be continuously guarding against these maladies which, in the midst of jungle fith, are the forerunners of ulcers and other infections often leading to blood poisoning—even gangrene—all to the individual's remote chance of availing himself of medical assistance in time to save his life.

Water at all times, and places, must be boiled. Native cooks and personal boys often look upon this procedure as "another crazy American idea", therefore it behooves one to personally know the water is boiled. Never drink from a stream—regardless of the crystalline-clear appearance of the water. Jungle people are not versed in the laws of sanitation, and for some reason seem to have developed immunization, to a degree at least, from the several sources of intestinal infection to which you and I would succumb. They, in this respect, are often carriers without experiencing any ill effects.

(Please turn to page 30)



The Philippine Mining Racket

With further apologies to those companies and associations that really possess payable mines or potentially payable prospects and are honestly operating or developing the same

By R. Y. Hanlon

Another phase of the mining racket which shuns the light of publicity is what may be termed the "Director Racket."

In order to carry this off with proper technique and aplomb, a prominent man of rectitude and standing in the community, is selected and induced by plausible arguments to act as president of the company.

This is the "front", or window dressing.

The less practical knowledge of mining possessed by the president, the better for the schemes of the directors, their henchmen, parientes, touts and promoters, all the parasites which flourish and grow fat around these racketeering promotions.

A set of trick by-laws are prepared, so written as to give the president no powers which might hamper the future "Wallingtondesque" actions of the directorate. A permit having been secured to sell stock, or invite subscriptions to the shares, units or what have you, of the company, and funds started pouring into the treasury, the looting process may be begun. The slogan now becomes "every man for himself and the Devil take the hindmost".

Thousands of pesos monthly can be milked on padded payrolls. Instances are known where no laborers or work-men are on the property, or ever have been, yet large payrolls are made up passed by the unsuspecting president, and the funds therefrom divided among the directors and their henchmen.

Fake supply bills are another fertile source of revenue. These may be worked very smoothly when the company auditor happens to be one of the inside men.

Frequent junkets and "inspection" trips to the property,

which seldom go beyond the boundary of some directors home town, afford excellent opportunity for withdrawing fat sums under the heading of expenses.

One of the best executed big steals encountered to date, and put across with the o. k. of an honest but misinformed president, was the purchase from company funds, for company account, of a group of adjoining worthless claims, staked and held by dummies of the directors. The deal had no legal flaws and the loot was divided among the "boys" according to the best racketeering procedure.

Another fertile source of steady income on a smaller scale is the fee payment for attending directors meetings. These fees range from 10 pesos per meeting to 50 pesos, depending upon the cupidity of the directors. An instance is reported of 100 pesos per meeting. This is probably tops for this sort of thing. If not, it should be.

Directors meetings are called upon the least provocation. They usually accompany a luncheon, at the expense of the company naturally. Fees are collected irregardless of the duration of the meeting. It is a directorate quite barren of ideas which cannot arrange from 3 to 5 such meetings weekly. The fee yield should at least be sufficient to cover modest living expenses.

The "squeeze" on supplies purchased is of course not neglected. This may be anything from 10 to 25 percent, depending upon the rapacity of the gang.

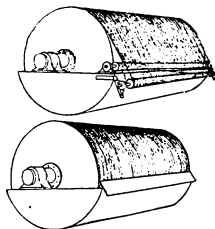
A "station wagon"—automobile with pick-up body—makes an excellent adjunct. This can be borrowed for week-end

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Corporate Crookedness

By Juan F. Hilario

Our mining industry gives great promise in the near future. It has produced in 1936 approximately P43,000,000 in gold. And it is estimated that the production this year will reach P55,000,000. At the present rate of growth, the mining industry will certainly supersede the sugar industry as the premier Philippine industry by 1940.

But there is today a breakdown of the legal provisions governing corporations engaged in the mining industry, thus enabling crooked corporation officials to commit corporate offenses without punishment. It looks as if the legal provisions referred to can be violated through trickery and subterfuge, and the unfortunate circumstance attending this mess is the fact that this "powerful" government appears to be helpless to save and rescue the gullible investing public from the clutches of the corporate malefactors.

Dirty work

The corporate form of organization is a ready means by which dishonest individuals may defraud the investing public. There are many forms of crookedness practised in this country. Some of them are punishable and some of them are legal.

Notices appearing in the local press about corporations seeking permission from the Securities and Exchange Commission to sell their stock certificates to the public are interesting. In some of them, promotion fees are fixed at 10 per cent of the proceeds of the sales. In my opinion, the sum is rather exorbitant. In others, salaries of managers and other officers of the corporations are fixed at rates which these men can never hope to receive in the government or in private companies other than mining companies. It must be taken into account that mining ventures involve all possible degrees of hazard. Why, then, levy on the stockholders such exorbitant salaries? Of course, the Securities and Exchange Commission is not empowered to stop this corporate extravagance.

Time and again, the local press has shown that the mining industry appears to be concentrated in a few hands. It thus appears that the provision of our general corporation laws stating that "it shall be unlawful for any corporation organized for the purpose of engaging in agriculture or in mining to be in anywise interested in any other corporation organized for the purpose of engaging in agriculture or in mining; it shall be unlawful for any person owning stock in more than one corporation organized for the purpose of engaging in agriculture or in mining to own more than fifteen per centum of the capital stock then outstanding and entitled to vote of each of such corporations; it shall be unlawful for any corporation to own in excess of fifteen per centum of the capital stock then outstanding and entitled to vote of any corporation organized for the purpose of engaging in agriculture or in mining," has been grossly violated.

Government action

It seems to me that corporations violating the provisions of paragraph 5, Section 13 of our Corporation Law should be dissolved by action of the government. Our Secretary of Justice is the foremost corporation lawyer in the Philippines, and perhaps action of the government should be initiated by him.

From a close study of the mining corporations, I have come to the conviction that in some of them, the common run of stockholders has been and is being exploited. Of course, exploitation differs from simple fraud in that it is more subtle, more difficult to trace and expose, and ordinarily gives no grounds for legal action to obtain redress. Exploitation is the twilight between legitimate business shrewdness and unquestionable fraud.

One of the simplest and most common of

methods is through payment of exorbitant salaries. Thus we find that dividends paid are unusually low as judged from the proportion between capitalisation and production.

Another common method of exploitation is through misuse by officers or directors of information which comes to them on the "inside" but which is unknown to the thousands of stockholders.

How to defraud

Here is one legal method of making piles of money to the detriment of the stockholders in general. A person closely related to an important official controlling a certain mining company held some 800,000 shares some four months ago. The stock of the company was selling high. These 800,000 shares were unloaded on the market by lots of 50,000. The outcome was that the stock tobogganned, thus the stockholders lost many thousands of pesos.

Promoters, mine managers and operators, and officials of mining companies reap a rich harvest in salaries, bonuses, and dividends. The common run of the shareholders pay for their inexperience and gullibility.

My advice to the investing or speculating public is that they should protect themselves rather than depend on the government agencies for their protection.

Advice

Here is a good advice from a business teacher: "If investors spent one-tenth of the energy studying finance, that they spend sitting before brokers' boards reading meaningless figures, hunting for tips, and feverishly absorbing the daily mass of false information that is carefully prepared for them by hungry promoters, the hallucination of par value would not long exist."

The Securities Act is good enough for present purposes. There is lacking a provision, whereby the officers of a given corporation should be compelled to declare larger dividends instead of withholding large sums of money as reserve or surplus funds.

The employment of the best available technical, financial, and legal experts does not necessarily favor the interests of the general run of shareholders. On the face of it, it rep-

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Short Wave

• By Goldilocks

I spent a most exasperating evening recently with some people who, until that night, I had looked upon as friends.

Having recently returned from a prospecting trip in the Upper Marsala Valley of Hindoo China, I was asked round to dine with these friends and meet a few of their acquaintances who were interested in hearing of my experiences in this little known part of the world.

Conversation at dinner was of the type invariably met with at a Manila gathering; commonly known as "small talk", and so small that no amount of magnifying could render it even noticeable. Anyway it was entirely trivial, and all attempts made by me to bring the conversation round to the Marsala Valley were immediately side tracked or completely ignored. The guests seemed far more interested in discussing the faux pas which So and So had made at last night's cocktail party or in talking about the film then showing at the Metrocappitate. I have noticed the same thing when returning to England on leave. Nobody wants to hear about the Philippines ("Somewhere in Havana isn't it?"), but they inflict on you all their petty troubles, such as how the green-grocer failed to call yesterday or that the bathroom water heater is giving trouble again.

However I concluded that, once dinner was over, the guests would gather round and ask me to hold forth on my adventures, but not a bit of it; I had fallen into the clutches of a gang of radio fans and, if you don't know what that implies, you will by the time you reach the end of this dinner party.

It appeared that my host had just purchased a new radio and that we were all expected to sit round and applaud its performance. Almost immediately after the set was switched on, the unmistakably sharp crackle of machine gun fire and sounds of distant explosions were heard, whereupon I remarked intelligently that Madrid must be enduring yet another severe bombardment. One of the guests, showing ill concealed disgust at my ignorance, informed me that the noise was not Madrid but was caused by an auto-calesa passing down the street! If so much row could be caused by a small auto-calesa, I thought it my duty to warn the party that I could see three carromatas and a bull-cart approaching, but was told that horses and carabaos do not possess ignition systems. I don't know what they meant but it was obvious that I had said the wrong thing again.

Then somebody asked what was the general opinion regarding a doublet and I replied that I had no idea that they were still worn, suggesting that the speaker had probably meant a singlet. Again I had put my foot in it, as apparently a doublet is some form of aerial cats-cradle designed to extract the short waves of wireless from the ether. This sounds as though I was becoming conversant with the mysteries of radio, but all this information was picked up in the course of the evening.

Another very disturbing factor to the beginner is, that you cannot be guided by what you hear. For instance, if you switch on to a voice speaking English with a French accent it is probably Berlin giving their "latest News Bulletin

in English", and similarly you must not be surprised to hear that an announcement in Spanish is coming from Rome. Rome also broadcasts in English as do Sydney, Australia, and Bound Brook, New Jersey, but these two latter stations are easily recognizable by their accents. On the other hand, London occasionally sends out a programme in Somerset or Yorkshire dialect of even in Welsh so that you will probably be deceived into boasting to your friends that you have heard Moscow. So you see how complicated short wave listening is becoming. Anything completely unintelligible may be safely logged as any one or a combination of the following:—

- (a) Nanking speaking Chinese
- (b) Tokyo speaking Japanese
- (c) Java speaking Javanese
- (d) Peking speaking—(You say it—I refuse to be funny)
- (e) "Scrambled" phone talks
- (f) Static

We could continue on to the end of the alphabet like this, but as the above were only inserted to fill up space we will spare you the rest. When in doubt your best bet is always "Static". This sounds superior and gives your friends the impression that you do know something about radio after all.

"Scrambling" by the way, has nothing to do with eggs, but refers to a method recently introduced whereby telephone conversations are rendered unintelligible to third parties. This has annoyed short wave fans intensely, as, before its introduction, they were able to eavesdrop on the most intimate conversations between distant parts of the world, and then regale their friends with such choice little excerpts regarding what the bearded Frenchman in Saigon said in his little bit of huff in Paris. Although why the Frenchman should be bearded and what use to him was a lady friend 10,000 miles away in Paris, goodness knows, but all short wave radio fans are most atrocious liars anyway.

Fishing stories aren't in it when you get a bunch of radio fans spinning yarns of what long distance feats they have achieved on the air. The great idea is to boast of the large number of different countries that you have heard and my host on this occasion was in his element twiddling knobs and occasionally extracting some fairly intelligible sounds from the background of roaring and crackling to announce "Paris" or after more painful boillings and splutterings "Holland". And so it went on for the rest of the evening and even I began to forget about the Upper Marsala Valley. Eventually my host brought his world cruise to a halt by allowing us to listen for fifteen minutes without interruption to the Empire News Bulletin from London. Attempting to show my appreciation I remarked how clear the reception was, and was told that it was coming to us via Hong Kong, to which I replied that I should have thought it would have been more direct to send the broadcast via Suez. This brought the party a close in an uproar at my expense, but I am determined to get even with these folks and am going out to buy myself a short wave radio right now.

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Corporate . . .

(Continued from page 21)

resents high salaries in diminution of possible dividends.

Investors will generally put their money in stocks whose quotation in the market does not fluctuate much. Speculators may follow carefully the manipulations of the market prices by the cleverest gang and thus make money.

Native handicaps

Filipino companies own some really good mining properties. Their lack of ability to boost prices has handicapped them. Others with almost worthless mining properties were able to raise prices to 5 and even 10 times the par value. Filipinos have yet to acquire the technique of a Colonel Sellers or a J. Rufus Wallingford.

Investors must beware of mining companies or managing or operating companies which refuse to furnish information to bonafide applicants. Of course, confidential information must be withheld from the public.

It is another form of corporate crookedness that the pleasure trips abroad of corporation officers should be paid from corporate funds. To be sure, there is no law to stop this practice. Of course, a trip to find market for the product

of the company should be paid for from corporate funds.

For a generally keen analytical mind, it is easy to judge from the rate of dividends, the market quotations, and the nationality of the controlling officers, what corporations are guilty of corporate crookedness.

The danger of manipulation of prices of stock is more imminent when an organization controls many mining companies through management or operating agreements or contracts. An organization may be so powerful that it can ignore public interest and law.

—National Review.



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RECENT INSTALLATIONS

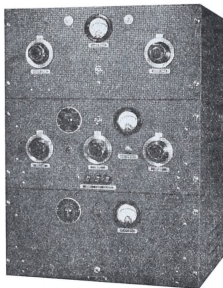
MR. N. PÉREZ, c/o Santa Clara Lumber Company
Punta Flecha, Zamboanga
Mrs. J. REICH, Pasay, Rizal
MR. A. DE LANGE PASAY, Rizal
MR. R. P. ROCKS, Pasay, Rizal
MR. M. R. KAROLCZUCK, M. S. "Latitude",
Manila Bay

The Premiere Mineral Exploration Association

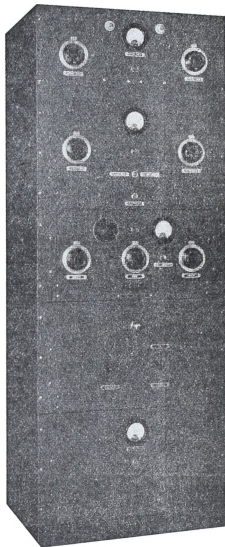
The Premiere Mineral Exploration Association has just opened a complete assay laboratory right in the heart of the town of Surigao. The laboratory is said to be the most completely equipped in Surigao or in the whole of the Southern Islands. J. C. Malina, an Austrian Mining Engineer formerly assayer for Benguet Consolidated Mining Co., is the one taking charge of the assay laboratory. Mr. R. W. Stramler, formerly general superintendent of the Ukab and Kelly Mines in Baguio for Benguet Consolidated, is now general superintendent for Premiere in Surigao. The Board of Directors of the Premiere Mineral Exploration Association are the following:

Dr. E. Osmeña
J. H. Renner
H. Gieser
A. P. Deen

The Premiere Mineral Exploration Association at present owns three properties in Surigao,—the Northern Pootoy group, the Southern Pootoy group, and the Malimono group. Besides doing exploration work the Association is also going into mining consultation and management of other properties and will also go into business selling mining equipment and mine supplies. An organization of this kind is needed in Surigao in order to help develop the mineral resources of the province and also to place present prospecting and exploration of mining properties in a more scientific basis. There are at present three American mining engineers in the staff headed by Mr. R. W. Stramler. Four more mining engineers are forthcoming from the United States.



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Abra Mine Properties

Through the courtesy of ex-Governor Francis Burton Harrison we are able to publish the accompanying map of the mining district of Abra, capital, Bangued. There is a great deal of interest in the district, and as we have informed our readers from time to time, much difference of opinion about it. If we can obtain access, for publication, to what the new society of Philippine geologists has to say about it, we shall publish it with dispatch for the benefit of readers who may have invested in this region or may be contemplating such investments.

With the information actually at hand, chiefly from R. Y. Hanlon of R. Y. Hanlon & Co., consulting engineers and geologists, the Abra district is not a very promising mining district. This is supported by Benguet Consolidated's abandonment of further work on the Abra Mining property. While gold will be on one property and not on another nearby, in December Mr. Hanlon reported entirely negatively on the Cordillera property north of Abra Mining and the company cancelled its contracts with the Cordillera company, the majority of whose directors insisted upon going ahead.

Rich stringers are found throughout much of this district, which seems to be very deceiving—at least superficially. There is encouragement in assays from stringers to go on, despite the pessimism of many engineers; we understand that Abra Mining has not abandoned hope in its claims even after Benguet Consolidated's experience there.

It was our conjecture at one time, not altogether abandoned yet, that small mills of 10 to 20 tons' capacity could operate profitably in this region at many points. But where are they, after all this lapse of time since 1933 and the reports that then sent Abra Mining stock so high?

One thing we know from sad personal experience. It is this: there is a great deal of outright racketeering in claims located in this district. There is also a great deal of genuine enthusiasm amounting in the end to the same thing. Aggressive groups of Abra folk throw property after property together; the claims that have been taken up seem all but innumerable.

Under these conditions there is likely to be over-capitalization of associations and companies; and if it turns out here and there that small mills can be operated, after much expensive exploration and development in hope of finding ore sufficient for larger mills, probably only small returns can be earned on the total capital. So that the more prudent way of venturing in the Abra district would be with limited outlay of funds with the primary intension of operating a pilot mill—in the hope of something better.

The district is the most persistent

(Please turn to page 43)

APPROXIMATE LOCATIONS OF MINERAL GROUPS IN THE PROVINCE OF ABRA



Potential Wars Strengthen Metal Market

(By the United Press)

NEW YORK, Feb. 15.—With an actual shortage existing for some metals, prices for major non-ferrous metals continued to advance during the past month, the magazine Metal and Mineral Markets reported today.

Copper, lead and zinc were in brisk demand and moved upward throughout the month. Copper made the best gains both on the London and New York markets. Silver was off slightly while tin prices declined 1 to 2 cents.

The American copper market was given further bullishness this month when the U. S. government found difficulty in finding bidders to fill the Navy Department's needs and was forced to go onto the open market. Industrial consumption continues to gain while production is but little above actual demands of the market.

Anacosta Copper Mining Co. and other major producers have encountered delays in re-opening several important western mines because of heavy snows and bad weather. The trade now believes it may be mid-summer before copper production is speeded up sufficiently to show a satisfactory monthly carry-over.

The lead market, while not as bullish as copper, steadily advanced. Considerable buying was reported from Europe, and Japan was understood to have entered the market with substantial requirements. Lead prices in New York averaged six cents a pound during the past month, about 1/2 cent above the December average. The gain for the month on London was even greater, averaging nearly 2 pence over prices of the previous month.

Tin prices sagged during the month as the result of uncertainty over the expiring international tin restriction agreement. After months of negotiation the restriction has been prolonged for a period of five years and the market should

recover inasmuch as traders consider the undertone healthy.

The new tin agreement is less stringent than the agreement of October 27, 1933, and which expired December 31, last. The standard tonnages, which aggregated 165,650 tons under the old agreement, are now 199,850 tons. The increase was accounted for by the fact Siam, Belgian Congo, and French Indo-China, which were merely "alienating" countries in the old agreement, now appear with fixed standard tonnages.

In addition to the higher exports allowed, the new agreement permits accumulation of tin and tin concentrates in producing countries up to a total of 25 per cent of the standard tonnages, while in the past such accumulation has been strictly prohibited.

Iron and steel prices have advanced steadily thus far this year as the available supply becomes dearer in all markets. British prices for pig iron have advanced six shillings and steps have been taken to discourage excessive buying.

Japan is reported to be scouting all markets for both steel and iron ore. For the first time since 1934, Japan has decided to purchase 20,000 tons of steel from the International Steel Syndicate of Europe, as an emergency measure to cope with the present Japanese shortage of pig iron.

World production of pig iron and steel ingots in 1936 approximated 86,000,000 tons and 118,000,000 tons, respectively, or a gain of 13,000,000 tons in pig iron and 20,000,000 tons in steel as compared to 1935. The 1936 production was 11,000,000 tons in pig iron and 2,000,000 tons in steel smaller than the world production record established in 1929.

The general war preparation throughout the world not only has created an iron and steel shortage but has sharpened the demand for chromite. Chromite prices advanced more than \$2 a ton during the past month, the first substantial rise in this metal for several months.

The quicksilver market remained steady with prices unchanged from the January level.

The silver market has been quiet and prices declined slightly for the month. Many London silver speculators turned from metals to rubber late last month when that commodity offered opportunity for quick profits. Shortage of supply has sent rubber prices skyrocketing, although the market was wavered this month as the result of the Michigan automobile strike.

Strike Settlement Boosts Rubber

(By the United Press)

LONDON, Feb. 15.—Settlement of the American automobile strike has restored calm to the London rubber market which began to waver after reaching the highest levels in years.

The present chief factor in the international rubber situation no longer is the shortage of ready rubber but the serious labor unrest in the American motor industry.

If the truce declared in the strike at Detroit becomes permanent, traders expect rubber prices to advance steadily again until such time, probably in June or July, as more adequate shipments reach the London and New York markets from the Far East.

The share market has been quieter, and most prices appear to be based on profit calculations which assume an average rubber price of around nine pence (18 cents) per pound.

London rubber experts fear that the International Rubber Committee's efforts to remedy the shortage of spot rubber as quickly as possible will be handicapped not only by the difficulty of obtaining sufficient labor on the plantations to expand production but also by the acute shortage of shipping facilities.

Most investors actively interested in rubber production have welcomed the brief lull in the market, feeling that speculation was becoming rampant for a healthy situation.

There have been rumors that the American government has strongly protested against the alleged un-economically high price of rubber. Informed observers discount the rumors although they can understand the dissatisfaction of rubber consumers over the sensational advance in prices.

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Gold Mines Production: Month by Month and Year by Year

MINING COMPANIES	JANUARY			FEBRUARY			MARCH		
	1934	1935	1936	1934	1935	1936	1934	1935	1931
Antamok Goldfields	P 75,000	P 195,959	P 266,666	P 75,000	P 218,092	P 276,461	P 78,000	P 243,463	P 294,260
Baguio Gold	90,285	92,494	80,000	72,409	76,654	81,447	53,203	75,363	96,112
Balaton	770,789	909,852	1,076,561	637,093	910,494	1,065,876	839,798	1,053,834	1,018,041
Benguet Consolidated	604,678	639,117	777,739	483,983	597,529	740,879	688,044	614,555	818,011
Benguet Exploration	7,169	21,500	24,151	13,512	23,750	23,233	13,848	28,478	19,459
Cal Horr.	---	---	54,889	---	---	70,657	---	---	81,785
Demonstration	---	51,391	116,444	---	45,252	134,531	---	72,800	133,558
Ipo Gold	---	66,404	50,347	---	46,104	56,333	123,586	44,807	58,778
Itoyon	170,750	195,706	169,785	171,370	175,373	189,827	170,847	185,117	215,747
I. X. L.	---	33,716	40,676	---	29,298	59,297	---	37,132	151,149
Masbate Consolidated	---	51,792	73,224	---	47,927	85,491	---	50,962	138,339
Salacog	---	---	45,075	---	---	42,763	---	---	33,600
San Mauricio	---	---	---	---	---	---	---	---	77,755
Suyoc Consolidated	---	62,555	105,128	---	58,662	92,098	---	63,523	98,910
United Paracale	---	---	103,916	---	---	159,194	---	---	80,822
Totals	P1,718,671	P2,320,396	P2,998,721	P1,453,367	P2,228,135	P3,078,087	P1,967,326	P2,470,034	P3,318,297

MINING COMPANIES	APRIL			MAY			JUNE		
	1934	1935	1936	1934	1935	1936	1934	1935	1936
Antamok Goldfields	P 118,000	P 225,290	P 331,504	P 97,000	P 236,383	P 432,744	P 127,000	P 207,107	P 526,004
Baguio Gold	66,983	60,212	86,618	72,393	69,985	92,185	99,052	69,181	90,120
Balaton	659,514	1,068,136	1,024,785	682,034	1,060,594	954,636	765,547	982,802	1,115,831
Benguet Consolidated	692,064	615,515	701,520	742,986	676,833	784,446	578,705	728,429	774,200
Benguet Exploration	12,544	26,864	17,270	15,642	20,400	13,866	17,360	34,469	17,638
Cal Horr.	---	92,555	75,326	---	96,639	146,219	---	---	70,692
Demonstration	---	133,091	133,091	---	38,997	52,622	---	90,111	108,812
Ipo Gold	106,804	42,630	49,603	91,953	38,997	52,622	86,756	40,821	47,224
Itoyon	109,769	189,400	270,885	182,000	205,982	216,162	190,000	204,162	226,335
I. X. L.	---	30,362	83,636	---	33,864	98,451	---	32,600	123,398
Masbate Consolidated	---	47,731	168,144	---	75,879	145,022	---	46,080	159,076
Salacog	---	---	31,000	---	37,000	---	---	---	37,900
San Mauricio	---	---	150,019	---	---	106,540	---	---	100,204
Suyoc Consolidated	---	86,225	79,411	---	91,957	95,731	---	75,644	86,098
United Paracale	---	---	91,763	---	---	114,251	---	61,000	115,058
Totals	P1,765,678	P2,515,920	P3,297,475	P1,884,008	P2,607,513	P3,364,451	P1,864,420	P2,572,406	P3,598,558

(Please turn to page 28)

Gold Export: Year by Year

Articles	Countries of Destination	1934		1935		1936	
		Quantity	Value	Quantity	Value	Quantity	Value
Gold Ore	United States	---	P 39,314	841,308 (kgs.)	P 449,133	4,160,741 (kgs.)	P 1,961,051
Gold Bullion	United States	517,934 (oz.)	11,634,884	659,843 (oz.)	14,911,276	950,094 (oz.)	20,493,158
All Other Silver Coins	China	---	---	---	6,486	---	---
Spanish Silver Coins	China	---	---	---	---	---	2,500
Phil. Commemorative Silver Coins	United States	---	---	---	---	---	76
Chinese Gold Bullion	---	---	---	---	---	65 (oz.)	3,600

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(Continued from page 27)

MINING COMPANIES	JULY			AUGUST			SEPTEMBER		
	1934	1935	1936	1934	1935	1936	1934	1935	1936
Antamok Goldfields.....	P 83,863	P 271,797	P 531,535	P 108,710	P 241,253	P 533,372	P 111,288	P 268,726	P 542,312
Baguio Gold.....	90,723	71,157	97,836	88,904	63,673	89,096	77,644	72,130	86,312
Balaton.....	764,704	1,125,761	1,050,312	675,548	914,223	983,456	801,309	1,027,426	1,061,472
Benguet Consolidated.....	646,480	826,697	773,712	753,210	804,266	723,449	670,740	848,213	673,535
Benguet Exploration.....	17,000	23,063	26,709	16,488	16,300	26,567	21,966	19,660	23,950
Big Weige.....	---	---	77,761	---	---	120,727	---	---	125,511
Cal Horr.....	---	---	78,842	---	---	97,834	---	---	113,371
Coco Grove.....	---	---	---	---	---	83,119	---	---	101,562
Demonstration.....	---	79,585	112,233	---	71,271	105,287	---	82,266	114,524
East Mindanao.....	---	---	---	---	---	---	---	---	49,940
I. X. L. Argos.....	---	---	---	---	---	---	62,428	45,226	226,538
Ipo Gold.....	93,307	43,746	44,202	62,885	42,483	43,484	194,900	178,972	137,637
Iloilo.....	176,800	209,174	253,132	168,970	78,000	207,423	---	53,937	21,927
I. X. L. Consolidated.....	---	27,837	100,085	---	41,653	126,505	---	81,326	220,047
Masbate Consolidated.....	---	65,808	213,804	---	79,138	189,821	---	---	37,487
Salacot.....	---	---	33,626	---	---	35,423	---	---	213,420
Sau Mauricio.....	---	---	161,523	---	---	201,990	---	---	---
Suyoc Consolidated.....	---	77,448	85,672	---	65,000	120,719	---	77,000	99,931
United Paracale.....	---	102,628	115,824	---	112,000	121,943	---	80,000	132,652
Totals.....	P1,873,237	P2,927,721	P3,757,208	P1,874,775	P2,520,260	P3,821,415	P1,940,350	P2,834,902	P4,017,058

MINING COMPANIES	OCTOBER			NOVEMBER			DECEMBER		
	1934	1935	1936	1934	1935	1936	1934	1935	1936
Antamok Goldfields.....	P 110,888	P 309,452	P 537,226	P 140,388	P 285,983	P 478,167	P 170,299	P 309,674	P 509,888
Baguio Gold.....	74,044	68,634	87,770	67,007	76,375	95,119	74,349	80,990	83,221
Balaton.....	868,570	1,121,049	1,053,220	1,052,834	1,146,062	1,113,174	882,766	1,232,596	1,241,712
Benguet Consolidated.....	635,354	756,103	769,077	629,824	695,484	693,254	860,515	836,321	778,190
Benguet Exploration.....	14,455	17,732	20,984	18,000	27,635	25,632	20,000	29,969	29,864
Big Weige.....	---	---	103,167	---	---	89,039	---	---	82,312
Cal Horr.....	---	---	153,372	---	---	140,177	---	---	149,367
Coco Grove.....	---	---	103,797	---	---	43,663	---	---	75,000
Demonstration.....	---	76,510	129,826	---	90,169	118,003	---	85,778	123,589
East Mindanao.....	---	---	61,000	---	---	54,000	---	---	75,000
Ipo Gold.....	61,222	50,127	47,499	73,605	53,379	54,863	68,546	60,311	86,144
I. X. L. Consolidated.....	217,842	201,378	299,119	182,970	199,841	294,519	203,355	200,000	256,223
I. X. L. Argos.....	---	41,192	140,150	---	44,961	129,194	---	---	151,101
I. X. L. Argos.....	---	98,420	35,285	---	---	30,910	---	42,975	24,069
Masbate Consolidated.....	---	---	173,326	---	87,208	207,510	---	95,771	242,841
Salacot.....	---	---	31,742	---	28,000	20,240	---	45,325	18,850
Sau Mauricio.....	---	---	224,511	---	---	229,779	---	10,000	250,631
Suyoc Consolidated.....	---	95,165	113,108	---	98,000	97,692	---	---	102,355
Tambis.....	---	---	---	---	---	---	---	---	unavailable
United Paracale.....	---	75,591	140,860	---	76,000	128,602	---	80,000	123,728
Total.....	P1,982,375	P2,911,353	P4,233,039	P2,164,628	P2,909,097	P4,042,437	P2,224,929	P3,198,310	P4,318,375

*The***REAL SMOKERS****PREFER THEM****REGIOS****TABACALERA
CIGAR****TELEPHONE 2-25-77****AVERAGE METAL PRICES FOR JANUARY, 1937***(By United Press)*

		Gain or Loss From December
<i>Copper</i>		
Electrolytic, Domestic, Refinery.....	12 415	+ 1 652
Electrolytic, Export, Refinery.....	12 112	+ 1 277
London, Standard Spot.....	51 497	+ 6 551
London, Forward.....	56 288	+ 5 924
Lead—New York.....	6 000	+ 0 446
St. Louis.....	5 850	+ 0 444
London, Spot.....	27 272	+ 1 712
London, Forward.....	27 150	+ 1 647
<i>Silver and Sterling Exchange</i>		
Silver, New York, per oz.....	44 913	- 0 439
Silver, London, pence per oz.....	20 734	- 0 504
Sterling Exchange, "checks".....	490 670	Unchanged
Zinc—St. Louis, Spot.....	5 847	+ 0 574
London, Spot.....	21 153	+ 3 196
London, Forward.....	21 281	+ 3 136
<i>Manganese</i>		
Standard Spot, ferro-Manganese, 80%.....	\$80.00 (ton)	
Chromite—Long ton, C.I.F.....		
Indian, 48 to 50%.....	\$19.00	+ 2 25
Turkish, 48 to 50%.....	20.00	
Tin—New York, Straits.....	50 925	- 0 898
London, Standard Spot.....	229 350	- 2 758
Gold, per oz., U. S. price.....	\$35.00	Unchanged
Quicksilver, per flask.....	\$90.25	Unchanged
Antimony.....	14 130	+ 1 212
Cadmium.....	90.00	Unchanged
Platinum, Refined, per oz.....	\$50.400	+ 2 400
Aluminum, 99+ %.....	19.500	- 0 500

J. H. Marsman

J. H. Marsman, head of the Marsman interests, arrived in New York City on January 18 from London. Mr. Marsman is a member of National Economic Council and it is expected that while he is in the United States he will render assistance at the forthcoming trade conference.

Santa Ana Vein System

The new Santa Ana Vein System now being developed by the San Mauricio Mining Company by means of adit levels, has now been proved at depth by diamond drill holes showing good values and widths.

This information was released yesterday by officials of Marsman and Company, managers of the property.

The Santa Ana vein system is one of the three major vein systems at San Mauricio, the others being the San Mauricio and the Santa Monica systems. Other vein features on the San Mauricio property are being developed.

Itoyon Increasing Daily Tonnage Capacity

Machinery and equipment which has arrived from the United States and Europe during the past week for Marsman and Company and which will arrive in the near future will result in a considerable expansion in the capacities of two of the Marsman-managed plants, B. S. Ohnick, acting head of the company, announced yesterday.

The capacity of the Itoyon Mining Company, now around 16,000 tons a month, will be raised to 20,000 tons by April, and to 30,000 by May. Itoyon will then rank jointly with Benguet Consolidated as the third largest plant in the Islands with a daily tonnage capacity of 1,000 tons.

A new Allen Diesel engine and additional flotation units and Akins Classifiers have just arrived for the San Mauricio Mining Company. This machinery is now on its way to Mambulao, where it will be installed promptly. When it is in operation, the capacity of San Mauricio will be doubled, to 300 tons a day.

New Smelter at Mambulao

All of the machinery, equipment, and steel work for the new smelter being built by the Marsman interests at Mambulao has arrived and has just been sent by boat to that port. The erection of the smelter will be started at once, and the entire plant should be ready for operation by the first of May.

The principal equipment for the Palidan-Suyoc drain tunnel is now in the Philippines, and is being forwarded to the property.

East Mindanao Mining Company

Product and Development Covering January, 1937

DEVELOPMENT

Mindoro Mine: The tons produced were 221 having an average grade per ton of P21.63. Most of this work had to be suspended on about January 12th, the more experienced labor being needed in taking up timbering and doubling up on many of the sets. Due to heavy rains repairs were made necessary in various parts of the mine.

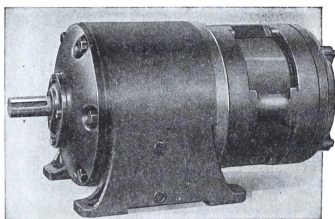
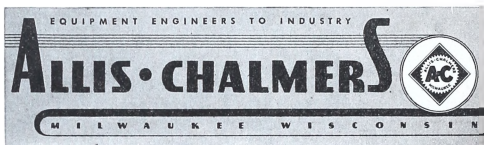
Raise 100 F-10: has been interesting but ran into antiqua workings and has been suspended until the ground dries up. Total 21 feet, advance of 7 feet. The grade averaged around P12.00 and was sent to the mill. Some ore will be developed in this section of the mine on the hanging wall side of the main vein which has not been thoroughly explored before.

200 D-1 Raise: Total feet were 45, feet advanced were 16. This has been spotty. Six feet above the drift an excellent section of ore was encountered. Up to the present face the structure has not been so strong. The last sample, however, is again highly encouraging running P54.60 over a width of 52 inches.

This block will be thoroughly explored but it is impossible to state at this time how much ore will be found.

220 F-10: Total feet were 45, feet advanced were 22. Fair grade mill ore up to 33 feet was found here when high grade ore was encountered running up to P198.00 per ton which will bring the grade up to good mill ore, as these hot spots do, and are characteristic of the enrichment

(Please turn to page 32)



INTEGRAL TYPE UNIT

The Allis-Chalmers Gearmotor is a compact, self-contained speed reducer that provides low speed drives without sacrificing the inherent advantages of the separate motor and speed reducer construction such as ease of maintenance, replacement of individual units, adaptability to change—motors, ratios, etc.

High overall efficiency and compactness are obtained by the use of motors with desirable characteristics and a well designed compact gear unit, providing almost any desired slow speed.

Standard speeds at the power take-off range from 6.08 r.p.m. to 1165 r.p.m.

Gearmotors can be furnished with any type of alternating and direct current motor by adapting the construction of the gear end to suit the mechanical design of the motor.

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The New Engineer . . .

(Continued from page 19)

Leech bites are difficult to avoid. These, as also skin abrasions, are subject to infection from almost any source of contact, but more often from the ooze of trails which, from ages of travel by man and carabao, are veritable bacteria cultures of almost any skin and blood infection one can name. The free application, and often, of antiseptics to these lesions will minimize probable difficulty from such sources. Any man having traveled in the jungles is able to show many scars of his experience. It is necessary that certain drugs always be a part of the equipment assembled for any remotely located examination, and from experience I should suggest a special case for such items. Unfortunately the standard first aid kits are not suitable for the whole train of afflictions besetting jungle travel; therefore the suggestion for an especially made up case which, in addition to the regular filler for a first aid case and a medical book, should be stocked with such items as:—

3 gr. Quinine tablets

Potassium permanganate solution

Bichloride of Mercury tablets

Zonite (large)

Dysentery remedies

Ichthyol ointment for infections

Sulphur and lanoline ointment for itech

50-50 Calomel and Iodoform ointment for ulcers

Cafiaspirin tablets

(Please turn to page 34)

Gold Production . . .

(Continued from page 28)

MINING COMPANIES	1934	TOTALS	
		1935	1936
Antamok Goldfields	P 1,295,436	P 3,013,177	P 5,260,339
Baguio Gold	927,056	879,848	1,077,096
Balatoe	9,405,363	12,552,833	12,700,406
Benguet Consolidated	7,943,427	8,639,667	9,008,052
Benguet Exploration	188,014	283,280	274,914
Big Wedge	—	77,764	497,863
Cal Hor	—	—	1,183,739
Coco Grove	—	—	636,292
Demonstration	—	934,158	1,478,587
East Mindanao	—	—	239,940
Ipo Gold	2,139,573	575,039	641,939
Itoyon	—	2,220,349	2,825,669
I. X. L.	—	448,767	1,341,249
I. X. L. Argos	**761,779	—	211,315
Masbate Consolidated	—	827,952	2,022,302
Salacot	—	73,325	413,106
San Mauricio	—	—	1,733,888
Suyoc Consolidated	—	955,179	—
Tambis	—	—	unavailable
United Paracale	—	587,219	1,430,613
Totals	P23,491,839	*P32,025,047	P44,205,156

*Gold River—P30,880 (1935 only)

**Panique Mines

Amount Paid as Cash Dividends

Antamok Goldfields	1935		1936
	P	1,000,000	P
Baguio Gold	None	129,890	129,890
Balatoe	5,100,000	5,600,000	5,600,000
Benguet Consolidated	5,700,000	8,000,000	8,000,000
Benguet Exploration	None	50,000	50,000
Demonstration	None	200,000	200,000
Gold Creek	None	105,000	105,000
Ipo Gold	38,825	118,475	118,475
Itoyon	643,864	597,168	597,168
Marsman & Company	None	940,300	940,300
San Mauricio	None	320,000	320,000
Tambis Placer	45,900	None	None
United Paracale	None	275,000	275,000
Totals	P12,528,589	P18,396,333	P18,396,333

January 1937 Gold Production

Antamok Goldfields	January 1936		January 1937	
	Value	P	Value	P
Baguio Gold Mining	89,000	P 266,666	89,000	P 456,552
Balatoe Mining	1,076,661	77,759	1,142,513	78,622
Benguet Consolidated	777,767	24,151	822,262	27,936
Benguet Exploration	24,151	54,889	105,728	68,223
Big Wedge	—	—	—	—
Cal Hor	—	—	—	—
Coco Grove	—	—	—	—
Demonstration	16,444	—	131,123	62,000
East Mindanao	—	—	—	—
Gold Creek	—	—	—	—
Ipo Gold	50,347	169,785	51,093	264,700
Itoyon Mining	—	—	—	—
I. X. L. Argos Syndicate	40,676	78,224	27,844	155,108
Masbate Consolidated	78,224	—	262,734	335
Northern Mining	—	—	—	—
Salacot Mining	45,075	—	20,249	241,434
San Mauricio	—	—	—	—
Suyoc Consolidated	105,128	—	98,850	Unreported
Tambis Gold Dredging	—	—	—	119,726
United Paracale	103,916	—	—	—
Total reported	P2,998,721	P4,137,072	P4,300,594	44,402,654
Total December 1936	—	—	—	—
Total Output 1936	—	—	—	—



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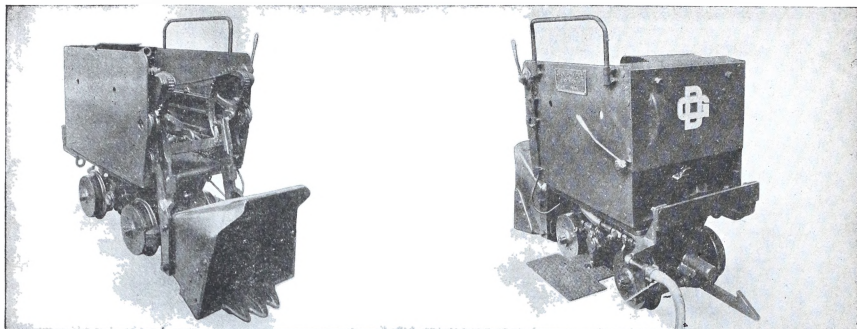
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A blend of finest whiskies, each lending a trace of its own bouquet of peat or heather or pine; long years of slumber in vaulted darkness while these many flavors and fragrances were mingled and married together; a touch on the tongue as smooth as slow music and soft as the falling of dew; a glorious glow that spreads and suffuses and heartens with never a vestige of fire! All that's in a name when the name is White Horse. All that's in your glass when you name it.

WHITE HORSE Whisky

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Loader operating in narrow drift

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Handling of Broken Rock

HOW IT WORKS

With its dipper lowered and a standard mine car coupled to it, the loader is crowded into the broken rock by one of two compressed air motors. When the dipper is full, it is lifted backward over the loader by the second motor and the rock is discharged into the car. As the dipper empties, the loader moves backward a short distance and the operation is repeated.

HERE ARE ITS ADVANTAGES . . .

- Equalizes your drilling and loading cycles—insures more rapid heading advance—reduces your operating costs
- Loader is operated by compressed air—requires no more air than an ordinary drill—fits in with your standard equipment
- Centralizing device automatically brings dipper into proper position for discharging into car
- Readily moved between working places
- Easy, natural and simple control by operator

Write for our Bulletin GD-9

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GARDNER-DENVER

PARACALE-TIGBI

SHAREHOLDERS

Your President Asks For Your Proxies

My purpose is to secure the election of a Board of Directors for your company which, by having the best interests of the shareholders at heart, will guide the affairs of this company toward the successful future which I believe awaits it.

Under the existing Board of Directors, the following situations exist:

1. No adequate audit has ever been made.
2. No monthly balance sheet has ever been provided, and no attempt has been made to provide one despite repeated requests for such information.
3. Salaries are being paid to directors out of funds invested in this company by its shareholders, before the company is in operation, thus creating an unjustified drain on its resources.
4. All attempts made by the undersigned to correct these matters and to conserve the company's resources for actual development work, have been blocked by an unfavorable majority of the present Board of Directors.

For these reasons, and also because of the general situation as described by Mr. R. Y. Hanlon,* it is my conviction that the only satisfactory safeguard for your investment is the ousting of the present Directors and the election of a new group. I ask for your proxies in order to accomplish this purpose, and when it has been accomplished, I intend to submit my resignation as President.

Your company is well capitalized, and under good management there is no reason why it should not eventually fulfill our expectations.

Proxies should be in the hands of the Secretary of the Company at least 48 hours before the

SHAREHOLDERS' MEETING MARCH 1st, 1937

3 p. m. American Chamber of Commerce
180 David, Manila.

Walter Robb
President

THE FOLLOWING PARAGRAPH WRITTEN BY THE WELL-KNOWN ENGINEER, R. Y. HANLON, AS THE COMPANY'S CONSULTING ENGINEER, SPEAKS ELOQUENTLY FOR ITSELF:

The Paracale-Tigbi management have paid no attention to any advice I have tried to give, acting through Mr. Robb. I have from time to time passed on confidential information received from engineer friends regarding the mess in Paracale. I have just returned from the property and found things even worse than I was advised. It patently is deliberate attempt to defraud the public. There is no space in this letter to cover all the ground. I shall do that in a few days in my report. Then I wish Mr. Foster Bain, the new Mines Department Director's adviser, to make a thorough check upon my report.

PROXY

Please Mail to WALTER ROBB Box 1628 Manila, P. I.

KNOW ALL MEN BY THESE PRESENTS:

That I, the undersigned, by these presents hereby confer to WALTER ROBB the right to vote all stock in the corporation as "PARACALE-TIGBI MINING CO., INC." standing in my name in the books of said corporation, at all meetings, (regular and special), to which I may be called in due form as provided for in the By-Laws; and, in case of absence of my proxy above named, to the persons presiding at said meeting, in all cases, when I do not personally attend said meetings, or do not delegate another person to represent me.

.....
Equal Signature

.....
Print Name Here

.....
193.....

Witness:

N. B.—All proxies must be returned to the Secretary, 48 hours before the Meeting.

East Mindanao . . .

(Continued from page 29)

in this mine.

Raise 400 F-1: Total feet were 61, feet advanced were 21. This has been advanced in ore, hoisted and milled.

From careful observation of dogholes or small cross cuts driven into the walls for fill it is very evident that exploration of offsets or branch veins which appear to exist and offer further opportunities of increasing the ore reserves will be well worthy of careful observation and development on both hanging and footwall.

PRESENT ORE RESERVES

These are ample ahead of present mill requirements, being indicated at 95,000 tons at this time or a supply for over two years. Some of this ore is in the Briggs and Tinupun mines. Preparatory work in the Briggs has been started. A raise will shortly be started in the Tinupun for examining and further sampling the vein. The ore shoot in the Briggs Mine is about 400 feet long and that of the Tinupun about 200 feet long. Both mines offer interesting possibilities for future production.

In the Tinupun No. 4 vein stoping will be started in the near future. This is a small high grade vein, the ore shoot being 130 feet long. A winze will also be sunk on the vein as soon as the dry season sets in.

STOPING OPERATIONS

From stopes C, D, and F on the 200' and 300' levels 2,357 tons were produced having an average grade of \$21.00.

A great deal of difficulty has been encountered in handling the fill from the 100 waste cross cuts particularly in the F section on account of surface water leaching through the ground, causing the clay to become a mass of mud and slime. This has been partially overcome by the driving of cross cuts for waste into the walls from stopes. As soon as the ground has dried up this practice will be discontinued and fill obtained from the caving system on the 100 level.

DUMPS

Production from the 50' level, 200' level and Horseshoe dumps amounted to 814 tons with an average grade of \$15.40 per ton.

TONNAGE

The tonnage mined and from dumps amounted to 3,392 tons, being 24% from dumps, 5.5% from development and 69.5% from Mindoro Mine stopes.

ORE REDUCTION AND PRODUCTION

The mill has operated satisfactorily throughout the month. It was necessary to change the Oliver cloth; also, to shut down one of the diesel engines for a general overhaul and head overhaul. This engine has been running steadily for six months. At the same time the No. 3 conveyor motor was removed from the tunnel and the drive arranged at one side which keeps it free from spillage, etc. The tonnage milled amounted to 3,399 tons, an average of 109 tons per day.

The mill operated 91.6% of the possible time with a total production of P61,765.20. Mill heads averaged P19.76 per ton, mill tails P1.59. A good recovery of 91.9% obtained. The gold fineness averaged 731.8.

GENERAL

The production suffered to a certain extent on account of less tonnage being mined from the F stopes on the west and of the ore body, due mainly to the wet weather making the fill hard to handle.

The necessity of replacing timber and additional sets on the 100, 200 and 300 foot levels curtailed development work as a more experienced class of labor was necessary for this work and we have little reserves. The cable for the electric pump at the Briggs is due; also, a new dump

(Please turn to page 48)

COMMERCIAL REVIEWS



AMERICAN CHAMBER

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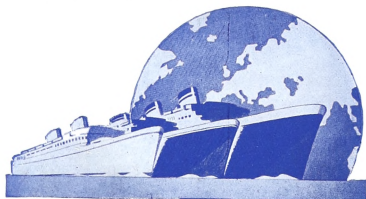
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Manila

London Foreign Exchange Quotations

According to the British Coinage Act of 1870, the one Pound sterling coin, or sovereign, is to be of a gross weight of 123.27447 grains, 7.98805 grammes, or 0.25682183 ounce troy, 11/12:hs (i.e., 0.916-2/3) fine, with a fine weight or pure gold content of 113.00160 grains, 7.32237916 grammes, or 0.23542 ounce troy. The coin has been called the sovereign from the effigy of the monarch (a king or queen regnant) on the obverse or front side of the coin.

Great Britain went off the gold bullion standard on September 21, 1931, and, since then, the British legal tender paper currency Pound has been inflated and depreciated until now (as of London, January 23, 1937) an ounce of pure gold in the London bar gold market is quoted at L.7-1-10, that is, 1,702.0000 pence

as against its gold standard price of L.4-4-11.4545 that is 84.95454 shillings, or 1,019.4545 pence
 or a difference in price, per ounce pure gold, of 682.5455 pence

This means that the present British legal tender currency Pound has been devalued or depreciated to approximately 59.8974+ % of its former value while on gold standard, that is, it has lost a value of about 40.1026%. On this basis, the cable rates of London banks' selling foreign currencies, as of London, January 23, 1937, on the principal foreign world financial centres may be explained, as follows:

LONDON on NEW YORK; 490 5/16 (that is, U.S. \$490-3125 per L.100):

The new U. S. standard gold dollar (proclaimed by the President of the United States on January 31, 1934) of 15.5-21 grains 9/10 fine, with a fine weight or pure gold content of 0.028571418+ ounce troy (i.e., \$35 per ounce), or 0.8886854 gramme, has a gold standard parity with the British Pound sterling, or sovereign, of (per L.1) U.S. \$8.2397
 London/New York cross-rate (London banks' selling U. S. dollars).....(per L.1) \$4.903125
 Difference.....(per L.1) \$3.336575

This means that the British Pound sterling has been devalued, or its legal tender paper currency been depreciated to approximately 59.51% of its gold standard value, that is, a devaluation or depreciation of approximately 40.49% while the old U. S. standard dollar was devalued to 59.06+ % of its former gold standard value, that is, a devaluation or a reduction of gold weight and value of approximately 40.94%

Devaluation of the old U. S. standard gold dollar exceeding the depreciation of the Pound by approximately 0.45%

While an ounce troy of fine gold in the London bar gold market is quoted at L.7-1-10, and is being bought by the U.S. government at \$35, the London/New York cross-rate parity is.....(per L.1) \$4.9354
 but the rate of London banks' selling U. S. dollars on January 23, 1937, was.....(per L.1) \$4.903125
 showing a difference of.....(per L.1) \$0.032275

This difference of \$0.032275, equivalent to about 0.65 of 1% on the above (gold bullion) parity rate of \$4.9354, should, at

least in part, be attributed to the cost of handling and profit charged by the London banks in the selling of U. S. dollars.

LONDON on PARIS; 105-11/64 (that is, 105.171875 French Francs per L.1):

The French gold Franc of 0.05895 fine gramme (by law of June 25, 1928) has a gold standard parity with the new U. S. dollar of \$0.066343 per Franc, and has a gold standard parity with the British Pound sterling, or sovereign, of.....(per L.1) 214.21343 Francs
 London/Paris cross-rate, Jan. 23, 1937..... 105.171875 Francs

Difference.....(per L.1) 109.041555 Francs

This means that the French Franc has appreciated to approximately 118.09% of its parity or relative value with the British Pound; but as the Pound itself has depreciated to approximately 59.90% of its former gold standard value, therefore the French Franc has depreciated to approximately 70.74% of its own gold standard Franc value, as judged or measured by London gold market and the London/Paris cross-rate, above stated (118.09% x 59.90% = 70.74%).

LONDON on BOMBAY; 18-9/64 (that is, 18.140625 pence per Rupee):

The Indian gold Rupee (consisting of 16 annas=192 pies) of 0.5492 fine gramme has a gold standard parity with the new U. S. dollar of \$0.61799 per Rupee, but the Rupee is now on a gold exchange standard with the British Pound sterling at the rate of.....(per Rupee) 18.0000 pence
 London/Bombay cross-rate, January 23, 1937..... 18.140625 pence

Difference.....(per Rupee) 0.140625 penny

This difference of 9/64 or 0.140625 penny per Rupee, amounting to but 0.78 of 1% on the parity rate of 18 pence, should be considered as cost of handling (including profit) charged by the London banks in selling Rupees, rather than as an appreciation or premium on the Rupee.

If the London banks were to buy in Rupees, they would probably deduct about 9/64 d. from the parity rate of 18 pence so that the London banks' rate for buying Rupees on Bombay would probably be about 17 55/64, that is, 17.859375 pence per Rupee.

The Royal Indian Currency Commission recommended, August 6, 1926, the adoption of the gold standard for India with the immediate stabilization of the Rupee at its then rate of 1 shilling 6 pence (that is, 18 pence, in lieu of then legally fixed ratio of 1s./4d. or 16 pence per Rupee), and the creation of a central reserve bank to hold the reserves of the Bank of India, carry all the government's accounts and have the sole right of issue of notes for 25 years. Establishment of the bank has been indefinitely postponed. The Rupee followed the Pound sterling off the gold standard on September 21, 1931.

LONDON on YOKOHAMA (Japan); 14 (that is, 14 pence 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 \$0.843943 per yen, and has a gold standard parity with the British Pound of.....(per yen) 24.5832 pence
 London/Yokohama cross-rate, January 23, 1937..... 14.0000 pence

Difference.....(per yen) 10.5832 pence

This means that the yen (gold standard suspended since December 13, 1931) has depreciated to approximately 56.95% of its former rate of parity with the Pound; but as the Pound itself has depreciated, as above stated, to approximately 59.90% of its former gold standard value, therefore the Japanese yen has depreciated to approximately 34.11% of its former gold standard value, that is, a devaluation or a reduction of value by approximately 65.89%, as judged or measured by the London gold market and the London/Yokohama cross-rate above stated ($56.95\% \times 59.90\% = 34.11\%$).

LONDON on MILAN (Italy); 93-3/16 (that is, 93.1875 Lire per £1);

The Italian gold Lira of 0.07919 fine gramme has a gold standard parity with the new U. S. dollar of \$0.089108 per Lira, and has a gold standard parity with the British Pound of (per £1) 92.46467 Lira
London/Milan cross-rate, January 23, 1937. 93.1875 Lira

Difference (per £1) 0.72283 Lira

This difference of 0.72283 Lira amounts to but 0.78 of 1% of its parity rate with the Pound of 92.46467 Lire and, in a way, it may be interpreted to mean that the Italian Lira has depreciated to approximately 99.22% of its former relative value with the Pound; but as the Pound itself has depreciated, as above stated, to approximately 59.90% of its former gold standard value, it follows that the Lira has depreciated to approximately 59.43% of its former gold standard value ($99.22\% \times 59.90\% = 59.43\%$), as judged or measured by the London gold market and the London/Milan cross-rate above stated.

All banks and corporations in Italy were ordered on December 8, 1934, to turn over all their foreign credits to the National Exchange Institute, and, along with all private citizens, to declare to the Bank of Italy all foreign or Italian securities held by them even if deposited abroad. The law of 1927 requiring the bank to hold a reserve of 40% was suspended July 22, 1935. The ratio on August 10, 1935, fell to 36.7%.

LONDON on BERLIN (Germany); 12.195 (that is, 12.195 Reichsmarks per £1);

The German gold Reichsmark (Rm.) of 0.3584222 fine gramme has a gold standard parity with the new U. S. dollar of \$0.40335 per Rm., and has a gold standard parity with the British Pound of (per £1) 20.42945 Rm.
London/Berlin cross-rate, January 23, 1937 12.195 Rm.

Difference (per £1) 8.23445 Rm.

This means that the German Reichsmark, in terms of the Pound sterling, has appreciated to approximately 167.52% of its parity or relative value with the Pound; but as the Pound has depreciated, as above stated, to approximately 59.90% of its former gold standard value, therefore the present value of the Reichsmark is approximately 100.34% of its gold standard value ($167.52\% \times 59.90\% = 100.34\%$). This 0.34% above par cannot, however, be called an appreciation of the Reichsmark but is rather to be considered as a handling charge for the London bankers selling the Reichsmarks.

Officially, the Reichsmark is stable at its old gold standard value. In practice, the Reich has six kinds of marks that cannot be converted into gold, but are (1) "old deposit", (2) "credit-blocked", (3) "note-blocked", (4) "securities-blocked," (5) "registered", and (6) "blocked", or "scrip".

LONDON on MADRID (Spain); 70 nominal (that is, 70 Pesetas per £1, nominal):

The Spanish monetary unit, the gold peseta of 0.2903225 fine gramme has a gold standard parity with the new U. S. dollar of \$0.32669 per peseta, and has a gold standard parity with the Pound of (per £1) 25.22154 Pesetas
London/Madrid cross-rate January 23, 1937—nominal, due to Civil War conditions..... 70.00000 Pesetas

Difference (per £1) 44.77846 Pesetas

This means that the Spanish peseta, off the gold standard, has, in terms of the British Pound sterling, depreciated to approximately 36.03% of its parity or relative value with the Pound; but as the Pound itself has depreciated, as above stated, to approximately 59.90% of its former gold standard value, it follows that the present value of the peseta, nominally, is about 21.58% (that is, $36.03\% \times 59.90\% = 21.58\%$) of its original gold standard value, that is, a devaluation or depreciation of approximately 78.42%, making the paper currency peseta worth, nominally, U.S. \$0.07050 as compared with its gold standard par value of U.S. \$0.32669.

LONDON on ZURICH (Switzerland); 21.41 (that is, 21.41 Francs per £1):

The Swiss gold Franc of 0.2903225 fine gramme (of identical weight and fineness as the Spanish gold peseta) has a gold standard parity with the new U. S. dollar of \$0.32669 per Swiss Franc, and has a gold standard parity with the British Pound of (per £1) 25.22154 Sw. Francs
London/Zurich cross-rate January 23, 1937..... 21.41 Sw. Francs

Difference (per £1) 3.81154 Sw. Francs

This means that the Swiss Franc, now off the gold standard, has, in terms of the British Pound sterling, appreciated to 117.80% of its parity or relative value with the Pound; but as the Pound has depreciated to approximately 59.90% of its former gold standard value, it follows that the Swiss Franc has depreciated to approximately 70.56% (that is, $117.80\% \times 59.90\% = 70.56\%$) of its original gold standard value, that is, a devaluation or depreciation of the Swiss paper currency Franc by about 29.44%, as judged or measured by the London bar gold market and the London/Zurich cross-rate as of London, January 23, 1937.

The New Engineer

(Continued from page 30)

A doctor's prescription involving bismuth, subnitrate, tincture of opium, etc., for intestinal pain due to ptomaine or kindred poisoning.

Castor oil in addition to your pet laxative

1 pint brandy

2% antiseptic soap

A solution of 1 litre of alcohol containing 1 bichloride of mercury tablet for application to prickly heat, insect bites, and poisonous vegetation rashes.

Flit lotion for mosquitos, flies and nie-nics and if you have any space left fill out the case with your usual medicinal requirements. The case should be waterproof, and could be partitioned to facilitate keeping your drug stock in some degree of order. The occasion when such a case is left behind, or its stock allowed to dwindle, will likely be the time when it is most required.

Field equipment of a personal nature should include a cot, blankets, small pillow, and positively include a mosquito bar. Numerous changes of apparel are necessary, and these should be kept in a waterproof duffle bag. A bit of experience will guide one in selecting a field outfit most suitable to individual requirements. A bolo is handy and should be a part of every field outfit. A side arm, of heavy calibre if at all, may be of occasional use. Such are at once a burden and a source of continual attention—especially automatics—due to rust and corrosion of moving parts. In Mindanao, particularly among the wild tribes, and to a great extent elsewhere, a gun is a coveted article. These people will resort to theft, and some of them to ambush with spears, for the possession of a fire arm. There is only a remote chance of stopping a charging carabao with even a heavy-calibre side arm. They, more often, are the more infuriated by the stinging of bullets and smell of powder. It is the better part of valor to appropriate a near-by tree prior to any demonstration of marksmanship. These docile appearing animals should not be underestimated, inasmuch as they are savage when over-heated, or during periods

(Please turn to page 43)

COPRA AND ITS PRODUCTS

By KENNETH B. DAT
AND LEO SCHNURMACHER

KENNETH B. DAT

The month of January, 1937 witnessed one of the most spectacular advances and declines of copra in many years, and copra reached its highest peak since 1926, only to lose this advantage almost immediately.

COPRA.—Copra arrivals for January were light, running approximately 1/3 below those of the preceding January in both Manila and Cebu, and around 20% below those of December, 1936. This probability had been discounted, however, in December and as a matter of fact the arrivals were no less than anticipated some weeks previously.

At the end of 1936 copra was selling in Manila for P20.50 reseeda. Owing to the shortage of supplies and spot demand for oil in the United States, with mills and exporters anxious to take advantage of this condition, the price of copra started up vertically, showing a daily increase until the middle of the month when considerable business was transacted at P24.50. This was equivalent to 10 cent oil in New York, which was above the market, and spot buyers began to withdraw. At the same time the European copra market took an unexpectedly sharp decline, not only in copra but in other fats and oils, which in turn brought the American market down with it and the Manila copra market as well. As a consequence, at the end of the month the quoted price in Manila was P19.00 with buyers anticipating further decreases in price. Thus the net for the month was a loss of P1.50 over the opening quotation.

In the United States Pacific Coast crushers followed the advance up from a low of 5.23 cents to a high of 5.75 cents, and later dropped their prices equally rapidly to a low of 5 cents at the end of the month with very little buying interest in evidence.

The European market advanced from £22 to a high of £24, and then collapsed suddenly to a low of £19/15/- on January 31st. At no time were European prices the equivalent of Coast or

States, with mills and exporters anxious to take advantage of this condition, the price of copra started up vertically, showing a daily increase until the middle of the month when considerable business was transacted at P24.50. This was equivalent to 10 cent oil in New York, which was above the market, and spot buyers began to withdraw. At the same time the European copra market took an unexpectedly sharp decline, not only in copra but in other fats and oils, which in turn brought the American market down with it and the Manila copra market as well. As a consequence, at the end of the month the quoted price in Manila was P19.00 with buyers anticipating further decreases in price. Thus the net for the month was a loss of P1.50 over the opening quotation.

Although fair stocks of copra were in the hands of speculators at the end of the month, there were also small stocks scattered throughout the Archipelago, most of which were sold during January, which was reflected by the unusually dry quality of the copra received in the Manila market. At the end of the month two or three speculators were holding fair stocks, but most of the small holdings had been liquidated.

Copra shipments to the Pacific Coast of the United States were very light owing to the scarcity of space due to the shipping strike.

Statistics for the month follow:

Arrivals—

	Metric Tons
Manila	243,461
Cebu	233,122

Shipments—

	Metric Tons
Pacific Coast	4,998
Gulf Ports	1,524
Other Countries	104
Total	6,626



LEO SCHNURMACHER

Stocks on hand—

	Beginning of Month		End of Month	
	Tons	Tons	Tons	Tons
Manila	22,363	21,126		
Cebu	17,317	16,983		

COCONUT OIL.—The coconut oil market in the United States was, as in December, a spot market. Owing to the strike very little spot oil was available and those fortunate enough to hold it were able to obtain substantial premiums for it over bulk parcels for later delivery. On several occasions spot premiums ranged from 1/2 to 1 cent per pound, which is a most unusual condition. While in November and December most of the spot demand came from edible consumers, in January there was a small amount of spot demand from soapers with edible consumers fairly taken care of in December and holding back, expecting lower prices later on.

The month started with oil quoted at 8-1/4 cents on the Pacific Coast and 8-3/8 cents on the Atlantic Coast. The price zigzagged up with first one Coast advancing and then the other, until by the middle of the month oil was selling for 9-1/4 cents in New York and 9 cent on the Coast. As a matter of fact, it was reported that small spot parcels were sold as high as 10 cents or better in New York, with 9-3/4 cents actually paid on the Pacific Coast. These prices, however, were for very small lots and only served to stimulate local copra prices without being sufficient in volume to allow buyers to count on.

Shipments were light, as they usually are in January, but tank space, while scarce, was adequate to take care of shippers' requirements, particularly to the East Coast and the Gulf.

Statistics for the month follow:

Shipments—	Met. Tons
Pacific Coast	1,504
Atlantic Coast	3,614
Gulf Ports	1,018
China and Japan	18
Total	6,153

	Beginning of Month		End of Month	
	Tons	Tons	Tons	Tons
Stocks on hand in—				
Manila and Cebu	9,708	12,038		

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COPRA CAKE AND MEAL.—In the early part of January the copra cake market stiffened up perceptibly in Europe, and the II market price advanced to a point where it was sold at \$36.50 c.i.f., which is, roughly, the equivalent of a local price of \$32.00 f.o.b. At the same time copra meal picked up a little bit in the United States and advanced to \$31.00 per short ton, which was, roughly speaking, 13.00 per cent better than the cake equivalent. Pacific Coast business, however, was sporadic. Sellers were fairly short of stocks and there was not a great deal of selling interest.

Some local mills desisted from making shipments to the United States on account of the strike, while other shippers continued taking their chances of having the meal unloaded at Vancouver and shipped down to Los Angeles by rail. It was felt that the European market for cake was unusually high and had conditions been normal, doubtless there would have been considerably more selling pressure to Europe.

Statistics for the month follow:

Shipments—	Tons
Pacific Coast.....	1,110
Europe.....	3,119
China and Japan.....	51
Total.....	4,280

	Beginning of Month	End of Month
Stocks on hand in—	Tons	Tons
Manila and Cebu.....	4,120	6,888

DESICCATED COCONUT.—Local factories were running light in January with one factory entirely shut down. The cost of nuts was so high and nuts were so scarce that operation was unprofitable. On January 1st the price of desiccated coconut in the New York market advanced to 8-3/4 cents per pound with the possibility that a further increase will have to be made in the near future if local prices continue high. Shipments were not greatly affected by the strike because desiccated coconut being a good-paying freight, space was found for it at the expense of less remunerative commodities.

Shipments for the month totaled 1,502 tons.

G N RAL.—At the end of the month the situation was still uncertain with prices on the downgrade for everything except desiccated coconut but with every indication that the decline might easily be checked early in February, particularly in view of the prospects for a short copra crop for the first half of 1937 especially in the Northern districts. Conditions were more normal in the South and the crop looked fairly close to average. Carry-overs from 1936 were unusually low. There was much speculation as to the effect of the end of the strike on the copra market with the general impression that prices might decline temporarily but might easily advance again later in the Spring. This was offset by the undeniably weak statistical position of coconut oil as compared with other oils and fats, coconut oil being very definitely overpriced.

Copra buyers were looking forward to a speculative market for the first half year with very satisfactory prices and oil millers to an erratic market requiring great caution and a thorough, conservative buying policy, if profits were to be realized.

The local demand for coconut oil, which in-

creased greatly in 1937, was much in evidence in January, not only to supply the local soap manufacturers but also the steady and constantly increasing hard compound and margarine industry. This industry can never take a large portion of oil production but is undeniably reflecting a thriving condition.

What is . . .

(Continued from page 13)

by the general level of prices. When prices are high, more token money or subsidiary coins will be required as a circulating medium than when prices are low.

History has repeatedly shown that depreciation of silver, caused by monetary disturbance, has injuriously affected the trade of gold currency countries with silver currency or silver-using countries, and that, in effect, this depreciation acted like a protective duty on imports into the silver-currency countries, and a bounty

or premium on their exports to the gold currency countries.

Since it is generally admitted that the effect of a bounty is to lower prices in foreign countries, and protective duties operate indirectly in the same way, it is maintained that the depreciation or fall of silver has lowered all prices measured in gold.

The term "appreciation", as applied to gold or silver, requires some explanation. If gold, for example, is the standard of value in a country, it may be thought that its own value cannot change, just as a foot measure always remains of the same length, and that a gold dollar of full weight must always remain of the same value. But it is one thing to appoint by law that a certain amount of gold shall be coined into a certain kind of a dollar, and quite another to suppose that these dollars shall always exchange for the same amount of wealth or goods. If, on the whole, a dollar purchases more than it did, from whatever cause, that constitutes an appreciation of gold. An appreciation (or an increase of value and purchasing power) of gold is thus the same thing as a general fall in prices; such a condition prevailed in the United States during the great depression before the suspension of the United States gold dollar standard on April 19, 1933.

In spite of the many evils resulting from its introduction and use, money is the most successful device man has discovered for distributing the supplies of a journey along its course, and the goods of daily need over a period of time. A hundred loaves of bread in the hands of a single individual, for example, would mold long before they could all be consumed. Money enables men in society to acquire these hundred loaves in a series so that they can be used when most needed; hence, money serves as a storehouse for keeping things for the future when they will have a greater gratifying power.

The term "intrinsic value", strictly speaking, is an expression which is not absolutely logical. The intrinsic value of a coin—the value within itself, or its real or inherent value—is the market value of the metal contained in the coin. Under certain conditions it may occur, however, that, in certain districts and places, the metal contained in a coin is of no value at all, because it cannot be exchanged for anything. Shipwrecked in a small boat in mid-ocean and dying of starvation and thirst with no immediate prospect of being saved, a man, with all the money he may have in gold, silver, or other precious metals or stones in his person, cannot buy or exchange for a single loaf of bread or a bottle of fresh water to save his life, and the gold or silver, etc., will then and there be of no value or worth whatever to him.

The stock of money of the United States, classified by kind, as at the end of the fiscal year, June 30, 1935, is as follows:

Gold coin and bullion.....	\$ 9,115,643,492
Silver dollars.....	\$ 545,842,265
Subsidiary silver.....	\$ 313,423,778
Federal reserve notes.....	\$ 3,492,853,620
National Bank notes.....	\$ 769,095,645
Other.....	\$ 877,383,181

Total stock of money in U. S.
as at June 30, 1935..... \$15,114,041,981

Percentage of gold to total money..... 60.31
(Please turn to page 41)

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SHIPPING REVIEW

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



Notwithstanding the strike situation the out-bound cargo movement for December amounted to 215,967 revenue tons, exceeding November 1936 and also December 1935. For 1935 the entire movement was 1,917,025 tons—in 1936 it reached 2,692,095 tons—an increase of 775,070 tons, or 40%. Just

how seriously the strike affected the exports trade cannot be estimated. We know that sugar, lumber, ores and copra movements were interfered with.

The sugar industry forwarded 76,899 tons and could not find space for other shipments that they wanted to move. High rates bid by other commodities from other parts of the World robbed the Philippines of tonnage needed and it appears that space will be at a premium for some months in the future. It is definitely known that sugar shipments will be hampered until April 30th at least.

As compared to November all coconut products show heavy shrinkages. 4,342 tons of desiccated coconut went forward to the United States. The movement of coconut oil amounted to 9,749 tons as against November 21,196 tons. Both November and December shipments went to the United States. The cargo movement was 12,175 tons, 10,643 tons less than November. Europe took only 150 tons in November and none in December—the United States being the only buyer. The cake and meal movement, 8,288 tons, was about normal—Europe taking 4,280 tons, the remainder going to the United States.

Hemp shipments, 123,751 bales, exceeded November by 2,200 bales. The Japan market took 46,448 bales, Europe 43,331, the United States 26,131, the remainder being well scattered thruout the world.

The lumber and log movement amounted to 15 million board feet, Japan taking 11 million feet, Europe 960,000 feet, United States 2,200,000 feet. South Africa was a good customer for 400,000 feet, as was Australia for 118,000 feet. These particular commodities felt the shortage of tonnage acutely—by necessity loaded at out ports they could not attract tonnage. Increased rates to the United States went into effect on December 1st.

Japan took her monthly lot of iron ore, 48,448 tons, and also 500 tons of chromite. The United States took only 450 tons. Several round lots of manganese and chromite for United States delivery could not find tonnage and could not move. Notice of increase in rates to take effect July 1st, 1937, were sent out during December. The condition of the charter market affected the United States trade. It appears as though the base ores are facing a very discouraging situation.

Cigar shipments totalled 638 tons (40 cu. ft.) a slight increase over November. A round lot, 1512 tons, of tobacco went to Europe, the total

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

To	Tons	With Miscellaneous Sailings	Of Which Tons	Were Carried in
				American Bottoms With Sailings
China and Japan	80,039	43		
Pacific Coast Local Delivery	34,150	13	19,351	3
Pacific Coast Overland	687	4		
Pacific Coast Inter-coastal	193	1	193	1
Atlantic and Gulf	84,423	20	10,049	2
European Ports	13,583	17	161	1
All other Ports	2,883	23		

A GRAND TOTAL of 215,967 tons with a total of 87 sailings (average 2,482 tons per vessel) of which 29,754 tons were carried in American bottoms with 5 sailings (average 5,950 tons per vessel).

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to all districts amounted to 1935 tons—not a very satisfactory showing.

Molasses has been very quiet for several months. Only a few shipments in containers are noted.

The rope shipments amounted to 585 tons, a substantial increase over November. The shipments to the United States remain at a very low level.

Compared to November increases are noted in embroideries, junk metals, kapok seed and vegetable oil products and decreases in furniture, gums, kapok and cutch.

During 1936 increased rates went into effect on hemp, logs, sawn lumber, cent. sugar, refined sugar, cigars, desiccated coconut, embroideries, canned foods, furniture, gums, shell craft, tobacco and vegetable oil products, and 1937 bids fair to see further increases.

The United States took 119,462 tons, or 55% of the total exports. There were only 5 vessels flying the United States flag to leave the Islands, all facing a tie-up on arrival. These 5 vessels lifted 29,593 tons for United States delivery, 25% of the total.

Passenger traffic for the month of December 1936, compared with November, shows a decrease in first class and intermediate traffic. Third class traffic shows an increase.

The following figures show the number of passengers departing from the Philippines during December, 1936:

	First	Inter- me- date	Third
China and Japan.....	71	57	137
Honolulu.....	0	2	9
Pacific Coast.....	7	4	3
Europe via America.....	1	0	0
Straits Settlement and Dutch East Indies.....	14	9	0
Europe and Mediterranean ports beyond Colombo.....	34	12	8
Australia.....	6	0	1
America via Suez.....	0	0	0
Total for December, 1936..	133	84	158

Total for November, 1936.. 207 122 135
Total for December, 1935.. 120 101 183

TOBACCO REVIEW

By P. A. MEYER



RAWLEAF: Purchase of the 1936 crop of rawleaf in the provinces of Cagayan and Isabela was practically terminated during January. Prices paid were considerably higher than those ruling before the December 1936 floods. Comparative shipments abroad were as follows:

*Rawleaf, Stripped
Tobacco and Scraps
Kilos*

Belgium.....	371
China.....	8,916
France.....	104,002
French Indo-China.....	24,700
Gum.....	7,422
Holland.....	9,028
Hongkong.....	16,180
Japan.....	41,200
Manchoukoo.....	3,540
North Africa.....	28,471
United States.....	116,818
Total.....	360,144

December 1936..... 2,183,129
January, 1936..... 775,473
CIGARS: January shipments to the United States established a new low record. Comparative figures for these shipments follow:

	Cigars
January, 1937.....	4,946,104
December, 1936.....	10,503,060
January, 1936.....	9,621,440

REAL ESTATE

By P. D. CARMAN
Admission Hills



The upward trend in volume of sales shown in 1936, the best year since 1919, continued in January with a total exceeding that of the same month in any years since 1921 excepting three; 1924, 1928 and 1931. Recent unequalled sales totals have been attained in spite of still low, although steadily increasing, prices. Even without increase in the number of transactions, it is obvious that advancing prices will soon materially swell the total value of sales beyond any recorded figures.

That the volume of transactions will also steadily increase due to Manila's increasing population appears to be certain. The Bureau of Health estimates over 69,000 as the increase since the census of 1918. And this in spite of steadily increasing movement of population to the suburbs. If the extraordinary increase in traffic congestion in recent years is any criterion, Manila's population has probably increased considerably beyond the Bureau's estimate.

1935 strong-material construction within the city limits was valued at P2,772,940. In 1936 it rose to P5,840,230, probably still much lower than may be expected during the next few years in view of the greatly retarded construction over the long period of depression.

*Sales City of Manila
December 1936 January 1937*

Sta. Cruz.....	P 130,320	P 92,609
Sampaloc.....	21,237	96,571
Tondo.....	119,302	208,133
Binondo.....	380,500	
San Nicolas.....	49,000	40,236
Ermita.....	567,446	112,200
Malate.....	309,676	343,594
Paco.....	19,000	19,450
Sta. Ana.....	17,638	161,923
Quisno.....	2,446	9,659
San Miguel.....	118,831	322,354
Intramuros.....		17,000
Pandacan.....	8,740	
Sta. Mesa.....	4,800	21,000
Total.....	P1,748,936	P1,444,729

MANILA HEMP

By H. P. STRICKLER
Manila Cordage Company

The strength in the foreign markets at the close of December continued almost to the middle of January. During the second half of January, it became apparent that prices had advanced too much and too rapidly, and foreign demand gradually ceased off until it practically ceased at the end of the month.

This condition in the foreign markets coupled with indications of larger production in the Bicol

(Please turn to page 41)

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LUMBER REVIEW

By FLORENCE TAMEISIS
Director, Bureau of Forestry



Total lumber and timber exports for November and December registered an increase of 20% as compared with the corresponding period in 1935. Japan continued to be the largest consumer of logs. There were exported to this market during the months under review 18,877,752 board feet of

timber as compared with 13,545,528 board feet for the same months last year, or an increase of 39%. The November exports to Japan registered considerable decline from the previous month owing to typhoons, which made the handling of logs particularly difficult. However, in December log shipments returned to normal. It is believed that a much greater amount of logs could have to advantage been shipped to Japan during November and December as demand in this market was unusually active because of limited lumber importations from the United States as a result of the Pacific Coast strike.

The domestic market was active. Demand of timber and lumber for construction purposes was strong in view of the approach of the dry season. Mill production during November and December increased 11% compared with the figure for the corresponding months last year. Total deliveries was 9% above mill production for the months under review. Prices are on the

upward trend.

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

Lumber and Timber Exports during November and December, 1935 and 1936

Destination	1936	
	Quantity in Board Feet	Customs-Declared Value
Japan	18,877,752	\$ 365,015

Note: *This represents mostly solid log scale, that is, 42 board feet to a cubic meter.

timber as compared with 13,545,528 board feet for the same months last year, or an increase of 39%. The November exports to Japan registered considerable decline from the previous month owing to typhoons, which made the handling of logs particularly difficult. However, in December log shipments returned to normal. It is believed that a much greater amount of logs could have to advantage been shipped to Japan during November and December as demand in this market was unusually active because of limited lumber importations from the United States as a result of the Pacific Coast strike.

Lumber shipments to the United States registered a decrease of 8% as compared with the corresponding period in 1935. This decrease was, however, not due to a slackening of demand in that market but the difficulties encountered by local exporters in securing bottoms, as a result of the Pacific Coast strike. Despite the above adverse condition and an increase of \$1.00 in freight rate per 1000 board feet to Pacific ports and an increase of \$1.50 to Atlantic ports, the United States remained the largest consumer of sawn lumber.

There were 3,421,680 board feet of lumber shipped to China in November and December as compared with 3,120,640 board feet for the same months in 1935, or an increase of 9%. As usual, this market took in both sawn lumber and logs. A particularly large shipment of the latter product was made in December, the total export for this month being 3,353,416 board feet, 96% of which was unsawn timber. Demand in Australia during the months under review was unusually active. Exports to this market amounted to 569,008 board feet, most of which were sawn lumber, as compared with only 270,936 board feet for November and December of last year, or an increase of 110%. Sample shipments of luan logs for plywood purposes are being made to this market. A considerable volume of trade in logs is expected if these sample shipments are found satisfactory.

Exports to Europe declined 57% from the November and December figure of last year. This was largely due to a slack demand in Great Britain, which is, however, merely seasonal. Germany seems to be showing greater interest on Philippine woods. During the months under review, there were 33,072 board feet shipped to that country as against none for the correspond-

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United States.....	4,756,008	343,659
China.....	3,421,680	66,064
British Africa.....	607,592	40,557
Australia.....	569,008	40,306
Great Britain.....	461,736	36,234
Portuguese Africa.....	104,728	7,728
Germany.....	33,072	4,030
Canada.....	31,800	1,875
Ireland.....	15,264	1,633
Hawaii.....	10,176	891
Norway.....	9,752	1,098
Sweden.....	5,088	410
Turkey in Europe.....	2,120	295
Singapore.....	848	175
Spain.....		
Hongkong.....		
New Zealand.....		
Denmark.....		
Netherlands.....		
Total.....	28,906,624	1,909,070

1935

Destination	Quantity Board Feet	Customs- in Declared Value
Japan.....	13,345,528	1,220,559
United States.....	5,180,856	362,738
China.....	3,120,640	99,381
British Africa.....	626,672	37,036
Australia.....	270,936	11,262
Great Britain.....	1,184,656	90,587
Portuguese Africa.....		
Germany.....		
Canada.....		
Ireland.....	21,200	1,532
Hawaii.....	2,968	553
Norway.....	12,296	1,923
Sweden.....		
Turkey in Europe.....		
Singapore.....	26,288	4,410
Spain.....	3,392	276
Hongkong.....	16,960	998
New Zealand.....	19,928	1,539
Denmark.....	12,296	1,447
Netherlands.....	6,360	715
Total.....	24,030,976	1,834,956

For 50 Mills for the months of November and December

Lumber Deliveries		
1936	1935	
Nov. and Dec.....	38,076,327	37,731,678

Lumber Inventory at end of December		
1936	1935	
Nov. and Dec.....	35,231,933	33,716,443

Mill Production		
1936	1935	
Nov. and Dec.....	34,843,528	31,351,833

higher price accordingly.

The crop now threshing out, while not a banner one, is very good, thus eliminating the necessity for imports. The NARIC, now has sufficient cash on hand for the purpose of purchasing supplies of palay at convenient points for re-distribution, and the Chinese have, so far, cooperated in keeping the price stable, which is the goal of the NARIC itself. With supply good and price ample this should go far in keeping the market stable.

The New Tenancy Act signed by Pres. Quezon before his departure for the United States was a courageous thing. To date some dozen landlords have been killed and wounded for collecting debts at usurious rates, with more to follow. The Act, lying doggo for years, being hamstrung by the provision of its only being applied on the request of town councils, was never expected to be put into force. Only 2 of the 1247 towns and municipal districts did so approve, hence the cutting of the Gordian knot by Pres. Quezon, in an effort to make better provisions for the tenant.

However the new act needs some rectifications and clarifications before its full acceptance by the proprietors, and the refusal to pay debts will automatically dry up the credit of the tenants, as some of the provisions are not contractual but arrived at mutual understandings, otherwise the tenant will lose all his offsets, and be in worse case than before. Former projected laws were too complicated and long, with the addition that only in certain districts they could be put into effect. While the interests charged were clearly usurious, the landlords used the offsets in an endeavour to receive their shares, and which added together made no little sum available to the tenants.

The clarification of these should be made by those familiar with the situation and local conditions which vary greatly, and are not susceptible to laws drawn up by labor leaders. It is no little task to scrap the usages of over 500 years by law. On the other hand if agents provocative continue to interfere, we can expect more Communist and Soviet societies will result. The landlords took little interest in the Tenancy Law for they never expected it to go into effect, altho they were warned, but it will be to their best interests if they do not form too many Protective Associations, until they try it out. The whole question is one of greed versus ignorance and all its complications. To simplify the act, aimed at usury, all the offsets, such as subsistence, supplies, rent of lots, and monies should be put in cash upon which legal interest can be collected, the crop divided equally, less the expenses accruing to both parties as to transplanting, harvesting, irrigation fees and fertilizer costs. The act can still be made more liberal to the tenant if drawn up by an agriculturist familiar with conditions in the Luzon Plain.

However no law ever drawn up can eliminate the phases of human nature unless it is square for both contracting parties, and the clause giving the preponderance of evidence to the tenant, will prove a boomerang to the very agencies who proposed it, if written contracts are used, as they are in about 60% of the cases. Clauses that are too drastic injure the tenant more than the landlord, and require more clarification.

THE RICE INDUSTRY

By PERCY A HILL

of Manila, Nueva Ecija
Director, Rice Producer's Association

Prices for both rice and palay are practically the same as in last report. Luxury rice quotations are from P5.20 to P5.40 per sack of 56-1/2 kilos, with Macans from P4.75 to P4.95. Macan palay at marketing points from P2.25 to P2.30 with superior classes at from P2.35 to P2.45 per cavan of 44 kilos. A new measure for palay

purchased by the Rice and Corn Corporation is the sack of 45.1/2 kilos for shrinkage, with

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Manila Hemp

(Continued from page 38)

and other regions produced a very depressing effect upon most dealers and producers, with the result that large supplies were offered in all local markets except Davao at a time when there were no foreign buyers. The natural consequence of such a situation was a rapid decline in prices, and the market closed with every indication pointing toward still lower prices.

The situation in Davao was quite different from the northern markets, as production there continued on the low side, and buyers went on paying the peak prices throughout the whole month of January.

*Prices of Loose Fiber in Manila
Per Picul*

December 31st		January 31st	
		Nominal	
CD.....	P28.00	CD.....	P30.00
E.....	23.00	E.....	24.50
F.....	21.00	F.....	21.50
I.....	19.00	I.....	19.00
J1.....	16.50	J1.....	17.00
G.....	16.75	G.....	16.00
H.....	15.50	H.....	14.50
J2.....	16.00	J2.....	14.50
K.....	15.25	K.....	14.00
L1.....	14.75	L1.....	13.50
L2.....	13.00	L2.....	12.00

*Prices of Loose Fiber in Davao
Per Picul*

December 31st		January 31st	
F.....	P22.50	F.....	P23.50
I.....	21.50	I.....	22.00
S2.....	20.00	S2.....	20.50
J1.....	20.50	J1.....	21.00
G.....	19.00	G.....	19.50
H.....	16.00	H.....	16.50
J2.....	19.00	J2.....	19.50
K.....	16.75	K.....	17.00

What is . . .

(Continued from page 36)

Circulation, \$5,568,099,785, equivalent to Per Capita..... 43 79

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, 15.23800 grains 9/10 fine, equivalent to \$35 per fine ounce troy. The Assay Commission (1901) reported that the fineness of gold coined in the U. S. Mint was from 0.899 to 0.901; silver 0.8982 to 0.9009.

Contrary

(Continued from page 11)

The bully relies on two weapons—his superior equipment and a surprise assault. Both of those factors seemed to be on the side of the attacker in the War of 1914; neither is possible for this freely predicted sure-as-sin melee in 1936-7— or pick-your-own-year.

With the surprise attack an impossibility, and with all the major nations about equally prepared, it's a good sensible bet that no belligerent will dare to fire the first gun until it feels it has shot ahead of its rivals in the armament race.

So it may be that this "absolutely positive massacre" will be fought out by ships that are launched but do not shell, by planes that fly but do not bomb, by men who march but never out of their own back yard.

Another strong antiseptic working on the germ of war is the matter of alliances. The various lineups among the nations change as rapidly as the lineup of a football team in the last quarter. If the geographical boundaries of the countries of Europe shifted as rapidly as do the opinions and agreements of their leaders, the map would resemble a whirling roulette wheel. And you may be sure that so long as this bewildering, tricky, ever-changing alignment of pacts, loyalties and "friendly" agreements continues, there will be no frightful World War.


A third agent putting in some quiet but mighty liks for peace is the ever-swelling tide of world prosperity. All the nations are on the commercial upgrade, some faster than others, but every country now has not only more hope but more cash. When you add to this pleasant picture the prospect of a stabilized world currency, started by the recent devaluation of the franc, you have even more practical reasons for a sane belief in no horrible World War. With surging prosperity and harmonious world money—which many economic analysts claim is the fundamental difference between war and peace—it is possible that the only serious international conflict will be a matter of tariffs and raw materials.

A final and perhaps most vital reason for believing that this "frightful World War" is not inevitable is its own propaganda. That is, the very picture of coming horror will prevent its coming. We have been told so long, so colorfully, so plausibly, that the next World War will be frightful and destructive beyond anything the earth has ever seen that we believe it. And the more we believe it, the more we are told how deadly and destructive it will be, the more we are shown that no nation will escape—the less likely is such a war to occur.

So, still out "on a limb," we repeat: the "ine-

vitabile" war is not inevitable. It is possible—even though at present it does not seem probable that preparedness, shifting alliances and horror propaganda may postpone the actual clash until returning prosperity and stable money-exchange quietly but surely turn the war of guns and blood into one of trade and tariffs.

(Reprinted from *World Digest*.)



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United States Monthly Economic Cable

January, 1937

Washington, D. C. February 16, 1937.

General

General business during January declined moderately from December as a result of the floods in the Ohio Valley and labor disputes in the automobile and other industries which tended to retard production and distribution. Indexes of industrial output and freight traffic for January were below the December figures because of the foregoing obstacles and shifting seasonal influences. The steel industry, however, maintained its high rate of output during January notwithstanding the drop in automobile assemblies; textile mill output remained high and consumers goods industries generally reacted to the stimulus resulting from the continued rise in income and upward trend in prices; and durable goods industries, in which demands are influenced mainly by long term considerations, have a large volume of orders on hand. The expansion in consumer income during December was an extension of the upward movement evidence, throughout the year in both farm and urban areas.

The Department of Agriculture estimates total cash income from agricultural products in 1936 at \$8,100,000,000 compared with \$7,200,000,000 for the same period last year, and the farmers share at \$5,300,000,000, or 17 per cent above the same period last year and only 7 per cent below 1929. In terms of purchasing power, this amount exceeded the 1929 total because prices of goods purchased by farmers came nearly 20 per cent lower.

January advances in wholesale commodity prices were less general and more irregular than the December advances. The index of raw materials advanced more than twice as much as the index of finished products and the index of semi-manufactures rose even more rapidly than raw materials. The widest advances shown for December and the first half of January were in farm products, chemicals and drugs, and hides and leather. Large gains were also made in the price indexes of building materials, foods, and metals and metal products. Practically all farm products showed marked substantial price increases. The domestic trade was marked by sustained high level of general business activities and the improved position of the farm population despite the effects of the Ohio valley and Mississippi floods.

The trend of employment was upward throughout the last year with the net gain for the number of persons at work exceeding any of the three preceding years. Payrolls were also higher in December and employment in manufacturing industries reached the highest figures reported since January 1930.

Financial

The Seventy-fifth Congress now in session passed a bill, approved January 23, extending until June 30, 1929 the powers conferred upon the President by the Gold Reserve Act of 1934, granting him authority to reduce the gold content of the dollar by not more than fifty per cent as originally provided by the amend-

ment to the Emergency Farm Relief Act of 1933. Money markets were more interested, however, in the President's budget message to Congress on January 8, reporting that "the 1938 budget is in balance and except for the debt reduction of \$401,500,000, it will remain in balance even if later on there are included additional expenditures for recovery and relief".

Stock prices moved upward during January with the most pronounced rise in industrial shares, which reached new high levels for the recovery period. Utility stocks also advanced and bond prices have remained firm, while continued low interest rates sustained the high grade issue.

Construction

The construction industry is entering 1937 with relatively favorable prospects and activities at about 65 per cent of the pre-depression average, but construction costs are still relatively high, having advanced further in the past year. While the largest gain was in residence construction, industrial construction made a faster pace. With operations in many lines of industries approaching capacity and with sharply rising corporation profits, the upward movement in industrial construction seems likely to be extended. The rapidly mounting output of electric power is also a factor tending to increase expenses of industrial equipment.

Freight Movement

The volume of freight carried by railroads was seasonally lower January than in December but car loadings were 20 per cent larger than in the same period last year and seven percent below the 1930 average. The volume of railroad traffic has now reached a point where demands for new equipment are insistent and prospects of increased traffic through the current year have caused railroads to place large orders for new rolling stock. Two major factors influencing the immediate financial outlook of carriers are the alteration of the rate structure on January one, through the elimination of emergency freight charges, and the plans of the Railroad Brotherhood to request a 20 per cent wage increase. The Interstate Commerce Commission is now holding hearings of the railroads' petition for an upward revision of the permanent rate structure.

Automotive

Labor disputes affected a sharp reduction in the output of automobiles during January. Factory sales of automobiles during 1936 totaled 4,455,000 units exceeded only once before, in 1929. Production of commercial cars alone was the highest on record.

Output in the tire manufacturing industry has maintained a high level, with prices advancing 6 per cent in mid-January. This price advance is the third in less than a year and follows the sharp rise in the crude rubber market as a result of tightening supplies and continued consumption. While total world stocks of crude rubber appear much reduced.

Lumber

Activity in lumber industry showed a marked expansion during the year, with production of all types increasing 26 per cent over the same period last year and shipments and orders received were 24 and 27 per cent higher, respectively. Total lumber consumption for the year was placed at 22,500,000,000 board feet, an increase of 23 per cent over the previous year and 71 per cent over 1932. Exports were five per cent, building and construction, 33 per cent, railroad consumption 18 per cent, and other manufactures 8 per cent.

Iron and Steel

Iron and steel production continued at a high rate into the new year with the volume of orders from major steel consuming agencies increasing during December but orders for machine tools were outstanding in their advancement in spite of rising prices. Further price advances have been made in various finished steel products also and scrap prices have advanced to the highest level in more than ten years.

Textiles

All textile fibers, with the exception of silk, were consumed in greatly increased quantities during December and prices of both fibers and fabrics rose steadily, but no data are available to determine the increase of stocks on hand with producers and distributors as a result of the high production rate and increased prices. The seasonally adjusted textile production index for December was 140 compared with 100 during the 1923-25 period. In the rayon industry, manufacturers' deliveries in December recorded a marked gain although still below the recorded high level of last August. Mill operations have been at full capacity. The total output of rayon yarn and stable fibers in 1936 recorded a gain of about 10 percent over the same period last year, while domestic consumption was approximately 25 per cent above the same period last year, the difference being accounted for by increases in imports and decline in producers stocks.

Fruits and Vegetables

The West Coast reports that during December dried fruit shipments were particularly affected by strikes although at present there are but a few tons of apricots in growers hands, and these were being held at an average of 11 to 12 cents per pound with 14 cents asked. At least 4,000 tons of dried figs are being diverted to use for making by-products. Comparatively small holdings of dried peaches are in growers hands and prices are from 6 to 7 and a half cents per pound, while market quotations range from 8 to 10 and one-fourth cents. Prunes, in spite of strike effects, are well cleaned up with growers holdings estimated at about 35,000 tons. Raisins have shown considerable activity during strike days and although some 3,500 tons of seedless remain in growers hands, Muscats and Sultans are almost completely cleaned up. All fresh fruits and vegetables have been subjected to the most severe December weather ever recorded in California, but the exact amount of frost damage is yet undetermined. The loss on citrus fruits is estimated at from 15 to 25 per cent in quantity but, because of heavy production, prices may not be greatly affected.

DYR, Director
Bureau of Foreign & Domestic Commerce.

The New Engineer . . .

(Continued from page 34)

when suckling their young. They have no real love for the color, or odor, of an Americano, and in general they deserve a reasonably wide berth.

Jungle reptiles such as the several species of cobras, pythons, and other snakes throughout the archipelago, are a source of extreme danger. The python, while not venomous, does not hesitate to strike man from ambush with such force as to knock the victim down—and usually out—as a prelude to a few constricting wraps and a meal. Cobras, and other venomous snakes, strike both from the ground and out of overhanging vegetation. One also must use caution in stepping over fallen and decaying logs.

The usual procedure applies for snake bites—cutting open the wound, applying tourniquets, free bleeding, and the injection of permanganate of potash solution. A king cobra bite leaves little hope for the victim; therefore caution is more to be indicated than remedial measures.

Crocodiles infest the rivers of Mindanao, and to some extent elsewhere in the islands. An unknown toll is taken by them of native children, and once they have an appetite for human flesh they become increasingly bold, even though they rarely attack unless with an advantage. Due care must be taken when on river travel, or in traversing swampy places. They drag their victim beneath the water and bury him in the mud, meantime weeping copious tears over the plight of the late lamented. I once criticized the lack of life preservers for an

Asiga River—Lake Mainit launch, and the only satisfaction derived was, "Sir, the life preservers are total useless because of the many crocodiles when you will want to swim."

I could recount unbelievable stories about leech bites, ulcers, and itch; Hongkong foot and the like, and I could fill a page with an outline of remedies, and preventatives for the above—many of which have been gleaned from well-meaning, but otherwise inexperienced individuals with brilliant ideas.

The Southern Island jungle trails should be traveled with close attention to batik signs indicating that a "run" leaving the trail has a set wild boar trap; which, if sprung, may shatter one's legs, or even kill him. Fortunately one early learns to recognize these signs.

The foregoing is not the discourse of a soured engineer. It is more a disclosure concerning a few things learned by experience, and somewhat avoidable with due care. I should be glad if the information, or any part of it, becomes of value to the newly arrived engineer undertaking, particularly the opening up of our unexplored, or otherwise remote, mineral areas. The Philippines are most importantly coming into outstanding mining prominence, with which many of the engineers now here, as also those to come, will be successfully identified. The Islands are a paradise when looked upon in the proper attitude. We have the unquestioned mineral resources, and there is every opportunity here for the ethical engineer who can exercise tact, take care of his health, and stick with the ship until he has survived some of the discouraging features which seem never to end, but toward which there gradually develops a sort of beneficent callousness.

Abra Mining . . .

(Continued from page 24)

conundrum in the Philippine mining field. The situation is extremely complicated, as we have indicated, by the aggressiveness of folk of the region in taking advantage of the eagerness of the

public to risk funds in mining. Igorots are said to be the cleverest folk in the Islands at selling claims, but we would rate the folk of Abra as at least second. As in all districts, it would be best to go by the men back of the project rather

than by what is said of the project itself. Certainly the claims-peddlers of Abra are dragging ten pesos out of Manila to every one taken out by Igorots. That they have been working to great purpose.

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Thoughts Current

(Continued from page 15)

of the foremost chemists in the world and the outstanding authority upon food values, the Baron devised a model diet. At that same time there was a distinguished chef of the Reform Club, the descendant of a line of chefs through several generations. Mr. Wallas said that he had been at great pains to compare the menus of meals of the Reform Club, distinguished for their palatability, with the lists prescribed by Baron von Liebig. From a comparison of these Mr. Wallas stated it was perfectly clear, in the light of present-day knowledge, that one who held to Baron von Liebig's diet long enough would not only have sacrificed all enjoyment in eating but would likewise eventually have grievously impaired his health, while one who ate constantly at the Reform Club would have sacrificed neither health nor appetite.

So far as they went, Baron von Liebig's deductions were scientifically accurate, but there was no allowance in them for such intangibles as were later to be found in the properties of calories and vitamins. On the other hand, the Reform Club chef, who had inherited an art perfected by trial and error through generations of his ancestors, offered a perfectly balanced diet.

In some analogous manner, it may well be that a government committing itself exclusively to a new form of political action and social organization may in later days be found to have ignored the intangibles essential to social health. The hazard is great: instead of preserving social health it may prove to have induced social curvy and spiritual death.

And the analogy suggests more than this to many of us who have been eager for reforms in our social and political life. A man may be such a glutton for nourishment that his body will reject all that it has tried to absorb. Think of our experiment with Prohibition. When the body politic bolts its measures of social advance too rapidly and in too indigestible a form, the unassimilated mass regurgitates and the patient thinks with nausea of all that he has attempted to swallow.

I do not doubt the idealism or the worthy purpose that has actuated the Administration in much that it has undertaken. Some positive performance was imperative. But I do believe that a plethora of unrelated measures hastily conceived, inadequately organized, and hastily put into effect without any competent personnel to develop them, is working to the detriment of the very purposes of fulfillment of which they have presumably been undertaken.

III

The nature of man is whatever it is. It is no fair criticism of what has been done to argue that political expediency, might have been disregarded by the Administration in its attempt to secure authority for measures conceived with high moral intent. Nevertheless, I shrink from believing that politics has had to be so completely practical as it has been made. The blight of Farleyism is on the land. For political expediency, Civil Service has been undermined. For political expediency, it is suddenly and violently stabilized. Political assistance has been required from the beneficiaries of public bounty. Vast sums in public works have been strategically spent for political advantage. Everywhere manifestations of practicality dissipate the aura of idealism which

many of the Administration supporters attempt to exhale.

I am very doubtful of how much the consciousness of the President is alive to the significance of some of these matters. In the very nature of things the Chief Executive is surrounded by a neutralizing zone, in his advisers, which prevents such situations being allowed to become known to him, except as definite attempt is made to have counselors who will be real informants. Such attempt, certainly, the President does not appear to have made. His responsibility for conditions, therefore, is but little less than it would be if such conditions existed with his knowledge and approval. His artistry in the use of language is so effective and his dramatic genius for emphasizing promises rather than records is so great that it is difficult, in the face of one's desire to be fair to him, to be fair to the public whose minister he is. Nevertheless, admiration for his personal qualities and belief in his individual integrity do not justify us in judging him apart from the government which he has set up.

Madison, in the fifty-first paper of the *Federalist*, said: "In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first, enable the government to control the governed; and in the next place oblige it to control itself. A dependence on the people is, no doubt, the primary control on the government; but experience has taught mankind the necessity of auxiliary precautions." My reluctant loss of faith in the New Deal is based largely on my conviction that it has taken none of these auxiliary precautions and that it has made no attempt to control itself. If these things be true, our Ship of State is on an uncharted course, where the elementary precautions of a survey have been forgone and where the gambler's chance has been accepted of a speedy passage to a given haven or of shipwreck upon an unmarked reef. However one figures the odds, the hazard is not justified.

What, meanwhile, of the organization of society in the promised land, if it be reached? It is to be unlike anything our people have ever known or desired. I question if they wish it now. Initiative, courage, hardihood, frugality, and aspiration for self-betterment are to be penalized, and the fruits of these are to be taken from those who have undergone self-sacrifice to obtain them and bestowed upon those who have never developed the qualities to possess themselves of rewards. Humanitarianism is to be reduced to the economic code of a managed society. The necessity for struggle, by which men have developed strength, and the discipline of hardship, through which they have achieved greatness of mind and heart and soul, are to be replaced by a specious security.

I say 'specious' because in the very nature of the system there must be attrition of the qualities which afford means to establish security. Thus security itself must eventually be made impossible. How can we escape the conclusion that society, for whose material welfare the Administration is so solicitous, instead of being graded up to a higher level of intelligence, culture, and achievement, is being graded down? And the level to which it is being degraded is the lower standard of men little competent to understand what constitutes the goodness upon which humanity must depend for social advance.

I would not be understood as arguing that society must not assume responsibility for its natural dependents or that concern should not be felt for aid necessary help offered to its under-

privileged members. Neither would I attach blame to the Administration for the gradual disappearance of qualities of resourcefulness among an increasing number of our population in recent years for which the sordid materialism of public thought in the past has been responsible. What I would assert is that, under the New Deal, dependency is being encouraged to the point where it is rapidly and needlessly increasing, that the last desirable tendencies of a materialistic age are being accentuated rather than diminished, and that by the exclusiveness of solicitude for the incapable at the expense of the capable we are inducing a deterioration in our national character to a point little short of self-destruction.

Particularly, I resent the extent to which the New Deal has felt obliged to go in soliciting support for its programme by reiteration to the public, and particularly to youth, of the misfortunes to which they are pictured as being subject. We are being made a people sorrowing in self-pity for ourselves. If enough people tell a man that he looks ill, he begins to feel his own unhappy symptoms. The influence of suggestion is one of the most powerful forces in the world, and one of the greatest misfortunes of the present day is the effect upon our people of having had sympathy forced upon them for conditions the correction of which demanded but the exercise of due measures of intelligence and courage.

The foundations of American society were laid by men who endured economic want and physical hardships that they might gain access to opportunities few in number and inconsiderable in importance as compared with those which to-day lie close at hand for all of us. There was no thought in their minds that the conditions of life ought to be anything but a challenge or that the rewards of life could be possessed except through valiant effort. They accepted the conditions and went their individual ways without dismay and without complaint, with definiteness of purpose and with high aspiration. Thus, from recognition of the fact that life must be a struggle for men to profit most from it, arose a great people.

IV

The New Deal was so fundamentally right in its assumption that positive action was necessary that it may seem gratuitous to criticize it for anything which it has done. It is to be granted that compromise was indispensable between the forces holding rigidly to tradition and those arguing for change in projected policies. The seriousness of the situation lies in the lack of recognition of subtle factors with which this compromise was undertaken.

Measures of humanitarian aspect have been adopted without attempt to safeguard them against subversive influence upon the stalwartness formerly characteristic of our people. Relief has been so administered that to many its appeal has become preferable to gainful labor. Without reflection upon the honest toil of some, conditions under which PWA projects have been set up in many an instance have made malingering a fine art. The Civilian Conservation Corps Camps, highly meritorious even as they stand, might nevertheless have been made infinitely more advantageous to qualities of citizenship by requiring either acceptance of the discipline of a military camp or the training of a trade school.

Granted the objections of the pacifists on the one hand, and the trade unions on the other, which

would have made such requirements difficult, no great effort to overcome these was evident. In short, among scores of enterprises looking toward the amelioration of economic distress, little attempt has been made to develop any sense of moral obligation in the minds of recipients to build up their own moral stamina or to endure any measure of hardship as an aid to recovery for society as a whole. The dictum that all men are entitled to a more abundant life without regard to their willingness to strive for it, without the self-discipline of learning how to use it, destroys all sense of realism and works toward a disintegration of national character which rapidly is becoming tragic.

Nothing is more distasteful to me than to find myself cast in the rôle of a pessimist. However, if effective opposition is not soon offered to types of thought and modes of action which the New Deal cumulatively aids and abets, I can see little hope of escaping an age darker than this country has ever known. The mental, moral, and spiritual nature of individual men of genius and capacity will be stunted and stultified.

On the material side, the New Deal seems to me wrong and dangerous in that it destroys economic values on the incomprehensible thesis that the less there is, the more will each of us have. When it argues that money is not entitled to its natural return, it does more than penalize the rich. It endangers the welfare of hosts of citizens in humble circumstances. It cripples every charitable institution in the country, every hospital, every college. In the name of security it threatens the continuing stability of such agencies of real public security as life insurance companies, upon whose vigorous survival all sense of legitimate safety among millions of our people must depend. It inveighs

against special privilege, but it is blind to the fact that special privilege is still special privilege when taken from one class of our people and conferred upon another.

But it is the effect of the New Deal on the imagination and inspiration of youth that I most dread. I am desperately afraid of it because it teaches young men and women to unlearn the lessons of America which school and college have striven so earnestly to teach. It encourages weakness and penalizes strength. It diffuses throughout the masses of our people the spirit of acquisitiveness which it condemns in groups of them. It punishes accomplishment and persecutes individuals and industrial enterprises alike simply on the basis of the magnitude of their achievement without regard to the social value of the imaginative and creative talent which brought them into being. It thwarts mutual understanding and cooperation, and stimulates antagonism in our industrial life. It fomented class hatreds and exploits them for its own political advantage. It is tragic for an educator to watch these lessons taught to young men. Shall they be instructed that comfort is theirs for the asking, that they have a right to things they do not earn, that ease and rest must not be bought by toil and danger and struggle?

Young men have their heroes, and the heroes of the world have had a different gospel from the New Deal. As I write, I think of the appeal of Giuseppe Garibaldi to the battalions of young men upon whom he called to do the impossible. Of that scene the historian, Trevelyan, writes:—

In that stillness of the tempest, the sonorous, thrilling voice was heard to the outskirts of the vast crowd.

'Fortune, who betrays us to-day, will smile on

us to-morrow. I am going out from Rome. Let those who wish to continue the war against the stranger come with me. I offer neither pay nor quarters nor provision. I offer hunger, thirst, forced marches, battles and death. Let him who loves his country with his heart and not with his lips only, follow me.'

Hunger, thirst, forced marches, battles, death. Such was the offer, nothing more.

No such sacrifices are demanded of us, thank God! I cite the striking passage simply to show that no selfish interest can make an appeal to manhood comparable to the call of devotion to a higher cause. Had such a call been the clarion note of the New Deal, how gladly would our united country have responded!

This timely article of President Hopkins appealed to me so strongly that I am sending a copy to every Dartmouth graduate.

LYMAN M. DRAKE, JR.
Class of '18
175 West Jackson Street
Chicago, Illinois

The Melt

Cradled in a furnace cherry red,
The final product of a thousand men
Lies molten in a carborundum bed
Awaiting the Smelter Man's "same when"
Until it runs in rivulets of flame
Into the waiting soot-lined mold,
A concentrated epitome of fame—
The orange-coloured metal: gold.
—Philip Whitmarsh.

Compliments

of

CENTRAL LUZON MILLING
COMPANY, INC.

Wisdom of Chinese Doctors

By G. K. Spencer

For centuries, the Western world has possessed amazement or amusement at the weird list which forms the Chinese native pharmacopoeia. Frog skins, tigers' teeth, crabs' eyes, rattlesnake skins, deer horns, dried shrimp, are only a few of the items which Western physicians and newspaper readers have regarded as examples of the backwardness and superstition of the Chinese.

But now comes an American chemistry professor, Professor Arthur Maas, of the University of Southern California, himself a pharmacist of note, to reveal that the Chinese Materia Medica is not so unscientific as it may superficially seem.

For instance Ma Huang is the Chinese medication for dropsy. Western physicians for years have been amazed that the mere dried skin of certain Chinese frogs could function as an ameliorative and cure for dropsy. It has been had to admit that Ma Huang, or dried frog skins, does cure dropsy, often after Western doctors have treated cases for months.

Professor Maas has revealed that these Chinese frog skins yield such powerful substances as bufagin, bufotalin, and bufotoxin; that bufagin is really efficacious in dropsy, and that research workers of the University have recently prepared ephedrine from Ma Huang, which has an action similar to that of adrenalin.

For centuries, Chinese physicians have been prescribing powdered tigers' teeth in cases of debility. When Professor Maas encountered this item of the Materia Medica, he was as skeptical as anyone else—until he analyzed the substance and found it rich in calcium phosphate, the very same substance prescribed by Occidental physicians for debilitation!

Crabs' eyes were next to come under the university pharmacist's test tube. Chinese doctors prescribe crabs' eyes for stomach disorders. Since most cases of stomach disorder are marked by hyperacidity, and since crabs' eyes undoubtedly do afford the Chinese stomach patient relief, the professor looked for calcium carbonate, which is a well-known Occidental medical standby in cases of hyperacidity in the stomach.

By this time, he wasn't surprised to find that crabs' eyes do contain an important percentage of calcium carbonate. And so on through the Chinese Materia Medica he journeyed, finding that, except for a very few items which are given for the same psychological effect that our Western doctors seek when they give a simple man a pill of salt or starch, the strange items of the Chinese prescriptions are well-known drugs in a more elemental form than those purchased in the modern well-equipped American drug store.

The Chinese healing arts are grouped under two headings. The Taoist priesthood has its own incantations and superstitions. Hence the many superstitious practices resorted to for deceiving or warding off the evil spirits.

The priests recite incantations, paper money is buried and burned, and the pentagon is hung over the doorway. The demons are thought to be especially fond of marrying beautiful children, hence the parents invent disgusting names for their offspring in the hope of misleading these tormentors.

Boys are especially liable to injury at the devils' hands. Hence a guest never inquires into the sex of a new-born child, and a boy is often dressed as a girl and called by a female name.

The Chinese physician, however, is quite a different individual from the Taoist priest. He is usually steeped in the Chinese classics, the study of which is an excellent mental training. He may be unlicensed, but often his reputation comes down through several generations. Hence his name as a doctor is a valuable one, and you find such names as Dr. "Salts of Hartshorn," and Dr. "Rhubarb," inscribed on his place of business.

While Westerners think of Jenner as the father of vaccination, the student of Chinese medicine will be surprised to discover that the Chinese preceded Jenner by almost a thousand years in inoculating against smallpox. Chinese use of serum, however, apparently stopped at this point. Yet for many centuries Chinese was far in advance of Western medicine.

It is interesting to watch a Chinese street doctor "taking" a patient's pulse. The Chinese are especially skilled in the art of diagnosis without instruments such as the stethoscope, so well known in Western diagnosis. Even Occidental physicians are now studying the Chinese method of diagnosing diseases by the pulse.

The Chinese doctor holds both of his patient's hands. With the right hand he feels the left pulse and with the left hand the right pulse. He applies three fingers—the ring, middle and index fingers—over the pulse and the thumb underneath the wrist. Then he palpates the pulse with each finger successively.

Under the ring finger the pulse of the right hand reveals the condition of the lungs, middle of chest, and large intestines, while the ring finger on the left hand determines the state of the heart and the small intestines.

The pulse under the middle finger corresponds on the right to the condition of the stomach and spleen, on the left to the state of the liver and the gall bladder.

The index finger placed over the pulse of the right radial shows the condition of the bladder and the lower portion of the body; over the left radial it reveals the state of the kidneys and ureters.

For each of these six pulses the physician must practice weak, moderate and strong pressure, to determine whether the pulse be superficial, moderate or deep. This must be done during complete inspiration.

If the pulse be properly "taken" the Chinese physician is said to be able to determine the nature of diseases, and even the months of gestation in a pregnant woman.

But, with all their authentic skill, the lack of a truly scientific approach to healing among Chinese native doctors, is painfully evident in

many fields of medicine. For instance, in treating a fracture, no attempt is made to reduce the parts.

A clay is prepared in a wooden bowl, and the heads of a few chickens are cut off while the blood flows over the clay in the bowl. When the blood and clay are mixed and applied to the fracture, bandages and thin strips of bamboo are applied, and over this the blood of yet another chicken is spread.

There are no Chinese sanitary laws like those of the old Mosaic codes, but the Taoist religion is to a vast extent based on rules of personal hygiene, and preaches that in order to live long, man should live moderately. Restraint of the appetites and cleanliness in house and person are exhorted.

Almost everything the Chinese eats and drinks has been subjected to the temperature of boiling water or boiling oil, and when he eats fruit, it is always peeled. Therefore, he is largely preserved from typhoid fever, cholera and other diseases conveyed by fruit or food infection. The Chinese will not eat rawysters; he considers them much too cold for his stomach.

Yet, with all this consumption of cooked foods, and scarcely any consumption of raw food, the Chinese possesses about the best teeth observable among any of the world's people, and he seldom has an alimentary disease. This, along with the fact that Chinese workers and farmers always seem to be vested with a fine vitality, offers a field of speculation to our raw food advocates.

Meat is seldom used. The Chinese is a vegetarian, and on an average possibly he eats meat once a month, or even once a year. He invariably eats only twice a day, and in China is temperate in his meals. Only when he associates with Westerners for a long time, does he break into the custom of frequent, heavy eating, and he almost always suffers thereby.

In concluding, it is surprising to learn that anesthetics were administered by Chinese surgeons in the third century B. C., that a Chinese biologist two thousand years before Harvey found that blood circulates through the body, that the catheter which the West invented in 1850 was described in *The Thousand Golden Remedies* in the seventh century A. D., and that dissection was practiced by Chinese anatomists in 1122 B. C.

(Condensed from *Travel*.)

Compliments of

Insular Sugar

Refining Corporation

PRINCIPAL EXPORTS

Commodities	December, 1936			December, 1935			Monthly average for 12 months previous to December, 1936		
	Quantity	Value	%	Quantity	Value	%	Quantity	Value	%
Canton (Low Grade Cordage Fiber)	3,113,204	\$ 293,743	1.3	663,874	\$ 61,609	0.3	270,712	\$ 25,914	0.1
Cigars (Number)	11,422,120	453,209	1.3	17,676,084	3,010,313	27	15,347,107	476,567	2.1
Coconut Oil	9,835,457	2,119,549	7.6	20,202,785	2,804,621	14.6	14,106,339	2,358,236	10.8
Copra	32,122,929	4,423,166	16.2	32,461,702	2,960,967	14.9	24,302,242	2,312,004	10.5
Corn Meal	11,560,774	507,912	1.8	10,754,064	314,061	1.8	8,853,319	231,286	1.0
Cordage	607,890	299,477	1.1	326,841	92,553	0.5	526,985	190,357	0.9
Dried and Shredded Coconuts	2,416,351	320,766	1.2	2,995,500	700,975	4.2	2,836,796	714,286	3.2
Embroideries		609,663	2.2		1,011,153	5.4		724,461	3.3
Hate (Number)	120,412	207,337	0.7	56,612	82,293	0.4	53,328	87,629	0.4
Hemp	11,422,120	2,420,454	8.7	15,974,450	3,222,272	16.8	12,700,003	2,685,750	12.4
Knotted Hemp	3,994	6,206	0.02	8,145	12,672	0.06	43,305	8,157	0.04
Raw Tobacco	3,620,106	908,597	3.6	1,663,626	527,325	2.8	1,037,874	338,443	1.5
Lumber (Cubic Meters)	7,920	23,992	0.8	7,920	23,992	0.8			
Magnum	1,084,014	141,283	0.5	1,672,964	153,300	0.8	16,147,291	277,537	1.3
Manila (Number)	33,993	10,882	0.1	51,398	40,634	0.2	39,013	27,519	0.1
Sugar	76,917,994	10,882,102	38.9	47,332,856	5,732,646	29.8	72,571,811	9,944,086	45.4
All Other Products	1,734,365	6.2		3,613,850	18.8		11,750.50	5.0	
Total Domestic Products		\$27,918,657	99.0		\$19,189,111	99.5		\$21,920,590	99.6
United States Products		\$4,243.0	0.2		\$4,249.0	0.5		\$8,268.0	0.3
Foreign Countries Products		\$23,675,614	85.8		\$14,939,862	78.5		\$13,652.9	61.7
Grand Total		\$28,025,741			\$19,209,869			\$22,014,186	

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

PRINCIPAL IMPORTS

Articles	December, 1936		December, 1935		Monthly average for 12 months previous to December, 1936	
	Value	%	Value	%	Value	%
Automobiles	\$ 688,079	3.2	\$ 200,459	1.9	\$ 497,151	3.1
Automobile Accessories	132,292	0.6	107,661	0.7	118,729	0.6
Automobile Tires	147,812	0.7	104,857	0.7	210,341	1.5
Books and Other Printed Matter	150,754	0.7	174,980	1.2	156,273	0.9
Bradstuds Except Wheat Flour	99,534	0.5	101,985	0.7	105,780	0.6
Cans and Closures Except Candy	90,882	0.4	78,902	0.5	68,310	0.4
Ceramics, Dyes, Drugs, Etc.	119,398	0.6	55,971	0.4	117,500	0.7
Clothing	440,093	2.1	330,511	2.2	456,116	2.9
Coffee Raw and Prepared	104,989	0.5	131,142	0.9	110,689	0.7
Cotton Cloths	3,061,876	13.3	3,770,550	11.9	3,834,855	9.3
Cotton Goods, Other	1,897,386	8.9	1,011,529	6.7	1,167,167	6.1
Dairy Products	737,620	3.4	614,294	3.4	569,475	3.3
Diamond and Other Precious Stones	160,572	0.7	86,455	0.6	73,005	0.5
Earthen Stones and China-ware	92,798	0.4	76,641	0.5	90,811	0.6
Egg and Preparations of	20,412	0.1	24,643	0.2	25,120	0.1
Electrical Machinery	665,138	3.1	350,362	2.4	458,022	2.8
Engines	120,801	0.6	72,514	0.5	140,677	0.9
Fertilizers	1,061,925	4.9	546,048	3.6	312,806	1.9
Fish and Fish Products	283,808	1.3	314,831	2.1	237,073	1.3
Fruits and Nuts	2,821,901	12.7	3,027,847	19.3	2,810,000	13.8
Gasoline	1,030,008	4.8	1,272,448	8.4	1,157,503	3.3
Glass and Glassware	110,993	0.5	131,197	0.9	120,000	0.7
India Rubber Goods	128,458	0.6	106,835	0.7	123,570	0.8
Instrument and Apparatus Not Electrical	64,424	0.3	55,886	0.4	61,175	0.4
Iron and Steel Except Machinery	2,084,741	9.7	967,392	6.4	1,378,305	9.6
Leather Goods	183,307	0.8	181,365	1.2	174,135	0.8
Machinery and Parts of Machines	1,240,138	5.7	794,665	5.5	939,409	5.8
Match	5,824	0.03	18,643	0.1	14,878	0.07
Meat Products	246,561	1.1	398,999	2.6	249,283	1.5
Motion Picture Films	15,259	0.07	32,909	0.2	37,409	0.2
Oil, Crude	421,353	1.9	295,309	1.9	323,197	1.9
Oil, Illuminating	452,105	2.1	208,874	1.4	379,372	2.3
Oil, Lubricating	144,004	0.7	59,590	0.4	114,252	0.7
Oil, Not Separately Listed	116,247	0.5	78,191	0.5	87,250	0.5
Paints, Pigments, Varnishes, Etc.	113,739	0.5	136,821	0.9	150,161	0.9
Paper Goods Except Perfumery and Other Toilet Goods	123,019	0.6	89,208	0.6	76,945	0.5
Photographic Equipment and Supplies	64,541	0.3	33,729	0.2	49,905	0.3
Rice	2,570,424	11.9	118,678	0.8	281,906	1.7
Wares, Manufactures of Textiles and Other	50,091	0.2	32,920	0.2	38,942	0.2
Wool Goods	121,367	0.6	54,083	0.4	89,160	0.5
Woolen Goods	97,367	0.5	41,662	0.3	84,983	0.5
Sugar and Molasses	28,545	0.1	10,805	0.07	34,232	0.2
Woolen and Manufactures of	639,091	3.0	190,873	1.3	557,885	3.1
Vegetables	317,921	1.5	359,158	2.4	290,252	1.7
Woolen Fibres, Manufactures of	480,590	2.2	356,516	2.3	313,756	1.9
Woolen Goods	909,536	4.1	466,967	3.1	641,395	3.9
Woolen Goods	74,534	0.3	84,038	0.6	81,181	0.5
Woolen Goods	121,367	0.6	62,299	0.4	89,160	0.5
Other Imports	1,637,594	7.6	1,650,253	10.9	2,417,875	12.7
Grand Total	\$21,619,457		\$15,136,940		\$16,311,579	

CARRYING TRADE

Nationality of Vessel	December, 1936		December, 1935		Monthly average for 12 months previous to December, 1936	
	Value	%	Value	%	Value	%
American	\$ 5,988,776	26.9	\$ 4,700,521	32.0	\$ 5,558,497	34.9
British	8,145,571	37.7	4,027,436	27.6	4,885,239	30.7
Dutch	794,973	3.7	47,180	0.3	69,351	0.4
Danish	863,014	4.1	365,662	2.5	359,147	2.3
French	1,635,978	7.5	893,863	6.1	908,523	5.7
German	918,905	4.3	1,078,547	7.3	1,269	0.008
Greek	35,158	0.2			25,698	0.2
Italian	3,813	0.02			4,037	0.03
Japanese	1,312,216	6.2	1,639,115	11.2	1,477,919	9.3
Norwegian	1,314,698	6.2	1,322,400	8.9	1,239,919	8.2
Panama	233,194	1.2	678,019	4.6	331,736	2.1
Peru	39,833	0.2			39,833	0.2
Swedish	107,975	0.5	67,038	0.5	100,498	0.6
Aircraft	2,450				72	
By Freight	\$21,112,444	97.5	\$14,730,738	97.3	\$18,935,213	97.7
By Mail	537,013	2.5	465,952	2.7	376,368	2.3
Total	\$21,649,457		\$15,136,940		\$18,311,579	

EXPORTS

Nationality of Vessel	December, 1936		December, 1935		Monthly average for 12 months previous to December, 1936	
	Value	%	Value	%	Value	%
American	\$ 7,744,994	27.9	\$ 7,754,442	40.4	\$ 7,051,403	32.7
British	5,988,776	21.6	4,027,938	21.0	5,121,216	23.4
Chinese	150,720	0.5	7,227	0.04	33,135	0.1
Danish	350,208	1.3	798,229	3.8	850,390	3.9
Dutch	1,320,252	4.8	551,068	2.9	787,291	3.5
German	461,707	1.7	290,610	1.5	429,834	1.9
Greek	33,002	0.1			12,544	0.06
Italian	54,112	0.2	9,000	0.05	118,899	0.5
Japanese	7,014,586	25.3	3,519,298	18.3	4,733,807	21.6
Norwegian	4,406,616	16.0	4,027,938	21.0	4,885,239	23.4
Panama	2,785	0.01	266,374	1.4	1,608	0.008
Peru					1,608	0.008
Philippines	170,841	0.6	150,009	0.8	193,019	0.9
Swedish	19,766	0.07	9,883	0.05	253	0.001
Aircraft						
By Freight	\$27,740,293	99.0	\$19,170,296	99.3	\$21,001,105	99.5
By Mail	285,448	1.0	125,570	0.7	114,081	0.5
Total	\$28,025,741		\$19,295,866		\$22,014,186	

TRADE WITH THE UNITED STATES AND FOREIGN COUNTRIES

Countries	December, 1936		December, 1935		Monthly average for 12 months previous to December, 1936	
	Value	%	Value	%	Value	%
United States	\$34,960,476	70.4	\$22,933,111	66.6	\$27,312,537	71.4
United Kingdom	1,724,071	3.5	1,127,839	3.3	1,083,676	2.8
Australia	610,071	1.2	445,843	1.3	425,378	1.1
Canada	1,000,000	2.0	900,000	2.6	900,000	2.4
Belgium	392,747	0.8	248,735	0.7	279,057	0.7
British East Indies	644,000	1.3	406,123	1.2	377,191	1.0
France	270,286	0.5	249,950	0.7	300,040	0.8
China	118,566	0.2	802,108	2.3	634,498	1.7
Denmark	71,429	0.1	155,869	0.4	157,939	0.4
Dutch East Indies	242,132	0.5	185,217	0.5	370,024	0.9
France (Indo-China)	664,021	1.3	762,730	2.2	448,871	1.2
Germany	1,066,116	2.1	1,253,860	3.6	293,868	0.8
Hongkong	912,217	1.8	1,073,138	3.1	907,201	2.5
India	171,100	0.3	166,666	0.5	197,939	0.5
Italy	353,121	0.7	44,087	0.1	207,257	0.5
Japan	4,120,598	8.3	3,775,903	10.9	3,558,667	9.3
Netherlands	438,485	0.9	537,943	1.6	777,072	2.0
Norway	133,344	0.3	26,594	0.08	43,331	0.1
Peru	1,028,422	2.1	17,497	0.05	30,857	0.1
Spain	593,860	1.2	730,613	2.1	420,262	1.1
Sweden	80,443	0.2	102,422	0.3	102,4	

RAIL COMMODITY MOVEMENTS

By LEON M. LAZAGA

Traffic Manager, Manila Railroad Company



The volume of commodity received in Manila during the month of January 1937, via the Manila Railroad Company, are as follows:

Rice, cavans	194,547
Sugar, piculs	504,089
Copra, piculs	35,882
Desiccated Coconuts, cases	16,880
Tobacco, bales	3,033
Lumber, board feet	159,840
Timber, kilos	558,000

The freight revenue car loading statistics for five weeks ending January 30, 1937, as compared with the same period of 1936 are given below:

FREIGHT REVENUE CAR LOADING

COMMODITIES	NUMBER OF FREIGHT CARS		FREIGHT TONNAGE		Increase or Decrease	
	1937	1936	1937	1936	Cars	Tonnage
Rice	999	1,080	12,877	14,050	(87)	(1,182)
Pelay	103	266	2,330	3,253	(71)	(923)
Sugar	1,558	1,849	45,771	54,995	(281)	(9,224)
Copra	17,098	11,540	241,075	215,514	1,338	25,560
Cocnut	219	812	1,488	5,535	(593)	(4,447)
Molasses	86	68	843	691	18	152
Hemp	119	153	3,450	4,916	(13)	(966)
Tobacco	12	11	75	6	1	(6)
Livestock	6	12	3	3	5	9
Mineral Products	442	330	5,286	4,400	103	886
Lumber and Timber	122	162	7,225	4,077	(40)	(1,129)
Other Forest Products	—	2	—	10	(2)	(10)
Manufactures	227	215	3,050	3,408	12	(749)
All others including L.C.L.	3,148	3,463	49,111	23,515	(315)	(4,534)
TOTAL	20,231	9	338,520	334,672	294	3,857

SUMMARY

Week ending January 2	3,041	2,590	48,578	44,272	442	4,306
Week ending January 9	4,376	4,161	72,725	69,885	214	2,846
Week ending January 16	4,302	4,504	75,960	74,687	(112)	1,273
Week ending January 23	4,283	4,331	71,324	71,858	(48)	(534)
Week ending January 30	3,148	4,341	50,938	74,972	(202)	(4,034)
TOTAL	20,231	19,937	338,520	334,672	294	3,857

NOTE:—Figures in parenthesis indicate decrease.

The Philippine Mining . . .

(Continued from page 20)

parties by the directors, their wives, or in-laws, usually in rotation. These week-end parties, under the guise of inspection trips to the property, call for the submittal of an expense account. This is having your cake and eating it too. Why overlook any chance for a little extra cake?

The old slogan of prohibition days

at home, among the speakeasies and night clubs, "never give a sucker a break" is echoed here in full voice. The sucker often gets less than a ghost of a break.

East Mindanao . . .

(Continued from page 32)

body truck. These will be put into operation at once at the Briggs Mine and some ore will be taken to the mill this month.

A concrete bulkhead is being installed on the western end of the ore body which will prevent

any further trouble with the creek above which caved the western end of the works last year.

The repairs on the Nellie Bridge have been completed.

In spite of the minor setbacks stated above the operation of both mine and mill has been satisfactory.

Respectfully submitted,
(Sgd.) J. SUNDLE,
Acting Mgr.

EAST MINDANAO MINING CORPORATION

By (Sgd.) H. GASSEA,
President and Gen. Mgr.

BUSINESS AND PROFESSIONAL DIRECTORY

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Agents

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Manila, P. I.

P. O. Box 1394

Telephone 32070

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 Food

STORES AND OFFICES

Calle Echague

Manila, P. I.

a message from
A. GARCIA



VIA TELEGRAM

行 銀 興 中

CHINA BANKING CORPORATION

MANILA, P. I.

Domestic and Foreign Banking
of Every Description

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Mining Reports by Licensed Engineers.

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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.

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3:15 p.m. for Tarlac
6:00 p.m. for S. Fernando P.

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7:27 a.m. for New Aloneros
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3:14 p.m. for Lucena
4:49 p.m. for Pagsanjan and Batangas
9:15 p.m. for New Aloneros with connection for
Bicol provinces (except Monday night)

For information, inquire
or write to Traffic
Department

R. E. BERNABE
Chief Clerk

LEON M. LAZAGA
Traffic Manager



Call Up Tel. 4-98-61
Information, Local 42
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